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 Gas plc (*AN ABU DHABI GLOBAL MARKET ("ADGM") FREE ZONE PUBLIC COMPANY LIMITED BY SHARES*) (the "Company")

DATED: 17 February 2023

This is the prospectus (the "**Prospectus**") for the sale, in a public subscription in the United Arab Emirates (the "**UAE**") only, of 3,070,056,880 ordinary shares with a nominal value of USD 0.250 (being equivalent to AED 0.918) each (the "**Offer Shares**") of the Company by the Company's shareholder, Abu Dhabi National Oil Company (ADNOC) P.J.S.C. ("**ADNOC**") (the "**Selling Shareholder**"), representing approximately 4% of the total issued share capital of the Company. The Selling Shareholder reserves the right to amend the size of the Offering at any time prior to the end of the subscription period at its sole discretion, taking into account the percentages specified for each Tranche in this Prospectus, and subject to applicable laws of the UAE and the approval of the Securities and Commodities Authority of the UAE ("**SCA**"). The offer price will be in AED and determined based on the offer price range (the "**Offer Price Range**"), which will be announced in an announcement that will be published on the first day of the Offer Period on 23 February 2023. The Offer Shares will be duly and validly issued as at the date of listing (the "**Listing**") of all the shares in the Company on the Abu Dhabi Securities Exchange (the "**ADX**").

The final offer price (the "Final Offer Price") and the final offering 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, 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.

Given that the Company is an ADGM company, it is subject to the ADGM Companies Regulations 2020 (as amended) (the "**Companies Regulations**") and other applicable laws and regulations 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. The Company is not subject to UAE Federal Law By Decree No. (32) of 2021 Concerning Commercial Companies (as amended). SCA is not responsible for the content of this Prospectus or the information contained herein.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers for Offer Shares should carefully read the "Investment Risks" section 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 and the Third Tranche (each as described in this Prospectus) starts on 23 February 2023 and is expected to close on 1 March 2023. The Offer Period for the Second Tranche (as described in this Prospectus) starts on 23 February 2023 and is expected to close on 2 March 2023

This is the initial public offering (the "**Offering**"), of 3,070,056,880 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 subscription 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 approximately 4% 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 at any time prior to the end of the subscription period at its sole discretion, taking into account the percentages specified for each Tranche in this Prospectus, and subject to applicable laws and the approval of 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, Second and Third Tranches accepting the subscription for Shares, the Company will apply to list its Shares on the ADX.

Date of SCA's approval of this Prospectus: **16 February 2023**.

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by SCA and this Prospectus has been approved by SCA on 16 February 2023 under number (2023/2128/KH/E I). However, SCA's approval of this Prospectus does not constitute an endorsement of the feasibility of any investment in the Offer Shares or a recommendation to subscribe for the Offer Shares; the approval only confirms that this Prospectus contains the minimum information required in accordance with the applicable rules issued by SCA with respect to prospectuses. SCA is not responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and 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 SALE OF THE OFFER SHARES IN A PUBLIC SUBSCRIPTION:

The Offer Shares represent 3,070,056,880 Shares which will be sold by the Selling Shareholder in a public offering whereby the Final Offer Price will be determined through the application of a book building process and 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 at any time prior to the end of the subscription period at its sole discretion, taking into account the percentages specified for each Tranche in this prospectus, and subject to the applicable laws of the UAE and SCA's approval.

In creating the subscription orders ledger, the Offer Shares subscribed by the Second Tranche Subscribers will constitute 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 the Third Tranche Subscribers must not be more than 40%, of the Offer Shares in aggregate.

If the Third Tranche is not subscribed in full, the remaining Offer Shares will be allocated to the First Tranche and if the First Tranche is not subscribed for in full, the remaining Offer Shares will be allocated to the Second Tranche. The Receiving Banks commit to refund the oversubscription amounts received from First Tranche and the Third Tranche Subscribers for the Offer Shares and any accrued returns/profit on such amounts from one day after the Closing Date for the First Tranche and the Third Tranche until one day prior to the refund to the First Tranche and the Third Tranche Subscribers, provided that the refund is made

within five working days from the date on which all allocations of Offer Shares to all Tranches are determined.

The Selling Shareholder may not, whether directly or indirectly or through 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 that 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 share offer 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 as the Listing Advisor of the Company (in accordance with the requirements for that role as described in Article 3(7) of the Offering Regulations) for a period of 12 twelve months from the date of Listing. The Listing Advisor is licensed by SCA to carry out the Listing Advisor activities.

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

TRANCHE STRUCTURE

1. First Tranche

The First Tranche offer will be made pursuant to this Prospectus. 10% (ten per cent) of the Offer Shares, representing up to 307,005,688 (Three Hundred and Seven Million, Five Thousand, Six Hundred and Eighty Eight) Shares, are allocated to the First Tranche. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 2,500 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 First Tranche is restricted to the following persons:

(a) Individual Subscribers

Natural persons (including Assessed Professional Investors (as described under the Second Tranche who do not participate in the Second Tranche or 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 are no other citizenship or residence requirements 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.

(b) Other investors

Other investors (companies and establishments) who do not participate in the Second Tranche or 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 SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), 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 made available to Second Tranche Subscribers, or alternatively (in consultation with SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche or (ii) close the Offering at the level of subscriptions received.

The minimum application size for Subscribers in the First Tranche is AED 5,000 with any additional application to be made in increments of at least AED 1,000. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 2,500 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.

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.

There is no maximum application size for Subscribers in the First Tranche.

2. **Second Tranche**

The Second Tranche offer will be made pursuant to the Second Tranche Document. 88% (eighty eight per cent) of the Offer Shares, amounting to up to 2,701,650,054 (Two Billion, Seven Hundred and One Million, Six Hundred Fifty Thousand, Fifty Four) 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 includes those investors, categorised in the following manner:

(a) "**Deemed Professional Investors**", which include:

1. international bodies and organisations whose members are states, central banks, or national monetary authorities;

2. governments, bodies, institutions and their own investment and non-investment bodies and companies that are wholly owned by any of them;

3. a central bank or other national monetary authorities in any country, state or legal authority;

4. capital market institutions licensed by SCA or a similar supervisory authority;

5. financial institutions;

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

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

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

9. a trustee of a trust which has, during the past 12 months, assets valued at not less than AED 35,000,000;

10. the holder of a license pursuant to the regulations on (single family offices) only with respect to conducting activities for purposes of discharging obligations as a (single family office), and subject to having assets valued at not less than AED 15,000,000;

11. joint ventures or civil establishments which have or have had, at any time during the past two years, net assets valued at not less than AED 25,000,000 (without deducting partner loans in the case of joint ventures); and

12. 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 valued at not less than AED 75,000,000 (excluding short-term liabilities and long-term liabilities);

    (ii) has a net annual revenue valued at not less than AED 150,000,000; or

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

(b) "**Service-Based Professional Investors**", which include:

1. 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.

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

(c) "**Assessed Professional Investors**", which include:

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

2. a natural person who is:

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

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

   (iii) of sufficient knowledge and experience in respect of the relevant investments and their risks (based on suitability criteria); or

   (iv) represented by an entity licensed by SCA.

3. 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 is 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 its 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;

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

5. an undertaking which:

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

   (ii) has sufficient knowledge and experience in respect of the relevant investments and their risks (based on suitability criteria); and

6. an undertaking which:

   (i) is controlled by a natural person who holds 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) has a holding or subsidiary company; or

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

who, in each case, have 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 "Authorised Persons" or "Recognised Bodies" (as such terms are defined in the FSMR) or persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of the FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.

All Second Tranche Subscribers 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 Subscribers in the Second Tranche is AED 5,000,000.

There is no maximum application size for Subscribers in the Second Tranche.

3. **Third Tranche**

The Third Tranche offer will be made pursuant to this Prospectus, 2% (two per cent) of the Offer Shares, representing 61,401,138 (Sixty One Million, Four Hundred and One Thousand, One Hundred and Thirty Eight) Shares are allocated to the Third Tranche. Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 5,000 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. 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 have a bank account and do not participate in the First 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 increase 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. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche (as applicable), 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. 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 5,000 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.

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.

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

Every Subscriber 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 SCA has been obtained for publication of this Prospectus for the 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 SCA.

A copy of the offering document for the Second Tranche (in English only), referred to as the "**Second Tranche Document**", which was not reviewed, endorsed or approved by SCA, will be available at www.adnoc.ae/adnocgas-IPO. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into, this Prospectus.

This Prospectus was issued on 17 February 2023.

This Prospectus is available on the website of the Company at www.adnoc.ae/adnocgas-IPO

NAME AND CONTACT DETAILS OF THE OFFER PARTICIPANTS

Joint Lead Managers

Abu Dhabi Commercial Bank PJSC

Shaikh Zayed Street
P.O. Box 939
Abu Dhabi, United Arab Emirates

First Abu Dhabi Bank PJSC

FAB Building,
Khalifa Business Park, Al Qurm District
P.O. Box 6316
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, Floor 18, Downtown Dubai
P.O. Box 66
Dubai, United Arab Emirates

Lead Receiving Bank

First Abu Dhabi Bank PJSC

FAB Building,
Khalifa Business Park, Al Qurm District
P.O. Box 6316
Abu Dhabi, United Arab Emirates

Receiving Banks

Abu Dhabi Commercial Bank PJSC

Shaikh Zayed Street
P.O. Box 939
Abu Dhabi, United Arab Emirates

Abu Dhabi Islamic Bank PJSC

Shaikh Rashid bin Saeed Street
P.O. Box 313
Abu Dhabi, United Arab Emirates

Al Maryah Community Bank

454 Shakhbout Bin Sultan St.,
P.O. Box 111485
Abu Dhabi, United Arab Emirates

Listing Advisor

First Abu Dhabi Bank PJSC

FAB Building,
Khalifa Business Park, Al Qurm District
P.O. Box 6316
Abu Dhabi, United Arab Emirates

IPO Subscription Legal Counsel

Legal advisor to the Company as to ADGM, UAE, English, and US law

Gibson, Dunn & Crutcher LLP

Al Sarab Tower, Floor 11, Office 212
ADGM Square, Al Maryah Island
Abu Dhabi, United Arab Emirates

Legal advisor to the Company as to UAE law

Al Tamimi & Company

Al Sila Tower, 26th Floor, Abu Dhabi Global Market Square, Al Maryah Island
P.O. Box 44046
Abu Dhabi, United Arab Emirates

Legal advisor to the Joint Lead Managers as to English and US law

Allen & Overy LLP

One Bishops Square
London E1 6AD
United Kingdom

Legal advisor to the Joint Lead Managers as to ADGM and UAE law

Allen & Overy LLP
5th Floor
Al Mamoura Building B
Muroor Road
P.O. Box 7907
Abu Dhabi, United Arab Emirates

Auditors

For the year ended 31 December 2021 and ten-month period ended 31 October 2022 for AGP and ALNG

RAI Audit and Tax Services

Level 17, Blue Sky Tower
P.O. Box 94996
Abu Dhabi, United Arab Emirates

For the year ended 31 December 2020 for AGP

KPMG Lower Gulf Limited

Level 19, Nation Tower 2
Corniche
Abu Dhabi, United Arab Emirates

For the year ended 31 December 2020 for ALNG

Deloitte & Touche (M.E.)

Al Sila Tower, 11th Floor
Abu Dhabi Global Market Square
P.O. Box 990
Abu Dhabi, United Arab Emirates

IPO Subscription Auditors

Ernst & Young Middle East (Abu Dhabi Branch)

P.O. Box 136
Nation Towers, Tower 2, Floor 27
Corniche Road West
Abu Dhabi, United Arab Emirates

Investor Relations Officer

Peter van Driel

Chief Financial Officer
Tel: +971 27073177
Email: pdriel@adnoc.ae
P.O. Box 665
Abu Dhabi, United Arab Emirates

This Prospectus is dated 17 February 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, potential Subscribers should review the section on "*Investment Risks*", as well as the Articles of Association, 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 the 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 SCA and informing the public of such revision or addition by publication in two daily newspapers in circulation in the UAE in accordance with the rules issued by SCA. The Selling Shareholder reserves the right to cancel the Offering at any time and at its sole discretion with the prior written approval of SCA.

- The Offer Shares are being offered 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 ADGM.

- If the Offer Shares are offered in another jurisdiction, the Offer Shares shall be offered 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 ADGM Financial Services Regulatory Authority ("**FSRA**") Market Rules, under DIFC Law No. (1) of 2012 (the "**DIFC Markets Law**") or under the Markets Rules (MKT) Module of the DFSA Rulebook.

- The Offering has not been approved or licensed by the FSRA or the DFSA and does not constitute an offer of securities in the ADGM in accordance with the FSRA Market Rules or in the DIFC in accordance with the DIFC Markets Law or the Markets Rules (MKT) Module of the DFSA Rulebook.

- The publication of this Prospectus has been approved by SCA. 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 prospectuses and issued by SCA have been met. 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.

This Prospectus was approved by SCA on 16 February 2023

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

General Information

Prior to the Reorganisation, ADNOC held:

1. 68% of the interests in Abu Dhabi Gas Industries Limited ("**AGP**");

2. 70% of the interests in Abu Dhabi Gas Liquefication Company Limited ("**ALNG**", and together with AGP, the "**Joint Ventures**");

3. 100% of the interests in ADNOC Industrial Gases Company Limited- Sole Proprietorship L.L.C. ("**AIG**"); and

4. the gas processing operations and assets historically conducted by ADNOC on a sole risk basis ("**ASR**") through the Joint Ventures and AIG, which include, but are not limited to, the property, plants and facilities (including pipelines) at the Asab 1, Asab 2, Habshan 0-4 and Habshan 5 plants, the Ruwais natural gas liquids fractionation plant and the Ruwais sulphur granulation plant (as conducted by AGP, the "**AGP ASR Business**"), the OAG and IGD facilities at Das Island (as conducted by ALNG, the "**ALNG ASR Business**"), and the IGPs (as conducted by AIG, the "**AIG ASR Business**", and together with the AGP ASR Business and ALNG ASR Business, the "**ASR Businesses**"),

   (collectively, the "**ADNOC Gas Business**").

Prior to the date of this Prospectus, ADNOC completed the Reorganisation and the Share Transfer resulting in ADNOC holding, immediately prior to Listing, approximately 95% of the total issued and outstanding share capital of ADNOC Gas plc (the "**Company**") and the Company owning the ADNOC Gas Business, through its wholly owned subsidiary, ADNOC Gas Facilities LLC ("**Gas Co**"). The Company's other wholly owned subsidiary ADNOC Gas Operations and Marketing LLC ("**O&M Co**") currently has no employees or operations but the Company intends in the future to cause the following actions to be taken (together, the "**Post-Reorganisation Optimisation**"): (i) the transfer of substantially all of the personnel of AGP, ALNG and AIG to the employment of O&M Co; and (ii) O&M Co consolidating the operations, maintenance and marketing of our gas processing and LNG operations by entering into certain agreements with the Company, Gas Co, ADNOC and the Joint Ventures (see "*Investment Risks – Risks Relating to our Business–If we fail to consummate or integrate Post-Reorganisation Optimisation successfully, our operations and financial performance could be adversely affected*").

Presentation of financial information

The following financial statements and information have been included in this Prospectus:

(a) **The Company**

The Company was incorporated in the ADGM on 8 December 2022 for the purpose of facilitating the Listing of the ADNOC Gas Business. 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; (ii) activities in connection with the Reorganisation and entry into the agreements related thereto (see "*Material Agreements*" and "*Related Party Transactions*"); and (iii) in preparation for this Offering. Consequently, no standalone audited financial information is presented in this Prospectus. However, the Prospectus will present the AGP Financial Statements, ALNG Financial Statement, AGP ASR Financial Statements, ALNG ASR Financial Statements, and the ADNOC ASR Financial Statements.

(b) **AGP**

This Prospectus includes and presents:

1. The audited annual financial statements, together with the notes thereto and the audit report thereon, of AGP as of and for the year ended 31 December 2021 (the "**2021 AGP Annual Financial Statements**") and as of and for the year ended 31 December 2020 (the "**2020 AGP Annual Financial Statements**" and, together with the 2021 AGP Annual Financial Statements, the "**AGP Annual Financial Statements**"); and

2. the unaudited interim condensed financial statements, together with the notes thereto, of AGP as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021 (the "**AGP Unaudited Interim Financial Statements**" and, together with the AGP Annual Financial Statements, the "**AGP Financial Statements**").

The AGP Annual Financial Statements have been prepared in accordance with the requirements of RAI Audit and Tax Services ("**IFRS**") (as issued by IASB). The 2021 AGP Annual Financial Statements included in this Prospectus have been audited by RAI Audit and Tax Services ("**RAI**"), independent auditors, as stated in their audit report appearing herein. The 2020 AGP Annual Financial Statements included in this Prospectus have been audited by KPMG Lower Gulf Limited ("**KPMG**"), independent auditors, as stated in their audit report appearing herein. The AGP Unaudited Interim Financial Statements have been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting' and have been reviewed by RAI.

(c) **ALNG**

This Prospectus includes and presents:

1. The audited annual financial statements, together with the notes thereto and the audit report thereon, of ALNG as of and for the year ended 31 December 2021 (the "**2021 ALNG Annual Financial Statements**") and as of and for the year ended 31 December 2020 (the "**2020 ALNG Annual Financial Statements**" and, together with the 2021 ALNG Annual Financial Statements, the "**ALNG Annual Financial Statements**"); and

2. the unaudited interim condensed financial statements, together with the notes thereto, of ALNG as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021 (the "**ALNG Unaudited Interim Financial Statements**" and, together with the ALNG Annual Financial Statements, the "**ALNG Financial Statements**").

The ALNG Annual Financial Statements have been prepared in accordance with the requirements of IFRS. The 2021 ALNG Annual Financial Statements included in this Prospectus have been audited by RAI, independent auditors, as stated in their audit report appearing herein. The 2020 ALNG Annual Financial Statements included in this Prospectus have been audited by Deloitte & Touche (M.E.) ("**Deloitte & Touche**"), independent auditors, as stated in their audit report appearing herein The ALNG Unaudited Interim Financial Statements have been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting' and have been reviewed by RAI.

(d) **AGP ASR Business**

This Prospectus includes and presents:

1. The audited annual financial statements, together with the notes thereto and the audit report thereon, of the AGP ASR Business for the years ended 31 December 2021 and 2020 (the "**AGP ASR Annual Financial Statements**"); and

2. the unaudited interim condensed financial statements, together with the notes thereto, of the AGP ASR Business for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021 (the "**AGP ASR Unaudited Interim Financial Statements**" and, together with the AGP ASR Annual Financial Statements, the "**AGP ASR Financial Statements**").

The AGP ASR Annual Financial Statements included in this Prospectus have been prepared in accordance with the requirements of IFRS and have been audited by RAI, independent auditors, as stated in their audit report appearing herein. The AGP ASR Unaudited Interim Financial Statements have been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting' and have been reviewed by RAI.

(e) **ALNG ASR Business**

This Prospectus includes and presents:

1. The audited annual financial statements, together with the notes thereto and the audit report thereon, of the ALNG ASR Business for the years ended 31 December 2021 and 2020 (the "**ALNG ASR Annual Financial Statements**"); and

2. the unaudited interim condensed financial statements, together with the notes thereto, of the ALNG ASR Business for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021 (the "**ALNG ASR Unaudited Interim Financial Statements**" and, together with the ALNG ASR Annual Financial Statements, the "**ALNG ASR Financial Statements**").

The ALNG ASR Annual Financial Statements included in this Prospectus have been prepared in accordance with the requirements of IFRS and have been audited by RAI, independent auditors, as stated in their audit report appearing herein. The ALNG ASR Unaudited Interim Financial Statements have been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting' and have been reviewed by RAI.

(f) **ADNOC ASR Gas Assets**

This Prospectus includes and presents:

1. The audited annual carve-out financial statements, together with the notes thereto and the audit report thereon, of the ADNOC ASR Gas Assets as of the years ended 31 December 2021 and 2020 (the "**ADNOC ASR Annual Financial Statements**"); and

2. the unaudited interim carve-out financial statements, together with the notes thereto, of the ADNOC ASR Gas Assets as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021 (the "**ADNOC ASR Unaudited Interim Financial Statements**" and, together with the ADNOC ASR Annual Financial Statements, the "**ADNOC ASR Financial Statements**").

The ADNOC ASR Financial Statements have been derived from the historical financial information included in the financial statements of the ADNOC ASR Gas Assets for the same reporting periods and years by applying the carve-out criteria described in the notes to the ADNOC ASR Financial Statements included elsewhere in this Prospectus.

The ADNOC ASR Financial Statements were prepared for the purpose of presenting the historical statement of profit or loss and other comprehensive income for non-hydrocarbon expenses and statement of financial position reflecting the ADNOC ASR Gas Assets, which were reflected within ADNOC's financial records for the AGP ASR Business, the ALNG ASR Business and the AIG ASR Business prior to Reorganisation as if the ADNOC ASR Gas Assets were held in a stand-alone entity controlled by ADNOC during the years ended 31 December 2021 and 2020 and the ten months ended 31 October 2022 and 2021, as further described in the notes to the ADNOC ASR Financial Statements included elsewhere in this Prospectus. Significant judgement has been used, based on the purpose for which the ADNOC ASR Financial Statements have been prepared, to ensure that they meet the objective of providing useful information, particularly as IFRS does not provide any specific guidance on their preparation.

The ADNOC ASR Financial Statements may not necessarily be indicative of the historical results that would have been obtained if the ADNOC ASR Gas Assets had been owned and operated by the Group during the periods presented or of the results that may be obtained in the future.

The ADNOC ASR Annual Financial Statements included in this Prospectus were prepared in accordance with IFRS and were audited by RAI, independent auditors, as stated in their audit report appearing herein. The ADNOC ASR Unaudited Interim Financial Statements have been prepared in accordance with IFRS applicable to interim financial reporting, IAS 34 "Interim Financial Reporting."

The ADNOC ASR Financial Statements included in this Prospectus should be read in conjunction with the relevant notes thereto as well as the AGP ASR Financial Statements and ALNG ASR Financial Statements. Prospective investors are advised to consult their professional advisors for an understanding of: (i) the differences between IFRS and other systems of generally accepted

accounting principles and how those differences might affect the financial information included in this Prospectus and (ii) the impact that future additions to, or amendments of, IFRS may have on our results of operations or financial condition, as well as on the comparability of the prior periods. The AGP Annual Financial Statements, the ALNG Annual Financial Statements, the AGP ASR Annual Financial Statements, the ALNG ASR Annual Financial Statements and the ADNOC ASR Financial Statements together are the "**Audited Annual Financial Statements**".

The AGP Unaudited Interim Financial Statements, the ALNG Unaudited Interim Financial Statements, the AGP ASR Unaudited Interim Financial Statements, the ALNG ASR Unaudited Interim Financial Statements and the ADNOC ASR Unaudited Interim Financial Statements together are the "**Unaudited Interim Financial Statements**".

The preparation of 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 accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period during which the assumptions changed. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Audited Annual Financial Statements and Unaudited Interim Financial Statements are disclosed in the relevant notes to the Audited Annual Financial Statements and Unaudited Interim Financial Statements, included elsewhere in this Prospectus.

Unaudited *pro forma* combined financial information

The Unaudited Pro Forma Financial Information has been prepared for illustrative purposes only and because of its nature, the Unaudited Pro Forma Financial Information addresses a hypothetical situation and, therefore, does not represent the Company's actual financial position and financial performance as of the dates and for the periods shown, and may not give a true picture of its financial position and financial performance.

The Prospectus includes the unaudited *pro forma* combined financial information comprising:

(a) the unaudited *pro forma* combined statement of profit or loss for the year ended 31 December 2021 and ten months ended 31 October 2022 and 31 October 2021; and

(b) the unaudited *pro forma* combined statement of financial position as of 31 October 2022.

(together, the "**Unaudited *Pro Forma* Financial Information**").

The Unaudited *Pro Forma* Financial Information has been prepared to illustrate the impact of the Reorganisation, the Reorganisation Agreements and the Fiscal Arrangement:

(a) on the statement of financial position as at 31 October 2022 as if the Reorganisation had taken place and the Reorganisation Agreements and the Fiscal Arrangement had been effective as at 31 October 2022; and

(b) the combined statement of profit or loss for the ten-month periods ended 31 October 2022 and 31 October 2021 and for the year ended 31 December 2021, as if the Reorganisation had taken place and the Reorganisation Agreements and the Fiscal Arrangement had been effective, on 1 January 2021.

See "*Unaudited Pro Forma Financial Information*" and "*Business Description – The Reorganisation*".

The Reorganisation was a common control transaction as the ADNOC Gas Business was deemed to be controlled by ADNOC before and after the Reorganisation. Therefore, the Reorganisation is considered to be outside the scope of IFRS 3 Business Combinations. As at completion of the Reorganisation, the Company applied the book value method for accounting for the Reorganisation.

Accordingly, for the purpose of this Unaudited *Pro Forma* Financial Information:

- The assets and liabilities of the ADNOC Gas Business (including investment in equity accounted investees) are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the combination that would otherwise be recognised under the acquisition method.

- No goodwill is recognised as a result of the combination. Any difference between the consideration transferred and the acquired net assets is reflected within equity.

- The statement of profit or loss reflects the results of the ADNOC Gas Business.

In connection with the Reorganisation, Gas Co entered into a fiscal arrangement (the "**Fiscal Arrangement**") with SCFEA dated 14 February 2023, effective from 1 January 2023, setting out the fiscal regime applicable to the ADNOC Gas Business. The Unaudited *Pro Forma* Financial Information has been compiled in a manner consistent with the accounting policies adopted by the Company. The Unaudited *Pro Forma* Financial Information has been prepared in accordance with the accompanying notes to the Unaudited *Pro Forma* Financial Information as described elsewhere in this Prospectus (see "*Unaudited Pro Forma Financial Information*"). The Unaudited *Pro Forma* Financial Information has not been prepared in accordance with Regulation S-X of the Securities Act. The *pro forma* adjustments are described in the accompanying notes, which should be read in conjunction with this unaudited *pro forma* financial information.

The Unaudited *Pro Forma* Financial Information does not reflect forward-looking information and is not intended to present the expected future results of the Company, given that it has been prepared solely for the purposes of illustrating the identifiable and objectively measurable effects of the Reorganisation, applied to historical financial information of the ADNOC Gas Business. 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 execution of the Reorganisation.

The Unaudited *Pro Forma* Financial Information does not purport to project the Company's results of operations for any future period and it also does not reflect the impact of any potential synergies deriving from the Reorganisation. The Unaudited *Pro Forma* Financial Information set forth 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 Reorganisation occurred on 1 January 2021 or 31 October 2022, as applicable.

This Prospectus also includes unaudited *pro forma* combined financial information of the Company for the twelve months ended 31 October 2022. This financial information has been calculated by adding (i) the unaudited *pro forma* combined financial information for the year ended 31 December 2021 and (ii) the unaudited *pro forma* combined financial information for the ten month period ended 31 October 2022 and then subtracting (iii) the unaudited *pro forma* combined financial information for the ten month period ended 31 October 2021, in each case, as derived from the Unaudited *Pro Forma* Financial Information or the underlying accounting records of the Company. The unaudited *pro forma* financial information for the twelve months ended 31 October 2022 has been prepared solely for illustrative purposes for this Prospectus. It is not prepared in the ordinary course of our financial reporting and has not been audited or reviewed. The unaudited *pro forma* financial information for the twelve months ended 31 October 2022 included herein is not required by or presented in accordance with IFRS or any other generally accepted accounting principles. The unaudited *pro forma* financial information for the twelve months ended 31 October 2022 is not necessarily indicative of the results that may be expected for any future period and should not be used as the basis for or prediction of an annualized calculation.

Independent Auditors

The 2021 AGP Annual Financial Statements, the 2021 ALNG Annual Financial Statements, the AGP ASR Annual Financial Statements, the ALNG ASR Annual Financial Statements and the ADNOC ASR Annual Financial Statements, included elsewhere in this Prospectus, have been audited by RAI, independent auditors, as stated in their audit reports appearing herein and have been prepared in accordance with IFRS. The audit reports of RAI accompanying each of the financial statements audited by RAI are unqualified. RAI was established in 2019 to provide audit, accounting and tax services in the UAE.

The 2020 AGP Annual Financial Statements, included elsewhere in this Prospectus, have been audited by KPMG Lower Gulf Limited, independent auditors, as stated in their audit report appearing herein.

The 2020 ALNG Annual Financial Statements, included elsewhere in this Prospectus, have been audited by Deloitte & Touche (M.E.), independent auditors, as stated in their audit report appearing herein.

The Unaudited Interim Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting.

The Company has appointed Deloitte & Touche as its independent auditors for the financial year ending 31 December 2023, and Deloitte & Touche will be reviewing the Group's unaudited interim financial statements for the three months ended 31 March 2023.

Non-IFRS Measures

We present in this Prospectus certain measures 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 relate to the Group on a *pro forma* basis after giving effect to the Reorganisation and include: (i) Adjusted EBITDA; (ii) Adjusted EBITDA Margin; (iii) Adjusted Revenue; (iv) ALNG's EBITDA; (v) Cash Conversion; (vi) EBITDA; (vii) EBITDA Margin; (viii) illustrative free cash flow; (ix) Operating Profit After Tax; and (x) Operating Profit After Tax Margin. The non-IFRS measures are defined as follows:

- "**Adjusted EBITDA**" as the Group's EBITDA plus the Group's proportionate share (70%) of ALNG's EBITDA;
- "**Adjusted EBITDA Margin**" as Adjusted EBITDA divided by Adjusted Revenue for the year/period, expressed as percentage;
- "**Adjusted Revenue**" as the Group's *pro forma* revenue plus the Group's proportionate share (70%) of ALNG's revenue;
- "**ALNG's EBITDA**" as profit before interest expenses, income tax, and depreciation and amortisation for ALNG;
- "**Cash Conversion**" as illustrative free cash flow divided by EBITDA for the year/period;
- "**EBITDA**" as profit before interest expenses, income tax, depreciation and amortisation, and share of profit of equity-accounted investee ALNG;
- "**EBITDA Margin**" is calculated as EBITDA divided by revenue for the year/period, expressed as percentage;
- "**Illustrative Free Cash Flow**" is calculated as EBITDA less income tax and capital expenditure for the year/period;
- "**Operating Profit After Tax**" is calculated as profit before interest expenses and after income tax; and
- "**Operating Profit After Tax Margin**" is calculated as Operating Profit After Tax (including our share of ALNG's Operating Profit After Tax) divided by Adjusted Revenue for the year/period, expressed as a percentage.

The non-IFRS measures set out above are presented in this Prospectus on a *pro forma* basis to illustrate the impact of the Reorganisation (i) on the financial position for the Group as if the Reorganisation had taken place on 31 October 2022, and (ii) the financial performance of the Group as if the Reorganisation had taken place on 1 January 2021.

When reviewing performance, the Board uses a combination of both IFRS (statutory) and non-IFRS (adjusted) performance 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 capital expenditures or capitalised product development costs, our future requirements for capital expenditures or contractual commitments; (ii) they do not reflect 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. The non-IFRS measures may

not be comparable to similarly titled measures of 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.

The reconciliations of (i) Adjusted EBITDA, EBITDA and illustrative free cash flow to net income, (ii) Adjusted Revenue to revenue, and (iii) ALNG's EBITDA to ALNG's net income, in each case as the most directly comparable measures calculated and presented in accordance with IFRS are set out in "*Selected Historical Financial and Key Operating Information*".

Operational Measures

We analyse our business using a number of KPIs as well as certain non-IFRS measures. Certain of these KPIs are derived from management estimates and are based on operational, and not financial, data. Our KPIs are not part of our financial statements or financial accounting records and have not been audited or otherwise reviewed by independent auditors, consultants or experts.

Our use or computation of our KPIs may not be comparable to the use or computation of similarly titled measures reported by other companies in our industry, by research agencies or by market reports. Other companies, research agencies or market reporters may include other items or factors in their calculation of similar metrics and may use certain estimates and assumptions that we do not use when calculating these metrics. These factors may cause the calculations by others of similar metrics to differ substantially from our calculations and if the methodologies of others were used to calculate our KPIs. The KPIs are not accounting measures, but management believes that each of these measures provides useful information concerning our business. None of the KPIs should be considered in isolation or as an alternative measure of performance under IFRS.

Except as otherwise indicated or as defined above, in this Prospectus, the KPIs are defined as set forth below:

- "**availability**" is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to scheduled and unscheduled outages divided by total available hours;
- "**capacity utilisation**" is defined as total used capacity divided by the total available capacity for any given period, based on nameplate capacity;
- "**reliability rate**" is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to unscheduled outages divided by total available hours;
- "**unit processing cost**" represents cost (in $) per mmbtu of feedstock processed; and
- "**yield**" is defined as the amount of a product (or share of such amount in the case of ALNG products) produced as a percentage of raw gas feedstock used to produce such product.

Currency presentation

Unless otherwise indicated, all references in this Prospectus 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.

Rounding

Certain data in this Prospectus, including financial, statistical and operating information, has been rounded. As a result of the rounding, the totals of data presented in this Prospectus 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%.

Market Data

We have included in this Prospectus market data and other market information derived from industry publications, surveys or studies conducted by management, third party industry consultants and market research firms, or publicly available information from sources that are generally believed to be reliable. In addition, certain statistics, information relating to our business and markets (including market sizes, market shares and market positions) and other industry data in this Prospectus are based on services provided by

Wood Mackenzie Limited ("**Wood Mackenzie**") to us in connection with the Offering. The Wood Mackenzie reports, data and information referenced herein (collectively, the "**Industry Report**") are the copyrighted property of Wood Mackenzie and represent data, research, opinions or viewpoints published by Wood Mackenzie, and are not representations of fact. The Industry Report is dated 26 January 2023. The information and opinions expressed in the Industry Report are subject to change without notice and Wood Mackenzie has no duty or responsibility to update the Industry Report. Moreover, while the Industry Report referenced herein is from sources considered reliable, the accuracy and completeness thereof are not warranted, nor are the opinions and analyses which are based upon it. We confirm that the data and other information derived from the Industry Report and any other third-party information included herein has been accurately reproduced and that, as far as we are aware and are able to ascertain from the Industry Report and from information published by these and other third parties, no facts have been omitted which would render the reproduced information inaccurate or misleading. We note that neither Wood Mackenzie nor any other third-party sources, and none of us or the Joint Bookrunners accepts any liability for the accuracy of any such information, and prospective investors are advised to consider such information with caution. In addition, in certain instances in this Prospectus we have included our own estimates, assessments, adjustments and judgements in preparing market information, which have not been verified by an independent third party. Such information is to a certain degree subjective. While we believe that our own estimates, assessments, adjustments and judgements are reasonable and that the market information prepared by us approximately reflects the industry and the markets in which we operate, there is no assurance that our own estimates, assessments, adjustments and judgements are the most appropriate for making determinations relating to market information or that market information prepared by other sources will not differ materially from the market information included herein.

No Incorporation of Website Information

None of the contents of the Company's website, ADNOC's website, or any website directly or indirectly linked to these websites has been verified and theses websites do not form part of this Prospectus, and investors should not rely on such information.

FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements which relate to, among other things, our plans, objectives, goals, strategies, future operational performance and anticipated developments in markets in which operate and in which we may operate in the future. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond our control and all of which are based on our current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "would", "risk", "intends", "estimates", "aims", "plans", "targets", "predicts", "continues", "assumes", "potential" or "anticipates" 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 Prospectus and include statements regarding intentions, beliefs and current expectations concerning, among other things, our results of operations, financial condition, liquidity, prospects, growth, strategies and dividend policy and the industry in which we operate. In particular, the statements under the headings regarding our strategy and other future events or prospects in the following sections are forward-looking statements: "*Business Description*", "*Investment Risks*", and "*Industry Overview*".

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts involve predictions and are based on the beliefs of our management, as well as the assumptions made by, and information currently available to, our management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure you that such expectations will prove to be correct. Given these uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. Important factors that could cause actual results to differ materially from our expectations are contained in cautionary statements in this Prospectus, including, without limitation, in conjunction with the forward-looking statements included in this Prospectus and specifically under the section "*Investment Risks*" or the underlying assumptions. These factors include but are not limited to:

- Fluctuations in the market price of gas and gas products;
- a reduction in feedstock available to the Group that is rich in NGL or Condensates;
- mechanical failure, fatigue or other failure of business continuity with respect to our critical assets;
- potential loss of containment and other inherent environmental and safety risks around gas handling;
- competition from other producers and alternate energy suppliers;
- delay in completing ADNOC projects, including if completed on terms less favourable than anticipated;
- risks associated with implementing the Post-Reorganisation Optimisation successfully, including any difficulties in integrating operations, technology, systems, management and personnel of the ADNOC Gas Business;
- our reliance on substantial capital expenditures for our development projects;
- cybersecurity threats and our reliance on the use of information and operation technology;
- any significant delay or sustained interruption in the delivery of feedstock, critical equipment and parts upon which we depend for our operations;
- risks in connection with our dependency on ADNOC and reliance on subcontractors and contractual partners;
- unplanned production curtailments or shutdowns of any of our integrated production complexes;
- risks associated with negative publicity (including in relation to the ADNOC brand name), press speculation and potential or actual legal proceedings concerning our business;
- general economic, financial and political conditions, in the UAE and especially in Abu Dhabi, where all of our operations are located, including acts of terrorism and sabotage;

- changes to policies, laws, regulation and requirements (including permits), in particular with regard to environmental, health and safety laws;
- operational hazards, natural disasters or health epidemics or pandemics, and other operational risks affecting us, our customers' or suppliers' businesses;
- factors affecting our cash flow, liquidity and ability to access financing, including restrictions in our financing facilities, changes to the credit ratings of Abu Dhabi, disruptions in global credit markets, any de-pegging of, or adjustments to, the existing UAE dirham/U.S. dollar exchange rate or other market risks;
- risks related to the effects of climate change and global warming;
- other operating risks, including retaining qualified personnel and skilled employees, the use of intellectual property, technology licences, information technology, and insurance coverage; and
- other risks set forth in "*Investment Risks*".

If any of these risks and uncertainties materialise, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. Under no circumstances should the inclusion of such forward looking statements in this Prospectus be regarded as a representation or warranty by us, the Selling Shareholder or the Joint Bookrunners or any other person with respect to the achievement of the results set out in such statements. Please refer to "*Investment Risks*" for further information in this regard.

The forward-looking statements contained in this Prospectus speak only as at the date of this Prospectus. The Company, the Selling Shareholder and the Joint Bookrunners expressly disclaim any obligation or undertaking to update these forward-looking statements contained in the document to reflect any change in their expectations or any change in events, conditions or circumstances on which such statements are based unless required to do so by applicable law.

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. 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 representation 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 not relied on the Joint Lead Managers, the Joint Bookrunners or any of the advisers of the foregoing or any person affiliated with the Joint Lead Managers, the Joint Bookrunners or any of the advisers of the foregoing in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; (ii) they have relied only on the information in this Prospectus and (iii) no person has been authorized to give any information or to make any representation concerning the Company or its subsidiaries or the Offer Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company, the Selling Shareholder, any other Offer Participant, the Joint Lead Managers, the Joint Bookrunners or any of the advisors of the foregoing (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks set out on pages 9-11, 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, 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 the Advisors 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 accepts any responsibility for the accuracy or completeness of any information reported by the press or other media, or 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, the Joint Bookrunners 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, the Joint Bookrunners 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 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 SCA, to withdraw this

Prospectus and cancel the Offering at any time and in its sole discretion. If the Offering 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 (the "**Listing Advisor**"). 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**") and will manage the issuance, marketing and promotion of the Offer Shares in the UAE and coordinate with the Company, the Selling Shareholder, SCA and the other Offering Participants with regard to the offering of the Offer Shares in the UAE. The Joint Lead Managers are duly licensed by SCA to undertake their role as prescribed in this Prospectus. First Abu Dhabi 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 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 other 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 and the Joint Bookrunners are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offering and will not regard any other person (whether or not a recipient of this Prospectus) as their respective a client in relation to the Offering and will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to their respective clients or for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

The Joint Lead Managers, the Joint Bookrunners 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, the Joint Bookrunners and the other Offer Participants and the Company or the Selling Shareholder 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 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).

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 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 by electronic mail. None of the Company, the Selling Shareholder, the 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 of the Offer Shares under the laws applicable to such potential Subscriber. Each Subscriber should consult with its own advisors as to the legal, tax, business, financial and related aspects of a purchaser of the Offer Shares.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers 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 and 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 whether arising in tort, contract or otherwise for, or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this document 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 and 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, whether arising in tort, contract or otherwise (save as referred to above), 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.

This Prospectus was approved by SCA on 16 February 2023.

2020 AGP Annual Financial Statements	The audited annual financial statements, together with the notes thereto and the audit report thereon, of AGP as of and for the year ended 31 December 2020.
2020 ALNG Annual Financial Statements	The audited annual financial statements, together with the notes thereto and the audit report thereon, of ALNG as of and for the year ended 31 December 2020.
2021 AGP Annual Financial Statements	The audited annual financial statements, together with the notes thereto and the audit report thereon, of AGP as of and for the year ended 31 December 2021.
2021 ALNG Annual Financial Statements	The audited annual financial statements, together with the notes thereto and the audit report thereon, of ALNG as of and for the year ended 31 December 2021.
ADGM	Abu Dhabi Global Market.
ADNOC	Abu Dhabi National Oil Company (ADNOC) P.J.S.C., a leading diversified energy group.
ADNOC ASR Annual Financial Statements	The audited annual carve-out financial statements, together with the notes thereto and the audit report thereon, of the ADNOC ASR Gas Assets as of the years ended 31 December 2021 and 2020.
ADNOC ASR Gas Assets	The gas processing operations and assets, historically conducted by ADNOC on an ASR basis through the Joint Ventures and AIG, including but not limited to the property, plants and facilities (including pipelines) at the Asab 1, Asab 2, Habshan 0-4 and Habshan 5 plants, the Ruwais natural gas liquids fractionation plant, the Ruwais sulphur granulation plant, the OAG and IGD facilities at Das Island, and the Mirfa IGP, all of which were transferred to Gas Co pursuant to the Reorganisation.
ADNOC ASR Financial Statements	The ADNOC ASR Unaudited Interim Financial Statements, together with the ADNOC ASR Annual Financial Statements.
ADNOC ASR Unaudited Interim Financial Statements	The unaudited interim condensed carve-out financial statements, together with the notes thereto, of the ADNOC ASR Gas Assets as of the ten months ended 31 October 2021 and 2022.
ADNOC Gas Business	ADNOC's interests in (i) the ADNOC ASR Gas Assets, (ii) each of the Joint Ventures and (iii) AIG.
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 residing in the UAE.
ADNOC Onshore	Abu Dhabi Company for Onshore Petroleum Operations Limited (trading as ADNOC Onshore).
ADX	Abu Dhabi Securities Exchange in the UAE.
AED or UAE dirham	The lawful currency of the UAE.
AGP	Abu Dhabi Gas Industries Limited (trading as ADNOC Gas Processing), a joint venture in which Gas Co holds a 68%

	interest.
AGP Annual Financial Statements	The 2020 AGP Annual Financial Statements, together with the 2021 AGP Annual Financial Statements.
AGP ASR Annual Financial Statements	The audited annual financial statements, together with the notes thereto and the audit report thereon, of the AGP ASR Business for the years ended 31 December 2021 and 2020.
AGP ASR Business	The activities carried out by AGP on behalf of ADNOC on an ASR basis prior to the Reorganisation, which relate to certain gas processing assets and operations as reflected in the AGP ASR Financial Statements.
AGP ASR Financial Statements	The AGP ASR Annual Financial Statements, together with the AGP ASR Unaudited Interim Financial Statements.
AGP ASR Unaudited Interim Financial Statements	The unaudited interim condensed financial statements, together with the notes thereto, of the AGP ASR Business as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021.
AGP Financial Statements	The AGP Annual Financial Statements and the AGP Unaudited Interim Financial Statements.
AGP Unaudited Interim Financial Statements	The unaudited interim condensed financial statements of AGP as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021.
AIG	ADNOC Industrial Gases Company Limited – Sole Proprietorship L.L.C..
AIG ASR Business	The activities carried out by AIG on behalf of ADNOC on an ASR basis prior to the Reorganisation, which relate to the industrial gas assets and operations of the IGPs currently owned by Gas Co.
ALNG	Abu Dhabi Gas Liquefaction Company Limited, a joint venture in which Gas Co holds 70% interest.
ALNG Annual Financial Statements	The 2020 ALNG Annual Financial Statements and the 2021 ALNG Annual Financial Statements.
ALNG ASR Annual Financial Statements	The audited annual financial statements, together with the notes thereto and the audit report thereon, of the ALNG ASR Business for the years ended 31 December 2021 and 2020.
ALNG ASR Business	ADNOC activities carried out by ALNG on behalf of ADNOC on an ASR basis prior to the Reorganisation, which relate to certain gas processing assets and operations as reflected in the ALNG ASR Financial Statements.
ALNG ASR Financial Statements	The ALNG ASR Annual Financial Statements and the ALNG ASR Unaudited Interim Financial Statements.
ALNG ASR Unaudited Interim Financial Statements	The unaudited interim condensed financial statements, together with the notes thereto, of the ALNG ASR Business as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021.

ALNG Financial Statements	The ALNG Annual Financial Statements and the ALNG Unaudited Interim Financial Statements.
ALNG Unaudited Interim Financial Statements	The unaudited interim condensed financial statements, together with the notes thereto, of ALNG as of and for the ten months ended 31 October 2022, which include comparative figures as of and for the ten months ended 31 October 2021.
Articles of Association	The articles of association of the Company adopted in connection with the Offering, and certain requirements of applicable laws and regulations in effect as at the date hereof, as set out in Annexe 2.
ASG	Abu Dhabi Gas Development Company Limited (ADNOC Sour Gas).
Authority or SCA	The Securities and Commodities Authority of the United Arab Emirates.
ASR	"On a sole risk basis", in reference to certain gas processing operations that were owned by ADNOC prior to the Reorganisation, but were conducted on an ADNOC sole risk basis by the Joint Ventures and AIG.
ASR Businesses	The AGP ASR Business, the ALNG ASR Business, the AIG ASR Business and the ADNOC ASR Gas Assets.
associated gas	Natural gas found in liquids-rich reservoirs as gas dissolved in oil, which comes out of solution as the overall pressure is reduced by production.
Audited Annual Financial Statements	The AGP Annual Financial Statements, the ALNG Annual Financial Statements, the AGP ASR Annual Financial Statements, the ALNG ASR Annual Financial Statements and the ADNOC ASR Annual Financial Statements which are listed in Annexe 1.
bbl	Billion barrels of petroleum liquids.
Board or Board of Directors	The board of directors of the Company.
bscfd	Billion standard cubic feet per day.
Borouge	Abu Dhabi Polymers Company (Borouge).
C+	Propane, butane and paraffinic naphtha.
Capital Expenditure	Additions to property, plant and equipment.
Cash Conversion	(Adjusted EBITDA *less* tax *less* capital expenditure) divided by Adjusted EBITDA.
Changes in Net Working Capital	The difference between Net Working Capital at the end of the year/period and beginning of the year/period.
Closing Date	1 March 2023 for the First Tranche and the Third Tranche, and 2 March 2023 for the Second Tranche.
Companies Regulations	ADGM Companies Regulations 2020 (as amended).
Company	ADNOC Gas plc.

Deloitte & Touche	Deloitte & Touche (M.E.).
DFSA	Dubai Financial Services Authority.
DIFC	Dubai International Financial Centre.
Directors	The Executive Directors and the Non-Executive Directors.
Electronic Applications	Applications via internet / mobile banking and ATMs as provided by the Receiving Banks to the First Tranche and the Third Tranche Subscribers.
ESG	Environmental, social and governance.
EU	The European Union.
European Commission	The European Commission of the EU.
Exchange Act	The U.S. Securities Exchange Act of 1934 (as amended) and the rules and regulations promulgated thereunder.
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 Offer 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, which will be published in two Arabic local daily newspapers and one English newspaper in the UAE and on the Company's website at: www.adnoc.ae/adnocgas-IPO.
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 or the Third Tranche and who hold a NIN with the ADX and have a bank account in the UAE.
First Tranche and Third Tranche Subscribers	collectively the First Tranche Subscribers and the Third Tranche Subscribers.
Fiscal Arrangement	The fiscal arrangement entered into between Gas Co and SCFEA, dated 14 February 2023 and effective from 1

	January 2023, in connection with the Reorganisation.
FSMR	Financial Services and Markets Regulations.
FSRA	ADGM Financial Services Regulatory Authority.
FTS or FTS Fund Transfer Mode	UAE Central Bank Fund Transfer ("**FTS**") mode.
Gas Co	ADNOC Gas Facilities LLC, the Company's wholly owned subsidiary, which received the ADNOC Gas Business from ADNOC in connection with the Reorganisation.
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.
GHG	Greenhouse gas.
GSPA	The Gas Supply and Payment Agreement entered into by and between ADNOC and Gas Co on 31 December 2022 and effective 1 January 2023.
Group, our, us or we	The Company and the ADNOC Gas Business taken as a whole, as the context requires.
HSE	Health, safety and environmental.
IASB	The International Accounting Standards Board.
IFRS	The International Financial Reporting Standards as issued by the IASB and related interpretations as adopted by IASB.
IGD	Internal gas development.
IGPs	The Mirfa IGP and the Ruwais IGP.
Individual Subscribers	Natural persons who hold a NIN with the ADX and have a bank account in the UAE (including natural persons constituting Assessed Professional Investors who do not participate in the Second Tranche). There are no other citizenship or residence requirements.
Industry Report	The report dated 26 January 2023 issued by Wood Mackenzie to us in connection with the Offering.
Integrated Gas	As defined under the GSPA, includes gas and gas products extracted from the Shah gas field and/or produced by ASG for or received or acquired by ADNOC, but excluding any Sulphur produced by the ASG Facilities.
Joint Bookrunners	First Abu Dhabi PJSC, HSBC Bank Middle East Limited, EFG-Hermes UAE LLC, Abu Dhabi Commercial Bank PJSC, and a syndicate of other regional and international banks.
Joint Lead Managers	First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited, EFG Hermes UAE LLC and Abu Dhabi Commercial Bank PJSC.
Joint Ventures or JV	AGP and ALNG.
KPIs	Key performance indicators.

KPMG	KPMG Lower Gulf Limited.
Kt	Kilotonnes.
Lead Receiving Bank	First Abu Dhabi Bank PJSC.
Leverage	The ratio of Net Debt to Adjusted EBITDA.
Listing Advisor	First Abu Dhabi Bank PJSC.
Listing of the Shares or Listing	Following the closing of the subscription and the allocation of Offer Shares to successful Subscribers, the Company will apply to list and admit to trading all of its Shares on the ADX. Trading in the Shares on the ADX will be effected through the ADX Share Registry.
LNG	Liquefied natural gas.
LPG	Liquefied petroleum gas.
m3/hr	Cubic metres per hour.
Manager's Cheque	Certified bank cheque drawn on a bank licensed and operating in the UAE.
mbbld	Thousand barrels of oil per day.
mbopd	Thousand barrels of oil per day.
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, with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000 (see the section on "*Subscription Amounts*" in the first section of this Prospectus for further details).
Mirfa IGP	Gas Co's industrial gases production plant with nitrogen and krypton/xenon mixture capacity located in Mirfa, Abu Dhabi.
mmbpd	Million barrels per day.
mmbtu	Million British thermal unit.
mmtpa	Million metric tonne per annum.
mmscf	Million standard cubic feet.
mmsfd	Million standard cubic feet per day.
mt	Million tonnes.
mtpa	Metric tonnes per annum.
Net Debt	Bank loans plus lease liabilities minus cash and cash equivalents.
Net Working Capital	The sum of inventories, amount due from related parties (current portion only), prepayments and other receivables minus amount due to related parties (current portion only) and trade and other payables.

NGL	Natural gas liquids.
NIN	A national investor number that a Subscriber must obtain from the ADX for the purposes of subscription.
nm3/h	Normal cubic metre per hour.
non-associated gas	Natural gas found in gas-rich reservoirs where gas occurs with hydrocarbon liquids of less than 10bbls/MMscf; and in unconventional reservoirs with low permeability, such as tight gas or shale gas reservoirs.
Non-Executive Directors	The non-executive Directors of the Company.
Novation Agreements	The novation agreements entered into between ADNOC and one or more members of the Group in connection with the Reorganisation, including, without limitation, the Novation and Amendment Agreement in respect of the AGP Amended and Restated Joint Venture Agreement, the Novation and Amendment Agreement in respect of the ALNG Amended and Restated Joint Venture Participants Agreement, the Novation and Amendment Agreement in respect of the AGP Associated Gas Processing and NGL Delivery Agreement, and the Novation and Amendment Agreement in respect of the Amended and Restated AGP Gas Supply and Payment Agreement (see "*Material Agreements*" and "*Related Party Transactions*").
O&M Co	ADNOC Gas Operations and Marketing LLC, the Company's wholly owned subsidiary, which, following the planned future completion of Post-Reorganisation Optimisation, will be responsible for the operation and marketing of the ADNOC Gas Business.
OAG	Offshore associated gas.
Offer Participants	The entities listed on pages 9-11 of this Prospectus.
Offer Period	The subscription period for the First Tranche and the Third Tranche starts on 23 February 2023 and will close on 1 March 2023. The subscription period for the Second Tranche starts on 23 February 2023 and will close on 2 March 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 of the Offer Period.
Offer Shares	3,070,056,880 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 at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws and SCA's approval.
Offering or Offer	The public subscription for 3,070,056,880 Shares (representing approximately 4% of the total issued shares in 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 at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws and SCA's approval.

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.
Operating Free Cash Flow	Adjusted EBITDA less Capital Expenditure.
Post-Reorganisation Optimisation	The planned future consolidation under O&M Co of the operation, maintenance and marketing of the ADNOC Gas Business through (i) the transfer of substantially all of the personnel of AGP, ALNG and AIG to the employment of O&M Co and (ii) the entry by O&M Co into certain agreements with the Company, Gas Co, ADNOC and the Joint Ventures to effect the foregoing.
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: (a) "**Deemed Professional Investors**", which include: 1. international bodies and organisations whose members are states, central banks, or national monetary authorities; 2. governments, bodies, institutions and their own investment and non-investment bodies and companies that are wholly owned by any of them; 3. a central bank or other national monetary authorities in any country, state or legal authority; 4. capital market institutions licensed by SCA or a similar supervisory authority; 5. financial institutions; 6. regulated financial institutions, local or foreign mutual investment funds, regulated pension fund management companies or regulated pension funds; 7. any entity whose main activity represents investment in financial instruments, asset securitisation or financial transactions; 8. any company whose shares are listed or accepted to trade in any market of an IOSCO member state; 9. a trustee of a trust which has, during the past 12 months, assets valued at not less than AED 35,000,000; 10. the holder of a license pursuant to the regulations on (single family offices) only with respect to conducting activities for purposes of discharging obligations as a (single family office), and subject to having assets valued at not less than AED 15,000,000;

	11. joint ventures or civil establishments which have or have had, at any time during the past two years, net assets valued at not less than AED 25,000,000 (without deducting partner loans in the case of joint ventures); and 12. 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 valued at not less than AED 75,000,000 (excluding short-term liabilities and long-term liabilities); (ii) has a net annual revenue valued at not less than AED 150,000,000; or (iii) has an aggregate total of cash and investments on its balance sheet; or its total equity (after deducting paid up share capital), valued at not less than AED 7,000,000; (b) "**Service-Based Professional Investors**", which include: 1. 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; and 2. a person conducting credit facility and investment deal arrangement services in connection with structuring, financing, and companies; (c) "**Assessed Professional Investors**", which include: 1. a natural person who owns net assets, excluding the value of their main residence, valued at not less than AED 4,000,000 (a "**HNWI**"); 2. a natural person who is: (i) approved by the Authority or a similar supervisory authority; (ii) employed at a licensed entity or a regulated financial institution who has been employed for the past two years; (iii) of sufficient knowledge and experience in respect of the relevant investments and their risks (based on suitability

	criteria); or (iv) represented by an entity licensed by SCA; 3. 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 is 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 its 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; 4. special purpose vehicles and trusts established for the purpose of managing an investment portfolio of assets for a HNWI. 5. an undertaking which: (i) maintains an aggregate total of cash and investments on its balance sheet or total equity (after deducting paid up share capital), valued at not less than AED 4,000,000; and (ii) has sufficient knowledge and experience in respect of the relevant investments and their risks (based on suitability criteria); and 6. an undertaking which: (i) is controlled by a natural person who holds 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) has a holding or subsidiary company; or (iii) has a joint venture partner that meets the definition of a Deemed Professional Investor or an Assessed Professional Investor, who, in each case, have 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 QIB 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 FSRA's FSMR and the FSRA Market Rules and made only to persons who are "Authorised Persons" or "Recognised Bodies" (as such terms are defined in the FSMR) or persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 18 of the FSMR) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.
QIB	A "qualified institutional buyer" as defined in Rule 144A.
RAI	RAI Audit and Tax Services.
Raw Gas	As defined under the GSPA, includes gas and gas products produced from reservoirs (including associated gas and non-associated gas) and excludes all Integrated Gas.
Receiving Banks	The group of banks led by the Lead Receiving Bank, comprising that bank and Al Maryah Community Bank, Abu Dhabi Commercial Bank PJSC, and Abu Dhabi Islamic Bank PJSC.
Regulation S	Regulation S under the US Securities Act.
Reorganisation	The reorganisation of the ADNOC Gas Business comprising (a) the transfer by ADNOC to Gas Co of the ADNOC Gas Business and (b) the entry by Gas Co and the Company into the Reorganisation Agreements (see also "*Material Agreements"* and *"Related Party Transactions*".
Reorganisation Agreements	the agreements entered into among the Company, ADNOC, the Joint Ventures and joint venture partners therein, among others, to allow the Company to continue to operate the ADNOC Gas Business post-Reorganisation, including, *inter alia*, the GSPA, the Transitional Marketing and Transportation Agreement, the Sulphur Sales and Marketing Agreement, the Pipelines Use and Operation Agreement, the RGSA and certain lease agreements (for more information, see "*Material Agreements*" and "*Related Party Transactions*").
RGSA	The Re-injection Gas Sale Agreement between ADNOC and Gas Co dated 31 December 2022 and effective as of 1 January 2023.
Rule 144A	Rule 144A under the US Securities Act.
Ruwais IGP	AIG's industrial gases production plant with a liquid nitrogen and liquid oxygen capacity located in Ruwais, Abu Dhabi.
SCA Governance Code	The Chairman of SCA's Board of Directors' Decision No. (3/R.M) of 2020 Concerning Approval of Joint Stock Companies Governance Code (as amended from time to

	time).
SCFEA	Supreme Council for Financial and Economic Affairs of Abu Dhabi.
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 that has been drafted in a specific manner to be addressed only to Professional Investors subscribing for Offer Shares in the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions specified therein and acceptable to such jurisdictions and, which has not been reviewed, endorsed or approved by SCA. Such offer document (including the information contained therein) does not form part of this Prospectus. The offer document for the Second Tranche will be available at the Company's website at www.adnoc.ae/adnocgas-IPO
Second Tranche Subscribers	Professional Investors.
Selling Shareholder	ADNOC.
Shareholder	A holder of Shares in the capital of the Company.
Shares	The ordinary shares of the Company with a nominal value of USD 0.250 (equivalent to AED 0.918) each.
Share Transfer	The transfer by ADNOC of 3,837,571,100 Shares to TAQA (representing approximately 5% of the total issued and outstanding share capital of the Company) pursuant to a share transfer instrument between ADNOC and TAQA.
SMS	Short Message Service.
Subscriber	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
TAQA	Abu Dhabi National Energy Company PJSC.
Taxable Person	Any Person registered or obligated to register for Tax under Federal Decree-Law No 8 of 2017 on Value Added Tax (with "Person" and "Tax" having the meanings ascribed to them therein).
tbtu	One million mmbtu
tcf	One trillion cubic feet.
Third Tranche	The offer of the Offer Shares to the Third Tranche Subscribers.
Third Tranche Subscribers	ADNOC Group Companies Employees and UAE National Retirees, who have registered their interest in the EOI platform.
tpd	Tonnes per day.
tph	Total petroleum hydrocarbons.
Tranche	The First Tranche, the Second Tranche or the Third

	Tranche.
UAE	United Arab Emirates.
UAE Central Bank	The Central Bank of the United Arab Emirates.
UAE National Retirees	retired employees of the ADNOC Group Companies who are UAE nationals and residing in the UAE.
Unaudited Interim Financial Statements	The AGP Unaudited Interim Financial Statements, the ALNG Unaudited Interim Financial Statements, the AGP ASR Unaudited Interim Financial Statements, the ALNG ASR Unaudited Interim Financial Statements and the ADNOC ASR Unaudited Interim Financial Statements.
Unaudited Pro Forma Financial Information	The unaudited *pro forma* combined statement of profit or loss for the year ended 31 December 2021 and ten months ended 31 October 2022 and 31 October 2021, and the unaudited *pro forma* combined statement of financial position as of 31 October 2022.
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.
USD or US dollars or $	The lawful currency of the United States of America.
US Securities Act	The US Securities Act of 1933, as amended.
Wood Mackenzie	Service providers in connection with the Offering having produced the Industry Report.
VAT	Value added tax.

FIRST SECTION: SUBSCRIPTION TERMS AND CONDITIONS

Key details of the Offer Shares offered for sale to the public:

- **Name of the Company:** ADNOC Gas plc, a public company limited by shares, incorporated in the ADGM, Abu Dhabi, United Arab Emirates, with a paid-up share capital of USD 19,187,855,503.
- **Date and number of Commercial license of the Company:** 000008957 with Issue Date of 08 December 2022 and re-registration date of 04 February 2023.
- **Company head office:** Floor 23, Sheikh Khalifa Energy Complex 1, Khalifa Street, P.O. Box 665, Abu Dhabi, United Arab Emirates.
- **Share capital** :The share capital of the Company as at the date of the Listing has been set at USD 19,187,855,503 (being equivalent to AED 70,467,399,335) divided into 76,751,422,012 Shares paid-in-full, with the nominal value of each Share being USD 0.250 (being equivalent to AED 0.918).
- **Percentage, number and type of the Offer Shares:** 3,070,056,880 Shares, all of which are ordinary shares and which constitute approximately 4% of the Company's total issued share capital and which are being offered for sale by the Selling Shareholder. All Shares are of the same class and carry equal voting rights and rank pari passu in all other rights and obligations. The Selling Shareholder reserves the right to amend the size of the Offering 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.
- **Offer Price Range per Offer Share:** The Offer Price Range will be in UAE dirhams and will be published on the same day of the opening of the Offer Period on 23 February 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 in the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with the ADX and have a bank account number. 10% (ten per cent) of the Offer Shares, representing 307,005,688 (Three Hundred and Seven Million, Five Thousand, Six Hundred and Eighty Eight) 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 applicable laws of the UAE and the approval of SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), 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 2,500 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.
    - **Second Tranche:** The Second Tranche of the Offering will be open to Second Tranche Subscribers as described in the "*Definitions and Abbreviations*" section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with the ADX. 88% (eighty eight per cent) of the Offer Shares, representing 2,701,650,054 (Two Billion, Seven Hundred and One Million, Six Hundred Fifty Thousand, Fifty Four) 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 have a bank account number. 2% (two per cent) of the Offer Shares, representing 61,401,138 (Sixty One Million, Four Hundred and One Thousand, One Hundred and Thirty Eight) Shares are allocated to the Third Tranche. The Selling Shareholder reserves the right to increase 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. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche, 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 5,000 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.

- **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 belongs. 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 subscription:** The minimum subscription in Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000 with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 5,000,000.

- **Maximum subscription:** 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 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 approximately 95% of the Shares immediately prior to the Offering, have contractually agreed, for a period of twelve (12) months after the Closing Date, subject to certain exceptions, not to:

  (a) 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 Offer Shares, or securities convertible or exchangeable into or exercisable for any Offer Shares or warrants or other rights to purchase Offer Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Offer 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;

  (b) 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 Offer Shares, in each case, whether any such transaction is to be settled by delivery of Offer Shares or other securities, in cash or otherwise; or

  (c) publicly announce such an intention to effect any such transaction, in each case, without the prior written consent of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed.

Pursuant to a share transfer instrument between ADNOC and TAQA (the "**Share Transfer Instrument**"), TAQA has agreed that, subject to certain exceptions, during a period from the date of the Share Transfer Instrument up to and including the date falling 12 months after the date of Listing, it will not, without the prior written consent of ADNOC, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce an offer of any Shares they have acquired under the Share Transfer Instrument (or any interest therein in respect thereof) or enter into any transaction with the same economic effect as any of the foregoing.

- **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 the Company's 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 and submit it to any Receiving Bank or through one of the electronic subscription channels as set out below, 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 Bank 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 28 February 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 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 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 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 Subscriber 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 offer;
- 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 the ADX or if the NIN is incorrect;
- if multiple or duplicate subscription applications are found (any acceptance of such applications being solely at the discretion of 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 any two or more of the First Tranche, the Second Tranche and the Third Tranche together). Accepting such application is at the sole discretion of 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, the Second Tranche of 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, SCA or the ADX; or
- if for any reason FTS/SWIFT or other Receiving Banks Channels transfer of funds 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 Offer Shares to such rejected Subscribers.

2. Documents accompanying Subscription Applications

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

(a) for *individuals* who are UAE or GCC nationals or nationals of any other country:

1. the original and a copy of a valid passport or Emirates Identity Card ("**Emirates ID**"); and
2. in case the signatory is different from the Subscriber:
    (i) 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;
    (ii) the original passport or Emirates ID of the signatory for verification of signature and a copy of the original passport or Emirates ID; and
    (iii) a copy of the passport or Emirates ID of the Subscriber for verification of signature; and

(b) in case the signatory is a guardian of a minor, the following will be submitted:

1. original and copy of the guardian's passport or Emirates ID for verification of signature;
2. original and copy of the minor's passport; and
3. 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);

(c) for *corporate bodies* including banks, financial institutions, investment funds and other companies and establishments:

1. UAE registered corporate bodies:

   (i) 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;

   (ii) 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 this Prospectus and in the subscription form; and

   (iii) the original and a copy of the passport or Emirates ID of the signatory; and

2. 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; and

(d) for *individuals* who are ADNOC Group Companies Employees or UAE National Retirees participating in the Third Tranche:

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

2. 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 the 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 the 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:

1. a certified bank cheque (a "**Manager's Cheque**") drawn on a bank licensed and operating in the UAE, in favor of "ADNOC Gas PLC - IPO";

2. debiting a Subscriber's account with a Receiving Bank; or

3. 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 via:

1. cash;

2. personal cheques (not certified); or

3. any other mode of payment other than mentioned above.

Please refer to Annexe 3 for details of the Receiving Banks' participating branches.

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

1. ADNOC Head Office, Corniche Street, Abu Dhabi.

2. Sheikh Khalifa Energy Complex I, Abu Dhabi.

3. Al Ruwais, Abu Dhabi.

(b) **Electronic subscription**

Electronic Subscription through the Receiving Banks and the ADX ePortal Subscription

E-subscription Overview

Electronic subscriptions: 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 an 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 favour of "ADNOC Gas PLC - IPO" held at the Receiving Banks, 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 accrued profit 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 the UAE Central Bank Funds Transfer System ("**FTS**"). Any investors using the FTS method will be required to provide their valid NIN together with the value of Offer Shares subscribed for in the special instructions field.

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 is available for FAB clients.

If you need any support, please call FAB Call Centre at +97126161800.

ADIB E-Subscription

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.

ADCB E-Subscription

To subscribe through ADCB e-subscription, please follow the steps below:

- ADCB customers to visit the https://www.adcb.com/ADNOCGas and click Subscription Link.

- Complete login authentication (using UAE Pass or customer ID, mobile number and OTP).
- Enter NIN number.
- Select broker, enter subscription amount, select account and submit.

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

Mbank UAE Mobile Banking Application

For applying through Al Maryah Community Bank LLC's MBank UAE app:

- Access https://www.mbank.ae/IPO
- Refer to the section "How to subscribe" for instructions on subscribing through Mbank UAE app on your mobile device (the app is available for download on the Apple App store and Google Play).
- 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.

ADX ePortal Subscription

For applying through the ADX ePortal: please access:

- Please access:
  - For Arabic – https://www.adx.ae/Arabic/Pages/ProductsandServices/ipo.aspx
  - For English - https://www.adx.ae/English/Pages/ProductsandServices/ipo.aspx
- Please 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 Third Tranche.

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

(c) **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 27 February 2023 (2 working days prior to the Closing Date).
- Subscription applications received through online/FTS must be made before 12pm (mid-day) on 28 February 2023 (1 working day prior to the Closing Date).

(d) **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 or more, with any subscription over AED 5,000 to be made in increments of AED 1,000. 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 will be guaranteed a minimum allocation of up to 2,500 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. Each subscriber in the Third Tranche will be guaranteed a minimum allocation of up to 5,000 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.

(e) **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 offering 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 section headed "*Tranche Structure"* of this Prospectus for 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 such 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 Offer Shares of the Second Tranche Subscribers shall represent the majority of the Offer Shares used to calculate the Final Offer Price of the Offer Shares.

(f) **Subscription process**

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

Subscribers may only apply for 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 acknowledgment 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

(a) **Offer Period**

Commences on 23 February 2023 and closes on 1 March 2023 for the First Tranche and the Third Tranche. Commences on 23 February 2023 and closes on 2 March 2023 for the Second Tranche.

(b) **Receiving Banks**

1. **Lead Receiving Bank:** First Abu Dhabi Bank PJSC.

2. **Receiving Banks:** A list of all Receiving Banks is attached in Annexe 3 to this Prospectus.

(c) **Method of allocation of Offer Shares to different categories of Subscribers**

Under the Offering Regulations, the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below.

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.

(d) **Notice of Allocation**

A notice to successful Subscribers in the First Tranche and the Third Tranche will be notified by SMS of the 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 to each Subscriber or email provided in the subscription form, as applicable.

(e) **Method of refunding surplus amounts to Subscribers**

By no later than 8 March 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 return/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 return/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 amounts and any accrued return/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 such Subscriber's 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.

(f) **Enquiries 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 Investor Relations Manager. The Subscriber must remain updated on the status. The Subscriber's relationship remains only with the party receiving the subscription request.

(g) **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 in effect on the date of Listing. 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.

(h) **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.

(i) **Risks**

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

5. Timetable for subscription and listing

The dates set out below outline the expected timetable for the Offering. However, the Company reserves 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 shall continue for 7 days for First Tranche and Third Tranche Subscribers, and for 8 days for the Second Tranche Subscribers, including Fridays and Saturdays, for the purposes of accepting Subscribers' applications)	**23 February 2023**
Closing Date of the First Tranche and the Third Tranche	**1 March 2023**
Closing Date of the Second Tranche	**2 March 2023**
Announcement of Final Offer Price	**3 March 2023**
Allocation of First Tranche and Third Tranche	**8 March 2023**
SMS confirmation to all successful First Tranche and Third Tranche Subscribers	**8 March 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	**8 March 2023**
Expected date of Listing of the Shares on the ADX	**13 March 2023**

6. Tranches

The Offering of the Offer Shares will be divided into three tranches, as follows:

The First Tranche:

Size:	10% (ten per cent) of the Offer Shares, representing up to 307,005,688 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 the approval of SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), 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 2,500 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.
Eligibility:	First Tranche Subscribers, as described in the "*Definitions and Abbreviations*" section of this Prospectus.

Minimum application size:	AED 5,000, with any additional application in increments of at least AED 1,000. Each Subscriber in the First Tranche will be guaranteed a minimum allocation of up to 2,500 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. 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 2,500 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.
Unsubscribed Offer Shares:	If all of the Offer Shares allocated to the First Tranche are not fully subscribed, the unsubscribed Offer Shares shall be made available for subscription by Second Tranche Subscribers, or alternatively (in consultation with SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche or the Third Tranche or close the Offering at the level of applications received.

The Second Tranche:

Size:	88% (eighty eight per cent) of the Offer Shares, representing up to 2,701,650,054 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 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.
Eligibility:	Second Tranche Subscribers, as described in the "*Definitions and Abbreviations*" section of this Prospectus.
Minimum application size:	The minimum application size is AED 5,000,000.
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 Shares lower than the number of Offer Shares mentioned in their subscription application.
Discretionary allocation:	The Company and the Selling Shareholder reserve the right to allocate Offer Shares in the Second Tranche in any way as 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 all of the Offer Shares allocated to the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The Third Tranche:

Size:	2% (two per cent) of the Offer Shares, representing up to 61,401,138 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 the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche (as applicable), 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 5,000 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.
Eligibility:	Third Tranche Subscribers, as described in the "*Definitions and Abbreviations*" section of this Prospectus.
Minimum application size:	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 5,000 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. 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 5,000 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.
Unsubscribed Offer Shares:	If all of the Offer Shares allocated to the Third Tranche are not fully subscribed, the unsubscribed Offer Shares shall be made available for subscription by First Tranche Subscribers, or alternatively (in consultation with SCA) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche or the Third Tranche or close the Offering at the level of applications received.

7. Multiple applications

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

8. Important notes

Successful Subscribers in the First Tranche and the Third Tranche will be notified of the allocation of shares by means of an SMS.

Upon the Listing of the Shares on the ADX, the Shares will be registered in an electronic system 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 SCA, the Company reserves the right to alter the percentage of the Offer Shares offered to all Tranches, which is 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

(a) **Name of the Company:**

ADNOC Gas plc.

(b) **Primary objects of the Company:**

Processing, exploitation and use of natural, industrial and all composites of gas and all products derived from gas.

(c) **Head office:**

Floor 23, Sheikh Khalifa Energy Complex 1, Khalifa Street, P.O. Box 665, Abu Dhabi, United Arab Emirates

(d) **Branches:**

The Company does not have any branches.

(e) **Details of trade register and date of engaging in the activity:**

License no. 000008957 with Issue Date 08 December 2022 and re-registration date of 04 February 2023.

(f) **Term of the Company:**

Company is operational.

(g) **Financial Year:**

1 January to 31 December.

(h) **Major Banks dealing with the Company:**

First Abu Dhabi Bank PJSC and J.P. Morgan Chase Bank.

(i) **Details of current Board Members:**

Name	Year of birth	Position	Year appointed
H.E. Dr. Sultan Ahmed Sultan Essa Al Jaber*	1973	Chairperson (Independent Member)	2022
H.E. Kamal Ishaq Abdulla Ismail Almaazmi*	1986	Director (Independent Member)	2023
H.E. Mohamed Hassan Mohamed Hassan Alsuwaidi*	1982	Director (Independent Member)	2023
Khaled Salmeen Anber Salmeen*	1973	Director (Independent Member)	2022
Abdulmunim Saif Hamoud Ahmed Alkindi*	1958	Director (Independent Member)	2023
Musabbeh Helal Musabbeh Ali Alkaabi*	1971	Director (Independent Member)	2023

Fatema Mohamed Abdulla Alshaibeh Alnuami*	1975	Director (Independent Member)	2023

* Denotes that the Director is considered independent under the Governance Rules

(j) **Summary of the remuneration of the Board and senior management team:**

1. **Remuneration Philosophy**

Our overall remuneration philosophy is based on the approach that remuneration should be linked to the performance and behaviour of an individual, business results and shareholder and customer outcomes. The approach to executive remuneration is intended to:

- attract and retain the executive team (taking into account the nature, scale and complexity of the Company's business);
- promote the long-term interests and viability of the Company;
- incentivise the executive team to perform at the highest levels (including by the use of appropriate performance-related remuneration);
- align the interests of the executive team with those of the shareholders and other key stakeholders; and
- provide appropriate levels of remuneration for non-executive directors, reflecting the time, commitment and responsibilities of their respective roles, and the objectivity of judgement in the decision making required by them.

Reward levels are set to attract, retain and engage high calibre talent to support the business strategy. Selected employees are able to share in the success of the Company through participation in annual bonus schemes.

2. **Base salary and fixed pay**

Salaries and allowance are periodically reviewed according to Company policy. Adjustments are made as required to ensure market competitiveness and to maintain internal equity.

3. **Benefits and pension**

We have no company-wide pension scheme.

In accordance with Federal Law no. 33 of 2021 as amended (the "**UAE Labour Law**") and ADGM Employment regulations 2019, the Group is required to pay end of service benefits to all qualifying employees of the Group upon cessation of employment, and it shall also be obligated to pay any unpaid salary, notice pay and accrued but untaken holiday pay. The key financial obligation of the Group with respect to end of service benefits is to make the specified lump sum payments to employees which become payable when they leave the Group, subject to certain exceptions (including, insofar as ADGM employees only are concerned, leaving for gross misconduct).

The amount payable at the time of exit is calculated as a multiple of a pre-defined fraction of salary (subject to a total cap equating to two years' pay) based on the length of service. Specifically, end of service gratuity is calculated on the basis of 21 days' basic pay per year of service for each of the first five years, and 30 days' basic pay for each additional year capped at two years' full pay.

The Executive Regulations to the UAE Labour Law also provide for prorating of end of service gratuity for both part time and job sharing employees. The calculation of end of service gratuity in such cases is as follows:

- The total number of hours to be worked per year shall be converted into working days (one working day being eight working hours);
- The total number of working days is then divided by the number of working days in a full time calendar year;

- This figure is then multiplied against the full time equivalent end of service gratuity entitlement.

The UAE Labour Law does not require the Group to pay such end of service benefits in advance. They are payable within 14 days of the relevant employment termination date

The Company, has adequate provisions for end of service benefits, notice pay and accrued holiday pay.

In accordance with:

- Law No. (2) of 2000 regarding civil retirement pensions and benefits in the Emirate of Abu Dhabi and its amendments (the Abu Dhabi Pensions Law) Group employees who are UAE nationals and (pursuant to s.58 of the ADGM Employment Regulations) the Company employees who are UAE nationals; and

- Cabinet Resolution No. (18/2007) concerning the operational rules for the application of the provision of the law of extension of social insurance protection to nationals of GCC employees working outside their countries in any other GCC State (Cabinet Resolution), Group employees who are (non-UAE) GCC nationals and (pursuant to s.58 of the ADGM Employment Regulations) the Company employees who are (non-UAE) GCC nationals, must be registered with the Pension Scheme of the Emirate of Abu Dhabi (governed by the General Pensions and Social Security Authority).

For UAE nationals, the current employee contribution is 5% of pensionable monthly salary with an employer contribution of 15% of pensionable monthly salary and the Company contributes to the Abu Dhabi Pension Scheme in accordance with the Abu Dhabi Pensions Law. For other GCC nationals, employers in the UAE are liable to mandatory subscriptions for their GCC employees according to the social security law in their home countries in terms of registration and subscriptions, provided that the same may not exceed the subscription share designated for the employers to UAE nationals (where there is a shortfall, the employer will be obligated to deduct the difference from the employee's salary unless the home state of that employee agrees to cover the difference. Both the Company and AGP and ALNG contribute to the GCC Pension Scheme in accordance with the Cabinet Resolution. Their contributions are allocated internally between ALNG, ALNG ASR Business, AGP and AGP ASR Business. As of August 2022, AGP mamkes certain contribution payments on behalf of AIG and AIG subsequently reimburses AGP therefor.

4. **Annual bonus**

Annual bonuses are payable at the sole discretion of the Board. Bonuses are based on the achievement of certain metrics measured over a one-year performance period.

For the most senior executives, the potential bonus opportunity is capped in any financial year at a sufficiently motivational level, with consideration of local competitive market norms. Bonus opportunities will be cascaded by seniority as appropriate. Performance measures and targets will be based on an appropriate combination of corporate, divisional and individual performance.

5. **Long Term Incentive Plan ("LTIP")**

While the Company does not have a long-term incentive plan for the Board of Directors or senior executives, it may in the future implement one.

(k) **Details of the Company's investments in its subsidiaries and other affiliated companies:**

Please refer to Annexe 4 for an overview of the Company's direct and/or indirect investments in its subsidiaries and its affiliated companies.

2. BUSINESS DESCRIPTION

Investors summary should be read as an introduction to this prospectus (the "Prospectus") and is qualified in its entirety by, and is subject to, the detailed information contained elsewhere in this Prospectus. Accordingly, any decision to invest in the Shares should be based on consideration of this Prospectus as a whole. Potential investors should read this entire Prospectus carefully, including "Risk Factors" and our financial statements, including the related notes, before making any decision to invest in the Shares. In this Prospectus, references to "we", "us", "our" and the "Group" refer to the entire ADNOC Gas Business, as operated as at the date of this Prospectus.

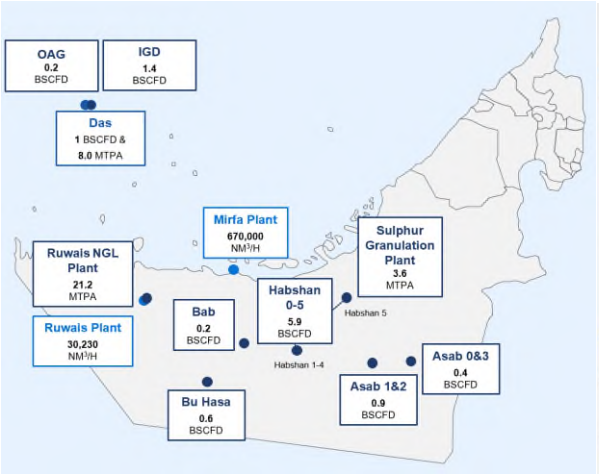
(a) **Overview**

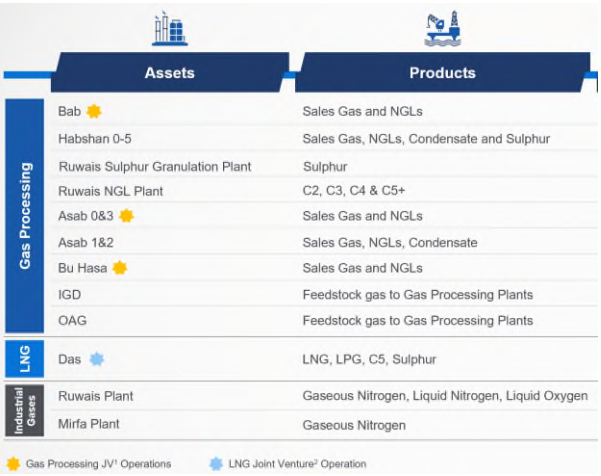
The Company is a world-class, large-scale integrated gas processing company operating across the gas value chain, from receipt of raw gas feedstock from ADNOC through our large, long-life operations for gas processing and fractionation to the sale of our products to domestic and international customers. We believe we are a progressive energy company with a determined focus on sustainability across our business and are seeking to be a leader in our field. We purchase our rich feedstock from ADNOC (which benefits from among the lowest emission intensity reserves globally) through a 25-year Gas Supply and Payment Agreement ("**GSPA**"), providing us with reliable access to the production from ADNOC's upstream gas operations in Abu Dhabi, which is estimated to hold more than 95% of the UAE's natural gas reserves (estimated to be the seventh largest natural gas reserves globally) (*Source: Wood Mackenzie*). By feeding the rich feedstock we receive from ADNOC through our gas processing capabilities, we produce an attractive product mix, including methane (also referred to as sales gas), ethane, propane and butane (propane and butane together being referred to as "liquid petroleum gases" or "**LPG**"), paraffinic naphtha (together with ethane and LPG, "natural gas liquids" or "**NGLs**"), condensate and sulphur. In addition, through our liquefaction operations we produce liquefied natural gas ("**LNG**"). Our industrial gases business, which represents a smaller part of our operations, produces vital industrial gases such as gaseous and liquid nitrogen, liquid oxygen and a mix of krypton and xenon, and is expected to play a critical role in growing the UAE's industrial sector and achieving its low carbon hydrogen economy ambitions through our contribution to the production of low carbon ammonia. We market our products ourselves or through the ADNOC Group to end-customers in over 20 countries. Our domestic gas processing products (sales gas and ethane, refered to as "domestic gas") are mostly transported through our managed pipeline network. Our international gas processing products are mostly sold to ADNOC Global Trading ("**AGT**") to be marketed globally, and our LNG is marketed globally through Abu Dhabi Gas Liquefaction Company Limited ("**ALNG**") which is part of the Group.

Our integrated platform is currently the only pathway through which ADNOC is able to monetise Abu Dhabi's raw gas resources. In addition, our platform provides the lean gas ADNOC requires for critical upstream re-injection applications to allow enhanced condensate and oil recovery and for better reservoir management, which in turn increases the amount of liquid-rich raw gas feedstock that we receive under the GSPA. We believe we are a progressive energy company with a determined focus on sustainability across our business, and strengthen ADNOC's position in an evolving global energy landscape, further preparing ADNOC for the future and helping to drive its decarbonisation efforts. Our platform contributes to ADNOC's ambitious growth plans and decarbonisation agenda by enabling ADNOC to maintain minimal levels of flaring intensity upstream as the associated gas accompanying ADNOC's crude production is directed to ADNOC Gas for processing and monetising. We are also critical to the Abu Dhabi and wider UAE economies, as we provide the UAE with more than 60% of its sales gas needs to power homes, businesses, industries and other commercial establishments, and to supply our products which are necessary to the development of the country's industrial base and petrochemicals industry, supporting the UAE's goal of gas self-sufficiency. We believe the Group is a critical catalyst for the development of the UAE economy and an enabler for its diversification and decarbonisation and preparing the UAE industry for the future (see "*Business Description – Environmental, Social and Governance (ESG) Performance*").

In connection with the Company's establishment in December 2022, the Company and Gas Co entered into the Reorganisation Agreements (as defined elsewhere in this Prospectus) with ADNOC and its subsidiaries, pursuant to which ADNOC agreed to transfer to Gas Co: (i) its 68% interest in Abu Dhabi Gas Industries Limited ("**AGP**") and 70% interest in ALNG (together, the "**Joint Ventures**"); (ii) the ADNOC ASR Gas Assets; and (iii) its 100% interest in ADNOC Industrial Gases Company Limited–Sole Proprietorship L.L.C. ("**AIG**") ((i) through (iii) inclusive, the "**ADNOC Gas Business**", and the transfer of the ADNOC Gas Business and entry into the Reorganisation Agreements, the "**Reorganisation**"). Currently the ADNOC Gas Business is largely operated by employees at our Joint Ventures, but in the future we and ADNOC intend to implement the Post-Reorganisation Optimisation whereby substantially all of the employees of AGP, ALNG and AIG will be transferred to our wholly-owned subsidiary O&M Co, which will assume operation of, and marketing for, the ADNOC Gas Business (see *"Business Description – Corporate Structure – Post-Reorganisation Optimisation*" and "*Investment Risks - Risks Relating to our Business– If we fail to consummate or integrate Post-Reorganisation Optimisation successfully, our operations and financial performance could be adversely affected*").

Our asset base is spread across Abu Dhabi and comprises gas processing operations, LNG operations and industrial gases operations as set forth in the following diagram:





[1] AGP ownership: ADNOC 68%, Shell 15%, TOTALEnergies 15%, PTTEP 2%. ADNOC Gas owns 100% of sales gas and the ethane component of NGLs as well as attributable share in the C3+ component of NGLs.
[2] LNG JV ownership: ADNOC 70%, Mitsui 15%, BP 10%, TOTALEnergies 5%.

Our operations have access to over 10 bscfd of gas processing capacity (of which 9 bscfd is processed directly by the Group and 1 bscfd is processed by ASG before being sold to us through ADNOC as an integrated gas resource under the GSPA) and liquid processing capacity of 29 mtpa (excluding the Ruwais Sulphur Granulation Plant). Our core operations for each business line are as follows:

1. *Gas processing*. As at 31 October 2022, our gas processing operations include separation & sweetening, NGLs extraction & fractionation, condensate processing, dehydrated sulphur handling, NGLs and sulphur shipping, compression and fuel gas treatment, with total gas processing and handling capacity of 8 bscfd and liquids processing capacity of approximately 21 mtpa (excluding the Ruwais Sulphur Granulation Plant capacity of 3.5 mtpa) in 2022.

2. *LNG*: As at 31 October 2022, our offshore LNG operations in Das island, which commenced in the 1970s as a pioneering LNG project, has gas processing and handling capacity of approximately 1 bscfd. The operations which receive a mix of associated and non-associated gas have total LNG liquefaction capacity of 6 mpta and 2 mtpa of non-LNG liquids, including LPG and paraffinic naphtha.

3. *Industrial gases*: Our industrial gas operations include cryogenic air separation and industrial gas handling, comprising two state-of-the-art facilities: the Ruwais IGP, which currently has an air separation plant with a total capacity of approximately 30,320 m3 /hr, and the Mirfa IGP, which has a nitrogen plant and total capacity of approximately 670,000 m3 /hr.

4. *In addition, we manage and operate a vast network of pipelines that span approximately 3,260km in length, of which we own approximately 2,640 km and the remainder of which are owned by ADNOC and operated by us under the Pipelines Use and Operation Agreement (see "Material Agreements–Pipelines Use and Operation Agreement"). These pipelines transmit our sales gas molecules throughout our operations and throughout the UAE to our diverse client base.*

Since the founding of ALNG in the 1970's, sustainable development and environmental protection has been embedded in our DNA, as we believe that Das Island was a pioneering LNG project constructed with care for the environment in mind as it was driven by our goal of minimising flaring. From these beginnings, we have maintained ESG initiatives at the core of our operations. Despite the sheer scale and complexity of our operations, we remain fully committed to the UAE's and ADNOC's sustainability goals, which are firmly committed to decarbonisation of operations. Through our decarbonisation roadmap, we aim to support ADNOC in fulfilling its 25% reduction target in the greenhouse gas ("**GHG**") emissions intensity by 2030 (as compared to our 2019 baseline) and drive towards ADNOC's ambition of net zero operations emissions by 2050 (see "*Business Description – Environmental, Social and Governance (ESG) Performance – Environmental*").

The GSPA with ADNOC provides our gas processing operations and network with feedstock from raw and integrated sources and contains a pricing formula with a profit-sharing mechanism whereby we receive the feedstock for an agreed minimum gas price in exchange for sharing with ADNOC a portion of the earnings from our products. Our pricing formula allows us to operate profitably under most pricing scenarios, while realising a sizable portion of our earnings through our stable domestic gas business (sales gas and ethane) yet enabling us to benefit from commodity prices in a rising price environment. Our favourable cost structure, rich feedstock and the efficiency of our operations contribute to our valuable product mix, which have driven an impressive Adjusted EBITDA of $6.6 billion for the year ended 31 December 2021 and $8.7 billion for the twelve months ended 31 October 2022, with an Adjusted EBITDA Margin of 34% and 35%, respectively, in each case on a *pro forma* basis after giving effect to the Reorganisation. For the same periods, we had Adjusted Revenue of $19.5 billion and net income of $3.6 billion for the year ended 31 December 2021 and Adjusted Revenue of $21.1 billion and net income of $4.2 billion for the ten months ended 31 October 2022, in each case on a *pro forma* basis after giving effect to the Reorganisation.

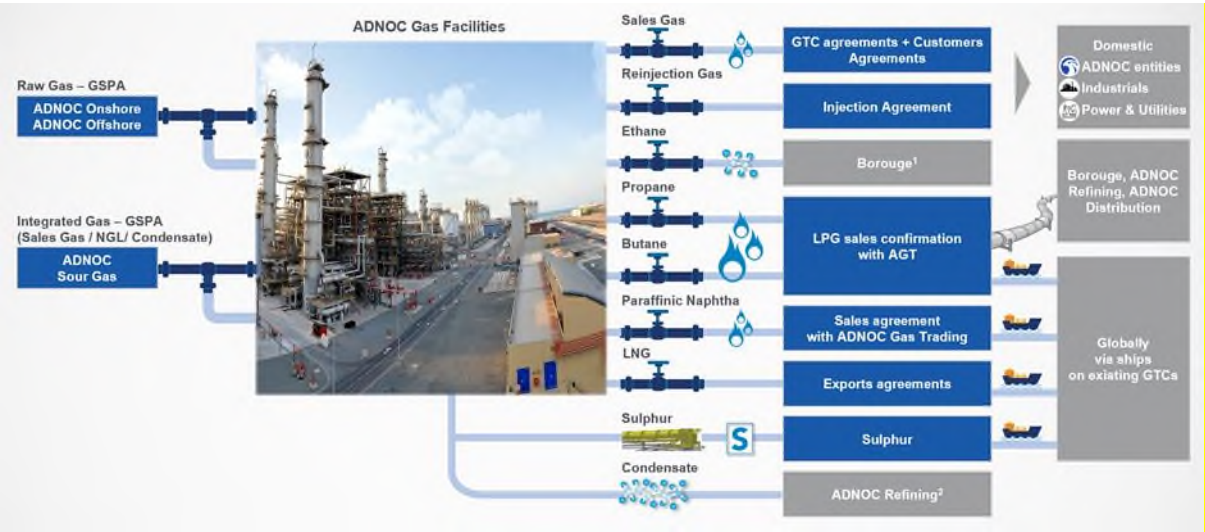
(b) **Competitive Strengths**

We believe we benefit from the following key competitive strengths:

We are a world-class integrated gas processing company that is vital to ADNOC and to the Abu Dhabi and UAE energy ecosystems.

Our operations are today the only route to monetise Abu Dhabi's vast gas reserves by connecting them to their end customers for sales gas, LNG, NGLs and condensates in both domestic and international markets. As such, we play a central role in ADNOC's gas monetisation value chain. Moreover, several ADNOC Group companies are key customers of ADNOC Gas, including ADNOC's core upstream operations (which rely on us for offtake gas for well re-injection in order to facilitate enhanced condensate and oil recovery) as well as other ADNOC Group companies which depend on us for their feedstock. In addition, our operations comprise key infrastructure assets that constitute a vital part of the Abu Dhabi and the UAE energy ecosystems, currently supplying more than 60% of the UAE's sales gas needs. As a result, we are at the heart of the ADNOC Group and integral to the UAE's gas and energy ambitions of self-sufficiency and becoming a net gas exporter.

The following diagram sets out our position within the ADNOC and UAE gas ecosystem:



1 Grey boxes indicate final destinations for the respective products.
2 Under 2017 Feedstock Supply Agreement.
3 Under System Feedstock Supply Agreement.

As a result, we provide the asset base that connects ADNOC's raw feedstock with the ADNOC Group and end customers looking to purchase our products, which includes providing products necessary to the operations of ADNOC Group companies downstream and the UAE's industrial base and petrochemicals industry more generally. We also supply critical re-injection gas to ADNOC upstream to facilitate enhanced oil and condensate recovery and better reservoir management, which in turn increases the amount of raw gas feedstock richer in liquids that we receive under the GSPA. This makes us integral to the UAE's industrial development and international energy security. We believe our critical role in the UAE energy ecosystem and high operational standards will enable us to achieve strong and sustainable margins, which

we believe will benefit from growth across the gas value chain (see *"- Our Strategy - Position ourselves to benefit from ADNOC's plans to accelerate monetisation of Abu Dhabi's hydrocarbon resources while advancing the UAE's objectives of becoming a gas net-exporter and of gas self-sufficiency"*).

With ESG at the core of our operations, and in line with ADNOC's vision, 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 everything we do as a business is carried out in a sustainable, socially conscious, and environmentally responsible manner. ESG is very much at the core of our operations (see *"Business Description – Environmental, Social and Governance (ESG) Performance"*). Our leadership showed a vested interest in promoting sustainable development and environmental protection as a building block of our operational excellence as early as the 1970's, when the late Sheikh Zayed laid the foundations of environmental sustainability through a historical directive to cease unnecessary routine flaring, which resulted in the operation of what we believe to be a pioneering LNG project constructed with care for the environment in mind. Even in the face of the sheer scale and complexity of our operations, we remain fully committed to the decarbonisation of our operations and the UAE's and ADNOC's sustainability goals.

We believe ADNOC plays a pivotal role in driving the energy transition in the region. As the lowest emission hydrocarbon, demand for gas is expected to continue to grow as the world looks to decarbonise its energy systems in the coming years. With this in mind, we are taking important steps to reduce our own emissions intensity, and are planning further abatement initiatives (see *"Business Description – Environmental, Social and Governance Performance"*). In 2021, we succeeded in reducing the absolute emissions in our business by almost 10% (as compared to the 2018 baseline) through key initiatives such as zero carbon grid power and zero flaring as part of routine operations. In addition, through our decarbonisation roadmap (see *"Business Description – Our Strategy - Continue our efforts to be at the forefront of energy transition through implementing our ESG targets which are aligned with ADNOC's sustainability strategy and goals"*), ADNOC Gas is expected to be an important contributor to ADNOC's emissions reduction target.

Our guiding principles are the policies and ambitions of the broader ADNOC Group and the UAE. In particular, ADNOC's 2030 emissions reductions targets are expected to be key in helping us reinforce our commitment to being a leading lower carbon energy producer, and supporting the UAE's goal of achieving net zero GHG emissions by 2050.

As a result, our ESG initiatives and targets are aligned to the UAE's ambitions, particularly around net zero, and the ADNOC Group's well-developed and robust ESG framework across emissions, the local environment, economic and social contributions, workforce, HSE and governance. We work to ensure that these are implemented at, and core to all, our operations. As an example, we recycled 69% of hazardous waste produced in 2021 by tonnage (see *"Business Description – Environmental, Social and Governance (ESG) Performance"*).

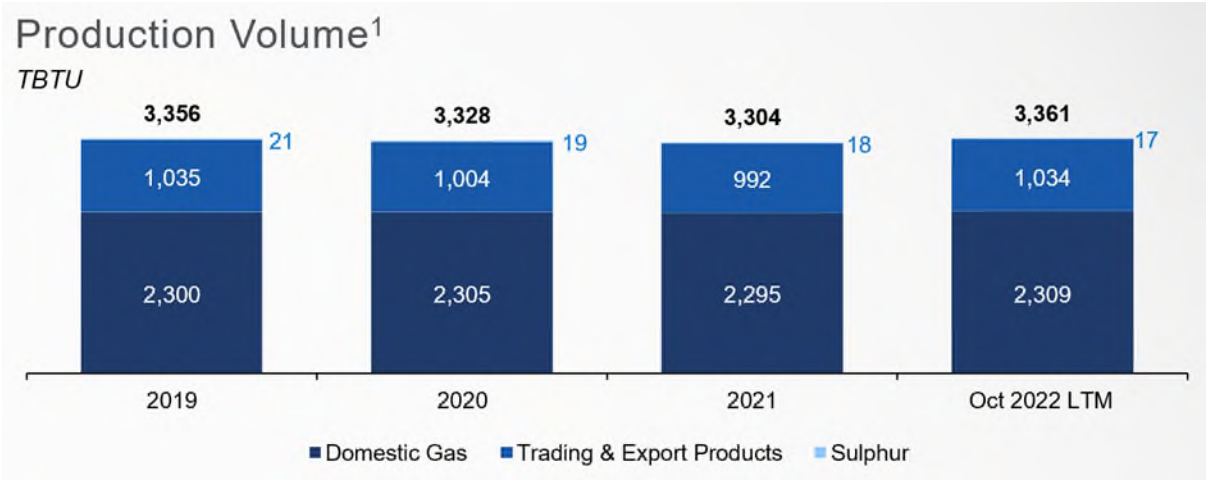
We are also passionate about developing our people to succeed and fulfil their potential at ADNOC Gas through centres of excellence and training programs. ADNOC have established a Gender Balance Committee and invested in female-friendly facilities at our sites to boost the number of women in management and encourage a higher number of women to join the broader workforce. Our HSE management system also focuses on operational excellence and safety. Finally, from a governance perspective, we have adopted ADNOC Group's robust and well-developed policies and standards, which apply to us as well as those who represent the Group and all third parties and contractors with whom we do business. We also have a sustainability committee which develops sustainability programmes and sets ESG targets (see *"Business Description - Environmental, Social" and "Governance (ESG) Performance and Management – Corporate Governance"*).

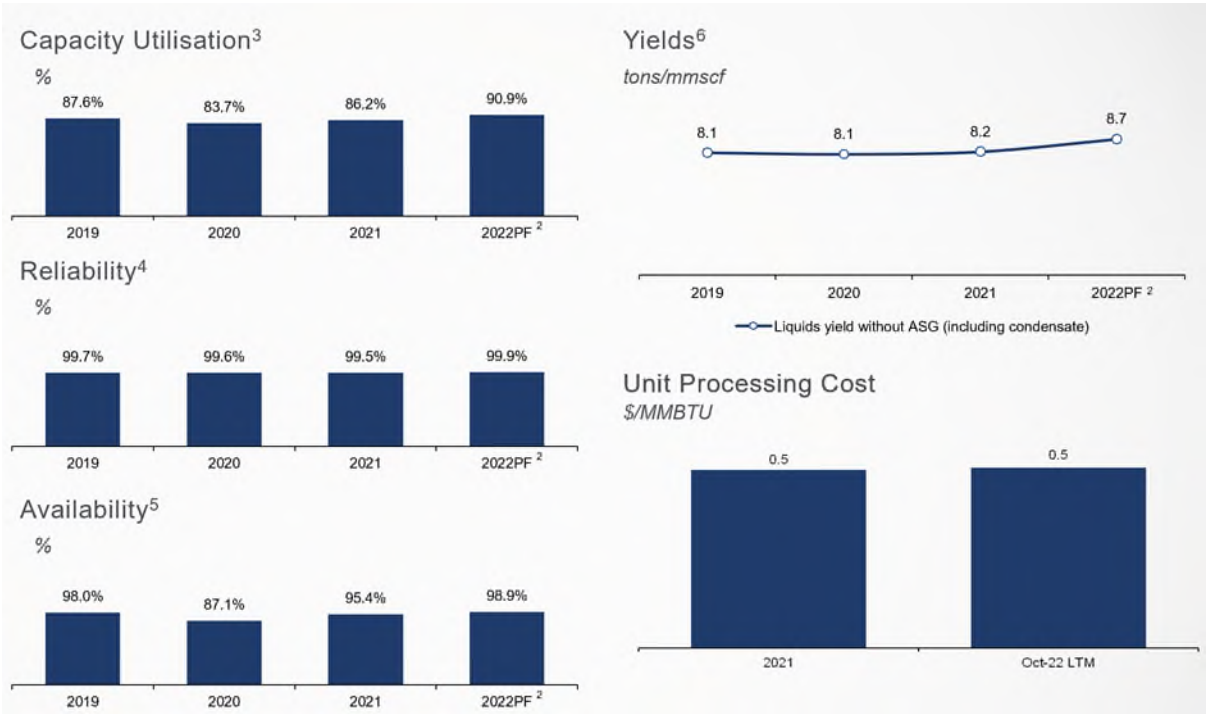
Our exceptional asset base delivers optimised yields and volumes, capacity utilisation, availability and reliability, which has translated into strong pro forma returns.

At the core of our business, we continue to maintain a focus on operational excellence and building on our existing very high levels of asset reliability across our operations. We run world-class, large-scale processing and liquefaction assets that have a proven track record of operational excellence consistently delivering exceptional results driven by high plant availability, capacity utilisation and reliability. As part of our efforts, we continuously manage our operations and adjust streams to maintain output and deliver production targets. We maintain our operations' high reliability through regular and timely maintenance programs and high availability through fully integrated shutdown alignment plans and robust asset management programs across our operations. Our stable volume output and performance demonstrate the steadiness and reliability of our operations across the ADNOC Gas Business.

For our gas processing operations conducted by AGP, our annual production each year since 2019 has ranged between 3,304 tbtu and 3,361 tbtu and the historical average gas processing plants capacity utilisation from 1 January 2019 to 31 October 2022 has been approximately 87%. Our low unit processing cost (currently at 0.50 $/mmbtu) has remained flat since 2021, further demonstrating our consistency. In addition, our yields have been rising, which demonstrates our continuous drive to enhance our operations and product mix. Moreover, our AGP operated gas processing plants have historically maintained high reliability and availability levels, averaging around 99.7% and 97.3%, respectively, across the periods presented below.

The following charts reflects the consistent performance of our gas processing operations by product and by year:





1 Domestic Gas comprises sales gas and ethane. Trading & Export Products comprise C+ components of NGLs (i.e.: propane, butane and naphtha) and condensate.

2 2022PF represents the ten months ended 31 October 2022.

3 Capacity Utilisation is defined as total used capacity divided by the total available capacity for any given period. Chart presents average utilisation for Asab 0 & 3, Asab 1 & 2, Bab, Bu Hasa, Habshan, Habshan-5 and Ruwais, based on reference capacity which is decided based on feed composition received from ADNOC.

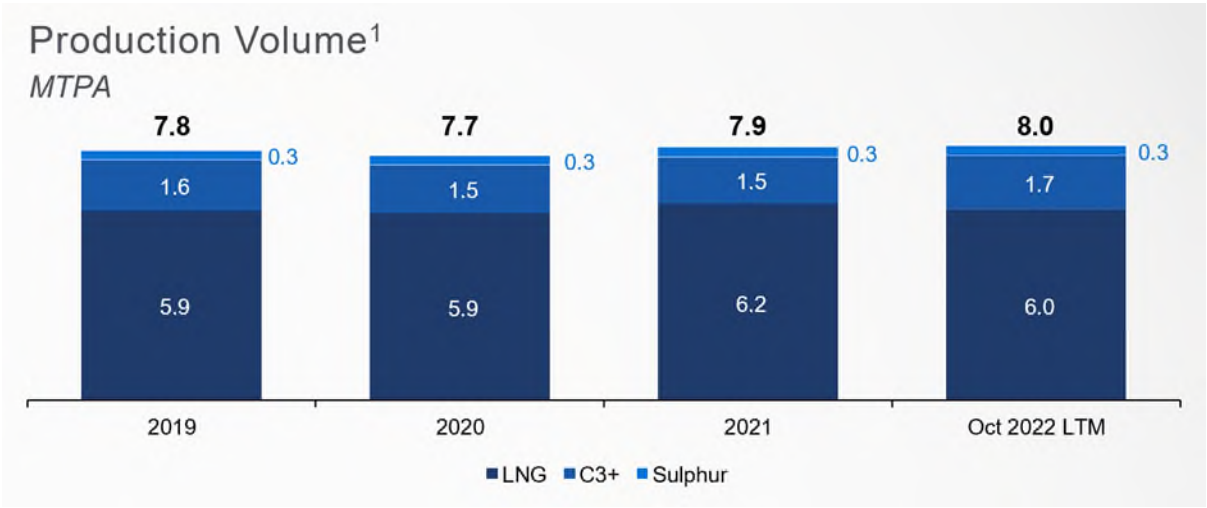
4 Reliability is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to unscheduled outages divided by total available hours.

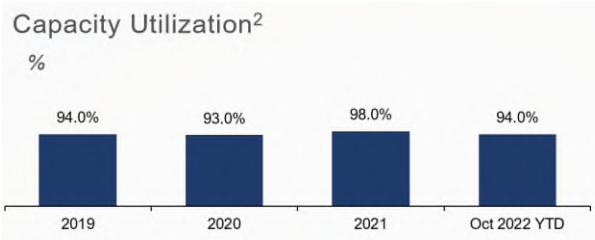
5 Availability is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to scheduled and unscheduled outages divided by total available hours.

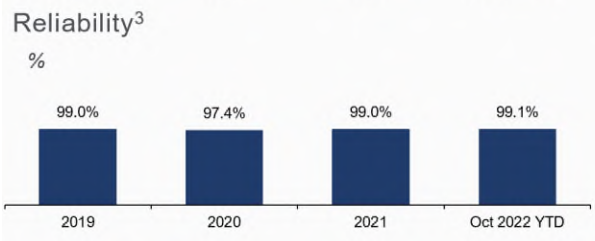
6 Yield is defined as the amount of product (or share of such amount in the case of ALNG products) produced as a percentage of raw gas feedstock used to produce such product.

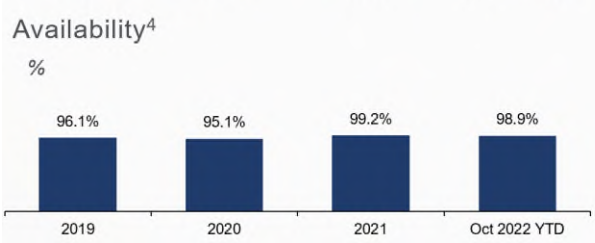
In respect of our ALNG operations, annual production of LNG from 2019 to October 2022 has ranged between 5.9 mtpa and 6.2 mtpa, with total production (including NGLs and sulphur) ranging between 7.7 mtpa and 8.0 mtpa over the same period, again showing the consistency and reliability of our production processes. Capacity utilisation from 1 January 2019 to 31 October 2022 averaged approximately 95% with peak average utilisation of 98% for 2021. Our unit processing cost (currently at 1.8 $/mmbtu for the twelve months ended 31 October 2022) benefits from our operational efficiency enhancement projects, including multiple cost optimisation initiatives and our approach to technology and innovation. Our production further benefits from the favourable cost structure, rich feedstock we acquire from ADNOC which generates our results in low breakeven cost. From an efficiency point of view, our ALNG operated plants have maintained high reliability and availability levels, averaging around 98.6% and 97.3%, respectively, for the period between 1 January 2019 and 31 October 2022. From already high levels, we have managed to further improve availability since 2019 by reducing plant visits by maintenance staff, enhanced predictive maintenance practices, fully integrated shutdown alignment plans, faster plant recovery, more efficient turnaround planning and execution and robust asset management programs. These outstanding reliability figures demonstrate the high level of effectiveness of our LNG operations and maintenance programs.

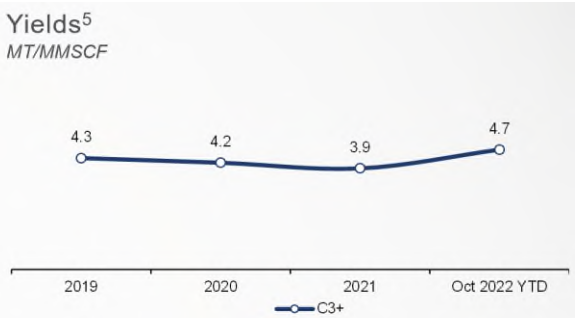
The following charts reflect the metrics with respect to our LNG business:

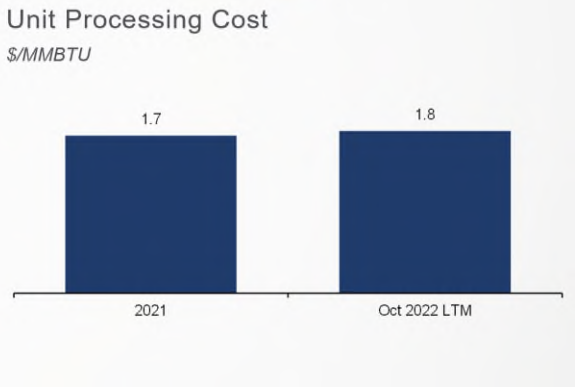












[1] Production volume reflects 100% of ALNG's production for the periods indicated. C3+ comprise NGLs and condensate.

[2] Capacity Utilisation is defined as total used capacity divided by the total available capacity for any given period, based on nameplate capacity

[3] Reliability is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to unscheduled outages divided by total available hours.
[4] Availability is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to scheduled and unscheduled outages divided by total available hours.
[5] Yield is defined as share of C3+ (see note 1) as a percentage of raw gas feedstock sent to ALNG trains.

Additionally, we maintain our high standards of operational excellence by continually looking for ways to innovate through digital initiatives, which helps us consistently yield a product mix from our feedstock that improves our margins (see also *"–Our differentiated platform benefits from a combination of favourable cost structure with rich, largely contracted molecules that mix attractive margins with dependable demand"*). *Tumuh* ("Ambition" in Arabic) is an integrated platform that uses machine learning and AI to measure flow of molecules, incidents, emissions, flaring (in real time and with the sole objective of predicting incidental flaring). We use Tumuh to proactively manage Health and Safety ("**HSE**") risk, monitor operational thresholds and send production violations notifications in real time to our operations teams. In addition, our CPAD Digital Analytics & Predictive Asset Management system digitally monitors our large fleet of rotating equipment across our operations offering predictive diagnosis through AI, which we expect to yield multiple opportunities to save on cost and avoid production loss through continuous improvement in asset efficiency. The CPAD program also helps us in shutdown alignment plans which results in high plant availability metrics. Our integrated real time optimisation capability also helps us improve production yields of NGLs in real time.

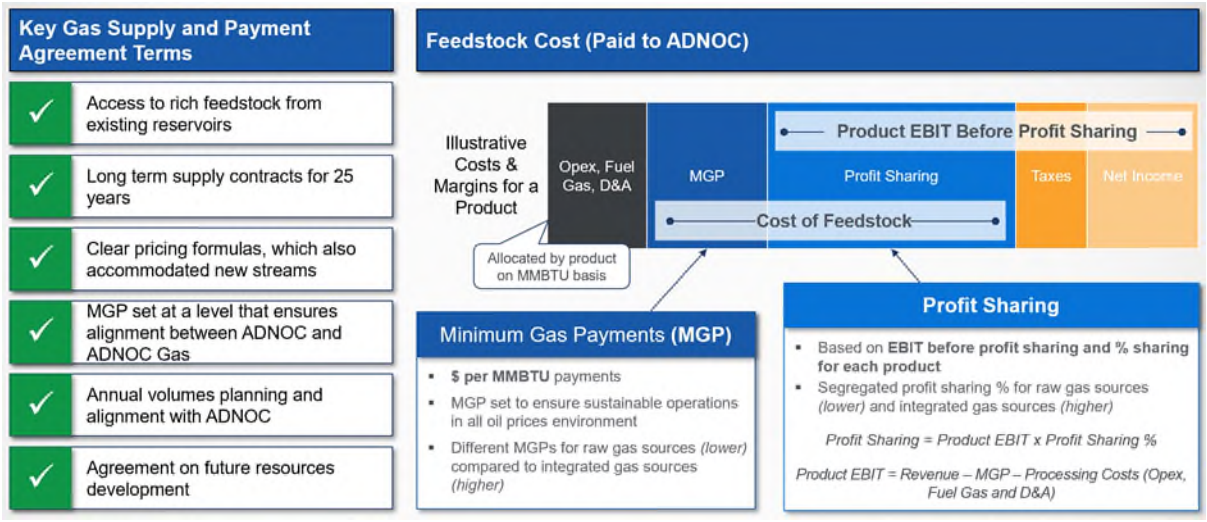
The combination of our favourable cost structure, rich feedstock and operational excellence enables our production of our attractive product mix, which in turn has produced Adjusted Revenue of $21.1 billion, Adjusted EBITDA of $7.5 billion and net income of $4.2 billion for the ten months ended 31 October 2022, in each case on a *pro forma* basis after giving effect to the Reorganisation.

Our differentiated platform benefits from a combination of favourable cost structure with rich, largely contracted molecules that mix attractive margins with dependable demand.

Through our long-term GSPA, we benefit from access to the world's 7th largest gas reserves, which we believe represents one of the lowest-cost upstream resource bases in the world, and are provided a stable flow of feedstock that is rich in NGLs and condensates. Due to ADNOC's low-cost production relative to the gas production market globally, our feedstock is more resilient to commodity price cycles than other upstream operations with higher production and development costs, which contributes to our attractive margins (see "*Industry Overview*").

Favourable cost structure

We obtain high-quality feedstock at a favourable cost structure through the GSPA, pursuant to which ADNOC has agreed to provide Raw Gas and Integrated Gas for our operations for an initial term of 25 years (from 1 January 2023). Under the GSPA, the pricing formula has two components: a minimum gas payment and profit-sharing (see also, *"Material Agreements–Gas Supply and Payment Agreement"*). The following diagram provides an overview of our feedstock cost:



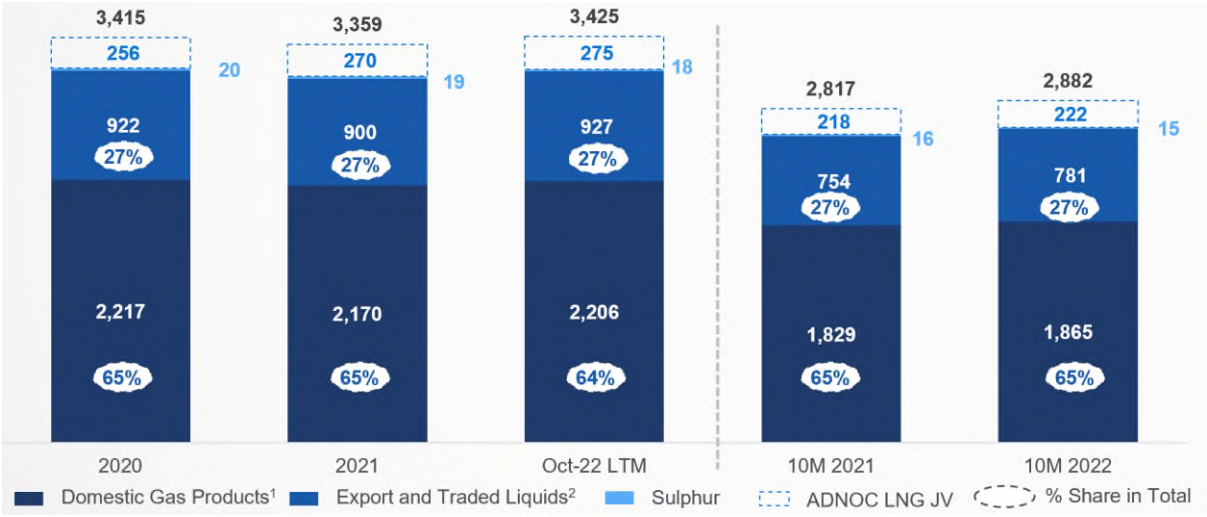
Under the GSPA, our minimum gas payment is a fixed $/mmbtu charge depending on the gas source (the charge is lower for Raw Gas than Integrated Gas). The profit share payment we owe to ADNOC is calculated by applying a percentage to each product EBIT (where EBIT represents our revenue, less the

minimum gas price we pay ADNOC, less the processing costs for fuel gas, operating expenditure, and depreciation and amortisation) on an mmbtu basis. Through this pricing formula we are able to obtain our feedstock at a predictable minimum cost, which we believe allows us to operate profitably even in a low pricing environment, while realising a sizable portion of our earnings through our stable, long term contracted domestic gas business (sales gas and ethane) yet enabling us to benefit from commodity prices in a rising price environment in our export and traded liquids business.

Rich feedstock benefits from higher margin opportunities

Certain of our gas processing products, particularly NGLs and condensate, benefit from significantly higher margins than sales gas, and the feedstock provided by ADNOC from both associated and non-associated reservoirs comprises a rich mix of molecules that are high in demand, such as NGLs and condensate. We receive our feedstock from a very large number of different upstream reservoirs, which can result in a fluctuation of liquids yielded from year to year, but maintaining operational consistency allows us to enhance the liquids yielded relative to the source of the feedstock. During 2022 we saw an increase in valuable liquids yield during the period, which was driven by the debottlenecking we performed at the Bu Hasa and Habshan 5 plants. As a result, we believe this to be a sustainable increase that we expect to continue in the coming years.

The following chart reflects our sales volume breakdown (in tbtu) produced for the years ended 31 December 2020 and 2021, the twelve months ended 31 October 2022 and ten months ended 31 October 2022 and 31 October 2021:



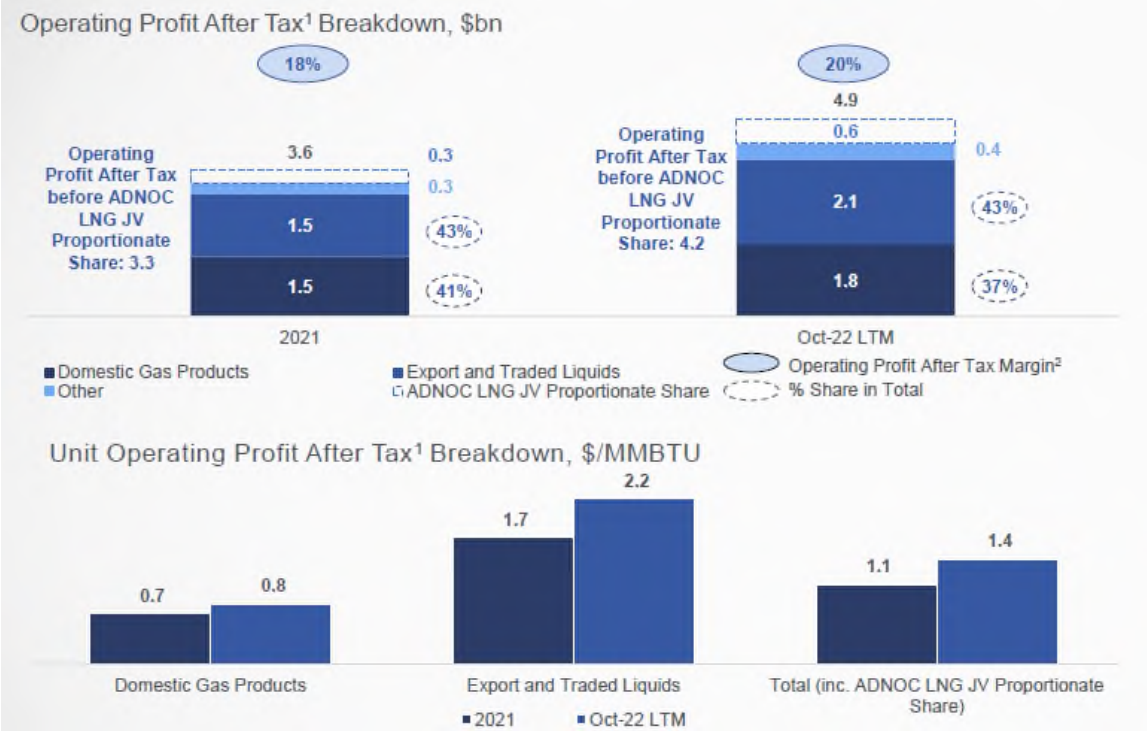
1 Domestic gas products comprise sales gas (including re-injection gas) and ethane.
2 Export and Traded Liquids include C+ components of NGLs (i.e.: propane, butane and naphtha) and condensate.

Attractive product mix with dependable demand

We capitalise on our access to rich feedstock and high liquids extraction capabilities to produce an attractive product mix, with sales gas and ethane sold domestically via stable, long-term offtake contracts, which helps us achieve stable revenues, while a significant share of high-margin NGLs are sold to the international markets with the highest demand, driving our profitability.

Our profitability is impacted by our ability to optimise our product mix based on the raw gas feedstock that we receive and identify high value demand markets for our products. The following charts reflect our

operating profit after tax and our unit operating profit after tax, broken down by product, for the year ended 31 December 2021 and the twelve months ended 31 October 2022:



[1] Operating Profit After Tax represents profits before interest expense and after income tax.
[2] Operating Profit After Tax Margin is calculated as Operating Profit After Tax (including share of ALNG's Operating Profit After Tax) divided by Adjusted Revenue.

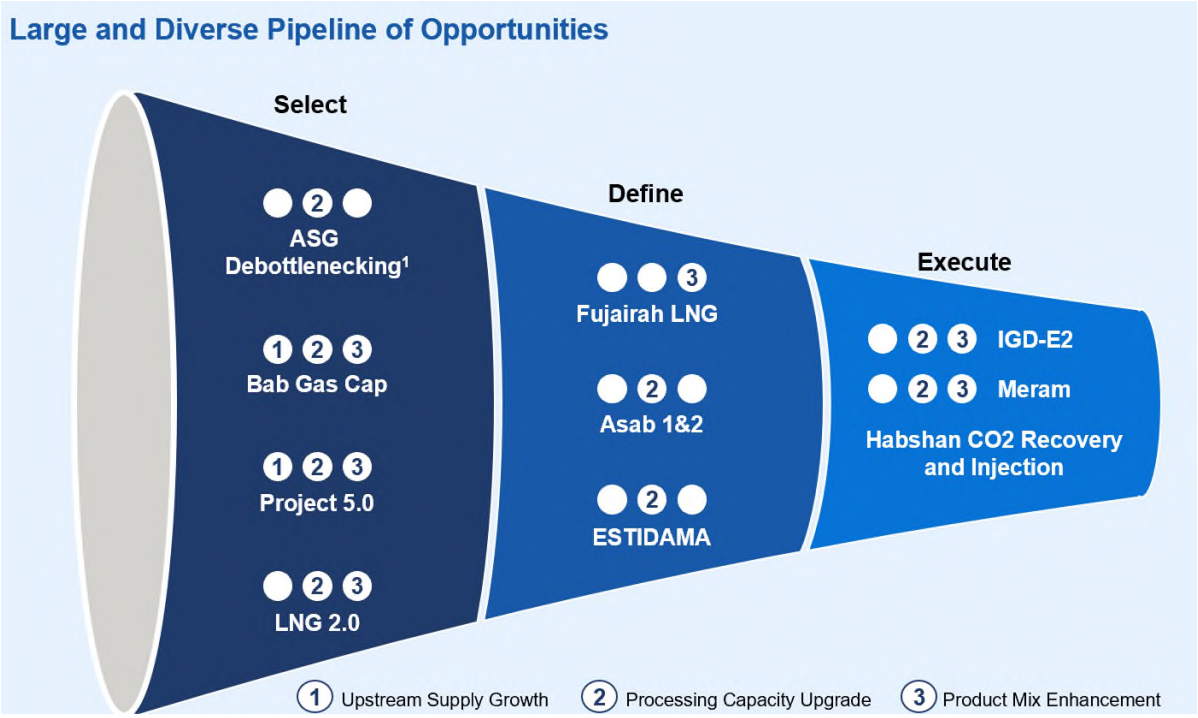
Our operations benefit from an attractive, highly integrated system, such that when demand for our sales gas falls, excess capacity can be sold back to ADNOC as re-injection gas, which ADNOC uses to facilitate enhanced condensate and oil recovery and for better reservoir management, which in turn increases the amount of liquid-rich raw gas feedstock that we receive under the GSPA, in addition to smoothing out any variability in sales gas demand, ensuring our facilities continue to operate at optimal utilisation and profitability at all times (see *"–We are a world-class integrated gas processing company that is vital to ADNOC and to the Abu Dhabi and UAE energy ecosystems")*. The success of our differentiated platform can also be seen through our strong Adjusted Revenue generation of approximately $24.9 billion for the twelve months ended 31 October 2022, on a *pro forma* basis after giving effect to the reorganisation. We have a relatively low level of fixed costs, mainly consisting of employee and overhead costs, and our variable costs are driven largely by the GSPA feedstock costs, which in turn are based on a minimum gas payment and a profit-sharing component for the volumes of gas we are able to process. This structure allows for resilience of our profit margins even during a volatile commodity price environment, as the minimum gas payment is driven by ADNOC's cost-advantaged upstream development production costs and the profit-sharing component depends on each product's respective EBIT. This further aligns our incentives to ADNOC's in securing rich feedstock streams and expanding production to drive value maximisation. (See "*-Our Strategy - Position ourselves to benefit from ADNOC's plans to accelerate monetisation of Abu Dhabi's hydrocarbon resources while advancing the UAE's objectives of becoming a gas net-exporter and of gas self-sufficiency*".) All this translated into Adjusted EBITDA of approximately $7.5 billion and and net income of approximately $4.2 billion for the ten months ended 31 October 2022, in each case on a *pro forma* basis after giving effect to the Reorganisation.

We expect to benefit from projected robust, long-term demand globally through our tangible growth opportunities.

As the lowest emission hydrocarbon, gas demand is on the rise globally. Global demand is expected to see a 25% demand increase in the next 25-30 years (*see* "*Industry Overview*"). ADNOC Gas is advantageously located in a strategically situated corridor with easy access to the largest and growing gas markets, which offers optionality to ship products both to Asia and Europe with sales in the spot market enabling selection of an optimal supply destination. In addition, with an increasing focus on energy security, Europe in

particular, has led to LNG demand rising rapidly in recent times and has resulted in strong market fundamentals supporting our growth plans.

With this in mind, our future growth is underpinned by capacity expansion resulting in processing of larger feedstock volumes and product mix enhancement resulting in a higher blended revenue per feedstock unit. We currently have a large pipeline of growth opportunities which take advantage of one or more of three types of opportunities that we have identified. These growth opportunities are at different stages of project lifecycle that we believe will deliver tangible growth in the medium term:



[1] ADNOC Gas does not incur the capital expenditure related to the ASG Debottlenecking; however, ADNOC Gas benefits from the debottlenecking as it has rights to receipt and purchase of the gas and gas products produced in ASG from ADNOC pursuant to the terms of the GSPA.

The first category of opportunities are those that could be used to prepare us for anticipated upstream supply growth. On the oil production side, ADNOC has announced its 5 mmbpd production capacity target has been accelerated to 2027 from the previous target of 2030. We expect this to result in a proportionate increase in feedstock supply to ADNOC Gas through associated gas volumes produced upstream. We also expect richer feedstock streams to be supplied through ADNOC's other upstream growth plans.

The second category of opportunities are those that could be utilised to expand or upgrade our processing capacity. We have a number of potential projects that target unlocking and developing processing capacity expansions (expected to result in an increase of approximately 3 bscfd of processing capacity and 6 mtpa of liquids processing capacity).

The final category of opportunities are those that could allow us to enhance our product mix or pivot towards higher margin product streams, increasing margin and profitability and enhancing cash generation. ADNOC Gas follows a disciplined approach to capex deployment with upside planned across each part of the value chain in which we operate. For more information on these projects and their anticipated impacts, please see *"Business Description – Our Strategy–Position ourselves to benefit from ADNOC's plans to accelerate monetisation Abu Dhabi's hydrocarbon resources"* and *"Business Description – Our Strategy–Enhance the value of our products to further enable ADNOC's petrochemicals business and optimise our gas processing product mix to increase our competitiveness in key markets while maintaining our LNG product quality"*.

We have a highly experienced management team with a long track record in our business backed by a highly supportive shareholder.

Our executive management team has significant gas processing and LNG experience, specifically, and energy industry experience more generally. We believe our combination of industry and regional expertise has allowed us to develop long-standing working relationships with our commercial and joint venture

partners, regulators and other key stakeholders. The members of our management team, the majority of whom have been instrumental in different parts of the ADNOC Gas Business or otherwise within the ADNOC Group, have a combined 196 years of gas industry experience and have worked in various management and leadership roles across ADNOC and other major companies in the industry. The team's combined industry and regional expertise enables us to clearly understand and effectively manage the inherent risks associated with the business.

The Company benefits from having ADNOC as its current sole shareholder and, following the Listing, its majority shareholder. ADNOC is both the Company's parent and also a counterparty under several material agreements to the ADNOC Gas Business, including the Gas Sale and Purchase Agreement, among others (see *"Material Agreements"* and *"Related Party Transactions"*). ADNOC is the Abu Dhabi state-owned energy company and manages, produces and preserves Abu Dhabi's hydrocarbon reserves on behalf of the Government of Abu Dhabi. Abu Dhabi's natural gas production are estimated to represent more than ninety-five percent (95%) of the UAE's total gas reserves (*Source: Wood Mackenzie*). The UAE currently holds approximately 290 tcf in gas reserves, making it the world's seventh largest proven natural gas reserves in 2021 (see *"Industry Overview"*). Since its incorporation in 1971, ADNOC has played an integral role in Abu Dhabi's and the UAE's economic development.

(c) Our Strategy

Position ourselves to benefit from ADNOC's plans to accelerate monetisation of Abu Dhabi's hydrocarbon resources while advancing the UAE's objectives of becoming a gas net-exporter and of gas self-sufficiency.

We are focused on increasing our production capacity to maximise output in order to benefit from the ADNOC Group's 2030 integrated strategy, which includes increasing capacity of oil, gas and low carbon/renewable energy production as part of its accelerated growth strategy. Due to our critical role within the UAE's entire hydrocarbon chain, growth in our downstream operations is expected to be supported through growth in ADNOC's feedstock supply to us. By increasing our processing capacity at our plants, we believe we will benefit from ADNOC's plans to expand upstream production and accelerate the growth of Abu Dhabi's energy resources.

With this in mind, we work closely with ADNOC and other ADNOC Group entities in supporting the ADNOC Group's 2030 strategy aiming at advancing the UAE's objective of becoming a gas net-exporter while also ensuring gas self-sufficiency.

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 $150 billion group investment program for the five-year period 2023 to 2027 (inclusive). This is expected to serve as a major growth catalyst, 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. In addition to growing its new energies business, ADNOC is aiming to meet upstream growth ambitions through the expansion of oil production capacity (expected to increase from 4 mmbpd to up to 5 mmbpd by the end of 2027) and 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 tscf of natural gas reserves in 2022 alone). This program is expected to contribute more than 30% growth in associated and non-associated gas production by 2030. In support of these investments by ADNOC, we are aiming to add approximately 3 bscfd of gas processing capacity through a number of upstream projects (which have already gone through various approval stages). These projects and the corresponding targets we have set to meet are projected to enable processing and monetisation of richer streams of feedstock through increasing our processing capacity to meet ADNOC's anticipated increased gas and crude production.

The following table sets forth details of some of those projects, but for more information please see *"Business Description – Future Projects"*) :

Project	Business	Ambitions	Expected Impact	Expected Completion
Bab Gas Cap	Gas processing	Greenfield gas processing plant to process cost advantaged and rich gas Contribute to development of Fujairah LNG and TAZIZ Petrochemical expansion	1,855 mmscfd	2027 onwards

Project 5.0	Gas processing	Modifications in Asab, Bu Hasa, Habshan, Habshan 5 and Ruwais Accommodate additional rich gas with oil production growing to 5.0 mbopd	>1,000 mmscfd	2027 onwards

The Bab Gas Cap project is part of ADNOC's plan to develop the Bab Gas Cap reservoir as an upstream asset and thereby create an additional source of supply of rich gas streams to ADNOC. On our part, we plan to facilitate the incremental volumes through the development of a greenfield gas processing plant which is expected to add approximately 1.9 bscfd processing capacity to our gas processing operations by 2027 at the earliest. The plant will focus on processing rich feedstock streams and is expected to contribute to condensate and NGL production growth, resulting in product mix enhancement along with capacity expansion.

Project 5.0 is related to ADNOC's plan to increase its oil production capacity and the anticipated resulting increase in rich associated gas streams to ADNOC. On our part, we plan to make modifications in our Asab, Bu Hasa, Habshan, Habshan 5 and Ruwais facilities in order to accommodate the additional rich gas by increasing the capacity of the gas processing operations at these facilities by more than 1,000 mmscfd in aggregate by 2027 at the earliest.

Going forward, we intend to continue to collaborate with and support the ADNOC Group in their monetisation and value maximisation efforts, from which we benefit directly due to our position within the ADNOC gas value chain (see *"- We are a world-class integrated gas processing company that is vital to ADNOC and the Abu Dhabi and UAE energy ecosystems."*). As the key feedstock supplier to downstream sectors, we act as the enabler of downstream industrial growth, which we believe in turn will continue to drive the demand for our products.

Continue our efforts to be at the forefront of energy transition through implementing our ESG targets which are aligned with ADNOC's sustainability strategy and goals.

Gas is a key fuel in the energy transition as the lowest emission hydrocarbon molecule, and its criticality for energy security is expected to drive high and growing demand for our products around the world. ESG is deeply rooted in our philosophy, strategy and operations, and our history reflects this, as we believe we have been pioneers in the region by implementing Sheikh Zayed's historic directive to cease unnecessary routine flaring in the 1970s. We remain committed to the decarbonisation of our operations and the UAE's and ADNOC's sustainability goals through the implementation of new initiatives such as zero carbon grid power, electrification projects, green power at the Bab Gas Cap, real-time energy optimisation at the Habshan Complex, flaring reduction with flare gas recovery for Habshan 3, and the implementing of carbon capture at Habshan 5 and Asab 1&2 complexes as part of routine operations (see *"Business Description – Future Projects"*, *"Business Description – Environmental, Social and Governance (ESG) Performance-Environmental"* and *"Business Description – Environmental, Social and Governance (ESG) Performance-Gas decarbonisation initiatives"*). Through our decarbonisation roadmap, we have set our course to support ADNOC in fulfilling its target of 25% reduction in GHG emissions intensity by 2030 (as compared to the 2019 baseline) with a goal of achieving further reductions thereafter to help drive towards ADNOC's net zero emission (in operations) ambition by 2050.

Our abatement plan has the potential to reduce our projected GHG emissions by over 40% by 2030 (compared to the projected 2030 unabated profile) and a 20% reduction vs 2022 unabated profile even after accounting for the growth in our business. As part of our plan, we intend to leverage green power, electrification of facilities and carbon capture to significantly cut that projection. A large portion of this potential reduction is expected to be achieved by way of carbon capture through the deployment of technologies that aim to leverage the UAE's natural geological advantage. For example, the Habshan 5 CO2 recovery and injection project is designed to recover CO2 from tail gas treatment units, which is projected to reduce our emissions (see *"Business Description – Future Projects – Gas Processing Projects – Habshan CO2 Recovery and Injection"*). Our plans are generally designed to expand carbon capture across our operations by 2030. In terms of reporting, we remain committed to annual sustainability reporting and have implemented a series of initiatives and future strategies in order to best meet our sustainability efforts in respect of our energy portfolio. 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. In addition, we strive to adhere to the three "Rs": reduce, reuse and recycle, and will continue to search for ways to use hazardous waste as raw material for other industries.

We believe our operations are aligned with the UAE's ambitions, particularly around net zero, and the broader ADNOC Group, which has a well-developed and robust ESG framework across emissions, the local environment, economic and social contributions, workforce, HSE and overall governance. Going forward we expect to continue to follow and remain aligned with this ESG framework as we strive to attain and contribute to ADNOC's and the UAE's, sustainability goals.

Enhance the value of our products to further enable ADNOC's petrochemicals business and optimise our gas processing product mix, increasing the share of higher margin products, while extending our market reach domestically and in export markets.

In addition to benefitting from ADNOC's upstream development plans, our growth strategy relies on upgrading and debottlenecking our gas processing capacity and enhancing the growth of our liquids recovery and liquefaction capacity, which we believe will result in an increase in the share of high-margin products output. To this end we have gas processing projects at various stages of development with potential to deliver over 2.8 bscfd of incremental gas processing capacity and approximately 6 mtpa of additional liquids production capacity (excluding Fujairah LNG) by 2028. There is also the Fujairah LNG plant construction project which ADNOC is developing outside of the scope of ADNOC Gas; however, we are supporting ADNOC in the execution and delivery of the Fujairah project, and we expect to be given the opportunity to acquire the project from ADNOC once the plant is completed and online but prior to starting commercial production, with the purchase price to be determined at the time of contribution subject to economic outlook and market valuations for similar assets at the time. The following table sets forth details of selected projects (see also *"Business Description – Future Projects"*):

Project	Business	Ambitions	Expected Impact	Expected Completion
ESTIDAMA	Gas processing	Extend market reach (new customer in Northern Emirates) Debottleneck existing network and enable Fujairah LNG growth	330-450 km of pipeline	2Q23 onwards
IGD-E2	Gas processing	Debottlenecking of compression capacity Enables additional offshore low pressure, rich gas export to Habshan onshore facilities De-couples offshore oil production from LNG on Das island	370 mmscfd	2024
Meram	Gas processing	Maximise ethane recovery from existing streams to meet the future ethane demand Secure supply of ethane in line with expected Borouge 4 demand (2 mtpa sustainable)	2.2 mtpa of ethane and 1.2 mtpa NGLs	2025 onwards
LNG 2.0	LNG	Ethane extraction and export Debottlenecking LNG trains Partial electrification of LNG trains to reduce GHG emissions	1.2 mtpa of ethane, 0.8 mtpa of LNG and 0.5 mtpa of C3+	2028
Fujairah LNG[1]	LNG	Monetise methane in a higher-return clean fuel to global markets targeting a near net zero CO2 emission	9.6 mtpa of LNG	2027

[1] To be built by ADNOC. We are supporting ADNOC in the execution and delivery of this project and expect to be given the opportunity to acquire it from ADNOC once the plant is completed and online but prior to starting commercial production.

The ESTIDAMA project, which is aimed at debottlenecking the transportation network through the construction of an additional 330-450 km of gas pipelines, is anticipated to enable transportation of an incremental 600 mmscfd of gas by 2024 and 1.5 bscfd to Fujairah by 2027, which would result in increased market penetration with the UAE gaining access to new customers in the Northern Emirates. It will also facilitate feedstock supply to the future Fujairah LNG project, once this is completed and to the extent brought within the Group.

The integrated gas development expansion phase II (IGD-E2) project is aimed at decoupling offshore oil production from the LNG production at Das Island through debottlenecking of our compression capacity by constructing three new gas dehydration and compression trains that will enable the transfer of 370 mmscfd of additional low-pressure rich gas to Habshan from Das Island.

The MERAM project is focused on increasing ethane and liquids recovery at our processing facilities by increasing yields of NGL products (2.2 mtpa of ethane and 1.2 mtpa of liquids expected), contributing to a more optimal product mix. The project is also intended to enable downstream sector growth through additional supply of ethane to Borouge 4, Borouge's polyethylene project that is anticipated to become operational as early as late 2025.

The LNG 2.0 project is focused on monetising and exporting ethane and increasing liquids recovery from existing feedstock streams to ALNG. This project is expected to increase ethane and liquids production capacity by 2.5 mtpa of incremental output comprised of 1.2 mtpa of ethane, 0.8 mtpa of LNG and 0.5 mtpa of NGLs. In addition, the project aims for partial electrification of the LNG trains', with the objective of reducing LNG processing and liquefaction emissions by ~60% and unlocking 100 mmscfd of feed gas, originally utilised as fuel, that will be re-directed to increase our LNG production. The project is currently in pre-FID (*final investment decision*) stage and scheduled to be completed in 2028.

The Fujairah LNG project is not an asset we currently own or finance, but is one we are assisting our parent ADNOC in developing and executing. This project involves the construction, at ADNOC's expense, of an additional low carbon intensity LNG plant in Fujairah that is designed to add 9.6 mtpa of liquefaction capacity. This project is expected to mark a significant milestone, as we believe it will be the first electric LNG plant in the MENA region. The plant is expected to also enable us to monetise an estimated additional 1.5 mmscfd of sales gas stream, which would enhance our overall product mix while contributing to the UAE's gas export capability and enabling ADNOC's downstream industrialisation plans. This project is being developed outside our perimeter and in cooperation with ADNOC, as the commercial structuring of the project continues to be defined as well as the significant capex requirement; however, we expect to be given the opportunity to acquire the project from ADNOC once the plant is completed and online but prior to starting commercial production, with the purchase price to be determined at the time of contribution subject to economic outlook and market valuations for similar assets at the time. We believe this approach will allow the Group to benefit from a significant capacity expansion project that is expected to contribute to production growth and deliver a more valuable product mix overall without incurring the capex and development risk.

Through efficient optimisation strategies, we have demonstrated our capacity to enhance the value of our molecules by maximising the recovery of C+ products while sustaining the quality of our sales gas and LNG. Through the projects described above and elsewhere in this Prospectus, we plan to continue to enhance the value of our products by optimising our gas processing product mix to increase the opportunity for value creation in ADNOC Gas and the broader Abu Dhabi ecosystem.

(d) **Our History**

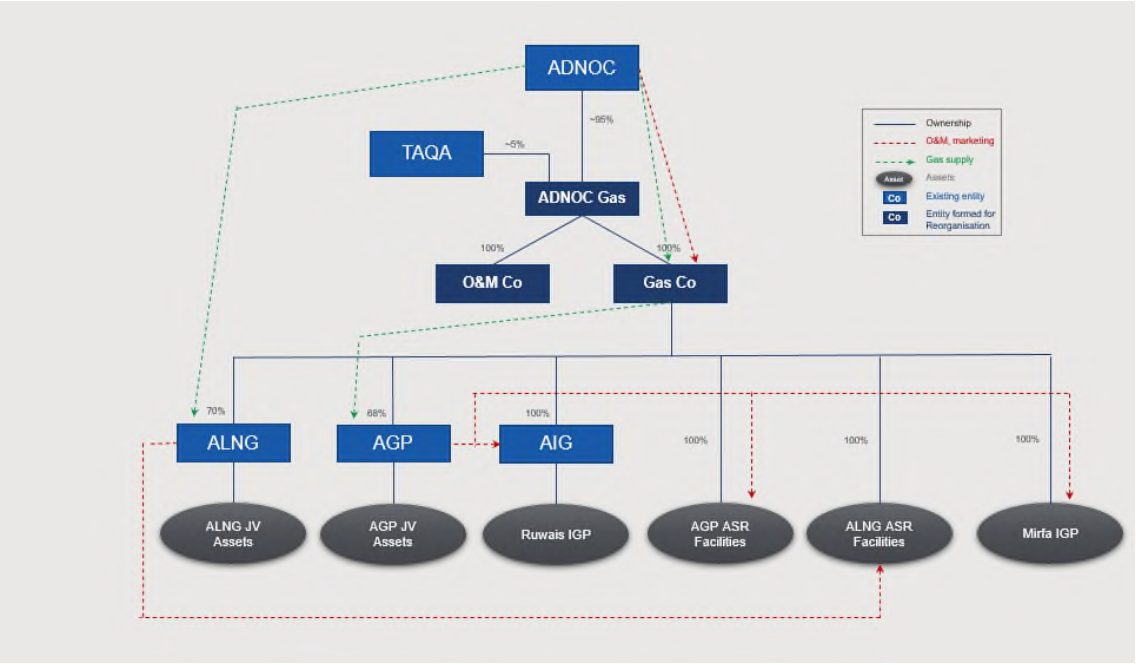
Year	Entity(1)	Milestone
1970	ALNG	H.H/ Sheikh Zayed issued directive to cease unnecessary flaring.
1973	ALNG	ALNG established as a joint venture company between ADNOC (70%), Mitsui & Co (15%), BP (10%), and Total Energies (5%) (360 tph LNG processing capacity).
1977	ALNG	First LNG shipment delivered to TEPCO.
1978	AGP	AGP established as a joint venture between ADNOC (68%) and shareholders Shell (15%), TotalEnergies (15%) and PTTEP-PARTEX OIL AND GAS (2%).
1980	AGP	Asab, Bab and Buhasa Processes Plants start up (associated gas).
2001	AGP	GASCO merges with ATHEER, adding three gas processing plants: Habshan 0, 1, 2 with a 3,000 mmscfd processing capacity and pipeline network. The merger more than doubled the size of the Company, making it one of the world's largest gas processing companies.

2010	ALNG	Offshore Associated Gas Project commissioned with low pressure offshore gas export capacity of 200 mmscfd.
2011	AGP	Habshan 3, Asab 2, Ruwais Train 3 Start up.
2018	AGP	Taweelah Gas Compression Project commissioned, ensuring uninterrupted gas supplies to major Abu Dhabi industries and the UAE's Northern Emirates.
2021	ADNOC	Clean Energy Agreement with EWEC in October 2021 for supply of power to ADNOC from clean sources, with net-zero emissions.
2022	ALNG	Project Lightning connecting LNG offshore facilities with Abu Dhabi power grid (targeted to complete by 2026).
2022	Company	ADNOC Gas Ltd. is established as a private company limited by shares.
2023	Company	The Company and ADNOC complete the Reorganisation.

(1) For each historical event that occurred prior to the Reorganisation, we have indicated the entity at which such event occurs or to which such event relates.

(e) Corporate Structure

As of the date of this Prospectus, ADNOC holds approximately 95% of the Company's issued share capital. The structure chart below sets forth the corporate structure of the Group as of the date of this Prospectus:



As of the date of this Prospectus, the Company, indirectly through its wholly owned subsidiary Gas Co, holds (A) the ASR Businesses, (B) 68% of the interests in AGP, (C) 70% of the interests in ALNG and (E) 100% of the interests in AIG. ADNOC exercises control over the Company through its majority ownership of the Company.

As of the date of this Prospectus, O&M Co does not hold any assets and is not party to any agreements with the Company, Gas Co, ADNOC or the Joint Ventures. In the future, subject to completion of the Listing, the Company intends to pursue the Post-Reorganisation Optimisation.

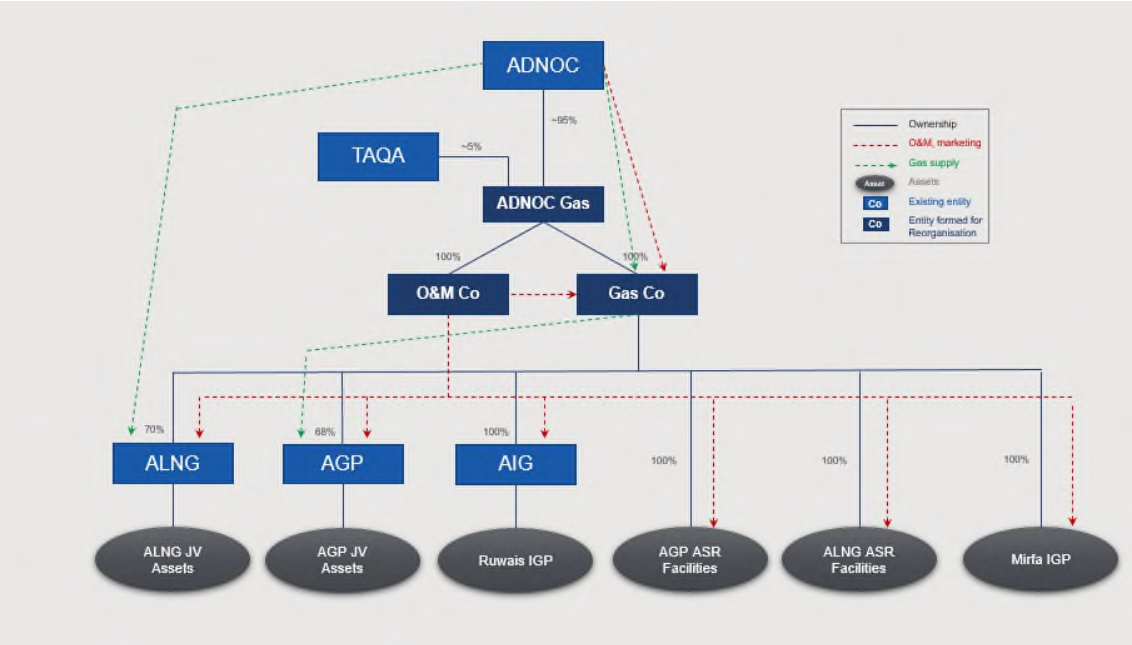
1. The Reorganisation

The Company is a newly established majority owned subsidiary of ADNOC, the state-owned energy company of the Emirate of Abu Dhabi in the UAE. In connection with the Company's establishment, the Company and Gas Co entered into certain agreements with ADNOC and its subsidiaries to

transfer to the Group: (i) the ADNOC ASR assets owned by ADNOC and operated on an ASR basis by AGP, ALNG or AIG; (ii) ADNOC's interests in each of the Joint Ventures; and (iii) 100% of the interests in AIG ((i) through (iii) inclusive, the "**ADNOC Gas Business**"). In addition, in connection with the transfer of the ADNOC Gas Business, the Company and Gas Co entered into the Reorganisation Agreements to ensure that the Company could continue to operate the ADNOC Gas Business, including the GSPA, the Transitional Marketing and Transportation Agreement, the Sulphur Sales and Marketing Agreement, the Pipelines Use and Operation Agreement, the RGSA and certain lease agreements (such agreements, together with the ADNOC Gas Business, the "**Reorganisation**"). For more information on the Reorganisation Agreements, see "*Material Agreements*" and "*Related Party Transactions*".

2. **Post-Reorganisation Optimisation**

After the Listing, we intend to initiate the Post-Reorganisation Optimisation to consolidate under O&M Co the operation, maintenance and marketing of the ADNOC Gas Business, which is expected to involve (i) the transfer of substantially all of the personnel of AGP, ALNG and AIG to the employment of O&M Co and (ii) the entry by O&M Co into certain agreements with the Company, Gas Co, ADNOC and the Joint Ventures to effect the foregoing ((i), (ii) and (iii), "**Post-Reorganisation Optimisation**"). The structure chart below sets forth the corporate structure of the Group as of the date of this Prospectus:



Until Post-Reorganisation Optimisation is completed, the ADNOC Gas Business will continue to be operated by the Joint Ventures and AIG, consistent with its operation prior to the Reorganisation.

3. **The Joint Ventures**

(i) **ALNG**

ALNG, which is 70% owned by Gas Co, is a non-associated and associated gas processing company that focuses on natural gas liquefaction from the feedstock it receives from ADNOC Offshore to the processing, marketing and shipment of its products, with a processing capacity of 8 million tonnes of liquefied natural gas, liquefied petroleum gas, paraffinic naphtha and liquid sulphur per year for export from Das Island, which is located 160 km off the coast of Abu Dhabi. Established in 1973, ALNG was the first LNG production company in the Arabian Gulf. ALNG is a critical gas export platform in the UAE to international markets, particularly Asia and increasingly Europe, for over four decades. ALNG facilities can currently process up to 1,100 BSCFD of feedstock received from ADNOC Offshore in its three LNG trains at Das Island, producing mainly LNG with three by-products (LPG, paraffinic naphtha and sulphur).

ALNG's other shareholders comprise Mitsui & Co (15%), BP (10%), and Total Energies (5%).

ALNG works in close partnership with other ADNOC Group companies, including ADNOC Offshore to take the associated gas from offshore fields. ALNG has contracts across multiple customers with different maturity tenors, in addition to its spot business which allows the platform to maintain a balanced exposure whilst capitalising on market opportunities as they emerge.

(ii) **AGP**

AGP, which is 68% owned by Gas Co, operates multiple gas processing plants, which are among some of the largest integrated gas processing plants in the world with gas processing capacity of 8 billion standard cubic feet per day (excluding the Ruwais NGL fractionation and sulphur granulation plants) and a liquid processing capacity of 21 million tonnes per year. Established in 1978 through a 30-year joint venture agreement between ADNOC (68%), Shell (15%), TotalEnergies (15%) and PPTEP (2%) (together, the "**AGP JV Partners**"), AGP's first plant opened in 1981. Using the feedstock it receives, AGP produces a range of products including methane, ethane, industrial gas, propane, butane, paraffinic naphtha, condensates and sulphur. AGP does not own the molecules that it processes on behalf of ADNOC Gas and the AGP JV Partners and it is not involved in the marketing of products to customers.Products from the AGP owned plants are equity lifted by ADNOC Gas and the AGP JV Partners proportionate to their equity contribution for C3+, while sales gas and ethane is 100% equity lifted by Gas Co. Products from the AGP operated AGP ASR Business are 100% equity lifted by ADNOC Gas (see *"–Our Business–Operations–Marketing and Sales*").

AGP's three owned plants, Bu-Hasa, Asab 0&3 and Bab, as well as the Gas Co owned gas processing plants Habshan 0-5 complex, Asab 1&2 and the Ruwais NGL fractionation plant and sulphur handling facilities, operated as of the date of this Prospectus by AGP, are located in the Western Region of Abu Dhabi and Ruwais, and are connected to a 3,260km pipeline network that we manage and operate, which enables AGP to distribute gas and other products throughout the UAE. AGP also exports products from Ruwais, serving more than twenty international markets, including China, India, Japan, South Korea, Singapore, Morocco, Thailand and Malaysia.

AGP works in close cooperation with other ADNOC Group companies, including: ADNOC Onshore and ADNOC Offshore, which supply feedstock; ADNOC Refining, which processes the condensate we produce; Borouge, which manufactures plastics using ethane from our plants; and other shareholders, which export our products from Ruwais to our international customers. AGP also granulates sulphur on behalf of ASG, ADNOC Refining and ALNG.

(iii) **The ASR Businesses**

The ALNG ASR Business represents gas processing operations and assets that are 100% owned by the Group, but as of the date of this Prospectus are operated by ALNG.

The AGP ASR Business represents gas processing operations and assets that are 100% owned by the Group, but as of the date of this Prospectus are operated by AGP.

The AIG ASR Business comprises our industrial gas operations the Mirfa IGP and Ruwais IGP, which is 100% owned by Gas Co, but as of the date of this Prospectus is operated by AGP. See "*–The Reorganisation*" below".

(iv) **AIG**

AIG, which is one hundred percent (100%) owned by ADNOC, was established to provide industrial gases (nitrogen and oxygen) to oil, gas and other industry sectors in Abu Dhabi and elsewhere in the UAE.

(f) **Our Business**

1. **Products**

As of the date of this Prospectus, Gas Co owns the products of the ASR Businesses and equity lifts 100% of the Methane (C1) and (68%) of the Natural Gas Liquids (NGL) produced in AGP's three owned plants: Bu-Hasa, Asab 0&3 and Bab; however, ALNG owns its products, with Gas Co

receiving periodic dividends along with and in proportion to its joint venture partners based on Gas Co's relative ownership interest in ALNG (70%).

In addition, Gas Co has an indirect interest, through the GSPA, to 100% of the production by ASG (a non-perimeter entity owned 60% by ADNOC and 40% by Occidental) of methane (C1), ethane (C2), propane (C3), butane (C4), paraffinic naphtha and natural-gas condensates, which Gas Co purchases from ADNOC. ASG, is currently the only gas processing plant in the ADNOC portfolio not owned and operated by ADNOC Gas given the integrated nature of its business perimeter and operation, which combines both the Shah gas field and the gas plant, owned jointly by ADNOC and Occidental.

ADNOC Gas owns 93% of the overall plant processing capacity across the ADNOC Gas Business, with the remaining 7% owned by AGP and ALNG. The following table sets out the current state of the Group's product flow by entity and asset:

	Assets	Products	FTEs	Adj. Revenues (2021A)[7]
Gas Processing	Bab	Sales Gas and NGLs	6,020	$17.0bn[6]
	Habshan 0-5	Sales Gas, NGLs, Condensate and Sulphur		
	Ruwais Sulphur Granulation Plant	Sulphur		
	Ruwais NGL Plant	C2, C3, C4 & C5+		
	Asab 0&3	Sales Gas and NGLs		
	Asab 1&2	Sales Gas, NGLs, Condensate		
	Bu Hasa	Sales Gas and NGLs		
	IGD	Feedstock gas to Gas Processing Plants		
	OAG	Feedstock gas to Gas Processing Plants		
LNG	Das	LNG, LPG, C5, Sulphur	386	$2.4bn[4,6]
Industrial Gases	Ruwais Plant	Gaseous Nitrogen, Liquid Nitrogen, Liquid Oxygen	38	$51m[6,8]
	Mirfa Plant	Gaseous Nitrogen		
			c.6,450[5]	$19.5bn[7]

Gas Processing JV[1] Operations LNG Joint Venture[2] Operation

(1) AGP ownership: ADNOC 68%, Shell 15%, TOTALEnergies 15%, PTTEP 2%. ADNOC Gas owns 100% of gas products and attributable share in NGLs.
(2) ALNG ownership: ADNOC 70%, Mitsui 15%, BP 10%, TOTALEnergies 5%.
(3) To be commissioned in Q1 2024.
(4) ADNOC Gas does not consolidate revenue from LNG. It is accounted for as Income from Associates on the ADNOC Gas income statement.
(5) Includes 1,351 FTEs in head office in Abu Dhabi.
(6) Calculated as a sum of revenues across plants within respective buckets (AGP, LNG and AIG).
(7) Adjusted Revenue consists of consolidated revenue and ALNG JV proportionate revenue.
(8) AIG revenue figure for the full year 2021.

(i) Methane (C1)

The methane produced at our facilities is primarily used as a feedstock for the production of chemicals, as a fuel for power generation and other industrial purposes or for re-injection into reservoirs. All of our methane is sold to clients through long-term contracts with pay-or-take obligations, which include, among others, EWEC, DUSUP, Emirates Global Aluminium, Emirates Steel and companies under the ADNOC umbrella, such as Fertil, or directly to ADNOC for re-injection into reservoirs for enhanced liquids recovery. ADNOC's re-injection demand is a key benefit of our integrated business, as during periods of seasonal demand troughs, or weaker demand, our plants can continue to operate at optimal utilisation rates with any excess methane production directed to meet ADNOC's sizable re-injection requirement, thereby enhancing liquid recovery rates which typically enjoy higher margins per unit compared to our methane production.

Key end market: UAE.

(ii) **Ethane (C2)**

The ethane produced at our facilities is primarily used as a feedstock for the production of chemicals, including ethylene, propylene, polyethylene and polypropylene, which are used in a variety of products such as plastics, resins and synthetic fibres. Most of our ethane is sold to Borouge, with the remainder sold to other end users.

Key end market: UAE.

(iii) **Liquefied Petroleum Gas (C3 & C4)**

Composed mainly of propane and butane, the LPG produced at our facilities is used as a fuel for cooking, heating and transportation, and is also used as a feedstock for the production of chemicals. Most of the LPG produced at our gas processing facilities is ultimately sold globally, primarily in South and East Asia. The remainder of our LPG is sold to ADNOC Distribution which markets locally to end users such as households and businesses that use LPG for cooking, heating and transportation, as well as Borouge, which uses LPG as a feedstock for the production of chemicals. The Company may also sell LPG to traders or other intermediaries who distribute the product to end users. Historically and as at the time of this Prospectus, ALNG sells its LPG directly to export markets globally.

Key end markets: China, India, Indonesia, Japan, Thailand, UAE, Vietnam, Bangladesh and others.

(iv) **Naphtha**

Paraffinic naphtha is a light hydrocarbon that is primarily used as a feedstock for the production of chemicals, including ethylene and propylene, which are used in a variety of products such as plastics, resins and synthetic fibres. All of our naphtha other than what is produced by ALNG is sold to AGT, which then markets and sells the product to end users. ALNG sells its naphtha to end users directly. End users of naphtha include chemical companies that use naphtha as a feedstock for the production of chemicals, as well as other companies that use naphtha as a solvent or intermediate in the production of other products.

Key end markets: China, India, Japan, Thailand, Singapore and Vietnam.

(v) **Sulphur**

Sulphur, which is naturally found in H2S form in feestock, is primarily used as a feedstock for the production of chemicals, including sulphuric acid, which is used in a variety of industries such as fertilisers, detergents and metals processing. All of our sulphur is sold to ADNOC, which then markets and sells the product to end users. End customers for sulphur include chemical companies and other companies that use sulphur in their products or processes.

Key end markets: China, Jordan, Morocco and others.

(vi) **Condensate**

Condensate, is a light hydrocarbon that is found in and separated out during the processing of natural gas that is used as a feedstock for the production of chemicals and as a feedstock for the production of gasoline and other fuels in refineries. All of our condensate is sold to ADNOC Refining.

(vii) **Liquefied Natural Gas (LNG)**

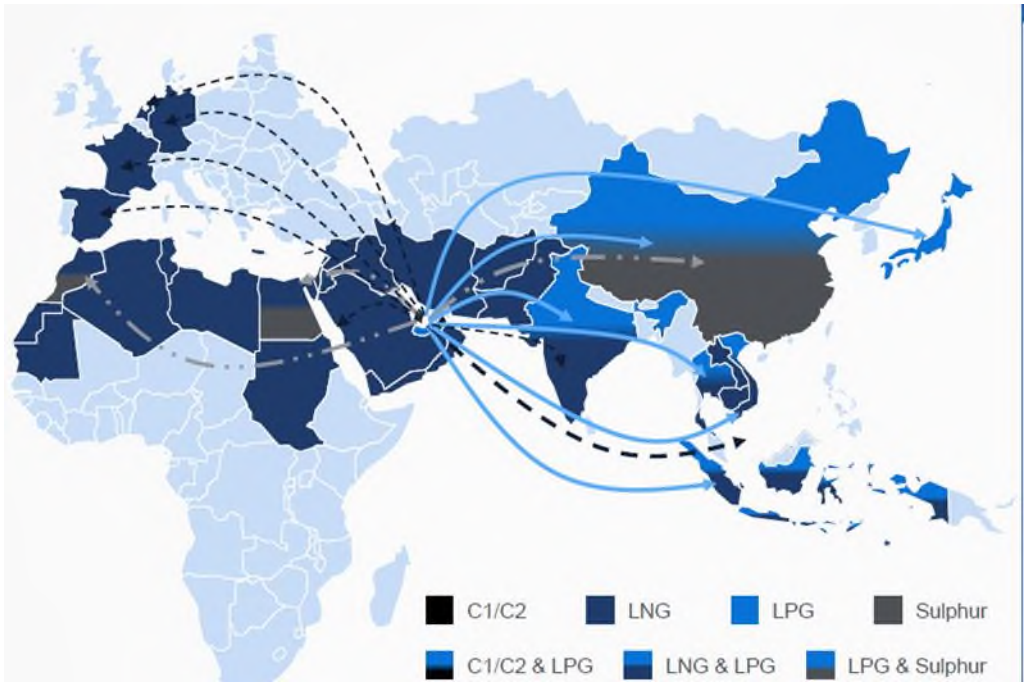
LNG, which is natural gas that has been cooled to a liquid state at -162°C (-260°F) for ease of transportation and storage, is primarily used as a fuel for power generation and other industrial purposes, and is also used as a feedstock for the production of chemicals. End customers for LNG include power utilities and other industrial firms that use LNG as a fuel, as well as chemical companies.

Key end markets: India, MENA, South East Asia and more recently in Europe.

(viii) **Industrial Gas (IG)**

We produce a range of industrial gases, including oxygen, nitrogen and argon, for customers in the UAE and other countries in the region. Our industrial gases are produced using cryogenic distillation technology, which involves the separation of the gases from air using low temperatures and high pressures. For example, oxygen is used in a variety of industrial applications, including steelmaking, waste treatment and chemical processing, and nitrogen is used in a variety of industrial applications, including food and beverage processing, pharmaceuticals and electronics and fertilisers. End customers for industrial gases include a range of industries such as steelmaking, food and beverage processing, pharmaceuticals and electronics, as well as other companies that use industrial gases in their products or processes.

The following map depicts the key end markets for methane (C1), ethane (C2), LPG, LNG and sulphur:



2. Operations

The gas processing operations consist of gas separation & sweetening, NGLs extraction & fractionation, condensate processing, dehydrated sulphur handling, NGLs and sulphur shipping, compression and fuel gas treatment. The gas processing business is also involved in the sale and transmission of methane (C1) and ethane (C2) domestically through its sizable pipeline network and the export of NGL and sulphur.

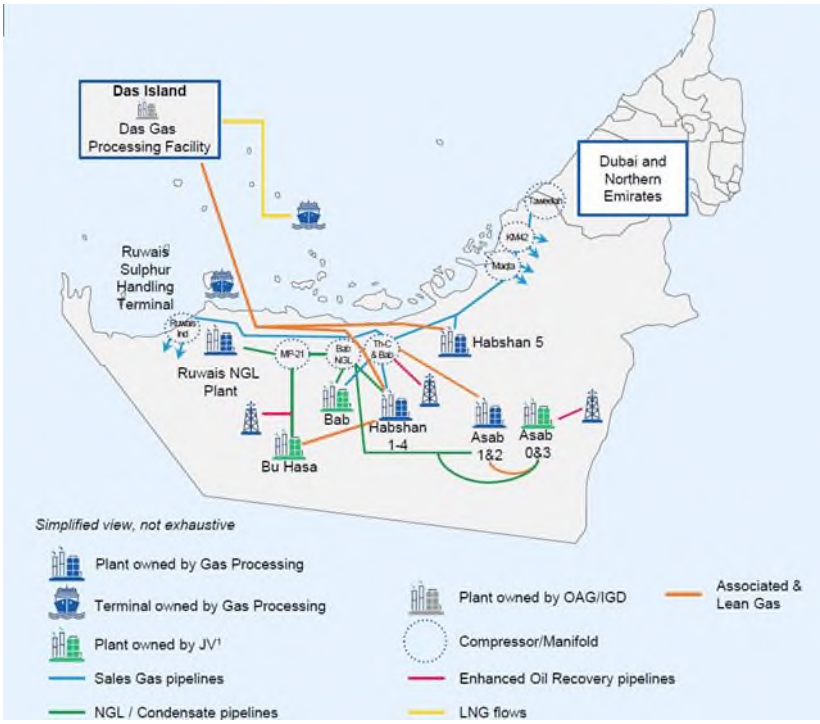
The LNG operations are production of LNG and associated gas liquid products, gas compression and commercialisation of LNG to its market clients.

(i) **Facilities and Production**

The assets of the ADNOC Gas Business that are used to produce our products are split between gas processing operations and LNG operations, which are owned by the Company or the Joint Ventures, and operated by the Joint Ventures. The gas processing plants (excluding the Ruwais fractionation and sulphur granulation plants), which are among the largest integrated gas processing plants in the world, have access to over 10 bscfd of gas processing capacity (of which 9 bscfd is processed directly by the Group and 1 bscfd is processed by ASG before being sold to us as integrated gas) and liquid processing capacity of 29 mtpa (excluding the Ruwais Sulphur Granulation Plant). ALNG has liquids processing capacity of approximately 8 mtpa, of which comprise 6 mtpa of LNG liquefaction and 2 mtpa of non-LNG liquids processing, including LPG and paraffinic naphtha. ALNG also operates gas processing operations offshore, including the ALNG ASR Business which includes OAG

and IGD, processing and supplying approximately 1 bscfd of offshore gas to the onshore Habshan complex for further processing to sales gas and NGL, contributing to ADNOC's commitment towards Abu Dhabi's objective of gas self-sufficiency in the UAE and becoming a net exporter by 2030.

Our gas processing operations consist of different integrated component as shown in the following diagram:



The following table sets out the operator, owner, respective products produced and respective capacities at each of our facilities:

Operator	Owner	Asset	Products	2023 Reference Capacity
AGP	Gas Co	Asab (1&2) Gas Plant	sales gas, NGLs, condensate	*Gas processing trains:* 2 NGL trains in Asab 2 and 2 condensate trains in Asab 1. Feed enters Asab 1 and NGL is processed at Asab 2. *Processing Capacity:* 870 mmscfd
AGP	Gas Co	Habshan Gas Plant	sales gas, NGLs, condensate, sulphur	*Gas processing trains:* 10 *Processing Capacity:* 4,750 mmscfd
AGP	Gas Co	Habshan 5 Gas Complex	sales gas, NGLs, condensate, sulphur	*Gas processing trains:* 4 (2 for rich gas, 2 for lean gas) The capacity of two rich gas trains is processed for NGL, condensate and sulphur production. The capacity of the two lean gas trains is diverted to be processed in Habshan for NGL and sales gas recovery. *Gas processing capacity:* 1,340 mmscfd
AGP	Gas Co	Ruwais NGL Fractionation Plant	ethane, NGLs	*Fractionation trains:* 4 *Nameplate capacity (NGL):* 58,150 tpd
AGP	Gas Co	Ruwais Sulphur Granulation Plant	sulphur	*Total current capacity*: 9,850 tpd
AGP	AGP	ASAB NGL (0&3) Plant	NGL, sales gas	*Gas processing trains:* 1 *Processing capacity:* 416 mmscfd

Operator	Owner	Asset	Products	2023 Reference Capacity
AGP	AGP	Bab NGL Plant	NGL, sales gas	*Gas processing trains:* 1 *Processing capacity:* 150 mmscfd
AGP	AGP	Bu Hasa NGL Plant	NGL, sales gas	*Gas processing trains:* 2 *Processing capacity:* 600 mmscfd
ALNG	Gas Co	OAG & IGD Facilities (Das Island)	raw gas to AGP	*Total current Offshore Gas exported to Habshan:* 1600 mmscfd and post ongoing IGD-E2 expansion it will be 1,970 mmscfd
ALNG	ALNG	LNG Facilities (Das Island)	LNG, LPG (C3 & C4), paraffinic naphtha, Sulphur	*LNG trains:* 3 *Nameplate capacity (LNGs):* •Train 1: 180 tph •Train 2: 180 tph •Train 3: 395 tph
AIG	Gas Co	Mirfa IGP	gaseous nitrogen, krypton/xenon	*Total production capacity:* 670,000 nm3/hr
AIG	Gas Co	Ruwais IGP	gaseous nitrogen, liquid nitrogen, liquid oxygen	*Total production capacity:* 30,230 nm3/hr (23,800 nm3/hr of gaseous nitrogen, 4,850 nm3/hr of liquid nitrogen and 1,670 nm3/hr of liquid oxygen)

(A) *ASAB NGL (0&3) Plant*

ASAB-0 is a single train that receives associated gas from ADNOC Onshore with a processing capacity of 306 mmscfd, and has been debottlenecked as part of the ASAB-3 project to increase gas processing capacity from 306 mmscfd to 416 mmscfd to produce NGL and sales gas. NGLs are transferred by pipeline to Ruwais for fractionation to produce ethane, propane, butane and paraffinic naphtha, while sales gas is sent into the pipeline network for distribution to other facilities.

(B) *ASAB (1&2) Gas Plant*

ASAB 1 processes 870 mmscfd of non-associated gas. Condensate is extracted from the feedstock and transferred to the ADNOC Refining Ruwais refinery. Asab 2 has been in operation since 2010 to treat the re-injection gas from ASAB 1 and extract NGL with maximum recovery of ethane (C2). The NGLs are transferred by pipeline to Ruwais for fractionation. The residual gas is re-injected to maintain reservoir pressure.

(C) *Bab NGL Plant*

Located about four kilometres from Habshan gas plant, the Bab NGL Plant is one of AGP's original plants commissioned in 1981. It is a single NGL extraction train originally designed to process 117 mmscfd of associated gas collected from ADNOC Onshore. Following a debottlenecking in 1992, the plant capacity was increased to 150 mmscfd. The Bab NGL Plant produces NGL and gas.

(D) *Bu Hasa NGL Plant*

The plant includes facilities for gas gathering, gas compression and deep NGL extraction, associated utilities and a lean gas compression station. The plant has two trains, each designed to process 300 mmscfd of associated gas. Typically, the plant exports NGL to the Ruwais Fractionation Plant. The plant also exports network gas to the nearby ADNOC Onshore injection plant. The surplus gas from the ADNOC Onshore injection plant is routed to Habshan for use in Th-B Bab injection or in the Abu Dhabi gas distribution network.

(E) *Habshan Gas Plant*

First several expansion phases, the Habshan gas plant currently comprises ten gas processing trains, ten sulphur recovery units and eight gas injection compression trains, with the capacity to process 4,750 mmscfd of feedstock.

(F) *Habshan 5 Gas Complex*

Habshan 5 comprises four gas processing trains (two lean and two rich gas processing trains) and two sulphur recovery units, with the capacity to process 1,340 mmscfd of feedstock. Habshan-5 produces sales gas, NGL, and liquid sulphur. Sales gas is sent to the gas consumers' network, NGLs are pumped to Ruwais for fractionation, and liquid sulphur is granulated at Habshan sulphur granulation plant and then transported to Ruwais by rail.

(G) *LNG Facilities (Das Island)*

The LNG gas liquefaction, dehydration and compression plants on Das Island, which consist of three LNG trains that can process associated and non-associated gases, has an average production capacity of approximately 8 mmtpa (depending on feedstock composition, else 7.5 million tons of product is produced on average). Storage and export (STOREX) facilities also form part of the LNG plant and include three LNG tanks, four LPG tanks, two paraffinic naphtha tanks and two sulphur tanks. We believe the ALNG-owned gas liquefaction plant is unique in its ability to process both associated and non-associated gases produced during oil production. LNG Trains 1 and 2 can handle both types of gases at high and/or low pressures, while LNG Train 3 exclusively handles both types of gas at high pressure.

(H) *OAG & IGD Facilities (Das Island)*

The Offshore Associated Gas (OAG) facilities have two trains to process gas (LP & HP) with a capacity of 200 mmscfd. The Integrated Gas Development (IGD) Facilities have three trains with a capacity to process 1,400 mmscfd of HP gases (including IGD-E1). The 30" pipeline has a capacity for 1,000 mmscfd of gas export to Habshan and the 42" pipeline has a capacity for 2,205 mmscfd of gas export to Habshan. The OAG and IGD facilities, dehydrate and compress gas before the gas is exported through the 30" and 42" inch subsea pipelines to the onshore gas processing facility in Habshan for further processing.

(I) *Ruwais NGL Fractionation Plant*

Located within the Ruwais Industrial Complex, the Ruwais NGL Fractionation Plant receives NGL from Habshan, Bab, Asab, Bu Hasa, and ASG sour gas as well as raw LPG from the neighbouring TAKREER ADNOC Refining Refinery for treatment and fractionation into ethane (C2), propane, butane and paraffinic naphtha. The Ruwais plant consists of four fractionation trains with total nameplate NGL fractionation capacity of approximately 58,150 tpd, storage tanks and two jetties to export products.

(J) *Ruwais Sulphur Granulation Plant*

The sulphur treating facility comprising sulphur granulation, storage and ship loading (Sulphur Handling Terminal-1), is fully owned by ADNOC Gas. This facility is used to granulate liquid sulphur produced by TAKREER Refineries, AGP Ruwais and ALNG. Sulphur Handling Terminal-2, built as part of Habshan-5 and Shah Gas Development Project, caters for 20,000 tpd granulated sulphur production from Habshan Gas Complex and ADNOC Sour Gas in Shah transported by Etihad Rail. The terminal consists of unloading, storage and ship loading facilities. The granulated sulphur is mainly exported to the far east for the production of fertilisers and sulphuric acid used in mining of different ores. Sulphur Handling Terminal-2 is equally owned by ADNOC Gas and ADNOC Sour Gas. The cost of operation is shared based on annual delivered quantities on at cost basis.

(K) *Mirfa IGP*

The Mirfa Plant produces gaseous nitrogen and krypton/xenon. Gaseous nitrogen is delivered through pipelines to ADNOC and krypton/xenon is exported to Linde AG via cylinders. Mirfa plant is expected to play a significant role in the future expansion of TAZIZ, ADNOC's multi-billion industrial and petrochemical development, specifically in the supply of nitrogen necessary for dedicated blue and green ammonia projects.

(L) *Ruwais IGP*

The Ruwais Plant produces gaseous nitrogen, liquid nitrogen (LIN) and liquid oxygen (LOX). The transportation of gaseous nitrogen is performed through pipelines to Borouge. The

transportation of liquid nitrogen is performed through road tankers, and clients include LINDE, ADNOC and Borouge.

(ii) **Feedstock Supply**

ADNOC, through its upstream onshore and offshore (via Das Island) operations, supplies Gas Co with the raw feedstock necessary for the operation of the gas processing and LNG businesses. Raw gas supplied to Gas Co comes from associated reservoirs and non-associated reservoirs. The Group connects upstream supply with end markets, processing raw feedstock and providing feedstock to other companies within the group.

The LNG and gas processing operations at Das Island process both associated and non-associated gases from upstream ADNOC Offshore oil and gas fields. The Das Island facilities are comprised of both low-pressure (LP) gases and high-pressure (HP) gases. Accordingly, the gases are distributed to the LNG trains & gas processing trains for processing purposes. The Das Island trains produce LNG, LPG (C3 & C4), LPG and sulphur for export to end markets and are also used to dehydrate and compress the gas before exporting via subsea pipeline to onshore (AGP Plants at Habshan).

The LNG gas liquefaction, dehydration and compression plants on Das Island, which consist of three LNG trains that can process associated and non-associated gases, has a production capacity of approximately 8.0 million tons of LNG, LPG (C3 & C4), paraffinic naphtha (C5+) and sulphur per year (depending on feedstock composition, else 7.5 million tons of products is produced on average). Over 2,000 LNG cargoes have been delivered since 1977.

Storage and export (STOREX) facilities also form part of the LNG plant and include three LNG tanks, four LPG tanks, two paraffinic naphtha tanks and two sulphur tanks. The liquid processing plant is unique in its ability to process both associated and non-associated gases produced during oil production. LNG Trains 1 and 2 can handle both types of gases at high and/or low pressures, while LNG Train 3 exclusively handles high pressure gas

(iii) **Marketing and Sales**

The Group has a diverse customer base, with local customers including ADNOC NGV (Borouge and ADNOC Refining), local industrial and power and utilities players including Abu Dhabi Ports, EWEC, DUSUP and EGA, and international customers including PetroChina, British Petroleum, TotalEnergies, RWE, Vitol, Marubeni and Gunvor.

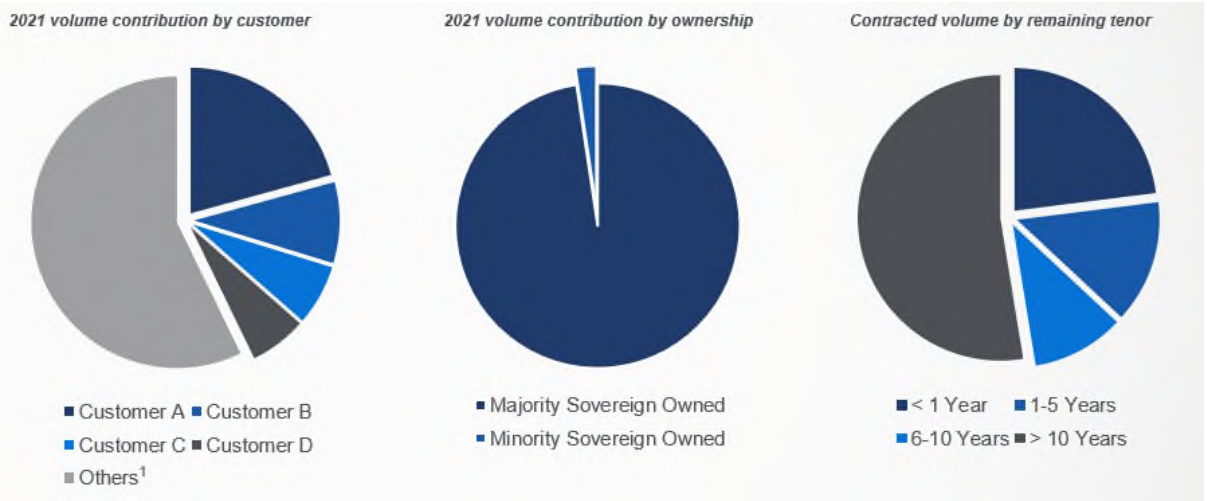
As of the date of this Prospectus, the Company and its wholly owned subsidiaries are not directly involved in the marketing of products to customers. Gas Co has entered into the Transitional Marketing and Transportation Services Agreement whereby ADNOC has been appointed as its exclusive agent for the sale of the full volume of products produced by the ADNOC Gas Business (other than those produced by ALNG – see below) until the Post-Reorganisation Optimisation has been implemented. Following Post-Reorganisation Optimisation, O&M Co will assume responsibility for the sale and marketing of the ADNOC Gas Business' products to customers. Marketing is made up of a mix of long-term and mid-term contracts, captive demand and spot price exposure.

AGP does not own the molecules that it processes on behalf of ADNOC Gas and the AGP JV Partners and it is not involved in the marketing of products to customers. Products from the AGP owned plants are equity lifted by ADNOC Gas and the AGP JV Partners proportionate to their equity contribution for C3+, while sales gas and ethane is 100% equity lifted by Gas Co. Products from the AGP operated AGP ASR Business are 100% equity lifted by ADNOC Gas (see "*–Our Business–Operations–Marketing and Sales*"). AGP is not responsible for securing feedstock directly from ADNOC Onshore and Offshore Gas, as its feedstock is provided by Gas Co, which it receives from ADNOC pursuant to the GSPA (see "*Material Agreements – Gas Supply and Payment Agreement*"). The AGP JV Partners are responsible for off taking, securing a market for the produced products, and covering their share of the operating and capital costs for the operation of the AGP plants through monthly capital calls. Hence, AGP is not a direct party in any commercial or legal agreements with product consumers on commercial aspects. The main governing agreement for the AGP joint venture is the AGP Joint Venture Agreement, initially entered into in 2008, as further amended and restated from time to time (see "*Material Agreements – Novation and Amendment Agreement in respect of the AGP Joint Venture Agreement*").

ALNG is directly responsible for the marketing and sale of its products (LNG, LPG, paraffinic naphtha, sulphur) to end customers. ALNG is a direct party to all commercial or legal agreements with customers. ALNG marketing strategy is based on securing and maximising revenues for its shareholders. ALNG marketing is directly engaged with customers to commit volumes through a portfolio of spot and term contracts combining short-term (<3 years), mid-term (<7-10 years) and long-term (10+ years) durations. ALNG marketing strategy aims at diversifying its global footprint across key demand centres in North-East Asia, South Asia, South-East Asia and Europe. To leverage its competitive advantage whilst benefiting from potential short-term opportunities, ALNG marketing strategy combines DES (Delivered Ex-Ship) and FOB (Free On Board) deliveries for both its term contracts and its spot/string cargo sales. In order to maximise value, other terms of the contracts are leveraged to benefit from additional flexibilities on volumes (DQT/UQT: Upward/Downward Quantity Tolerance) or destination for instance. In terms of pricing, the strategy aims at meeting customer requirements whilst maximising value for ADNOC and mitigating volatility risks. As a result, the strategy combines the traditional crude indexation mechanism "slope" with gas hub pricing e.g. Platts' JKM (Japan Korea Marker) and occasionally TTF. There is a robust demand growth of 3% from emerging markets due to their higher potential net back.

(A) ***Sales Gas Contracts***

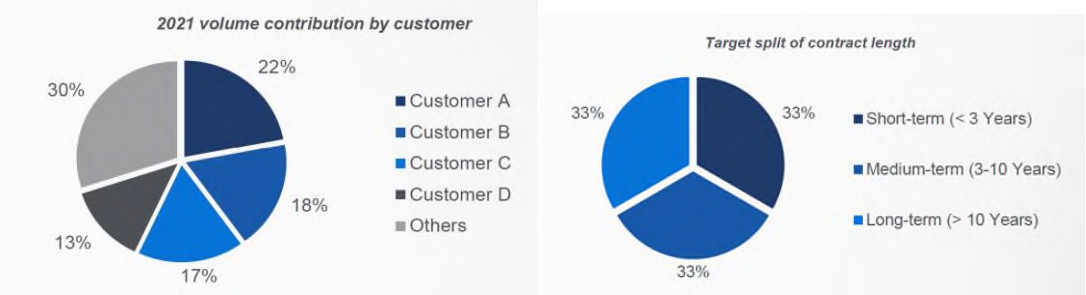
The overwhelming majority of our sales gas client base comprises sovereign-controlled entities across end-use industries, and more than half of our contracts have a remaining life of ten years or more, as demonstrated in the following graphs:



(1) Others includes re-injection.

(B) ***LNG Contracts***

Our LNG client base is diverse with a balanced sales strategy involving entering into contracts of varying lengths in order to protect against LNG price volatility, as demonstrated in the following graphs:



(C) *LPG and Naphtha Contracts*

We sell LPG and naphtha produced at our gas processing plants to AGT, which in turn markets them globally. The following table sets forth the expected key terms of these arrangements pursuant to contracts which will be entered into prior to Listing:

	LPG	Naphtha
Contract Period	5 years contract (auto renewal; termination at any time by either party on 12 months' notice)	1 year (auto renewal)
Quantity	Agreed annually in December as per production forecast of AGP	Contract defined
Price	Based on international benchmark index	
Delivery Terms	FOB Ruwais	
Payment Terms	~30 days from B/L	
GTC	As per ADNOC General Terms & Conditions	
Profit Share	Expect to be entitled to percentage share of trading book profit	N/A

(iv) **Distribution and Logistics**

National Gas Shipping Company Holding Limited ("NGSCO") and ALNG entered into an amendment agreement on 14 March 2022 after having entered into a shipping service agreement dated 15 August 1996 (which was extended on 30 November 2021) wherein NGSCO agreed to provide shipping services to ALNG in return for payment. ALNG also leverages a fleet of dedicated vessels, owned and operated by ADNOC Logistics & Services ("**ADNOC L&S**") to deliver LNG to our overseas customers. ALNG's sulphur, naphtha and LPG is sold on an FOB basis. ALNG does not own the vessels or have any liability for marine-related risk, but pays a daily hire rate to ADNOC L&S for the use of the vessels.

As a critical midstream entity between upstream and downstream assets, AGP works in close synergy and collaboration with other ADNOC Group companies, including ADNOC Refining, which processes the condensate produced at the AGP-operated facilities, and Borouge, which uses 100% of AGP's ethane production as a feedstock for their facilities. Most of AGP's processed lean gas is routed to the gas network (pipeline), managed and operated by the Company, wherefrom a part of the gas is destined for sales gas customers (e.g.: EWEC, Ruwais Industrial Area, Dubai, SNOC, etc.) and the bulk of the remainder is directed upstream for re-injection. Subsequent to the NGL (liquid) fractionation process at Ruwais, the C3+ (propane, butane and paraffinic naphtha) products are then exported by our shareholders to our international customers through Ruwais shipping facilities, while the ethane is exported to Borouge through pipelines. Aside from our sulphur granulation and handling facilities mainly at Habshan plant, we also receive significant granulated sulphur from ASG, through Etihad Rail, and minor quantities from ADNOC Refining, which are all routed for further handling and export at Ruwais facilities.

We manage and operate a vast network of pipelines that span approximately 3,260 km in length, of which we own approximately 2,640 km and the remainder of which are owned by ADNOC and operated by us under the Pipelines Use and Operation Agreement, and twenty processing trains at the facilities we operate. ADNOC Gas has a dedicated pipeline division that oversees all of the management and operation of the pipeline network. The pipelines transport NGLs, sales gas, condensate, lean gas, water, nitrogen and other gas processing products. The pipeline network secures the transportation of different products from the processing plants to numerous customers, including the main ones such as EWEC, Abu Dhabi Water & Electricity Company (ADWEC), as well as for injection in associated and condensate reservoirs. *See "Material Agreements–Pipelines Use and Operation Agreement"*.

In addition, we operate a sulphur granulation plant with integrated storage and handling terminals for shipping and a natural gas liquids (NGL) fractionation plant located at the Ruwais

Industrial Complex, which serve ALNG and certain entities within the ADNOC Group, such as ASG and ADNOC Refining. Our products fuel the nation's industries, supporting the manufacture of aluminium, cement, steel, fertilizer, chemical feedstock, water and electricity.

The Ruwais Industrial Complex comprises four NGL fractionation trains, associated utilities and storage facilities. With respect to Ruwais products, ethane is sent directly to Borouge, whereas other liquid hydrocarbon products (LPG/C3+) are initially stored in dedicated tanks and later exported through two jetty berths to international markets via shipping vessels. The Ruwais Industrial Complex Sulphur Granulation Plant has associated sulphur handling and marine import/ export facilities, with a dedicated sulphur handling terminal (RSHT-2) receiving sulphur granules from Habshan, ASG and other customers export sulphur through the jetty berths.

Our facilities on Das Island, comprise an offshore oil and gas operations hub that plays a major role in ADNOC's operations. Our products are exported internationally from Das Island. ALNG's LNG export products rely on third-party providers (e.g.: ADNOC L&S) for shipping and distribution. With respect to our gas processing on Das Island, the gas which is initially processed (dehydrated and compressed) on Das before being transported via subsea pipeline to AGP ASR plants at Habshan for further processing. We then use our pipeline network to distribute the sales gas to the national grid which includes part of the approximately 3,260 km of our managed and operated pipelines, while the natural gas liquids are sent to the Ruwais Industrial Complex to produce ethane, propane, butane and paraffinic naphtha.

(v) Forward Looking Guidance and 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. 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. See "*Information Regarding Forward-Looking Statements*" and "*Investment Risks - Risks Relating to our Business-We may not be able to successfully achieve our business strategy or meet our targets*". The following tables present our targets with respect certain performance metrics for the periods indicated.

		YE 2021	LTM October 2022	Targeted growth (2023-2027)	2028 target
Volumes (in tbtu except for CAGR)	Domestic gas products	2,170	2,206	~2-3% CAGR	~2,800
	Exports & traded liquids	900	927	~4% CAGR	~1,300
	ALNG products[1]	270	275	Expected decrease of 20-50 tbtu (leaner gas, *rejuvenation planned*)	~340

		YE 2021	LTM October 2022	Targeted growth (2023-2027)	2027-28 expected performance
Unit Margins After Tax in ($/mmbtu except for %)	Domestic gas products[2]	0.7	0.8	~5% CAGR	+1% / (-9%)[3] (*tax impact*)

	YE 2021	LTM October 2022	Expected margins @ $80/bbl oil price	Expected margins @$100/bbl oil price	Expected increase in margins for each $1/bbl increase in oil price
Exports & traded liquids	1.7	2.2	1.7	2.3	0.03
ALNG JV products	1.2	2.2	1.35[4]	1.9[4]	0.03

(1) ADNOC Gas' proportionate share of ALNG products based on equity interest (70%).
(2) Domestic Gas margins are not influenced by changes in crude price. In later years, ethane margins influenced by PE prices within a pre-defined range.
(3) This partially reflects the impact of the tax change starting in fiscal year 2028 in accordance with the Fiscal Arrangement. See "*Unaudited Pro Forma Financial Information–8. Pro forma adjustments–Fiscal arramgements*".

(4) Additional ALNG unit margins: We expect in the near-term additional margins of $0.25 - 0.40 /mmbtu for ALNG JV based on current market dynamics.

		Expected @$80/nnl oil price	Expected @$100/bbl oil price
Taxes[1]	2023-27 expected effective tax rate.....	~30%	~33%
	Long-term expected effective tax rate.....	~42%	~43%
	• ALNG JV tax rate as at 31 December 2021: 55% • Other non-operating corporate expenses (e.g.: interest expense) are subject to tax shield on a blended effective tax rate basis		
Major growth capex[2]	• Expected to be $14 billion (excl. ALNG JV) over 2023-28 (~0.9 billion in 2023, increasing to an average of $2.5 billion per annum between 2024-28)(• Majority of growth capex expected to be funded by debt • ALNG JV[3]: Expected to be $2.0 billion over 2023-28 (~$0.1 billion in 2023, increasing to an average of $0.4 billion per annum between 2024-28)		
Maintenance and other capex[2]	• Expected to be ~$1 billion in the next three years and $400 million per annum on average between 2026-28, before normalising to a long term average or $300 million per annum • Maintenance capex expected to be funded from cash flow from operations • ALNG JV[2]: Expected to be $30-40 million per annum		
Depreciation & amoritisation	• Expected to add ~$100 million by 2024, subsequently adding ~$150 million on average per annum until 2028 on the back of new projects commissioning • ALNG JV[3]: Expected to be relatively flat up to 2027, subsequently adding $150 million due to ALNG 2.0 from 2028 onwards		
Working capital	• Minimal changes in working capital expected. Through the cycle, change in working capital is expected to be ~1% of EBITDA in cash outflow per annum		
Capital structure	• Company expects to gradually increase leverage to fund growth capex requirements • Conservative long-term leverage target of up to 1.5x net debt / EBITDA		

(1) This partially reflects the impact of the tax change starting in fiscal year 2028 in accordance with the Fiscal Arrangement. See "*Unaudited Pro Forma Financial Information–8. Pro forma adjustments–Fiscal arrangements*".

(2) Capital expenditure shown includes expected capital expenditure to prepare us for certain anticipated upstream supply growth. However, not all capital expenditure required to prepare us for Project 5.0 (ADNOC's plan to increase its oil production capacity to 5 mmbpd and the anticipated associated additional increase in rich associated gas streams) is quantifiable as of the date of this Prospectus.

(3) ADNOC Gas' proportionate share of ALNG capital expenditure and depreciation and amortisation based on equity interest (70%).

3. Future Projects

Over the next seven years we are expecting a sizable growth capital expenditure program for both our gas processing and LNG operations. The capital expenditure program is expected to deliver at higher upstream supply volumes by 2030, ready the platform to handle and optimise the additional flows we are anticipating as our parent Company, ADNOC, expand its crude production to five mbbld, which will result in our operations receiving incremental volumes of rich associated gas; this is in addition to our projects that are aimed at enhancing the production mix of our existing flows and production, enhancing our market reach and distribution capabilities, growing LNG and projects that will reduce the carbon emission intensity of our operation and enable the development of energy transition industries thereby reflecting our strong commitment to sustainability and emissions reduction.

The total gross growth capital expenditure anticipated to be spent on major projects across our gas processing and LNG operations are estimated to be approximately $14 billion (excluding $2 billion estimated to be spent by ALNG) over the next seven years.

Below is a summary of our major projects we are anticipating in the near term by segment:

(i) Gas Processing Projects

Project	Owner	Expected Completion	Projected Operational Impact	Summary
Bab Gas Cap	Gas Co	2027 onwards	1,855 mmscfd raw gas	• Greenfield development for a "New Gas Processing Plant" to process cost advantaged and rich gas, and "New Ruwais NGL Fractionation Train, Storage Tanks & NGL Pipeline". • The project is necessary to receive the rich gas accompanying the onshore upstream Bab Gas Cap development, focused on monetising condensates and

Project	Owner	Expected Completion	Projected Operational Impact	Summary
				providing gas for the in-country gas demand growth. ● The integrated project is expected to enhance value through the ADNOC value chain, attract foreign direct investment (FDI) and support ADNOC growth & strategic plans for petrochemicals development, TAZIZ 2.0, the ADNOC Gas Business through producing additional NGL and condensate and contribute to Fujairah LNG beyond 2040.
Meram	Gas Co	2025 onwards	2.2 mtpa C2 and 1.2 mtpa NGL	● Maximise ethane recovery of existing streams to accommodate anticipated Borouge 4 demand (2mmtpa sustainable) by Q3 2025. ● The project covers sourcing feedstock from the following AGP facilities to MERAM: ○ BuHasa (residue gas from BuHasa feeds) ○ Habshan (residue gas from Habshan 1, Trains 1, 2 and 3 of Habshan 2 and Habshan 5 Lean Trains). ● Comprises 160km of pipelines, with tie-ins and brownfield works at Habshan & Ruwais.
Sales Gas Pipeline Network Enhancement (ESTIDAMA)	Gas Co	2Q 2023 onwards	330-450 km of new sales gas pipeline	● The overall objective of the Sales Gas Pipeline Network Enhancement Project is to design and construct the new Gas Compression Plant and new accompanying gas pipelines to enhance and supply gas to current and future customers including in the northern emirates. ● In addition, ensuring the ADNOC Gas Business maintains an integrated pipeline network for gas self-sufficiency and debottlenecking of existing gas network constraints and enabling LNG growth in Fujairah.
Project 5.0	Gas Co	2027 onwards	1,000+ mmscfd	● Modifications in Asab, Bu Hasa, Habshan, Habshan 5 and Ruwais to accommodate additional rich gas with oil production growing to 5.0 MBOPD. ● Not all capital expenditure required to prepare us for Project 5.0 (ADNOC's plan to increase its oil production capacity to 5 mmbpd and the anticipated resulting increase in rich associated gas streams) is quantifiable as of the date of this Prospectus.
IGD-E2	Gas Co	2024	370 mmscfd increase LP export from Das to HabshanNGL	● To increase Low Pressure (LP) gas transfer capacity to Habshan by 369 mmscfd. ● IGD-E2 project was conceptualised to de-couple oil production from LNG production by capturing additional LP gases and enabling rejuvenation of LNG trains 1 and 2. IGD-E2 will create an additional capacity to transfer 369 mmscfd low-pressure associated gases from Das Island to Habshan. After completion of this project, the total LP transfer capacity of ALNG ASR will increase from 200 to 569 mmscfd. The process, utility, and offsite facilities of the IGD-E2 project will be stand-alone systems.

Project	Owner	Expected Completion	Projected Operational Impact	Summary
Habshan CO2 Recovery & Injection		1Q 2026 onwards	1,500 mtpa reduction in CO2	• Significant CO2 emission reduction (8% of ADNOC Gas) • Enhance condensate and oil recovery and monetise carbon credit

(ii) **LNG Projects**

Project	Owner	Expected Completion	Projected Operational Impact	Summary
LNG 2.0	Gas Co	2028	0.8 mtpa LNG, 1.2 mtpa C2 and 0.5 mtpa C3+ c.1.4 Mt CO2e reduction	• Maximise ethane extraction from ALNG Trains 1, 2 and 3 and export to Ruwais to enable petrochemical growth. • Increase ALNG production by debottlenecking ALNG Trains 1, 2 and 3 • Electrification of LNG Trains to reduce GHG emissions. Lower carbon LNG achieved through replacing the major steam turbine driven compressors with electric motor. Scope: 7 major machines - C3 and MCR compressors for LNG trains 1, 2 & 3. Power requirement: 300 MW. Fuel gas saving: 100 mmscfd. • Key beneficiary: the connection of offshore facilities with the Abu Dhabi power grid.
Fujairah LNG(1)	Gas Co	2027	9.6 mtpa	• Monetise methane and enable the downstream industrialisation plans of ADNOC. • Clean fuel to global market targeting a near net zero CO2 emission.

(1) To be built by ADNOC and we expect to be given the opportunity to acquire the project from ADNOC after construction and before commercial production.

In addition, to the LNG 2.0 expansion and rejuvenation projects over the forthcoming period, ALNG will be supporting ADNOC in delivering the accelerated 9.6 mtpa Fujairah LNG project which is expected to be commissioned by 2027. The Fujairah LNG plant, which we believe will be the first electric LNG plant in the MENA region, is an important project for ADNOC to accelerate the monetisation of its hydrocarbon reserves and aligns with its ambition of becoming a net gas exporter. It will comprise of 2 electric trains and capitalise on 1,500 mmscfd of sales gas from AGP.

We expect to be given the opportunity to acquire the Fujairah LNG project from ADNOC once the plant is completed and online but prior to starting commercial production, with the purchase price to be determined at the time of contribution subject to economic outlook and market valuations for similar assets at the time.

(g) Environmental, Social and Governance (ESG) Performance

1. 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 leading gas and liquid natural gas processing and transportation services provider in the UAE, we are cognizant of our responsibility to encourage sustainable practices in our policies, operations and communities. We have aligned our strategic priorities to create sustainable value for all our stakeholders – our customers, our employees, our communities and our shareholders.

Our ESG targets and approach is in alignment with the ambitions of the ADNOC. In particular, we are a major contributor to ADNOC's 2030 target of reducing emissions intensity by 25% (as compared to our 2019 baseline), and 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. 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 social we are passionate about developing our people through ADNOC centres of excellence and training programs, our Health and Safety ("**HSE**") Management System focus on operational excellence and safety. On governance, we have adopted ADNOC Group's robust and well-developed policies and standards.

2. **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; flaring reduction scheme; retired single cycle power generation units; real time optimisation (Habshan complex); 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 exerting efforts to minimise environmental impact from operations, as well as protecting biodiversity, and to implement a Social Risk Management Standard in our Projects and Operations to ensure well-being of our stakeholders.

3. **Gas Decarbonisation Initiatives**

In 2021, we have succeeded in reducing our GHG emissions by 10% (as compared to the 2018 baseline) and have achieved a 69% hazardous waste recycling rate (by tonnage). We have a well-defined abatement plan with the potential to reduce our emissions by about 20% by 2030 as compared to our 2022 emission profile (which represents a reduction of over 40% as compared to our 2030 unabated profile).

In respect of both AGP and ALNG, significant reductions in emissions could be achieved by 2030 through specific initiatives focusing on green power (AGP's Bab Gas Cap targeted to complete by 2029, and ALNG's Project Lightning by 2026), electrification (AGP's mechanical drive gas turbines, and combined and single cycle power generation units, targeted to complete between 2025 and 2029, and ALNG's electrification of major machinery by 2028), carbon capture and storage (AGP's Habshan-5, and Asab 1-2 capacity enhancement targeted to complete by 2026, and ALNG's acid gas diversion to mainland by 2028), energy efficiency (AGP's waste heat recovery from Hab-4 targeted to complete by 2027; and ALNG's improvement of boiler combustion efficiency, generator management system and feedstock compressor of the joint venture assets and boiler combustion by 2024), renewables (AGP's Solar CSP/P2H planned by 2026 and Al Maha camp targeted to complete by 2024) and other initiatives (AGP's flare gas recovery for Habshan 3 targeted to complete by 2026 and ALNG's flare gas recovery by 2028) (*see* "*Business Description – Future Projects*").

Some of these projects are expected to have transformative effects on our operations, namely the Habshan carbon capture and storage project (*see* "*Business Description – Future Projects – Gas Processing Projects-Habshan CO2 Recovery and Injection*") and the LNG plant electrification project (*see* "*Business Description – Future Projects – LNG Projects – LNG 2.0*").

4. **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 providing equal opportunities for career development and advancement, regardless of gender, ethnicity, age and culture, in line with ADNOC's overarching diversity and inclusion policies and practices. Our employees come from 61 nationalities across our global operations (as of 2021).

We have designed female-focused development programs that we believe have led to an increase in the share of female representation in the workforce from 10% in 2019 to 12% in 2022, and in leadership positions from 20% in 2019 to 27% in 2022. We support our employees' professional development through focused training and talent development programs with our training hours increasing from 30,531 in 2020 to 49,677 in 2022 (including talent mobility program, talent pool program supporting high potential employees in order to maximise performance, assessment tools to identify potential and accelerate development, and "Youth 4 Youth" initiative where high-flyer employees support their colleagues to accelerate learning and development).

In addition, as part of our social-related efforts, we promote Emiratisation (62% Emiratisation rate in 2022 compared to 56% in 2019) and supply chain localisation (69% in-country value in 2022 compared to 42% in 2019), we focus on high-value tenders and encourage contractor alignment, and our In-Country Value reached 69% in November 2022 (YTD), 68% in 2021, 53% in 2020 and 42% in 2019, thereby reflecting the significance of revenues contributed back into the local economy.

5. **Governance**

Our governance framework is based on ADNOC Group's code of conduct, its other policies and standards, such as those relating to sanctions and corruptions screening, people strategy, sustainability and climate, and human capital guidelines.

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 "*Management – Corporate Governance*". We also have a sustainability committee which develops sustainability programmes and sets ESG targets.

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, planning of the ADNOC Group, reserved matters and related party transactions. Our audit committee oversees ADNOC's Group 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 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 "*Management – Corporate Governance*".

6. **Ethics and Compliance**

In terms of ethics and compliance, we strive to conduct all 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 will 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 the company's Code of Conduct through appropriate channels.

(h) **Health and Safety**

1. **Overview**

Our Health and Safety (HSE) Management System aims to ensure that all of our facilities and operations operate with a focus on operational excellence and safety, and remain subject to continuous improvement. ALNG is certified as confirming with the environment management and HSE standards (ISO 55001, 50001, 27001 and 14001). AGP is certified as complying with environment management standards (ISO 14001, 27001 45001, 50001 and 9001) and is in the

process of implementing ISO 55001, which is the asset management system at the corporate level. On a group level, ADNOC complies with ISO 9001 regarding quality management. Our HSE Division has rolled out and implemented the following strategic HSE 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 process safety framework and manual and contributes towards the development of elements and sub-elements;
- a focus on people's health through the initiation of an ADNOC safety day named "culture of care", the launching of health campaigns (e.g.: beat the heat, know your heat age) and the fatigue and stress risk management program to improve performance;
- ADNOC 2030 Sustainability strategy which includes management of methane emissions through leak detection and repairs (LDAR), updating the GHG emission inventory and monitoring GHG abatement projects; and
- developing HSE digital solutions for improved compliance, which includes a predictive model for incident flaring using artificial intelligence and the integration of various solutions for composite monitoring analysis.

We are committed to maintaining world-class standards of health and safety in delivering our products and services, and one of our key strategic pillars is to drive "100% HSE". We have established a central command and control centre for managing all crisis and business continuity events and have invested heavily into digitalisation and automated key HSE processes. As a result of our efforts, we have sustained a total recordable injury rate in the top quartile of international oil and gas producers (IOGP) benchmark (with a reduction of 22%, from 0.240 in 2020 to 0.187 as at October 2022). We have also seen a reduction in total recordable injuries, from 12 in 2020 to 8 in 2022, and achieved a process safety record of zero loss in tier 1 containment between 2020 and October 2022. See "*Investment Risks – We are subject to risks in connection with a potential loss of containment and other inherent risks around gas handling*".

We also attach significant importance to our operations and policies with respect to sustainability and environment preservation. We work continuously on integrating all 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.

2. **COVID-19**

Much like the rest of the world, we were impacted by the COVID-19 pandemic. However, impact was minimal as the COVID-19 situation was managed very well by the ADNOC Business. We believe out robust strategy was proven effective given our strict adherence and awareness of up-to-date COVID-19 restrictions. This includes office and site sanitisations, strict adherence to social distancing rules, encouraging employee vaccinations (whereby we achieved vaccinating 99% of staff), early detection of infection through regular testing, quarantining individuals when required, segregation of essential critical staff, and supporting with treatment of positive cases. The Company was affected by restrictions of visitors and travel, however, there was no loss of life and no impact on business continuity. Furthermore, all shutdowns and projects were completed without being impacted by COVID-19 restrictions. During this time, pandemic wardens were also appointed, trained, and assigned to oversee all COVID-19 related control measures across our divisions and sites to ensure their effective implementation.

(i) **Competition**

We compete internationally with international oil companies (including Shell, BP and TotalEnergies), other key gas and gas products producers, mostly including national energy companies (including those in Qatar, Oman, Malaysia, Indonesia and Russia) but also private companies in Australia or the US (including Woodside, Santos, Cheniere, Freeport, etc.) as well as traders and marketers (such as Gunvor, Vitol, Marubeni, Mitsui and Mitsubishi Diamond).

In the face of competition, we have adopted a multifaceted strategy to protect and improve our competitive advantages, including defining sustainable growth objectives and identifying gas processing and LNG

growth projects and distinctive values that set us apart, as well as launching cost saving and optimisation initiatives.

(j) Real Property

All of our properties are leased or subleased from ADNOC.

Further, AGP entered into land lease agreements with ADNOC on 1 January 2021 for the lease of 34 plots of land in Abu Dhabi and 6 plots of land in Ruwais Industrial City on which AGP operates. This lease has an initial term of seven years, but shall automatically renew, for succeeding terms of one-year periods, until the lease expires or terminates. The lease may be terminated on a date prior to the expiration date by either party giving the other party at least ninety days' written notice of such termination. This lease was amended on 1 January 2021 and subsequently on 1 January 2023 to include 46 plots of land in Abu Dhabi and 6 plots of land in Ruwais Industrial City on which AGP operates. AGP also entered into a commercial building lease agreement with ADNOC for the lease of the premises at the office suite at Sheikh Khalifa Energy Complex 1 – Tower 4. This lease has an initial term of one year expiring on 31 December 2018 and is subject to automatic renewal for a term of one year. Either party is entitled to serve written notice on the other party at least four months prior to the end of the term if it does not wish to enter into a new lease.

ALNG entered into a commercial business lease with ADNOC on 1 January 2018 regarding the office suite at Sheikh Khalifa Energy Complex 2. This lease has an initial term of one year expiring on 31 December 2018 and is subject to automatic renewal for one year periods. Either party is entitled to serve written notice on the other party at least four months prior to the end of the term if the party does not wish to enter into a new lease.

AIG entered into a land lease agreement with ADNOC on 1 January 2019 regarding land plots in Al Ruwais and Al Mirfa areas. This lease has an initial term of thirteen years and is subject to automatic renewal for succeeding one year periods. The lease may be terminated on a date prior to the expiration date by either party giving the other party at least ninety days' written notice of such termination. AIG also entered into a commercial building lease with ADNOC on 1 January 2018 regarding the office suite at Sheikh Khalifa Energy Complex - Tower 4 in Abu Dhabi. This lease has an initial term of one year expiring on 31 December 2018 and is subject to automatic renewal for one year periods. Either party is entitled to serve written notice on the other party at least four months prior to the end of the term if the party does not wish to enter into a new lease.

There are no leases in place between ADNOC and ADNOC Gas Ltd, ADNOC Gas Facilities, ADNOC Gas Operations & Marketing. The majority of Gas Co's property is owned by its parents. AGP is leasing land on which it owns assets and which it uses in its operations.

(k) Intellectual Property

We have been granted rights to use the ADNOC logo and trade marks in certain promotional materials and in certain jurisdictions pursuant to a Brand Usage Agreement, effective as of 1 January 2023, which ADNOC, the Company, Gas Co and O&M Co are parties to.

(l) Information Technology and Innovation

Information technology and innovation are key enablers to support the Company to be a value-enabler organisation by revealing opportunity gains, enhancing efficiencies and reducing operating and unit costs, thereby creating competitive advantages. The followed Technology and Innovation Strategy sets the groundwork to ensure the Company embarks on the emergence of new technologies to ensure a profitable business model and meets business needs for achieving the organisation's mission.

The real-time optimisation solution is an example of an innovative solution implemented for continuous improvement in value-added products for the same feedstock produced. In addition to generating more revenue, this has also reduced carbon emissions, thus contributing to our sustainability goals.

(m) Employees

1. Employee numbers

As of 31 January 2023, the Company had 8 employees, AGP had 5,255 employees, ALNG had 1,726 employees and AIG has 38 employees. We intend to transfer substantially all employees of AGP, ALNG and AIG to O&M Co as part of Post-Reorganisation Optimisation to maintain minimal

staffing at AGP and ALNG to accommodate any governance requirements for our joint venture partners.

2. **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.

(n) 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.

(o) Insurance

We have taken out insurance policies in relation to a number of risks associated with our business activities, such as, inter alia, an all-risk industry insurance covering production, transportation and property related risks, policies covering our environmental liability, vehicle insurance, insurance of property and merchandise, as well as insurance covering certain business interruptions such as fire. 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 to the manipulation of products and losses relating to the handling of money, among others. In addition, except for ALNG, we have worldwide coverage policies for directors & officers liability and fidelity insurance for the ADNOC Gas Business.

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, and an indemnity against the loss of our stock of products, in each case subject to deductibles and insured limits that we believe are reasonable. See "*Investment Risks—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*".

Pursuant to the Transitional Support Services Agreement, ADNOC shall, based on Gas Co's business needs, operational requirements and risk profile, provide insurance services to Gas Co, see "*Material Agreements—Transitional Support Services Agreement*".

3. INDUSTRY OVERVIEW

Generally, the market information presented in this section is taken directly or derived from the Industry Report, unless indicated otherwise. Market data is inherently forward-looking and subject to uncertainty, and does not necessarily reflect actual market conditions. It is based on market research, which itself is based on sampling and subjective judgements by both the researchers and respondents, including judgements about what types of products and competitors should be included in the relevant market. In addition, certain statements below are based on our own information, insights, subjective opinions or internal estimates, and not on any third party or independent source; these statements contain words such as "we estimate," "we expect," "we believe" or "in our view," and as such do not purport to cite to or summarise any third party or independent source and should not be so read.

(a) Introduction

The Company has commissioned Wood Mackenzie Limited ("**Wood Mackenzie**"), an independent provider of global research and consultancy services in the natural resources industry, to prepare a market study on the natural gas market in the UAE and the gas supply and demand dynamics.

The following report is an overview of the natural gas market in the UAE and the gas supply and demand dynamics. The information provided in this report is based on Wood Mackenzie's independent assessment of the market using a combination of Wood Mackenzie internal analysis and publicly available sources. In addition to the UAE market the situation in global markets has been included where necessary.

Estimates and prospects set out in this Industry Overview have been prepared on the basis of a market research study prepared by Wood Mackenzie, which includes research estimates based on various official published sources, such as the International Monetary Fund (IMF), and the Emirates Water and Electricity Company (EWEC).

Wood Mackenzie believes it used suitable sources of information and methodologies for this study but due to the nature of the techniques and methodologies used in market research does not guarantee nor pledge as to the accuracy or completeness of such information. References to Wood Mackenzie should not be considered as the opinion of Wood Mackenzie as to the value of any security or the advisability of investing in the Company.

The Company's Directors have no reason to believe that such information is false or misleading or that any material fact has been omitted that would render such information false or misleading. The information prepared by Wood Mackenzie and set out in this Industry Overview has not been independently verified by the Company or any other party and neither they nor Wood Mackenzie give any representations as to its accuracy and the information should not be relied upon in making, or refraining from making, any investment decision.

1. **Research Methodology**

All data, analysis and research estimates in this section are based on research work conducted between December 2022 and January 2023 including: (i) desk research to collect publicly available secondary sources of data, including statistics on macroeconomic indicators, demographics from entities such as the IMF and World Bank, Wood Mackenzie's internal databases; (ii) Wood Mackenzie's data gathering across core and other markets; and (iii) cross-checks and analysis of sources to build a consensus on the market size and historic trends.

2. **Forecasting bases and assumptions**

Wood Mackenzie based their report on the following assumptions: (i) the social, economic and political environment is expected to remain stable in the UAE and all countries referenced during 2023-2040; based on 2022 data in all relevant areas (except to the extent governmental or other public sources indicate an expectation of a material change from 2022 performance); (ii) there will be no external shocks, such as financial crises that affects the demand and supply of the sector across the core and other markets during the same period; and (iii) the same key drivers which influenced historic growth/demand will apply during the forecast and 2022-2040 period, unless otherwise noted(except to the extent governmental or other public sources indicate an expectation of a material change from 2022 performance).

(b) **The Natural Gas Industry**

Natural gas is one of the major sources of energy, and is a gaseous fossil fuel typically consisting of 50% to 90% methane and significant quantities of ethane, propane, butane, sulphur and natural gas condensates. Natural gas occurs as a fossil fuel in: conventional reservoirs with naturally porous formations, where it could appear either (1) in liquids-rich reservoirs as gas dissolved in oil, generally referred to as associated-gas, which comes out of solution as the overall pressure is reduced by production, or (2) in gas-rich reservoirs where gas occurs with hydrocarbon liquids of less than 10bbls/mmscf, generally referred to as non-associated gas; and in unconventional reservoirs with low permeability, such as tight gas or shale gas reservoirs.

Natural gas is extracted and processed into several different gaseous and liquefied forms before it is suitable for consumption, either as a fuel or as a raw material / feedstock for various products. It is primarily used in the power generation, residential, industrial and upstream oil production sectors.

Below are the various forms of natural gas:

- **Rich gas**: Natural gas before processing, containing heavier products such as propane and other NGLs and can be used for injection into upstream reservoirs.

- **Lean gas**: Natural gas post-processing, and of a certain quality that can be consumed by customers or used for injection into upstream reservoirs to increase condensate recovery. It is the sales gas provided for end-users.
- **Natural Gas Liquids ("NGLs")**: The liquids separated from natural gas as the gas is processed either in the field or at gathering points before moving to market. NGLs are a mixture of light hydrocarbons including ethane, propane, butane and light naphtha. NGLs are used for production of fuels, lubricants and plastics
- **Liquefied Natural Gas ("LNG")**: Sales-quality gas that has been chilled to -162℃ and liquefied so it can be loaded on to specialised tankers.
- **Condensate**: A mixture of light liquid hydrocarbons, similar to a very light crude oil. It is typically separated out of a natural gas stream at the point of production when the temperature and pressure of the gas is dropped to atmospheric conditions. Condensate is mostly composed of NGLs and naphtha range materials. Similarly to NGLs, condensate is used in production of oil related products.
- **Sulphur**: Natural gas will also contain sulphur in the form of hydrogen sulphide at varying proportions. Once processed most sulphur is used for the manufacture of sulphuric acid, a key component within fertilizers and petrochemical products.

1. **Primary Uses of Natural Gas**

The power generation industry is a key consumer of natural gas, as gas is used to power turbines and generate electricity. Steam turbines are powered by burning natural gas to produce steam, whilst gas turbines are powered directly by the pressure of the natural gas. Natural gas is also consumed directly by the residential and industrial sectors, where gas is piped directly into homes to heat water, air and gas-fired stoves. In the industrial sector, natural gas is used in the production of aluminium, cement and fertilisers. Natural gas liquids are processed and used in the petrochemicals sector, such as for the production of lubricants and plastics.

Natural gas is also used by oil producers for injection into upstream reservoirs, to increase the pressure and improve the flow and recovery of crude oil and condensates. Natural gas injection often provides producers with a cost-effective technique for optimising or increasing crude oil and condensate production in fields.

2. **Increasing Role of Natural Gas in the Energy Transition**

Natural gas is a relatively clean burning fossil fuel. Using natural gas for energy results in fewer emissions of nearly all types of air pollutants and carbon dioxide (CO2) than burning coal or petroleum products to produce an equal amount of energy. As such, it is often referred to as a transition fuel in the evolving energy mix.

Several industry commentators forecast an increasing role of renewables as well as natural gas in the future energy mix, coupled with a diminishing use of coal. Under Wood Mackenzie's 2022 Energy Transition Outlook, which is its current base case view of how global energy demand will be met, global gas demand grows by 16% between 2022 and 2040, this is in contrast to a 35% drop in global demand for coal over the same time period.

(c) **UAE Overview**

The UAE is a major hydrocarbon producing and exporting country located on the Arabian peninsula. The country is a confederation of seven states, or emirates, of which Abu Dhabi and Dubai are the most important politically and economically. According to Wood Mackenzie, most of UAE's oil and natural gas production (over 95%) is in Abu Dhabi. Abu Dhabi started producing oil in the early 1960s and became a member of OPEC in 1967. Currently, the UAE is the third largest OPEC producer, behind Saudi Arabia and Iraq and holds the 5th largest commercial oil and gas reserves globally. The UAE currently holds about 290 Tcf in gas reserves, the 7th largest gas reserves globally. The UAE produced around 3.2 million b/d of crude, around 0.8 million b/d of condensate and NGLs, and 5.6 bcfd of lean gas, in each case in 2020. Abu Dhabi National Oil Company (ADNOC) P.J.S.C., formed in 1971, is the state energy company for Abu Dhabi responsible for the extraction and management of Abu Dhabi's petroleum and gas resources. It is the largest national oil company within the country and accounts for approximately 98% of UAE's liquid production and approximately 99% of UAE's gas production in 2020.

1. **Macroeconomics**

The macroeconomic outlook for the UAE overall is positive. Population is expected to grow at a CAGR of approximately 0.6% between 2020 and 2040, while GDP is forecast to grow at approximately 3.3% CAGR over the same period. Two key drivers of future GDP growth are the industrial and construction sectors, which are expected to grow at a CAGR of approximately 3% and approximately 4%, respectively, between 2020 and 2040. These macroeconomic, demographic, and market fundamentals are key determinants of gas demand within the UAE.

2. **Regulatory Structure**

The UAE's oil and gas regulatory structure allows individual emirates to govern their own oil and gas industries. These regulatory bodies have formal and informal discussions with the federal authorities to ensure decisions align with the national interest of the UAE.

The UAE has 3 active energy markets: Abu Dhabi, Dubai and Sharjah. While the other emirates have some upstream activity, the former 3 emirates account for nearly all of the oil and gas production and refining. Within Abu Dhabi the Supreme Council for Financial and Economic Affairs (the "**SCFEA**") is responsible for, amongst other matters, organising, setting and approving public policies for Abu Dhabi in relation to all financial, investment, economic, petroleum and natural resources affairs. Its mandate includes supervising the performance of the relevant entities (including ADNOC) to ensure compatibility with the general policies approved by the SCFEA and the Emirate of Abu Dhabi's leadership, while allowing those relevant entities (including ADNOC) the corporate autonomy to develop and execute their own strategies. Dubai Supreme Council of Energy (DSCE) is the governing body tasked with policy development, planning, and coordinating with concerned authorities and energy bodies within Dubai. In Sharjah, the Sharjah Petroleum Council develops and administers oil and gas policy.

3. **Role & Future Use of Gas in the UAE**

Sale of gas produced in the UAE began in Abu Dhabi in 1977 through LNG exports, followed by supplies into the domestic market in the early 1980s. There are also low gas volumes produced in the other Emirates (~100 mmcfd).

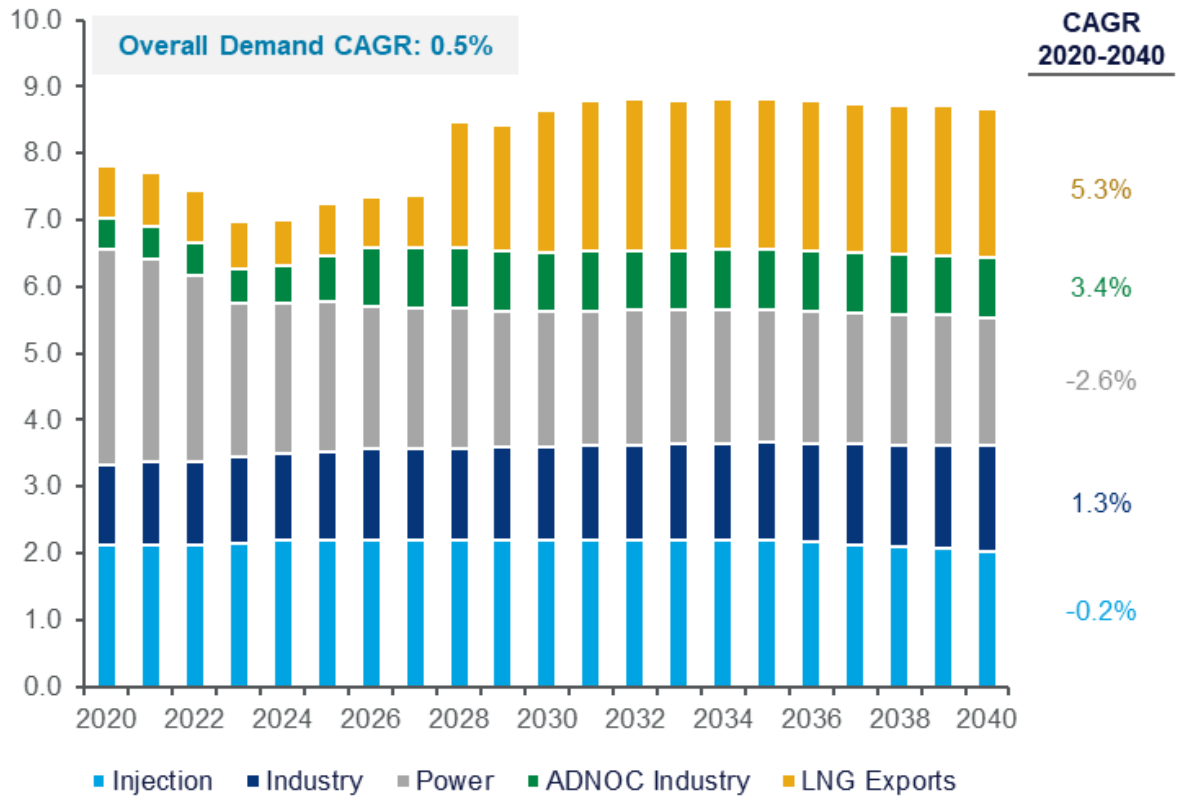
Gas plays an important role for the economies of Abu Dhabi and UAE with gas utilised in the power sector (close to 100% of electricity in 2020 was generated from gas-fired power stations), industrial sector, LNG and injection into upstream reservoirs. Gas volumes are injected into reservoirs to enhance oil and condensate recovery and are used as a mechanism to balance the market, scaling up and down injection as required.

Gas will continue to play an important role in serving as a bridge fuel as the global energy transition away from fossil-based fuels occurs. The UAE is targeting self-sufficiency in gas by 2030 and investing to increase domestic gas production and capacity.

(d) **Lean Gas Demand in the UAE**

There are five main areas of lean gas demand, with an overall market of slightly less than 8.7 bcf/d projected by 2040. As the demand for gas usage in the power sector decreases, other demand sectors, such as industry and ADNOC Industries (defined as ADNOC-owned ventures), are likely to increase. Overall, gas demand in the UAE is expected to increase by ~0.5% y-o-y until 2040. Demand for lean gas into UAE LNG exports is expected to see the sharpest rise, with the most significant decline expected in the UAE power sector due to the expected growth in nuclear and renewable power generation. New downstream petrochemical and hydrogen/ammonia plants within Abu Dhabi are projected to support an increase in gas demand at ADNOC Industries.

Figure 1: UAE Gas Demand Forecast (bcf/d)



Source: Wood Mackenzie

1. **Lean Gas Demand for Injection in Upstream Reservoirs**

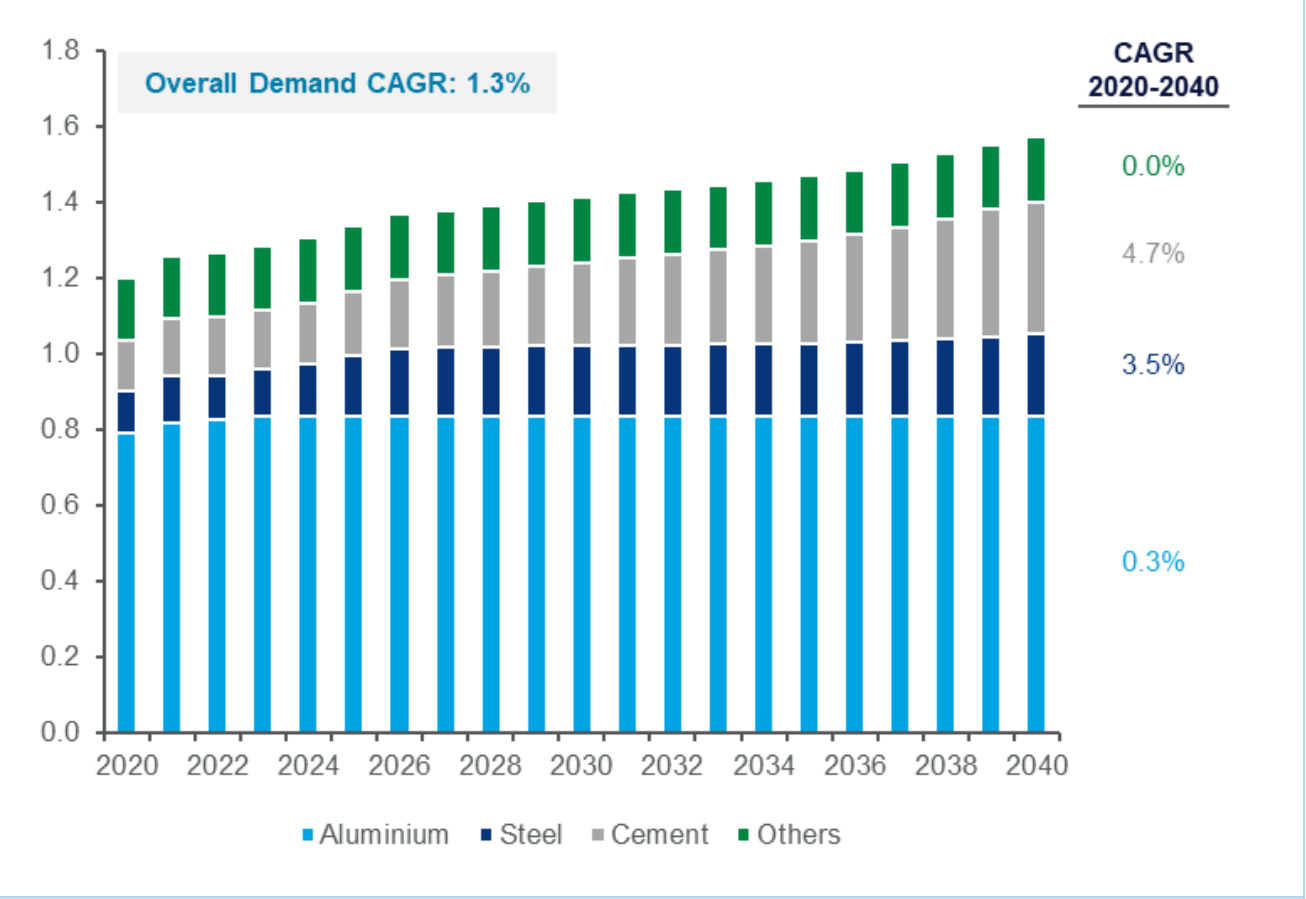
Lean gas is currently injected in a number of reservoirs. Injections are expected to stay relatively flat at ~2.2bcf/d during the forecast period. Lean gas injection forms a key demand area and plays a vital role in balancing the Abu Dhabi and UAE gas markets, ADNOC has the ability to reduce or increase the volume and ratio of gas to be injected, providing flexibility in the gas system. We assume that lean gas volumes will continue to be imported through the Dolphin pipeline from Qatar after the end of the current development and production sharing agreement in 2032, albeit at lower volumes than those seen today. However, should this not be the case, lean gas injection volumes could be reduced to replace Dolphin volumes to make up for any shortfall in the market. Note that injected gas to aid oil lift at other reservoirs is netted off supply, estimated as 300 mmcf/d in 2022.

2. **Lean Gas Demand in the Industries Sector**

The gas demand for industries reflects the requirements for several key non-ADNOC industries supporting local and export markets. Gas demand is primarily attributed to four industrial segments – aluminium, steel, cement, and others (which include fertilizers, petrochemicals, ports, and city gas).

Our independent base view of gas demand, highlighted in Figure 2, indicates a modest forecasted growth of 1.3% CAGR in overall gas demand. This growth is chiefly credited to an increase in cement capacity, resultant of a strong construction forecast. We expect the UAE construction sector to show strong growth of ~3.3% between 2020 and 2040. Some fuel switching from fuel oil to natural gas is also anticipated within the UAE cement sector.

Figure 2: Industrial Gas Demand Forecast (bcf/d)



Source: Wood Mackenzie, ADNOC

The UAE aluminium sector (EGA directly or through EWEC) accounts for ~53% of projected industry gas demand in 2040. The UAE cement and steel sectors account for ~22% and ~14% of projected industrial gas demand, respectively in 2040.

Our gas demand forecast is based on a bottom-up approach evaluating the current capacities and likely capacity additions within each segment and estimating the gas requirements based on thermal gas penetration rates. While cement and steel are expected to witness capacity enhancement, the aluminium sector (EGA refinery and smelter) do not have any announced capacity enhancements, thus, gas demand is expected to stay flat in that sector.

3. **Lean Gas Demand in Power**

Between 2020 and 2040, we expect UAE power demand to grow from 134.1 TWh to 181.1 TWh at a modest growth rate of 1.2% CAGR. This CAGR results from a weighted average growth rate of population, industrial, and electric vehicle growth, which are key demand drivers for power consumption. Additionally, greater penetration of water desalination plants using reverse osmosis vs. multi-stage flash distillation (MSF) and multiple-effect distillation (MED) is expected to support better efficiency rates and reduce gas consumption from thermal power.

With projected greater build-out of renewables and nuclear power, demand for thermal gas-fired power plants is expected to fall significantly. With all 4 reactors at the Barakah plant planned to be operational by 2023, nuclear capacity is expected to add 5.6GW to overall capacity. The UAE's solar strategy is also expected to accelerate over the next two decades, with capacity forecast to grow at a CAGR of ~15% to ~40GW by 2040.

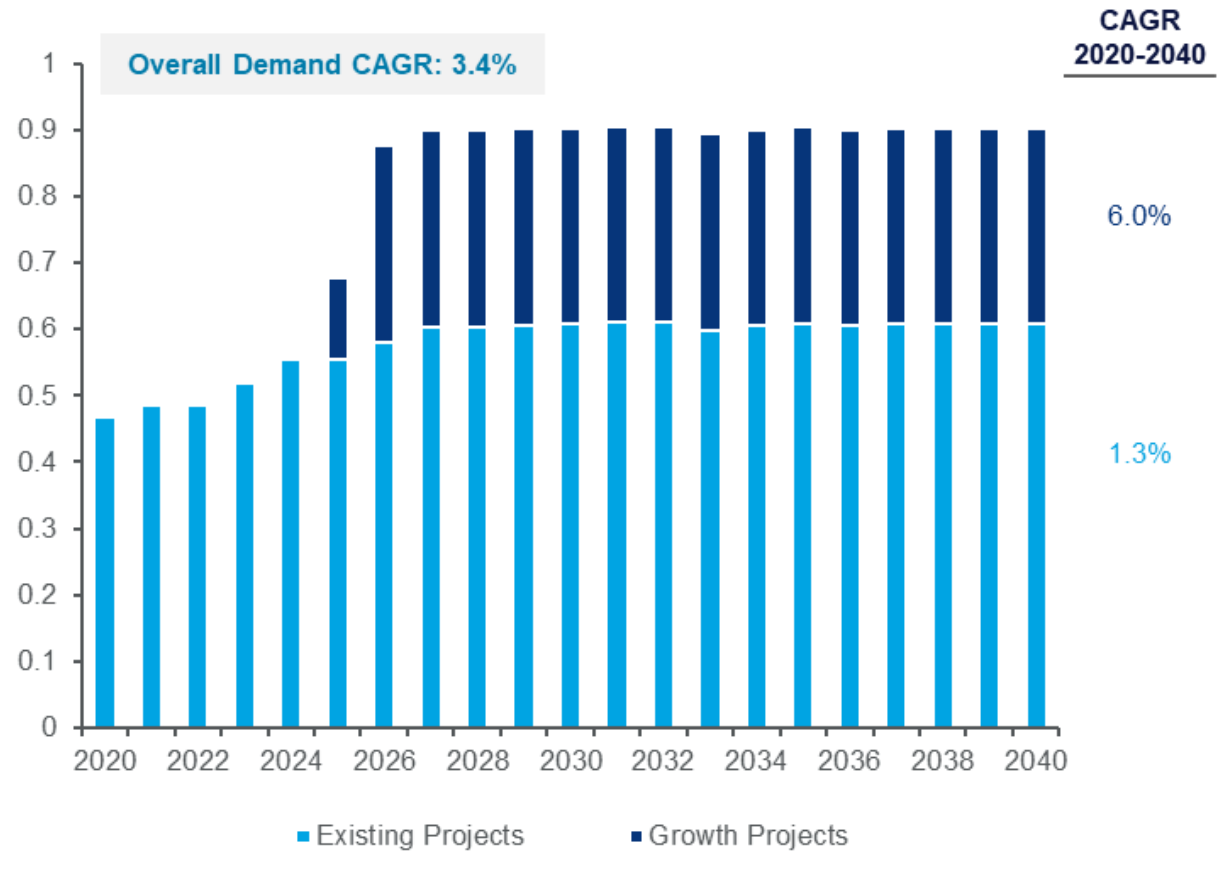
The growth of solar and nuclear is expected to directly impact the share of thermal power in the overall power mix, which is expected to drop from 97% in 2020 to 53% in 2040.

4. **Lean Gas Demand in ADNOC-owned Ventures**

The gas demand from ADNOC-owned ventures considers the requirements for several ADNOC projects at the Ruwais Industrial Complex. The gas demand was evaluated for existing and growth projects, with new growth anticipated from Ta'ziz developments in Ruwais.

Wood Mackenzie developed an independent base case view of the gas demand forecast for ADNOC industries, displayed in Figure 4. Demand for both existing and growth projects shows strong expected growth from 2023 to 2027. Between 2023 and 2027 annual demand is expected to increase at a CAGR of 14.8%, influenced by the commission of the crude flexibility project (CFP) upgrade to the Ruwais Refinery and the commencement of production at Borouge IV. Between 2027-2040, demand growth is expected to slow, achieving a CAGR of 0.03% as the base case view does not incorporate further expansion projects. The average annual demand for the 2027-2040 period is expected to be 901 mmcfd.

Figure 4: ADNOC-owned Ventures Gas Demand Forecast (bcf/d)



Source: Wood Mackenzie

Existing projects include the Fertil 1&2 Ammonia production plant, ADNOC Refining activities, Borouge I, II, III, and the forecast for Borouge IV demand. The demand for natural gas was evaluated considering its use as a raw material in ammonia production and other processes and as a utility. Between 2027-2040, the average annual demand from existing projects is projected to be 606 mmcf/d.

The Wood Mackenzie base case view for growth projects includes Ta'ziz projects that have been tendered for EPC or are evaluated to be in the advanced FEED stage with strong public messaging and visibility. Gas demand is assessed for the production of methanol at the new Ta'ziz methanol plant (capacity 1.8 Mtpa), the production of blue ammonia at the new Ta'ziz Ammonia plant (capacity 1 Mtpa), and the Ta'ziz utilities and power plant. Post-2030, demand from growth projects is expected to remain level at approximately 295 mmcfd, with the Methanol development accounting for over 58% of the demand.

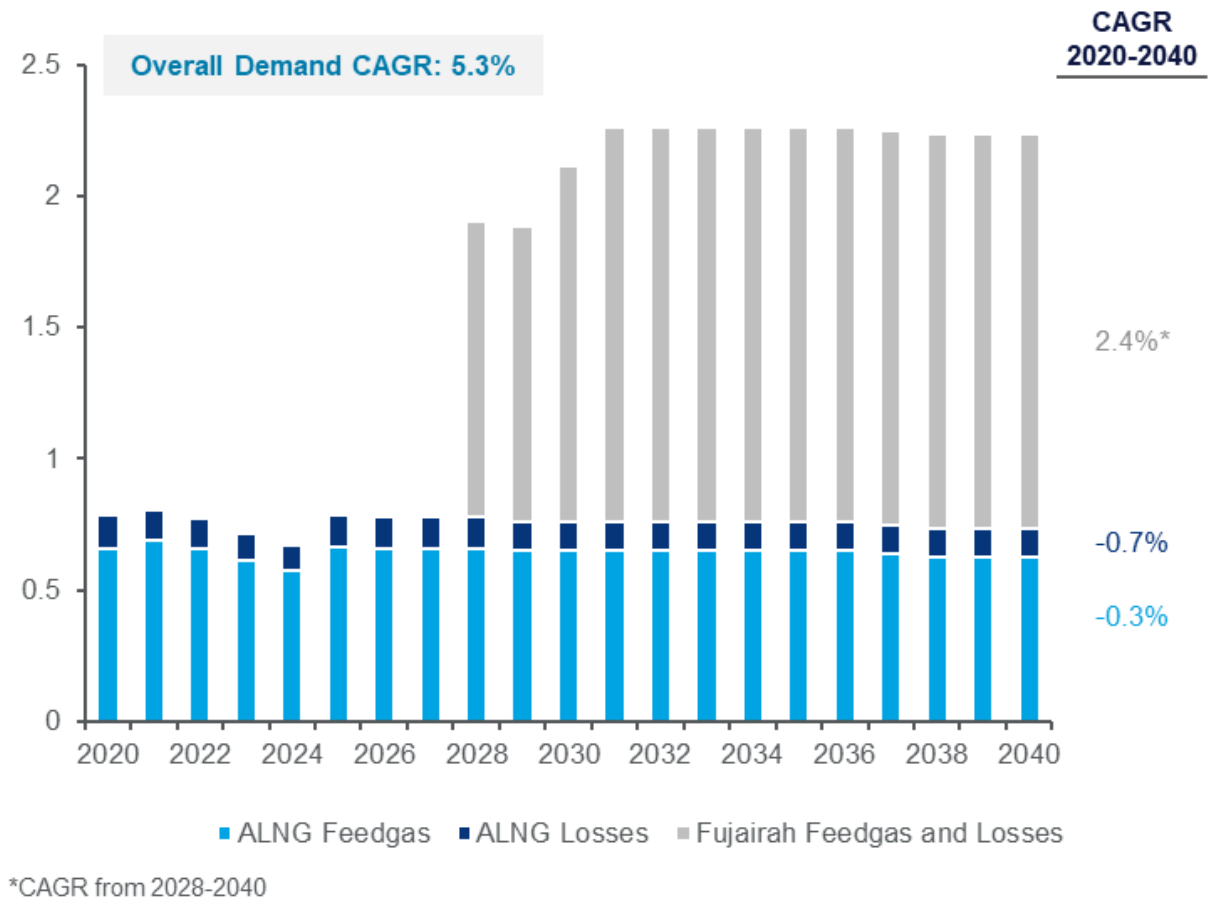
There will likely be potential new sources of demand within the forecast timeframe from additional projects in the Ruwais Industrial Complex and Ta'ziz. However, projects in the concept, planning, pre-FEED stages or with a longer project timeline are excluded from the base case. Considering the potential development of 2 additional ammonia facilities and a steam cracker with similar capacities to the existing Ta'ziz and Borouge projects, it is estimated that an additional demand for gas of 240 mmcfd could be introduced in the future.

Note that gas demand for ADNOC Onshore for fuel and injected gas to aid oil lift and gas used for fuel by ADNOC Gas Processing has been netted off supply and therefore not included within the above demand forecast.

5. **Lean Gas Demand from LNG**

Lean gas demand into LNG export within the UAE is expected to grow substantially in the forecast period with the potential commissioning of the Fujairah LNG Terminal. The new terminal is expected to add 9.6 mmtpa capacity to the existing 6 mmtpa capacity of the ALNG plant. With FID targeted for 2023, we expect an additional 1.5 bcfd in gas demand once fully operational.

Figure 5: UAE LNG Export Lean Gas Demand (bcf/d)

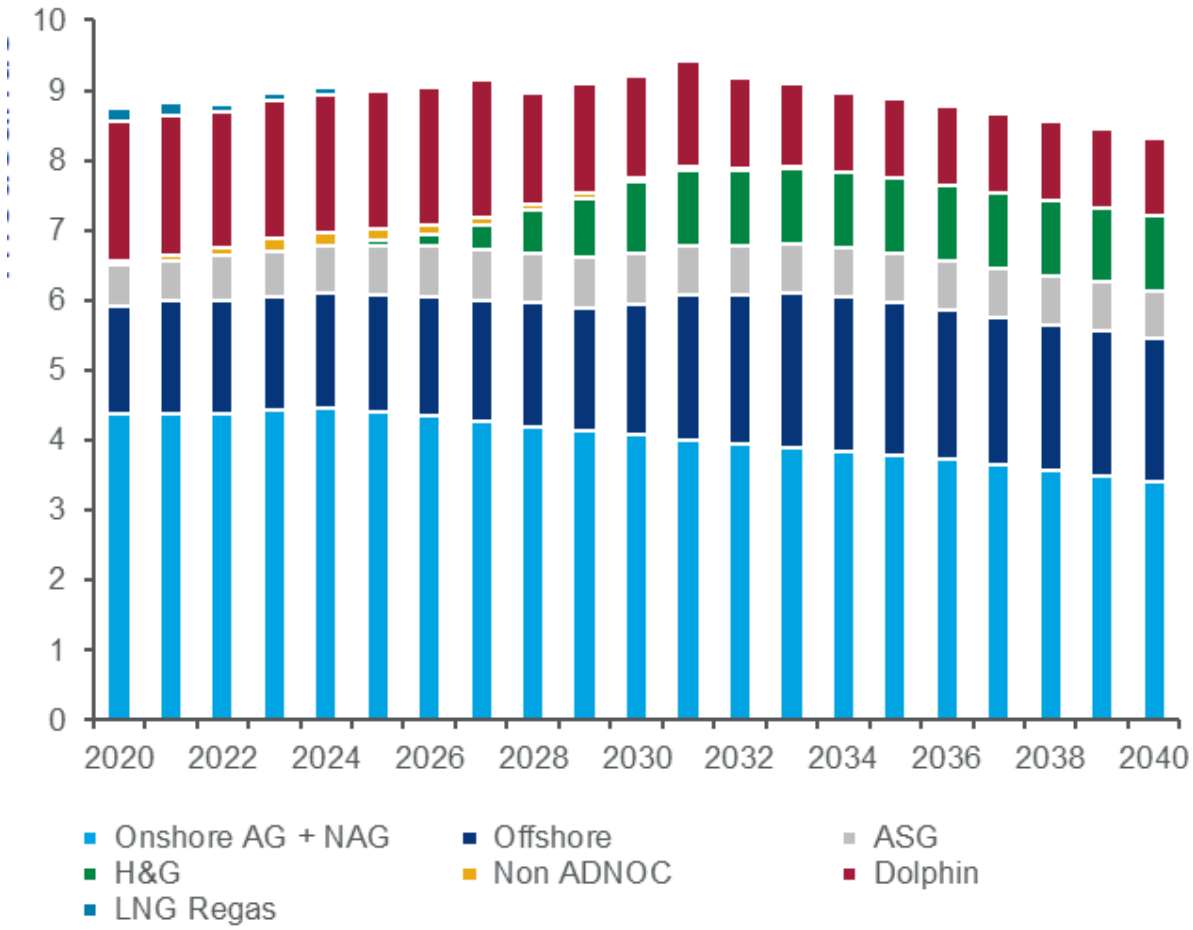


Source: Wood Mackenzie

(e) **Lean Gas Supply**

Sales gas supply in the UAE is dominated by production from ADNOC's upstream fields, with core gas-producing areas spread across onshore and offshore Abu Dhabi. In addition to the supply from ADNOC's fields, there is supply into the UAE market via imports from Qatar through the Dolphin pipeline, some minor production in Sharjah and Umm Al Qaiwain and an LNG regasification facility in Dubai.

Figure 6: UAE Lean Gas Outlook (bcf/d)



Source: Wood Mackenzie

ADNOC gas supply comes from several sources outlined below:

Onshore AG – associated gas from the ADNOC Onshore oil producing JVs. ADNOC has sole rights to the gas. The acreage occupies almost a third of Abu Dhabi's territory and is managed as four discrete geographical units operated separately by designated asset leads.

Onshore NAG – comprises 100% ADNOC-owned non-associated gas including Asab and Bab. The fields produce from multiple reservoirs. Lean gas is injected at a number of Onshore AG and NAG reservoirs (see "*Lean Gas Demand LNG*"); this acts as a critical balancing mechanism to the gas market in the UAE.

Offshore - ADNOC Offshore comprises both ADNOC sole risk (ASR) fields and concessions awarded after the integration of ADMA-OPCO. Associated and Non-Associated Offshore gas is piped to ADNOC Gas facilities in Das Island where the gas is distributed between the JV LNG liquefaction facilities and export facilities that transfer the volumes to onshore gas processing facilities.

ASG - ADNOC Sour Gas, a joint venture between Occidental Petroleum and ADNOC, comprises the Shah development known as Al Hosn. Shah is an onshore oil and gas field that produces non-associated, sour gas.

H&G – Also known as the Ghasha Concession Area, comprises several fields with interests held by ADNOC, Eni, Wintershall Dea, LUKOIL, and OMV. The outlook includes production from the Dalma project (Hair Dalma, Bu Haseer, and Satah fields) and Hail and Ghasha fields, two large, ultra-sour gas fields.

Gas via the Dolphin pipeline is the only significant contributor to the UAE market outside of ADNOC supply. Dolphin supplies long-term and interruptible gas into markets in Abu Dhabi, Dubai, Fujairah, and Oman. The current contracts expire in 2032, however, we have assumed that volumes will continue after that date, albeit at a reduced level.

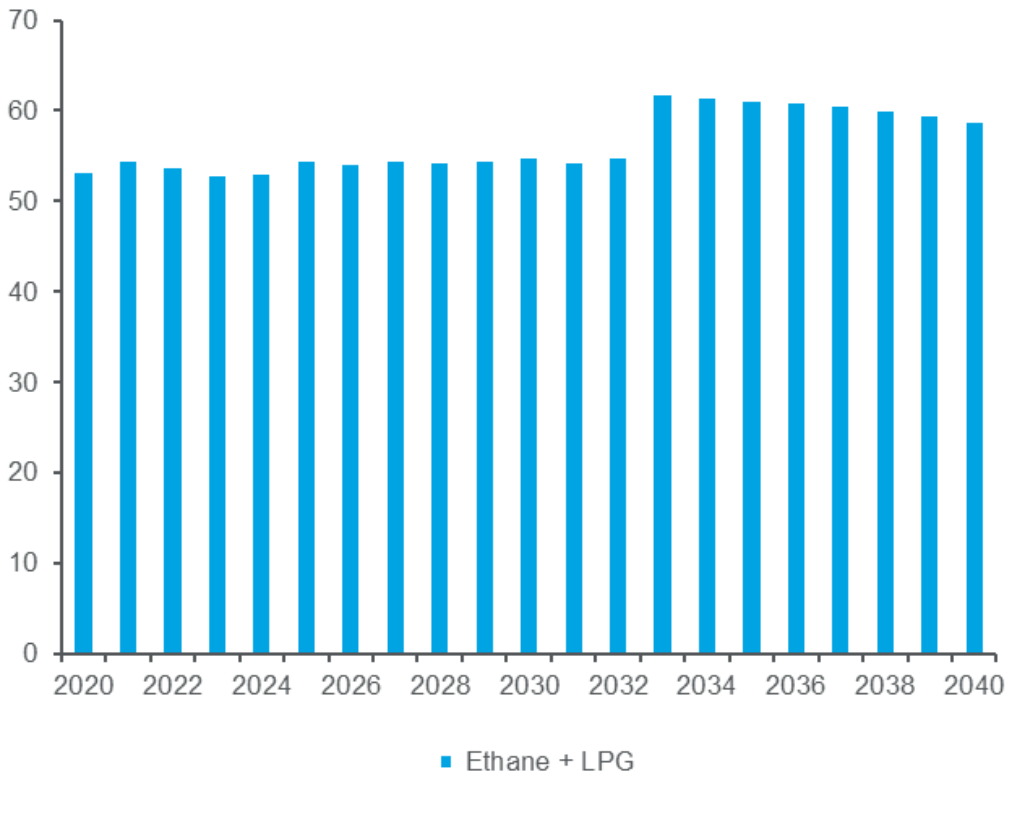
Since 2015, there has been extensive relicensing of Abu Dhabi's acreage, securing long-term investment partners. This includes exploration bid rounds in 2018 and 2019. The increased focus on exploration is starting to yield success, with three discoveries in the last 3 years after many years of minimal exploration focus.

In addition to exploration upside, several potential future contributors to ADNOC gas supply could make it into our supply outlook. These include:

- **Bab Gas Cap** – a large gas cap currently under pilot production with the potential to deliver over 1 bcfd of feedstock into the ADNOC system.
- **Ruwais Unconventionals** - Unconventional gas was first tested in the Ruwais area in 2019. TotalEnergies was awarded a 40-year concession in 2018. ADNOC envisages producing 1 bcfd from the play, but no final investment decision has been announced.
- **Satah al Razboot (SARB) Deep Gas** – a development at Hail and Ghasha that is still in the early stages. Appraisal drilling on the SARB sour gas field began in 2021, and a pre-FEED study was initiated.
- **Additional associated gas volumes** as ADNOC progresses towards an accelerated oil production target of 5 million bpd by 2027.

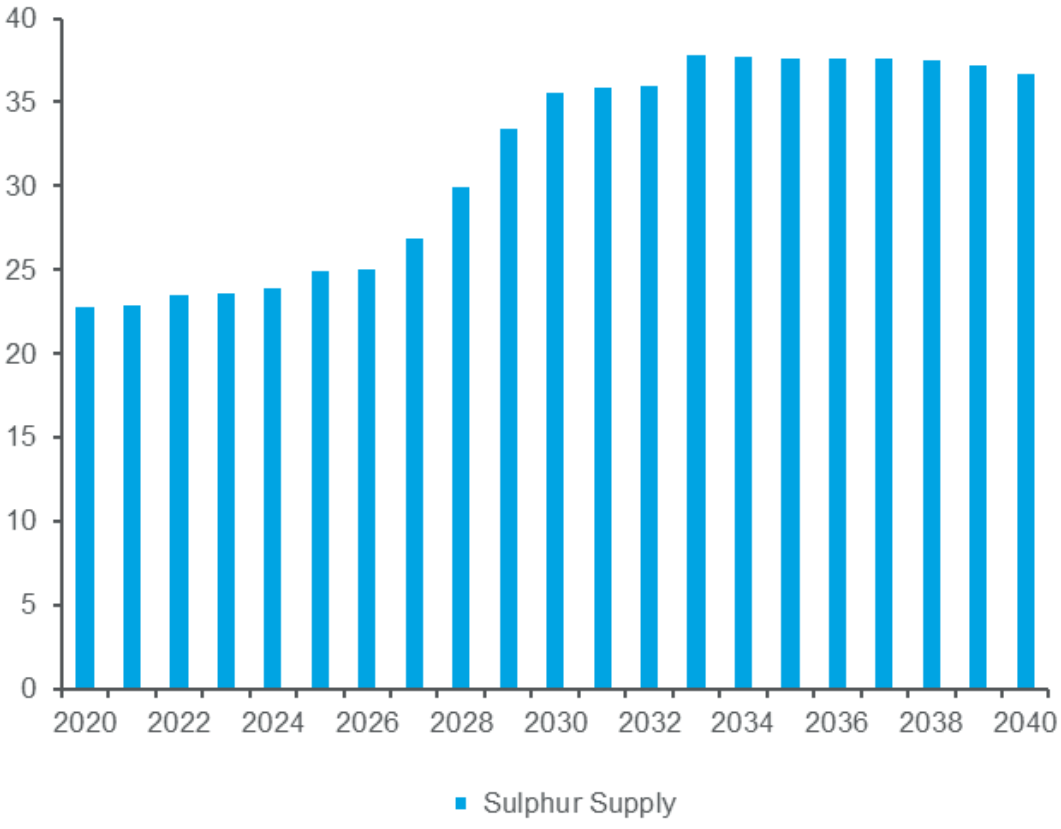
In addition to sales gas, several valuable gas products are realised in the fields that provide Abu Dhabi's gas supply. These products are either used or sold domestically or exported to international markets. Our outlook for each of these products (ethane, LPG, condensate and sulphur) has been derived based on expected yields from ADNOC fields.

Figure 7: Ethane and LPG Supply (2020-2040), ktd



Source: Wood Mackenzie

Figure 8: Sulphur (2020-2040), ktd

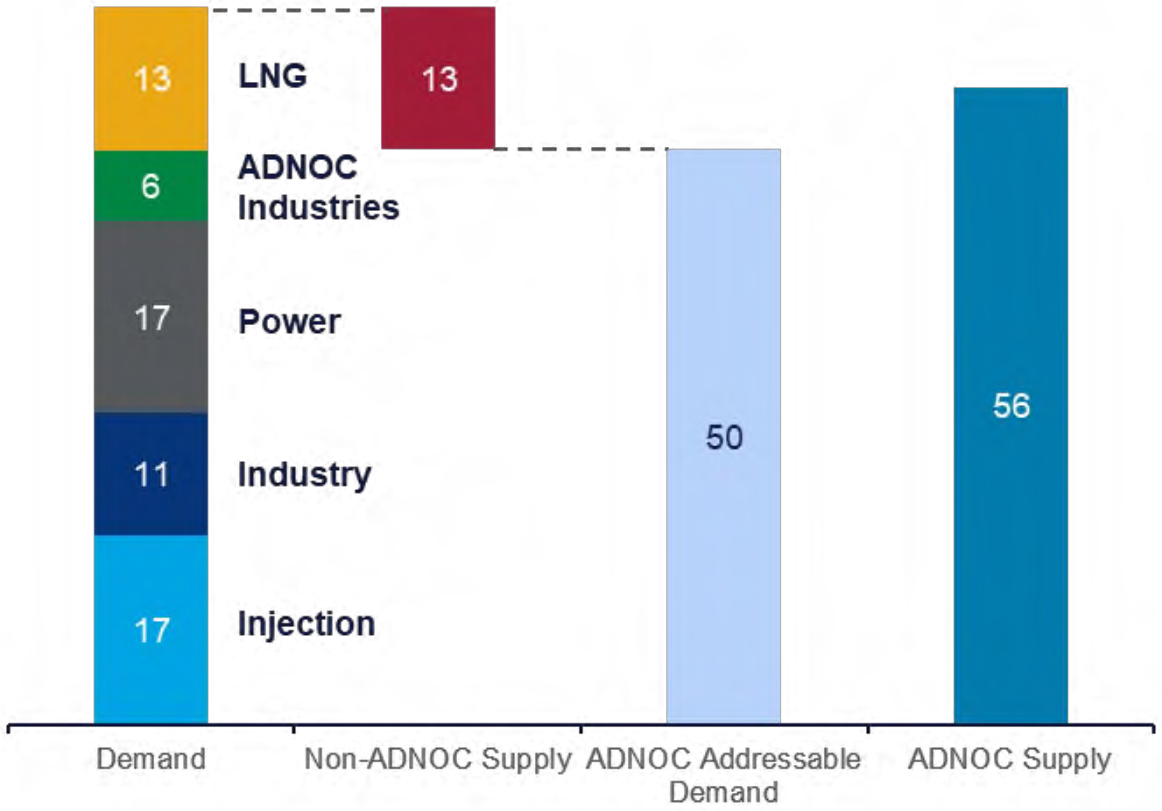


Source: Wood Mackenzie

(f) **Lean Gas Supply-Demand Balance**

Our analysis shows that ADNOC has adequate potential supply to meet projected demand requirements by 2040. Figure 11 shows the cumulative sales gas supply-demand build-up between 2020 and 2040. ADNOC addressable demand represents overall UAE sales gas demand less non-ADNOC sources of supply (Dolphin Sharjah, Umm Al Quwain, and LNG Regas).

Figure 9: UAE cumulative Sales Gas Supply-Demand Build-Up (Tcf)



Source: Wood Mackenzie

(g) **Other Gas Products**

As discussed in the supply section, in addition to sales gas, several valuable gas products are realised at the fields that provide Abu Dhabi's gas supply. These include condensates, NGLs, and sulphur. These products are used within ADNOC's downstream operations (ADNOC Refining, Borouge, Fertiglobe), sold domestically, or exported to international markets. An outlook and key drivers for each of these products markets, or their derivative products, is provided below.

1. **Ethylene and Polyethylene**

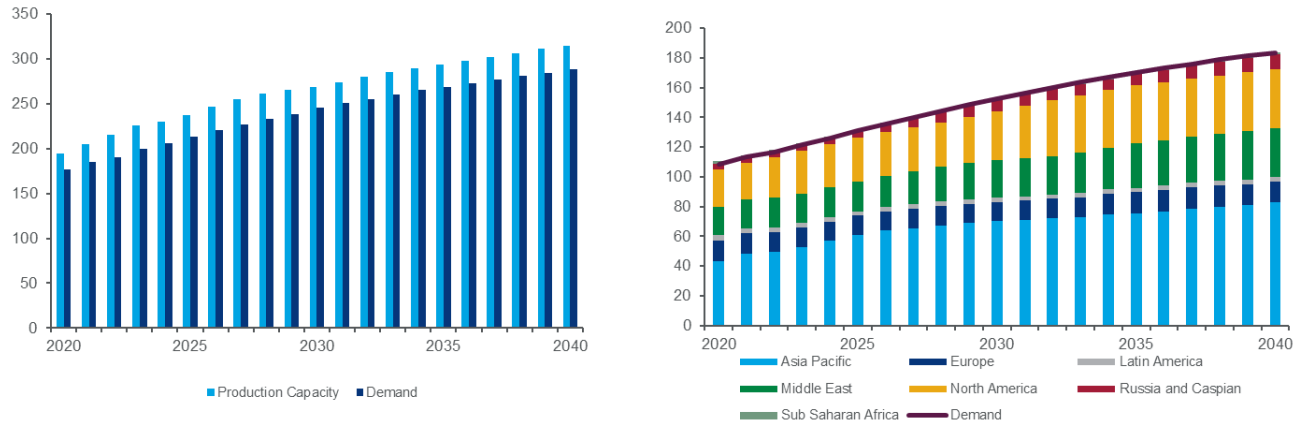
ADNOC Gas Processing is the sole provider of ethane to the Borouge petrochemicals complex where it is converted through a variety of processes into the primary building blocks for a number of chemicals.

Ethane is a desirable petrochemical feedstock as it is usually the lowest-cost feedstock for the steam cracking (ethylene production) industry. Because ethane is relatively challenging to liquefy and transport in bulk, it has traditionally not been traded in global markets, finding a home instead in facilities adjacent to where it is processed.

Ethylene is the world's most-produced petrochemical by volume, with a demand of over 190 million tons in 2022. Ethylene is also the largest source of demand for ethane and is often used as a proxy for ethane. All of ADNOC's existing ethane production is currently sold domestically to Borouge. Though the ethylene monomer effectively has no direct applications, it is chemically derivatised and polymerised to produce a wide range of chemicals and polymers. The most significant are polyethylene, ethylene oxide, ethylene dichloride, and ethylbenzene (styrene). Polyethylene is ethylene's major end-use, commanding over 60% of global ethylene demand. Global polythene production capacity is currently at ~ 118 mmtpa, with its demand closely matched at ~116mmtpa in 2022.

Global ethylene demand is expected to grow from 176 mmtpa in 2020 to 288 mmtpa in 2040 at a CAGR of ~2.5%. Polyethylene is expected to grow from 108 mmtpa to 183 mmtpa in 2040 at a CAGR of ~2.7%.

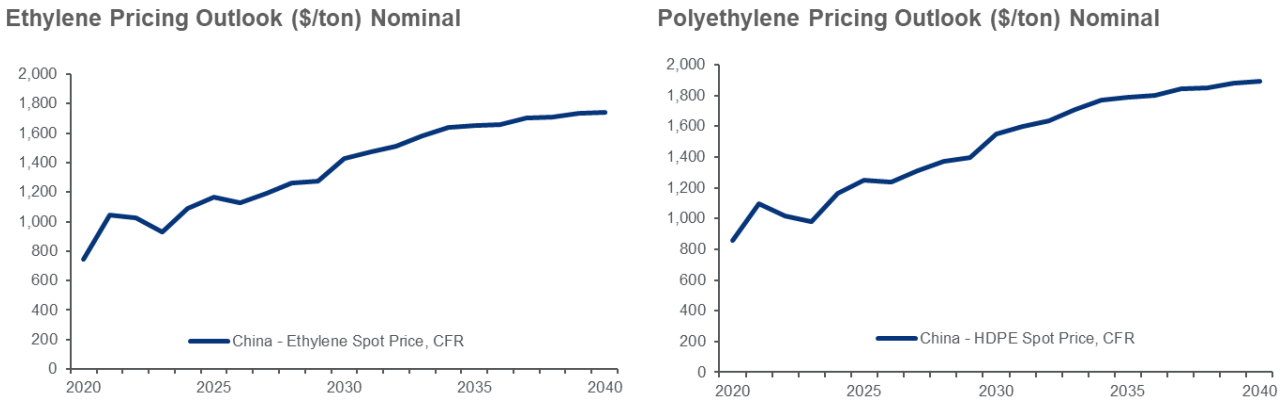
Figure 10: Global Ethylene & Polyethylene Outlook (Demand & Supply), mmtpa



Source: Wood Mackenzie

The below ethylene prices, while not directly linked to ethane prices, provide some guidance to the overall outlook for the largest ethane demand source. An upward movement in ethylene prices may indicate a more robust market for ethane prices.

Figure 11: Global Ethylene & Polyethylene Price Outlook, ($/ton) Nominal



Source: Wood Mackenzie

In the short turn, ethylene and polyethylene prices are expected to witness downward movement due to oversupply, with prices ranging between $928/ton and $937/ton. Prices, however, are expected to pick up post-2023, growing at 4% and 5%, respectively, to about $1800/ton by 2040.

2. LPG

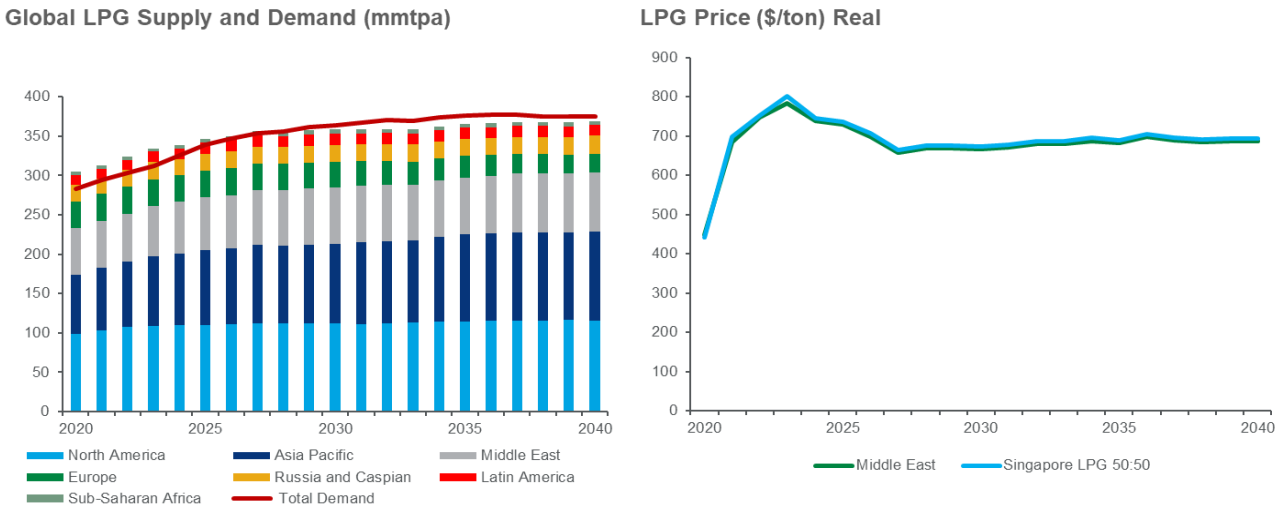
LPG is a “supply push” product, as it is primarily produced as an associated product either from crude oil or natural gas production with a limited supply from crude oil refining. LPG describes two natural gas liquids: propane and butane, or a mix of the two. Within the ADNOC system LPG comes from ALNG, AGP, or ADNOC Sour Gas and is either used domestically or exported to international markets.

The chart below shows Wood Mackenzie’s projections for global LPG supply and demand and for LPG prices in Singapore and the Middle East. Asian is a key market for ADNOC and Singapore has

been adopted as the pricing basis for LPG, as it is the crucial export refining centre for the Asian region.

With the global economy still in recovery, we expect a limited uptick in consumer demand for LPG, which will put downward pressure on prices between 2023 and 2025 and then remain flat after that.

Figure 12: Global LPG Outlook (Demand, Supply & Pricing), mmtpa, $/ton



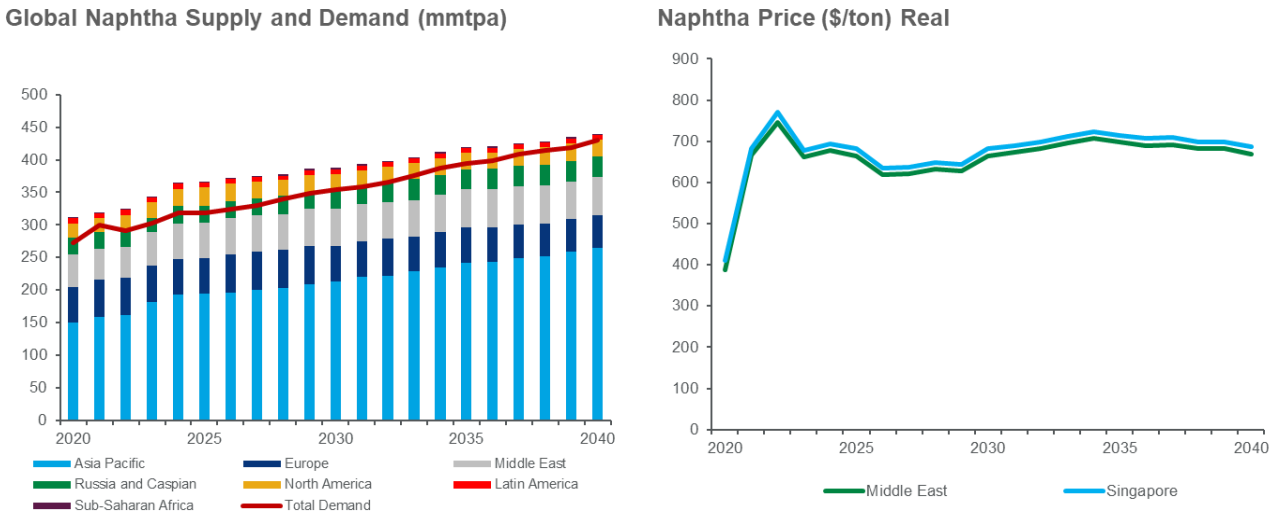
Source: Wood Mackenzie

3. Naphtha

Naphtha is a petrochemical feedstock for the production of ethylene, a fundamental building block for polymer production, and various by-products. Similar to LPG, naphtha within the ADNOC system comes from ADNOC Refining, ALNG, AGP or ADNOC Sour Gas and is either used domestically or exported to international markets.

Global naphtha demand is forecasted to grow at a CAGR of 2.3% between 2020 and 2040. The Middle East accounts for only 2% of global naphtha demand. However, it supplies 16% of the world's naphtha. Middle Eastern supply will be necessary to meet demand in Asia (72% of global demand in 2020). In the UAE, naphtha is a crucial product at the Ruwais Refinery derived from crude oil and condensate feedstock as well as from gas in the Ruwais NGL fractionation plant.

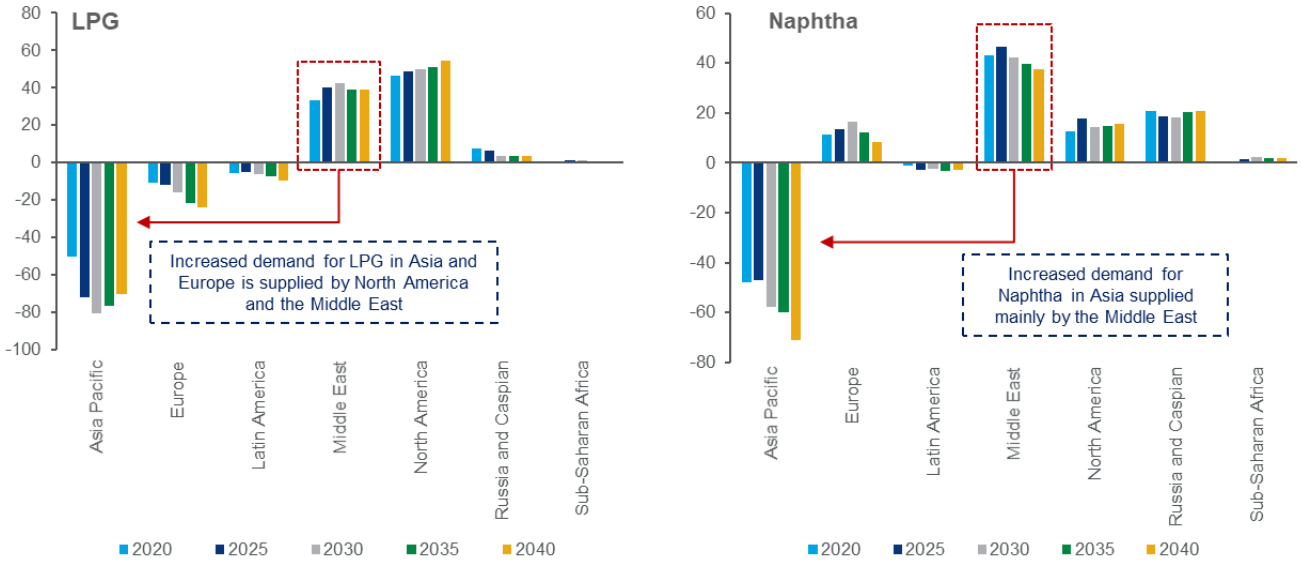
Figure 13: Global Naphtha Outlook (Demand, Supply & Pricing) mmtpa, $/ton



Source: Wood Mackenzie

Asia, the core market for ADNOC, will continue to be the major demand centre for LPG and Naphtha using up excess supply from other regions.

Figure 14: LPG and Naphtha Product Balances by Region (2020-2040), mmtpa



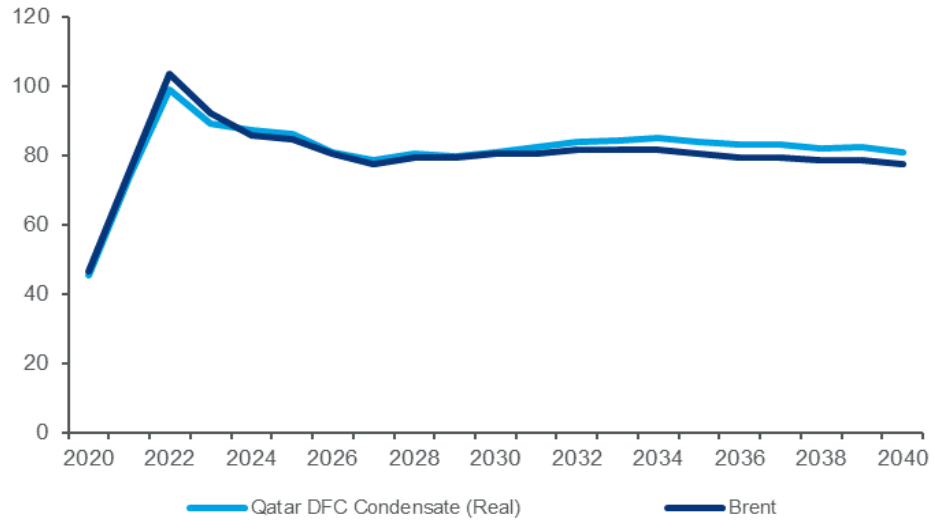
Source: Wood Mackenzie

4. Condensate

Condensate is typically a mixture of liquid hydrocarbons similar, in their physical properties, to very light crude oil. It is defined as liquids extracted from gas streams that have had the light fractions removed to allow storage and transportation without pressurisation. It also has an industry designation of an API gravity greater than 50° and is outside any OPEC quota mechanisms. All condensate produced by ADNOC is sent to ADNOC Refining.

Condensate production has increased significantly during the past decade, driven by the Middle East, North America, Russia, and the Caspian. The total capacity of dedicated condensate splitters has also increased significantly as several new plants have been constructed to process the feedstock. While Russia and the USA are primary producers, both markets consume their condensate domestically at dedicated splitters, existing refineries, or blended into conventional crude streams. Demand from refineries and splitters accounts for most consumption, however, a significant portion of the supply is consumed in other areas, for example, petrochemicals.

Figure 15: Condensate Price ($/bbl) Real



Source: Wood Mackenzie

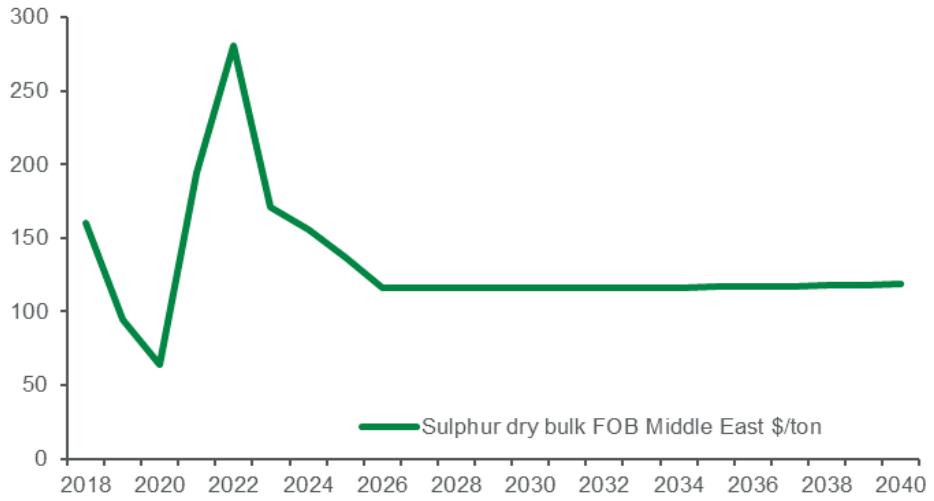
Wood Mackenzie's pricing is premised on the correlation of Brent prices with condensate. Wood Mackenzie's future assumption is that condensate will trade at an average of 5% discount to our modeled Brent prices. Also shown is the Qatar Deodorized Field Condensate (DFC) produced from Qatar's North Field. DFC is the only major condensate grade with price reporting; therefore, there is some transparency in its value/market price. As a Middle Eastern condensate, we could assume DFC is a reasonable proxy for a UAE condensate.

5. **Sulphur**

Sulphur is predominantly consumed in the production of fertilizers (via ammonium sulphate) and phosphoric acid (via sulphuric acid). China, India and Morocco are the largest markets for sulphur produced in the UAE.

Sulphur is predominantly produced by the refining of sour crude oil or the processing of sour natural gas. As such, regions with large sour crude and gas production volumes are typically the largest global producers and exporters (including the Middle East, Canada, and Russia/Caspian).

Figure 16: Middle East Sulphur Price ($/ton) Real



Source: Wood Mackenzie

Sulphur prices have historically been volatile, with the price spikes caused by outages to regional supply. Recent spikes in sulphur prices, post 2020, can be attributed to subdued refining rates due to COVID-19, recovering phosphate markets and a commodity bubble that is pushing sulphur prices up. However, as environmental compliance becomes stricter, e.g. IMO 2020, and refinery utilisations improve, future sulphur production is expected to exceed demand, and as such the market is likely to again become oversupplied putting downward pressure on long-term market prices and maintaining the export parity link between Middle Eastern and Asian markets. In addition, capacity constraints in sulphur storage will further put downward pressure on global prices.

4. STATEMENT OF CAPITAL DEVELOPMENT

(a) History

On incorporation in the ADGM on 8 December 2022, our total issued share capital was USD 50,000 consisting of 50,000 ordinary shares with a nominal value of USD 1.00 each, which was subscribed for in full by the Selling Shareholder.

On 1 January 2023, we issued 18,345,854,551 ordinary shares with a nominal value of USD 1.00 each to the Selling Shareholder pursuant to the Capitalisation Agreement in connection with the Reorganisation. This increased our total issued share capital to USD 18,345,904,551 consisting of 18,345,904,551 ordinary shares with a nominal value of USD 1.00 each.

On 1 February 2023, we issued a further 841,950,952 ordinary shares with a nominal value of USD 1.00 each to the Selling Shareholder pursuant to the Capitalisation Agreement as a post-closing adjustment to the consideration to be paid by Gas Co to the Selling Shareholder in connection with the Reorganisation. This increased our total issued share capital to USD 19,187,855,503 consisting of 19,187,855,503 ordinary shares with a nominal value of USD 1.00 each.

By a written resolution passed by the Selling Shareholder on 1 February 2023, it was resolved that: (i) the Company be re-registered as a public limited company under the Companies Regulations by the name of "ADNOC Gas plc"; and (ii) the Articles be adopted in substitution for and to the exclusion of the existing articles of association of the Company. The re-registration took place on 4 February 2023.

At a general meeting held on 10 February 2023, the Selling Shareholder resolved, amongst other things, that: (i) each ordinary share of the Company with a nominal value of USD 1.00 should be sub-divided into 4 Shares with a nominal value of USD 0.250 each (so that the Company's total issued share capital became USD 19,187,855,503 divided into 76,751,422,012 Shares with a nominal value of USD 0.250 each).

As at the date of this Prospectus, the Company does not hold any Shares in treasury and its total issued share capital is USD 19,187,855,503 consisting of 76,751,422,012 Shares of USD 0.250 each.

The Selling Shareholder will offer approximately 4% of the Company's share capital for sale as part of the Offering. Immediately following the Offering, assuming that the Selling Shareholder sells all of the Shares being offered, 69,843,794,032 Shares shall be owned by ADNOC (representing approximately 91% of the Company's total issued share capital).

(b) Company's share capital structure before the commencement of the Offering and upon completion of the Offering

The following tables set forth the holders of our Shares (comprising a total issued share capital of 76,751,422,012 ordinary shares of USD 0.250 each): (i) as at the date of this Prospectus; and (ii)

immediately following the Offering, assuming that the Selling Shareholder sells all of the Shares being offered:

	As at the date of this Prospectus		Immediately following the Offering[2]	
	Number of Shares	Percentage[1]	Number of Shares	Percentage[1]
Shareholder				
ADNOC	72,913,850,912	Approx. 95%	69,843,794,032	Approx. 91%
TAQA	3,837,571,100	Approx. 5%	3,837,571,100	Approx. 5%
New Shareholders[2]	-	-	3,070,056,880	Approx. 4%
Total	76,751,422,012	100%	76,751,422,012	100%

(1) Rounded to the nearest whole number.

(2) Assumes that the maximum number of Shares offered in the Offering are sold. 3,070,056,880 Shares are being offered in the Offering.

Prior to the Reorganisation, ADNOC held the ADNOC Gas Business.

On 1 January 2023, ADNOC completed the Reorganisation resulting in ADNOC holding 100% of the total issued and outstanding share capital of the Company and the Company owning the ADNOC Gas Business through its wholly owned subsidiary, Gas Co.

Prior to the date of this Prospectus, ADNOC transferred 3,837,571,100 Shares to TAQA (representing approximately 5% of the total issued and outstanding share capital of the Company). TAQA is the holding company for a leading integrated energy and utilities group (the "**TAQA Group**") headquartered in Abu Dhabi, and one of the largest listed integrated utility companies in the EMEA region in terms of market capitalisation. The TAQA Group also operates internationally across the energy value chain from upstream and midstream oil and gas businesses through to power generation.

5. STATEMENT OF THE STATUS OF LITIGATION ACTIONS AND DISPUTES WITH THE GROUP OVER THE PAST 3 YEARS

There are no outstanding material governmental, legal or arbitration proceedings pending against the Group, and the Group is not aware of any such proceedings which are threatened.

6. STATEMENT OF NUMBER AND TYPE OF EMPLOYEES OF THE GROUP

As of 31 January 2023, we had 7,027 employees. The following table sets forth our employees as of 31 January 2023:

ADNOC Gas	8
AGP	5,255
ALNG	1,726
AIG	38
Total	7,027

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' period of service.

Our obligation in respect of the long-term post-employment benefit plan is calculated by estimating the amount of future benefit that employees would have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value on the employee benefit obligations for the period by applying an appropriate discount rate.

7. ACCOUNTING POLICIES ADOPTED BY THE COMPANY

AGP, ALNG, Gas Co, and O&M Co prepare their respective accounts in accordance with IFRS.

8. STATEMENT OF THE GROUP'S LOANS, CREDIT FACILITIES AND INDEBTEDNESS AND THE MOST SIGNIFICANT CONDITIONS THEREOF

Please see "*The Group's Financing Arrangements*" for a summary of the Group's borrowings.

9. STATEMENT OF CURRENT PLEDGES AND ENCUMBRANCES ON THE GROUP'S ASSETS

As at 31 October 2022, there are no pledges or encumbrances on the Group's assets.

10. 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 the Company 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 the Company and the Shares. Additional risks and uncertainties not currently known to the Company or which it currently deems immaterial may arise or become material in the future and may have a material adverse effect on the Company's 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. The Company's 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

Gas price and gas products price fluctuations, particularly with respect to NGL, condensates and LNG, may negatively impact our financial results.

The market for certain of our products, specifically for NGLs, condensates and LNG is subject to significant price fluctuations, which may impact our margins or demand for our products from our customers for whom our sales are not subject to long-term contracts. Our sales of NGL and condensates, which are a valuable and high margin by-product of AGP' s raw gas processing, represented approximately 27% of our sales by volume but 43% of our profits for the twelve months ended 31 October 2022, in each case on a *pro forma* basis after giving effect to the Reorganisation. Factors that may contribute to price volatility include changes in supply and demand, weather conditions, technological advances, global economic conditions and geopolitical events. For example, the margin for our NGLs and condensates results from our favourable cost structure, high quality feedstock and our operations ability to optimise yields of high margin products from this feedstock; however if gas price fluctuations result in a higher cost of feedstock due to either (i) new streams in the future being sold to us at a higher minimum gas price under the GSPA or (ii) due to the minimum gas price rising as a result of the annual escalations, which are subject to periodic 5-year reviews (see "*Material Agreements – Gas Supply and Payment Agreement*"), it could result in a decline in our margins. Such a decline could be increased if coupled with a reduction in the amount of NGLs and condensates that we are able to yield from our feedstock (see "*Risks related to our business - A reduction in feedstock that is rich in NGL or Condensates may adversely affect our business*"). In addition, sales prices for both of these products have historically had a high degree of correlation with changes in crude oil and natural gas prices (although often with a time delay and with different dynamics in certain markets), and are subject to product-specific supply demand and trade balance, which means price volatility in crude oil and natural gas may indicate corresponding or anticipated volatility in the sales price of NGL and condensates. Sales of LNG, another high margin product, represented approximately 8% of our sales by volume for the twelve months ended 31 October 2022, on a *pro forma* basis after giving effect to the Reorganisation. Our LNG sales are particularly subject to market price fluctuations, as the pricing of 80% of LNG sales are based on ex-ship contracts linked to crude prices (with the majority being linked to Brent crude oil benchmarks), which means our financial results may be adversely affected by oil price fluctuations. Recently the decrease in supply of LNG resulting from the Russia-Ukraine conflict and a strong economic recovery after the worst-affected pandemic period has resulted in increased gas demand and

prices. Although global demand for LNG soared across 2021-2022 global gas and LNG prices have shown signs of softening as winter has been warmer than expected, and Europe has geared itself with additional regasification capacity, finding itself in a favourable storage situation thanks to industrial and domestic demand containment. In addition, weaker demand recovery from China due to COVID is also contributing to price softening However, it appears that the Ukrainian conflict may last, fostering strong demand for LNG in Europe, whilst Chinese demand is also expected to recover in the coming years, therefore signalling that spot prices until 2025 may remain higher than the average over the past 5 years as global LNG supply growth slows, reducing LNG available to Europe. However, LNG buyers in the market are expected to be incentivised to seek longer-term supply contracts to mitigate against spot volatility, which may prevent our ability to take full advantage of prices to the extent they fluctuate higher. In addition, whilst most of our sales gas contracts are long term, thereby offering good visibility in terms of volume, price and escalation factors, we may not be able to renew all contracts in the future on favourable terms, which in turn may adversely affect our current level of profitability and margins. Furthermore, the government of the UAE may decide to cap prices for sales gas in order to protect the strategic nature and importance of its resources to the UAE economy, which might prevent us from taking advantage of higher prices. The occurrence of one or more of the foregoing could result in lower than expected revenues from our sales of NGL, condensates and LNG, which in turn could have a material adverse effect on the Company's business, results of operations, financial condition and prospects.

A reduction in feedstock or in the proportion of feedstock that is rich in NGL or condensates may adversely affect our business.

All of our feedstock comes from ADNOC, which provides us with feedstock from both its associated and non-associated reservoirs. Under the GSPA, ADNOC undertakes to make available to Gas Co volumes of Raw Gas equal to the amount that can be processed by our gas processing operations and all Integrated Gas acquired by ADNOC, but its obligations are subject to certain supply constraints, such as in the event of shutdowns or reductions in capacity of any infrastructure or facilities used by ADNOC or by the production policies of Abu Dhabi, and the strategic requirements of the UAE and ADNOC (see *"Material Agreements – Gas Supply and Payment Agreement"*). Similarly, under the ALNG Gas Supply and Payment Agreement, ADNOC undertakes to make available to ALNG volumes of natural gas equal to the maximum LNG production capacity of our LNG operations, but this obligation is also subject to certain supply constraints, such as shutdowns or reductions in capacity of any infrastructure or facilities used by ADNOC or *force majeure* events (see *"Material Agreements – ALNG Gas Supply and Payment Agreement"*). If ADNOC is unable or no longer obligated to provide the required volumes under the GSPA or ALNG Gas Supply and Payment Agreement, it could result in the Company being unable to produce sufficient yields of our products to meet our obligations with certain customers or to meet customers' demand more generally.

In addition, there is a risk that we experience a reduction in the NGLs and condensate content of our feedstock. Associated gas production, which accompanies crude oil, can be impacted by production quotas set by OPEC (which is not the case for non-associated reservoirs gas production). Associated gas is typically more rich in NGLs and condensates, which we are able to extract through our gas processing operations, generating relatively high-margin products for sale to our customers. A reduction in quality of feedstock produced by associated reservoirs through decreased levels of NGLs and condensates is outside our control, and may adversely affect the yields we are able to generate from our gas processing operations. Additionally, if OPEC reduces production quotas for the UAE, this could have a negative impact on ADNOC's ability to produce associated feedstock, causing it to rely more on its non-associated reservoirs. If the proportion of associated feedstock we receive from ADNOC were to significantly decline for these or other reasons, it could result in the Company receiving feedstock that contains fewer NGLs, which would reduce the profitability of our operations. If any of the foregoing were to occur, it could have a material adverse effect on our business, results of operations, financial condition and prospects.

We are subject to risks in connection with our dependency on our shareholder.

ADNOC is our exclusive supplier of the feedstock that is necessary for our production, and also provides us with certain support services such as communications, HSE, HCA, legal, insurance, OneERP, information technology and tax services. ADNOC has the sole legal right to exploit and use all gas discovered or to be discovered in the Emirate of Abu Dhabi (which gas is the property of the Emirate of Abu Dhabi) in accordance with the terms of Law No. 4 of 1976 and Law No. 4 of 2014 of the Emirate of Abu Dhabi. ADNOC's obligation to supply feedstock to us under the GSPA is subject to various supply conditions, and can be curtailed upon the occurrence of certain events, including (i) shutdowns or reductions in capacity (including maintenance) of any infrastructure or facilities used by ADNOC in connection with feedstock, (ii) force majeure events, (iii) the production policies of the Government of the Emirate of Abu Dhabi, (iv) the strategic requirements of the UAE and ADNOC, and (v) at the direction of

the SCFEA. In addition, under the GSPA, the availability of quantities of Raw Gas from ADNOC is subject to (i) the levels of production of crude oil in effect from time to time and (ii) reservoir conditions. See "*Material Agreements – Gas Supply and Payment Agreement*".

If ADNOC was to cease to supply us with the raw materials necessary for our production or operations (including, *inter alia*, due to a non-renewal of the term of the GSPA, see *"Material Agreements – Gas Supply and Payment Agreement"*), or materially reduce the volume of feedstock supplied to us (as is permitted under the terms of the GSPA, either for commercial reasons or due to the prolonged shutdown of ADNOC's most material reservoirs), we may not be able to source alternate supply sources elsewhere on commercially reasonable terms, or at all. Any such significant reduction in feedstock supply could result in a failure to fulfil our contractual delivery requirements to our customers, as well as significantly reducing our revenues and profits for the duration of the supply interruption. Moreover, if ADNOC were to fail to provide us with the support services we currently rely upon, we would be required either to contract with another provider of these services, or to develop the capability to perform these services internally, neither of which may be possible to achieve and at minimum would take a considerable amount of time to develop and significantly increase our costs. In such circumstances, we may not be able to cover our needs at all or at commercially acceptable costs, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We will continue to engage in transactions with ADNOC and other ADNOC Group companies, and there can be no assurance that these transactions will be on terms favourable to us.

As at the date of this Prospectus, ADNOC holds approximately 95% of our issued share capital, and immediately following the Offering ADNOC will continue to hold at least 91% of our share capital. We historically have engaged, and intend to continue to engage, in significant transactions with ADNOC and its subsidiaries relating to, among other things, supply of all of our feedstock from ADNOC, the sale of our gas processing products to multiple ADNOC Group companies and the provision of certain related operational and administrative services from the ADNOC Group (see *"Related Party Transactions"*). There can be no assurance that any of the transactions with ADNOC and its other subsidiaries will be on terms favourable to us, or that ADNOC and its other subsidiaries will act in the best interest of our public shareholders.

If we fail to consummate or integrate Post-Reorganisation Optimisation successfully, our operations and financial performance could be adversely affected.

Historically and as at the Listing, the ADNOC Gas Business has been operated by AGP, ALNG and AIG (depending on the asset–see *"Business Description – Our Assets"*) as separate businesses. The Company intends in the future to pursue the Post-Reorganisation Optimisation, which involves transferring substantially all of the employees of AGP, ALNG and AIG to O&M Co and having O&M Co consolidate the operations, maintenance and marketing of the ADNOC Gas Business (see "*Business Description – Corporate Structure*"). There can be no assurance that we will be successful in consummating the Post-Reorganisation Optimisation. Furthermore, integrating operations, technology, systems, management, and personnel on this scale as part of the Post-Reorganisation Optimisation may prove more difficult or expensive than anticipated, thereby potentially resulting in operational or customer fulfilment problems, or rendering the value of the ADNOC Gas Business less than the value prior to Post-Reorganisation Optimisation. The successful transfer of the AGP, ALNG and AIG employees and the consolidation of operation, maintenance and marketing of the ADNOC Gas Business is likely to require significant time and effort on the part of our management. Integration of new personnel and consolidation of operations can be difficult and disrupt our business because our operational and business culture may differ from the cultures of the businesses of the Joint Ventures and AIG as currently run. In addition, unpopular cost-cutting measures and headcount reductions may be required, internal controls may be more difficult to maintain and oversight over cash flows and expenditures may be difficult to establish. As a result of the above, we could experience difficulties in successfully consummating the Post-Reorganisation Optimisation, which could materially and adversely affect our business, prospects, financial condition and results of operations.

If the contribution of additional ADNOC projects are delayed, completed on terms less favourable than anticipated, or do not happen at all, we will not benefit from the expected additional production capacity or other expected benefits.

From time to time, in support of our growth strategy, ADNOC may elect to pursue a development project with a view towards contributing that project, once completed, into the Company or Gas Co. For example, ADNOC is currently developing the Fujairah LNG plant construction project, outside of the scope of the Company, and we expect to be given the opportunity to acquire the project from ADNOC once the plant is completed and online but prior to starting commercial production (see "*Business Description – Future*

Projects"). With respect to projects such as Fujairah, there can be no assurances that ADNOC will proceed with the project to completion, that ADNOC (on the one hand) and the Company and Gas Co (on the other hand) will agree on a purchase price or that the contribution of any such project will therefore take place as intended. In addition, although these arrangements, when pursued, are intended to reduce the Group's exposure to certain risks resulting from the development of such projects, there can be no assurances that the Company or Gas Co will be fully insulated from risks inherent to any project's development or that the contribution of such project, once completed, will successfully contribute to our growth plans or otherwise have the desired economic and operational effects. Similarly, whilst ADNOC may intend for any such transfer to take place once a project is 'ready for start-up', the contribution may, in fact, occur after this date, potentially after the facility has commenced commercial operations, or not at all, which may further impact the anticipated value proposition to our business.

Prior to the contribution of any completed project, certain integration issues and operational risks may arise between the Group's existing operations and the completed project if, for example, the project is unsuccessful in technically and operationally integrating with our current plant or facility for which it was intended. Furthermore, new projects are subject to construction interface risk, in that they may be developed on a site which is adjacent to one of our current plants or facilities and during construction, the close proximity of any such project to our current plants or facilities, the integrated nature of the various facilities and the need for those involved in the construction and operation of the new project to access our current plants or facilities, could potentially lead to construction-related incidents at the new project site, adversely impacting operations at our current plants or facilities (and vice versa). Similarly, in certain instances it may not be possible to segregate the operation of a new project or development from the operation of other parts of our production. This creates an inherent risk that operational issues in respect of a new project that is not yet owned by the Group may adversely impact the operations of other aspects of our wider plants and facilities and vice versa (although, operational interface risk is only an issue if the contribution does not occur prior to the commencement of operations of such new project). Any of the foregoing factors relating to new projects undertaken by ADNOC with the intent to contribute such project to the Company or Gas Co may have a material adverse effect on our business, results of operations, financial condition and prospects.

We are reliant on fully integrated production complexes and any unplanned curtailments or interruptions of production may adversely impact our business.

Our production depends on fully integrated production complexes, including the gas complex at Habshan, the gas plants at Asab, Bab and Bu Hasa, the facilities at Das Island and the Mirfa and Ruwais IGPs, which as of the date of this Prospectus, are operated by AGP, ALNG or AIG (see *"Business Description – Our Business – Facilities"*), which comprise multiple integrated operating units. Unplanned interruptions of these operations, production curtailments or unscheduled shutdowns of one or more units at any complex may adversely affect our ability to produce our products and maintain or increase our sales volumes, which could have a material adverse effect on our business, results of operations, financial condition and prospects. Such unplanned events include, but are not limited to, adverse weather conditions, power outages, equipment failures, fires, force majeure events or interruptions to the supply of feedstock or other key raw materials. In particular, although a power outage may only last a few seconds, an emergency shut down of our assets may still be triggered such an event, then requiring between 24 hours to several days or longer before all assets are back to normal operations and production capacities. Although there are no recent examples of such events which had a material impact on our operations, there can be no assurance that more significant outages or similar incidents will not occur in the future, which could result in lost sales or increased costs.

We are subject to risks in connection with our exposure to global procurement challenged and our ability to source critical equipment and parts.

Global procurement challenges may arise at any time due to the geopolitical environment and macroeconomic conditions, including pandemics, unemployment, inflation, lack of economic growth, conflicts, military action, terrorist attacks and general instability throughout the world. The increasing supply and demand chain challenges post-COVID-19 which have arisen from markets "re-opening" have shifted lead times of critical equipment from months to years, while prices increased significantly over two years. This problem is further compounded by the increase in the development of new LNG projects in response to the decrease in supply of LNG resulting from the Russia-Ukraine conflict, driving demand for critical equipment to extreme levels. Manufacturers of critical gas processing equipment such as gas turbines, compressors, and cold boxes, to name a few, are barely able to keep up with demand and lead times, even with extreme price inflation. For example, the squeeze in Longitudinal Submerged Arc Welding (LSAW) & Clad line pipe demand is hitting line pipe pricing, leading to a significant price surge. As a result, our

procurement expenditure has ramped up significantly this year as compared to the last year and could be exposed to significant price fluctuations in the future. The elevated logistics price and global disturbance remains as is, where shipments are waiting due to shortage of containers, which remain stacked awaiting trucks for delivery and, consequently, delaying the delivery of critical spares.

In addition, in times of increasing costs resulting from the geopolitical environment or existing macroeconomic conditions, our suppliers and logistics partners may also become insolvent during their engagement which exposes us to the risk of their creditworthiness. If our suppliers or logistics partners are unable or unwilling to meet their contractual obligations under the existing agreements with us, we may be forced to pay higher prices to obtain the necessary products or services from alternative third parties, which may not be available in the required timeframe, or at all, and we may not be able to increase prices for our products to offset the higher costs for such products or services. Certain supply obligations by our contractual partners are subject to provisions that relieve the supplier from performance, including upon the occurrence of a force majeure event under the relevant supply agreement, without the supplier being subject to monetary damages or other remedies. If a supplier or service provider of material goods or services were to be relieved of its obligation to supply on this basis, or to be in default in its obligation to supply, our business and operations may be interrupted. In certain cases, it may not be possible or commercially feasible for us to arrange alternative sources of supply and, accordingly, any such interruption may be prolonged. If any such material goods or services become unavailable within a geographic region from which they are currently sourced, then we may not be able to obtain suitable or cost-effective substitutes. Any such risk could adversely impact our business, results of operations, financial condition and prospects.

We are subject to risks in connection with mechanical failure, fatigue or other failure of business continuity with respect to our critical assets.

We own and manage an extensive pipeline network that spans up to 3,260 km, in addition to 26 processing trains, and an NGL fractionation complex at Ruwais, which makes us a critical enabler and key catalyst for industrial and petrochemical growth. Electricity, water, and oil production depends on our pipeline network's availability. Therefore, any interruption in our operations may lead to disruption in the operations of upstream and/ or downstream companies. Our operations consist of onshore and offshore facilities with several interconnected complexities, which means if any critical asset is disrupted, it could lead to a business continuity event, impacting our business, results of operations, financial condition and prospects.

Our assets include multiple pipelines, manifolds and gathering stations that are key to operations and production as they are designed to converge multiple junctions into a single channel or diverge a single channel into multiple junctions. Due to the multifunctional nature of manifolds and gathering stations, they are critical to production and the loss of any one of these critical assets can have a high financial as well as business continuity impact. In particular, our main gas pipeline manifold distributes a large volume of the total sales gas being transported to the Eastern & Western regions of Abu Dhabi. The loss of this critical manifold would lead to loss of sales gas supply to all Western Region customers, and limit the gas supply to Eastern Region customers. Total failure of this critical manifold would be a serious business continuity issue as it would result in the loss of petroleum production (oil & gas), and have severe financial impact our business, results of operations, natural gas sales, financial condition and prospects.

We are subject to risks in connection with a potential loss of containment and other inherent risks around gas handling.

As our business involves processing significant volumes of associated and non-associated gas under high temperature and pressure conditions, any loss of containment leading to release of hydrogen sulphide ("**H2S**"), hydrocarbons and other losses of process containment in the majority of our plants, equipment and pipelines may lead to a Major Accident Hazard ("**MAH**"), which is defined as a srouce of danger that has the potential to cause a major incident, whether that involves multiple fatalities and/or significant damage to plant, equipment or environment spills, as well as loss of production. An MAH may occur from uncontrolled developments during operations leading to potentially catastrophic consequences affecting people, assets, the environment and/or the Company's reputation. Such a loss of containment could be caused by among other factors, over- and under-pressuring of equipment, high metal temperatures resulting in loss of strength and integrity of our equipment, and low metal temperatures causing cold embrittlement and overstressing of our equipment. Additionally, the introduction of incorrect process materials or abnormal impurities may cause accelerated corrosion, chemical degradation of seals or gaskets, stress corrosion cracking and embrittlement of our facilities. In addition, inappropriate materials or impurities may be introduced into our system as a result of external factors beyond our control, such as impact damage, for instance by cranes, road vehicles, excavators, and other construction machinery. We are further at risk of damage that may be caused by confined explosions arising from the accumulation and

ignition of flammable mixtures that occur from small process leaks, settlement of structural supports due to geological or climatic factors or failure of structural supports due to corrosion, damage to tank trucks, rail cars, containers, and natural events (force majeure—such as windstorms, earthquakes, floods, lightning, etc.). For example, in early February 2023, ALNG experienced an operating incident at Das Island that impacted operations at ALNG. As of the date of this Prospectus, we do not believe that this incident will have a material impact on our business, results of operations, financial condition or prospects.

In addition to the above, the gas processing industry is also exposed to various inherent risks that can adversely affect the smooth and effective operations of the business, such as HSE, security and cyber threats (see also "*We are exposed to cybersecurity risks and risks associated with the use of information and operation technology.")*, regulatory and geopolitical threats (see also "*—We are exposed to geopolitical security threats, and acts of terrorism or sabotage could negatively affect our Business*"), supply chain (see also "*We are subject to risks in connection with our exposure to global procurement challenges and our ability to source critical equipment and parts*."), alternate energy source (see also "*Our products, including sales gas, NGL, LPG, LNG are global commodities and we face global competition from other producers and alternate energy suppliers*"), etc..

With respect to human error, there is a risk that ADNOC personnel may fail to adhere to established HSE procedures and guidelines and life-saving rules, which could result in an unsafe working environment. There may also be a risk that a major process safety or plant integrity event may lead to a loss of containment incident, which may affect production and HSE targets.

any of the foregoing events could result in damage to production complexes, equipment failures or shutdowns, civil lawsuits, criminal investigations and regulatory enforcement proceedings (including against management) as well as reputational damage, any of which may affect our ability to transport and deliver our products, as a result of which we could be subject to significant liabilities. Any damage to persons, equipment or property or other disruption to our ability to produce or distribute our products could result in a significant decrease in our revenue and profits (due to lost profits, demurrage charges and, in the case of LNG sales, potential penalties for failure to deliver) and significant additional cost to replace or repair our assets, and depending on the nature of the incident we may not be fully insured, or not insured at all, all of which could result in a material adverse effect on our business, results of operations, financial condition and prospects.

Our products, including sales gas, NGL, LPG, LNG, are global commodities and we face global competition from other producers and alternate energy suppliers.

We are subject to price competition from our competitors. NGL, LPG and LNG are traded on global markets, with prices fluctuating based on supply and demand factors. NGL, LPG and LNG are global commodities that are produced and consumed in countries around the world. NGL, LPG and LNG are typically subject to specifications that define the characteristics and quality of these products. These specifications may be established by industry organisations, regulatory agencies or our customers, and they vary depending on the intended use of the NGL, LPG and LNG. Due to the need to meet such specifications, there is opportunity for product differentiation among producers, and end customers make their purchasing decisions on the basis of delivered price, product quality and accuracy with which the specifications are met. Our competitive position could suffer to the extent we are not able to meet customer specification or production demands.

We compete with many producers (see "*Industry Overview*"), including other state-owned and government-subsidised entities, independent producers and major multinationals. Some of our competitors have greater total resources and are less dependent on earning from gas sales, which makes them less vulnerable to industry downturns and better-positioned to pursue new expansion and development opportunities. Some competitors may also benefit from control over, or access to, material reserves, functional locations near major customers, or market reputation and long-standing trade relationships with global market participants.

Additionally, we face competition within the wider energy industry with alternative energy sources (see "*Climate change regulations and impacts could cause us to incur significant costs or make significant investments or otherwise impact the demand for our products*"). In particular, AGP supplies ethane, sales gas, condensate, propane, butane and naphtha to the UAE's industries, supporting the manufacture of aluminium, cement, steel, fertilizer, chemical feedstock, water and electricity. AGP's delivery of sales gas to the power sector in the UAE moreover represents a significant contribution to the electricity generation requirements of the UAE. With the emergence of alternate energy sources, such as electricity generation through renewables and/or nuclear power plants (for example, commercial production through the ENEC Barakkah Plant), we are exposed to a risk of lowered demand for one of our key products in the foreseeable

future. If any of the foregoing were to occur, it could have a material adverse effect on our business, results of operations, financial condition and cash flow.

Our lack of geographic diversification increases the risk of investment in us, and our financial condition and result of operations may deteriorate if we fail to diversify.

Our business focus is on gas processing and distribution of sales gas and NGLs in the UAE. As a result, we lack diversification, in terms of both the nature and geographic scope of our business. We will likely be impacted more acutely by factors affecting our industry or the regions in which we operate than we would if our business were more diversified. (*see* "*--Abu Dhabi's economy is significantly affected by volatility in international gas prices and its economy has in the past been, and may in the future continue to be, materially adversely affected by lengthy periods of low gas prices*")

Loading operations on Das Island may suffer from disruption to product loading.

LNG gas liquefaction, dehydration and compression takes place on Das Island, which is home to our LNG operations. See *"Business Description – Operations – Facilities and Production"* and *"Business Description – Operations – Distribution and Logistics"*. The unavailability of the single jetty for both LNG and sulphur may lead to a halt in product loading operations and the inability to deliver the product to customers. Additionally, any unplanned power disruptions or outages may result in the Company being unable to meet our LNG production and gas exports obligations, while also having a possible upstream impact on ADNOC offshore facilities, which could affect flows to our gas processing plants onshore.

Our development projects require substantial capital expenditures and are subject to a number of additional risks.

Our business plan includes significant capital expenditure for the development of new projects and the expansion of existing assets (see *"Business Description – Future Projects"*). These projects include the construction of new facilities or the expansion of existing assets, such as the Asab 1 & 2 expansion. The success of these projects is subject to a number of risks, including technical challenges, cost overruns, delays, and other issues. With respect to LNG projects, our joint venture partners in ALNG may not want to contribute additional capital to fund such projects, which would require us to cover the entire cost in order to pursue such projects. In addition, some of our products are subject to interdependency risk, and can be affected by factors outside our control. For example, a number of our projects are being pursued to increase our capacity to meet ADNOC's plans to increase its production capacity upstream (see *"Business Description – Our Strategy – Position ourselves to benefit from ADNOC's plans to accelerate monetisation of Abu Dhabi's hydrocarbon resources while advancing the UAE's objectives of becoming a gas net-exporter and of gas self-sufficiency"*), but if this increased production is delayed or does not occur, the additional capacity may not translate into improved results of operations. In addition, our Bab Gas Cap project is interdependent on ADNOC's development of the new upstream project which will connect to the following (which will be developed by us): a new Ruwais NGL fractionation train, storage tanks and NGL pipeline. In these cases, we may have little or no control over whether our upstream partners deliver on their portion of the project, which could result in such projects having significant cost overruns or delays the consequences of which we will be required to bear without recourse to compensation from our partners.

We intend to finance a significant portion of our future capital expenditures with debt financing. When capital is needed for future projects as a result of the risks mentioned, we may not be able to obtain debt financing. If cash generated by operations is not sufficient to meet any shortfall in our capital requirements due to the unavailability of debt financing, the failure to obtain additional financing could result in our being unable to pursue these future projects in a timely manner or at all, which in turn could lead to a decline in our anticipated growth in production, 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. All of the above could have a material adverse effect on our business, results of operations, financial condition and prospects.

We may not be able to successfully achieve our business strategy or meet our targets.

We base our business model and competitive advantage to a substantial extent on our ability to implement our ESG targets and to implement capacity expansions that will result in processing of larger feedstock volumes and product mix enhancement resulting in a higher blended revenue per feedstock unit (see *"Overview – Our Strategy"*). We therefore may grow much less than expected, if at all, if we fail to meet these goals. We currently have a large pipeline of growth opportunities which take advantage of one or more of three types of opportunities: 1. opportunities that target meeting anticipated upstream capacity; 2. opportunities that upgrade our processing capacity; and 3. opportunities that allow us to enhance our

product mix or pivot toward higher margin product streams (see "Our Business-Future Projects"). These projects are also expected to help implement our ESG targets through their anticipated transformative effects on our facilities, such as our Habshan carbon capture and storage project (*see* "*Business Description – Future Projects – Gas Processing Projects – Habshan CO2 Recovery and Injection*") and our LNG plant electrification project (*see* "*Business Description – Future Projects – LNG Projects – LNG 2.0*). Past success at implementing such projects may not be an indicator of our ability to implement such projects in the future. The anticipated benefits from these projects are based on several assumptions and projections that may prove to be inaccurate or we may not successfully execute these projects in a timely manner, on budget, or at all. In addition, we may not be able to increase our processing capacity as fast as expected or in line with demand. We also may be unable to continue to reduce our GHG emissions, keep in line with our abatement plan or meet the other aspects of our gas decarbonisation initiative, which could expose us to other risks (see "*Risks related to our business - Climate change regulations and impacts could cause us to incur significant costs or make significant investments or otherwise impact the demand for our products*"). Finally, our ability to implement our strategies will rely in part on our ability to successfully implement the Post-Reorganisation Optimisation (see "*Risks related to our business –If we fail to consummate or integrate Post-Reorganisation Optimisation successfully, our operations and financial performance could be adversely affected*"). There can be no assurance that we will be successful in the implementation of our business strategy, which may be costly and ineffective. Furthermore, our ability to implement our business strategy and meet any targets (including our medium term targets set out in *"Business Description – Forward Looking Guidance and Our Medium Term Targets"*) depends on a variety of additional 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 our medium term targets. Any of the foregoing may have a material adverse effect on our business, results of operations, financial condition and prospects.

The Company's actual financial position and results of operations may differ materially from the Unaudited Pro Forma Financial Information included in this Prospectus.

The Unaudited *Pro Forma* Financial Information contained in this Prospectus is presented for illustrative purposes only and may not be an indication of what the Company's financial position or results of operations would have been had the Reorganisation been completed on the dates indicated. The Unaudited *Pro Forma* Financial Information covers a period as at and for the year ended 31 December 2022 and the ten months ended 31 October 2021 and 2022 and is not audited or reviewed. The Unaudited *Pro Forma* Financial Information is based on the audited financial statements of AGP, ALNG, the AGP ASR Business, the ALNG ASR Business and the ADNOC ASR Gas Assets for those periods included elsewhere in this Prospectus, and certain *pro forma* adjustments and assumptions have been made in the preparation of such Unaudited *Pro Forma* Financial Information. The Unaudited *Pro Forma* Financial Information in this Prospectus is presented for illustrative purposes only, and by its nature only presents a hypothetical situation, do not constitute a forecast of the financial condition or performance of the ADNOC Gas Business, and may not be an accurate indication of the Group's financial position or results of operations for any period. The Unaudited *Pro Forma* Financial Information was not prepared in accordance with the requirements of Article 11 of Regulation S-X issued by the US Securities and Exchange Commission. This data has been prepared solely for the purpose of this Prospectus, is not prepared in the ordinary course of the Company's or Gas Co's financial reporting, has not been audited or reviewed, and it is not representative of the Group's results of operations for the periods presented. The Company's future reported results of operations and financial condition information may therefore differ from those that might be expected based on the Unaudited *Pro Forma* Financial Information set forth in this Prospectus.

In addition, the assumptions used in preparing the Unaudited *Pro Forma* Financial Information may not prove to be accurate, and other factors may affect our financial condition or results of operations.

Furthermore, the Unaudited *Pro Forma* Financial Information does not reflect future events that may occur, including restructuring activities or other costs related to the Reorganisation, nor does it reflect the impact of the Post-Reorganisation Optimisation, any of which could have resulted in materially different financial and operating results as compared to that presented in the Unaudited *Pro Forma* Financial Information. In addition, the Unaudited *Pro Forma* Financial Information does not take into account the potential impact of any changes to current market conditions on our results of operations. As a result of the factors described above, investors should not place undue reliance on the Unaudited *Pro Forma* Consolidated Financial Information.

Our future consolidated financial statements may not be directly comparable to the financial statements presented in this Prospectus.

The historical consolidated financial statements included in this Prospectus (see "*Summary historical and pro forma financial and key operating information of the Group*") are those of AGP, ALNG, the ASR Businesses and the ADNOC ASR Gas Assets, which comprise the ADNOC Gas Business, all operating as separate businesses. Following the consummation of the Reorganisation, beginning with the period ended 31 March 2023, the consolidated Company results will include the combined operations of the ADNOC Gas Business. The changes in perimeter, balance sheet asset and liability carrying values and any changes in accounting policies which are put into effect as a result of the Reorganisation may significantly reduce the comparability of our future financial statements as compared to the audited consolidated financial statements as at and for the ten months ended 31 October 2021 and 2022 and the years ended 31 December 2020 and 2021 presented herein. See *"Presentation of Financial and Other Information"*.

We have recently implemented a number of policies, processes, systems and controls with respect to which we have a limited or no operating history and we may be unsuccessful in enhancing the integrity, reliability and efficiency of our internal control over financial reporting.

Our business relies on internal controls and procedures that regulate customer 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. However, we have a limited or no operating history with many 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 are exposed to cybersecurity risks and risks associated with the use of information and operation technology.

Our complex plant operations are managed through our integrated control systems ("**ICS**"), which includes a distributed control system, emergency shutdown system, and various fire and gas detection systems. Our ICS systems are utilised to monitor, control, and safeguard our operations. Therefore, the ICS systems are subject to potential cyber security risks which may cause loss of view or disruption of plant control systems and plant shutdowns, leading to loss of production and potential HSE or environmental issues. In addition, our business utilises a wide range of IT tools and systems, all of which are subject to potential cyber security risks including, but not limited to malware, phishing, ransomware, and denial of service attacks. We rely on information and operation technology and computer systems to carry out our day-to-day operations, including internal and external communications, the management of our accounting and financial systems, supply chain functions and plant operations (including with respect to safety, maintenance and operational monitoring). As a result of the increasing complexity of electronic information, operation and communication technology, we are exposed to various risks due to cyber threats, ranging from the loss or theft of data, cyber-attacks, plant shutdowns and interruptions to the business, to systems failure and technical obsolescence of our technology systems. Non-availability and/or loss of integrity of operations technology critical control systems due to cyber threats are risks to the operation and financial conditions of the Company, which we may fail to effectively manage. In addition, the violation of confidentiality, or the manipulation of data, can lead to the uncontrolled outflow of data and expertise to third parties, and have a direct negative impact on our business operations. Furthermore, any such violation of confidentiality, manipulation of data or uncontrolled outflow of data could be in breach of the new 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.

There is no guarantee that our practices and policies intended to safeguard against such risks, such as maintaining back-up systems and utilising security procedures and measures to protect our systems and information from cyber-attacks and other risks associated with the use of information and operation technology, will work as efficiently or quickly as expected, or at all. Should such threats overcome the measures we have in place to protect against such risks, it could result in the compromise of confidential information, improper use of systems and networks, manipulation and destruction of data, production downtime or operations disruptions, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

We may be exposed to risks related to being unable to meet customer specifications.

Our business may be affected by our inability to meet our customers' requirements in terms of product quality and specifications. Our customers typically have high standards of product quality. If we fail to detect quality deficiencies or otherwise deliver products that do not meet our customers' requirements, we may be required to deliver replacement products or have to accept a lower price for products that are below specifications. Other risks which our products may be exposed to during transportation or storage are metal contamination or dust formation. Such failures could also result in reputational harm and customers placing orders for lower volumes of such products in the future, seeking additional sources for such products, or terminating their relationship with us. The delivery of defective products or products that are not compliant with agreed specifications or norms could materially negatively impact 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 a negative social perception for the gas industry in general and our processes or products in particular, or the incorrect use and handling of our products by third parties, could also have a negative impact and harm our reputation. In addition, concerns about product safety and environmental protection involving the industry or the company specifically (including as a result of incidents involving the company or another company in the industry) could influence public perceptions regarding our products and operations, the viability of certain products, our reputation, and the ability to attract and retain employees. In addition, in recent years social media has made organisations, such as the Company, more "accessible" to the general public and provided potentially disgruntled current or former employees with an easy-to-access platform to share confidential information or voice alleged concerns against the Company, which could also negatively impact our reputation. Any significant damage to our reputation could cause existing customers 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.

Our operations are conducted under the ADNOC brand name pursuant to a brand usage agreement with ADNOC. Any negative events or developments that adversely affect the market perception or value of the ADNOC brand could have an adverse impact on our business.

We believe that the success of our operations is dependent in part on the continuing favourable reputation, market value and name recognition, resulting from association with the ADNOC brand. In addition to our operations, the ADNOC brand is associated with the operations of ADNOC and numerous other ADNOC-affiliated 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. ALNG's and AGP's brand usage agreements with ADNOC have been in place since 12 March 2020 and 6 July 2020, respectively, and remain in force until ADNOC terminates the agreements, during which we will pay no royalties to ADNOC for the use of its name. ADNOC Gas, Gas Co and O&M Co are also parties to a brand usage agreement with ADNOC. There can be no assurance we will be successful in negotiating the continued use of the ADNOC brand name, or that the royalties will be obligated to pay to ADNOC will not have a material adverse effect on our result operations or financial condition.

Natural disasters or health epidemics or pandemics may disrupt our operations, decrease the demand for our products or otherwise have an adverse impact on our business.

Extraordinary events such as natural disasters and extreme weather events, including extreme heat, floods and rough seas, or global or local health epidemics or pandemics could result in significant damage to our production complex and/or disruption of our operations and may negatively affect local economies, including those of our customers or suppliers. The occurrence of such events cannot be predicted, although their occurrence can be expected to adversely impact the economy in general and our specific markets. The resulting damage from a natural disaster or extreme weather event could include loss of life, property damage or site closure, which may disrupt our ability to manufacture and deliver products and require us to temporarily declare an excused performance, or force majeure, under our existing agreements with customers. Any damage resulting in stoppage or reduction of any of our production complexes' production capacity could reduce our revenue and any unanticipated capital expenditures to repair such damage (to the extent not covered by our insurance policies) may reduce profitability. Any, or a combination, of these factors could also adversely impact our business, results of operations, financial condition and prospects.

In addition, global or local health epidemics or pandemics may result in disruption of our operations. Although the COVID-19 pandemic has not had a material adverse effect on the ADNOC Gas Business and

their reported results to date, a resurgence of COVID-19 or future pandemics may result in closures, quarantines, travel restrictions and extended shutdowns, especially if plans put in place to address and prevent infection and spread of such pandemic prove ineffective. If significant portions of our workforce are unable to work effectively or we are unable to operate our business effectively, including because of illness, quarantines, government actions, facility closures or other restrictions, we may be unable to meet customer demand or perform fully under our contracts, which may 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, which may require us to make substantial expenditures or impact our ability to export our products.

We are subject to numerous environmental, health and safety laws and regulations in the UAE and in the countries in which our products are sold, with Asia comprising our largest end markets outside the UAE, including laws and regulations relating to air emissions, wastewater discharges, solid and hazardous waste management, the use, composition, handling, distribution and transportation of hazardous materials, and the demolition of existing plant sites upon permanent closure. Many of these laws and regulations are becoming increasingly stringent, and we expect the cost of compliance with these requirements to increase over time. In addition, 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.

These concerns have led to more restrictive regulations and could lead to new regulations which restrict our business further. They could also manifest themselves in shareholder proposals, delays or failures in obtaining or retaining regulatory approvals, increased costs related to complying with more restrictive regulations, lack of market acceptance of our securities (contributing to a lower share price), lower sales volumes or discontinuance of certain of our products, continued pressure for more stringent regulatory intervention and increased litigation, which may adversely affect the way in which we are able to conduct 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 operating results and financial condition could be adversely affected.

Violations of environmental, health and safety laws can result in substantial penalties, civil and criminal sanctions, permit revocations and facility shutdowns. 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, adverse impacts on natural resources resulting from our operations, or more generally operational incidents. There can be no assurance that any such obligation will not have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

Climate change regulations and impacts could cause us to incur significant costs or make significant investments or otherwise impact the demand for our products.

As the international community has reached consensus on the importance and urgency of addressing climate change, the oil and gas industry in which we operate is 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 products by customers, result in the emission of CO2. In 2021 alone, the GHG emissions released as a result of our operations (without counting customer use of our products) were approximately three million tons. 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. This could include direct regulation to limit emissions, as well as changes to the cost of both input energy (including our feedstocks) and water. Such regulations could result in, for example, increased costs to operate and maintain our manufacturing complex and/or 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. These increased operating and compliance costs could adversely affect our business, results of operation, financial condition and cash flows.

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 damage our assets, impair our production capabilities and disrupt our operations. In addition, warmer winters as a result of global warming could also decrease customer demand for natural gas. To the extent that such unfavourable weather conditions are exacerbated by global climate change or otherwise, our operations 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 customers and the end users of our products operate could adversely impact our operations and the demand for our products. Any or all of these hazards, as well as possible legal liability to ADNOC or governmental or regulatory action against ADNOC arising therefrom, could have a material adverse effect on the Company's business, results of operations or 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 are not 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 storage, transportation and distribution activities, some of which rely on third-party providers, are subject to environmental, safety and regulatory oversight and risks affecting the shipping industry.

We rely on pipeline networks, both our own and those owned by ADNOC which we manage under the Pipelines Use and Operation Agreement, as well as and third-party ocean vessel companies, to store and transport raw materials to our production complex, to coordinate and deliver finished products to our distribution system and to ship finished products to our customers. These storage and transportation

operations, equipment and services are subject to various hazards, including adverse operating conditions on inland waterway systems, extreme weather conditions, system failures, work stoppages, delays, accidents such as spills and other accidents and operating hazards. These storage and transportation operations, equipment and services are also subject to environmental, safety and regulatory oversight. Due to concerns related to accidents, discharges or other releases of hazardous substances, and national security threats, governmental entities could implement new regulations affecting the transportation of raw materials or finished products, which could increase our costs and require changes to our business.

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

We hold permits and approvals authorising operations at all our facilities. 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 at our production complex and on its business, financial condition and results of operations. 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 production complex. 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.

The seasonal nature of sales gas demand could have a material adverse effect on our business, results of operations, financial condition and prospects.

The demand for sales gas in the Middle East and other warm weather climates is seasonal in nature and may vary significantly depending on the time of year. During the summer months, demand for sales gas may be higher due to increased air conditioning and cooling needs, especially in the residential and commercial sectors (such as malls). Conversely, demand for sales gas may be lower during the winter months due to reduced heating needs in these climates. We typically respond to the decreased demand for sales gas in the winter by increasing the amount of gas provided to ADNOC for re-injection into its reservoirs in order to increase pressure for enhanced condensate and oil extraction; however, should sales gas demand fall more than the ADNOC's re-injection requirements or ADNOC's reservoirs decrease or lose their capacity to generate excess liquids through re-injection or liquids are otherwise depleted, and we are not able to identify alternative markets for our sales gas products, then the impact of demand seasonality on our performance will increase, which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Our business may be exposed to exchange rate fluctuations.

We may be exposed to foreign exchange risk arising from fluctuations of AED against the USD. Most of our revenues are denominated in USD, and a proportion of our expenses (mainly staff costs) are incurred in AED. Although AED has been pegged to USD at a rate of AED 3.673 to USD 1.00 since 1997, there can be no assurance that the UAE Central Bank will continue to maintain this fixed rate in the future, particularly if there continues to be increased demand for the USD as was seen during the height of the COVID-19 pandemic and may arise in the event of any additional waves or resurgences thereof. Any change to the USD / AED exchange rate, in particular a material weakening in the value of the USD relative to the AED, could increase the costs of our operations in the UAE as reported in USD in our financial statements, including in respect of the costs that we pay for employee costs, or could cause our results of operations and financial condition to fluctuate due to currency translation effects, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Furthermore, any change to the current exchange rate policy could increase the burden of servicing the UAE's external debt and also result in damage to investor confidence, resulting in outflows of capital, market volatility, each of which could have a material adverse effect on the UAE's economic and financial condition.

We depend on our senior management team's experience and knowledge of our industry and could be adversely affected were we to lose key members of our senior management team.

We are dependent on the expertise and continued efforts of our senior management team, and our ability to maintain our competitive position and execute our strategy depends to a large degree on the service performed by our senior management. If, for any reason, any member of our senior management team were to leave his or her position and we could not find a suitable replacement in a timely manner, our business, financial condition and results of operations could be adversely affected.

If we are unable to attract and retain qualified personnel and skilled employees, we will be unable to operate efficiently, which could reduce our results of operations.

Our ability to operate our production complex and manage our business is dependent on our ability to attract and retain qualified personnel, including specialist engineers and operators, technicians, and key management positions. In particular, many of our key technical personnel have served with their respective part of the ADNOC Gas Business for many years, and retain significant asset-specific knowledge and understanding of our operations, which may prove difficult to replace or replicate should they depart. Across the industry, an increase in the demand for qualified personnel with significant oil and gas industry experience in the markets in which we operate 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. Additionally, our businesses are managed by a number of key executive and operational officers and are dependent upon retaining and recruiting qualified management. 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.

We may be involved in disputes and legal proceedings.

In the ordinary course of business, we are 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, customers, employees and other parties. Our involvement in litigation and/or regulatory proceedings may result in the imposition of fines or penalties. 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. Furthermore, CO2-emitting companies like us are increasingly the target of climate change litigation, whether initiated by organisations or individuals (see "*Risks related to our business - Climate change regulations and impacts could reduce global demand for our products and could cause us to incur costs or invest additional capital*"), with 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.

Certain of the Company's senior management have limited experience in managing a publicly listed Company.

The Company is a newly incorporated entity and some of our senior management have limited experience in managing a publicly listed company and complying with the specific laws and regulations pertaining to public companies listed in the UAE. While the ADNOC Gas Business prior to the Reorganisation have each historically operated as separate businesses in accordance with robust internal policies and procedures, the regulatory oversight, compliance and reporting obligations imposed on public companies will require substantial attention from the senior management, including in order to rapidly invest time and financial resources in the appropriate governance and compliance infrastructure, as well as to attract, empower, and retain professionals able to ensure governance and compliance in a manner meeting or exceeding legal and regulatory requirements for a public company. There can be no assurance that such senior management will be successful in this transition, which could have a material adverse effect on the Group's business. Non-compliance in a timely manner with the regulations and disclosure requirements imposed on listed companies may expose the Group to regulatory sanctions and fines. The imposition of fines on the Company could adversely impact the Group's business, financial condition, results of operations and prospects.

Risks Relating to Geographical, Political and Economic Conditions

General economic, financial and political conditions, in the UAE and especially in Abu Dhabi, where we operate, may materially adversely affect our results of operations and financial condition.

General economic, financial, and political conditions, in the UAE and especially in Abu Dhabi, where we operate, 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. Examples of conditions which could adversely affect our business could include:

- a general or prolonged decline in, or shocks to, regional or broader macro-economies;
- regulatory changes that could impact the markets in which we operate (see "*Risks Relating to Geographical, Political and Economic Conditions -Abu Dhabi and the UAE may introduce new laws, regulations and taxes*"); 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 make 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. The mining and quarrying sector (which includes crude oil and natural gas) constituted approximately 27.7 per cent. of the UAE's constant GDP in 2021. If the UAE's efforts to diversify its economy away from its reliance on oil are unsuccessful, or if non-oil growth does not increase as projected, the UAE will continue to be significantly exposed to economic downturns driven by oil price volatility, which could result in a material adverse effect on the UAE's economy and financial position.

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

Abu Dhabi's economy is significantly impacted by international gas prices and is highly dependent upon its hydrocarbon-related revenue. 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). Gas prices have historically fluctuated in response to a variety of factors beyond our control, including (without limitation):

- economic and political developments both in petroleum-producing regions, particularly in the Middle East, and globally (see "*Risks Relating to Geographical, Political and Economic Conditions – General economic, financial and political conditions, especially in Abu Dhabi and elsewhere in the UAE, where we conduct substantially all of our operations, may materially adversely affect our results of operations and financial condition*");
- global and regional supply and demand, and expectations regarding future supply and demand, for gas products;
- the ability of the members of OPEC and OPEC+ to agree upon and maintain specified global production levels and prices (See "*–Risks Relating to Our Business– Gas price and gas products price fluctuations, particularly with respect to NGL, Condensates and LNG may negatively impact our financial results*"); and
- the impact of international environmental regulations designed to reduce carbon emissions, and global weather and environmental conditions (See "*–Risks Relating to Our Business–We are subject to numerous environmental, health, and safety laws, regulations and permitting requirements, as well as potential environmental liabilities, which may require us to make substantial expenditures or impact our ability to export our products*").

Many economic sectors within Abu Dhabi and the wider UAE, including Dubai, remain in part dependent, directly or indirectly, on gas prices, so extended periods of low gas prices may have a negative impact across the economic landscape of Abu Dhabi and other Emirates. For example, the government may decide to reduce expenditures in light of the budgetary pressures caused by lower gas 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 gas prices.

As lockdown measures and restrictions on international and domestic travel and transport are eased globally, petroleum-producing countries may further increase output to meet recovering demand, which may result in further volatility of gas prices, both in the UAE and globally.

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 gas 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 natural gas (and its derivatives), 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 companies with major industrial facilities, we may be targets of terrorist activities or sabotage. In January 2022, Abu Dhabi was the target 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 "*Risks Relating to Geographical, Political and Economic Conditions - Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect the UAE economy*"). Our assets are distributed widely across the UAE and our production complexes store significant quantities of natural gas that can be dangerous if mishandled or targeted. 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 (Chemical or IED); 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 infrastructure facilities, such as electricity generation, transmission and distribution facilities (including the natural gas pipeline on which we rely on for the delivery of natural gas), 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 production complex, warehouses and other facilities or the transportation and use of natural gas.

If distribution of our products is delayed or prevented, we are unable to obtain raw materials, or if there are significant increases in the cost of these 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 & 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.

Abu Dhabi and the UAE may introduce new laws, regulations and taxes.

Emerging market economies generally and the UAE in particular are characterised by less comprehensive legal and regulatory environments than are found in more developed regions. However, 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. For example, the UAE Ministry of Finance has announced that a federal corporate tax will be implemented for financial periods starting on or after 1 June 2023 under the Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (see "*Regulation – UAE Corporate Tax Law – Introduction of Federal Corporate Tax in 2023*"). Given that the federal corporate tax law has been enacted recently, its interpretation remains subject to implementing guidance yet to be published and certain aspects of the law may also be open to amendments. The introduction of new laws or regulations or changes in the interpretation or application of existing laws or regulations could impact the way we conduct our business and have a material adverse effect on 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.

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

As at the date of this Prospectus, ADNOC holds approximately 95% of our issued share capital, and immediately following the Offering, ADNOC will continue to hold at least 91% 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 ("**S&P**"), a long-term foreign currency issuer default rating of "AA" with a stable outlook from Fitch Ratings ("**Fitch**"), and a long-term credit rating of "Aa2" from Moody's Investor Service ("**Moody's**"). 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. 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.

The developing legal system of the UAE and the introduction of new laws and regulations can create an uncertain or changed environment for investment and business activity.

The Company is a public company limited by shares incorporated in the ADGM, Gas Co and O&M Co each of which were established by Emiri Decree and are wholly owned subsidiaries of the Company, and substantially all of the ADNOC Gas Business assets and operations are located in the Emirate of Abu

Dhabi. The UAE is still developing the legal framework required to support a market economy. The UAE in particular and emerging market economies generally are characterised by less comprehensive legal and regulatory environments than are found in more developed regions.

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.

Changes in government policies, whether in the UAE or where our customers operate or elsewhere around the globe, may adversely affect demand and prices for our products.

ADNOC's obligation to supply feedstock under the GSPA is subject to various supply constraints, including the production policies of the Government of the Emirate of Abu Dhabi, the strategic requirements of the UAE and ADNOC, and any directions of the Supreme Council for Financial and Economic Affairs, Abu Dhabi. Government policies that influence the production and processing of natural gas and related products may include export duties on petroleum products, policies affecting prices and availability of natural gas (and their derivatives) or other raw materials used in the production of the Company's products, which may affect production costs, demand for the Company's products and profitability of the ADNOC Gas Business's products, and other policies such as environmental policies related to the processing of natural gas, the production of derivative products and the disposal of waste produced in the processing of such products. In addition, the government of the UAE may decide to cap prices for NGL and LNG in order to protect the strategic nature and importance of these resources to the UAE economy. ADNOC is owned by the government of Abu Dhabi, and so we would likely be subject to any such cap if imposed, which may require us to sell NGL, LNG or any of our other products at prices below market value. There can be no assurance that the introduction of any changes to government policies would not increase our costs or otherwise materially adversely affect our business, results of operations, financial condition and prospects.

Government policies in jurisdictions where we do not have operations or customers may indirectly materially adversely affect our business, results of operations, financial condition and prospects by impacting the demand for our products. For example, in May 2022, a U.S. Senate committee passed the No Oil Producing and Exporting Cartels (NOPEC) bill which could result in members of OPEC and their instrumentalities and agents becoming subject to antitrust lawsuits and consequently impact global gas prices, however, the bill needs to be passed by the full Senate, the House of Representatives and signed by the President of the United States prior to taking effect. Numerous iterations of this bill have been proposed to the United States Congress since 1999, but all attempts have so far been unsuccessful. There can be no assurance that NOPEC will or will not be enacted into law or of its impact on the UAE, Abu Dhabi and ADNOC.

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

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 where we have operations, as well as the development of the world economy have a fundamental influence on the demand for the services and products developed and offered.

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. These measures, while aimed to slow the spread of the COVID-19 virus, have significantly reduced economic activity in many countries around the world.

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 gas increased, which may negatively impact demand for gas. A slowdown of, or persistent weakness in, economic activity 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 customers and their customers to obtain sufficient credit to support their operations; the failure of our customers to fulfil their purchase obligations could result in increases in bad debts and impact our working capital; and the failure of certain key suppliers could increase our exposure to disruptions in supply or to financial losses. We also may experience declining

demand and falling prices for some of our products due to our customers' reluctance to replenish inventories. The overall impact of a global economic downturn 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 that could negatively and adversely impact our business, results of operations, financial condition and prospects.

The overall global economic outlook remains uncertain and we cannot reliably predict it. Any downturn in regional or worldwide economies, market crisis or prolonged periods of instability could have a material and adverse effect on our business, results of operations, financial condition and cash flows. In particular, a worsening economic climate can result in decreased industrial output and decreased consumer demand for products including derivatives of natural gas, all of which incorporate our products globally or in some regions where we conduct our business.

Over the long-term, global gas markets are expected to be defined by several opposing dynamics; while a growing population, an affluent middle class and a rebound in economic growth will pull demand higher, the defining factors for global gas demand are expected to be: how soon countries and companies address environmental concerns; energy shortages; how quickly technology catches up to displacing hydrocarbons; and how quickly the world transitions to low-carbon or zero-carbon fuels.

Any and all of the foregoing or other adverse conditions in the global economy could adversely affect 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 approximately 95% of our issued share capital, and, immediately following the Offering, ADNOC will continue to hold at least 91% of our share capital (assuming that ADNOC sells all of the Shares being offered). See "*Presentation of Financial Information – General*", "*Business Description – The Reorganisation*" 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 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 twelve 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 "*Key Details of the Company – 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 twelve-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 oil and gas 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;
- 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, and trading prices of the Shares may be volatile and may decline. In addition, 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 of 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 Joint Ventures, 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.

Currently substantially all of our operations are conducted through Gas Co or the Joint Ventures, and such entities generate substantially all of our operating income and cash flow. Because we have no direct operations and all of our significant assets (other than the capital stock of the Joint Ventures) are operated by either AGP or ALNG as at the date of this Prospectus, we rely on the Joint Ventures 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, charter provisions, other shareholders or applicable laws and regulations. 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, its 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. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them.

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.

11. 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 doubts as to your own tax position, you should seek independent professional advice without delay.

(a) **Current Taxation of Corporates and Individuals**

There is currently no corporate tax at the federal UAE level. However, corporate tax is imposed in some of the Emirates (including Abu Dhabi) through Income Tax Decrees at the Emirates level ("**Tax Decrees**"). In practice, these Tax Decrees are currently only enforced on foreign oil companies and branches of foreign banks. However, it should be noted that there is no guarantee that tax will not be enforced on other corporate entities at some time in the future since there is no specific legislation that grants an exemption from tax to entities which are not foreign oil companies and branches of foreign banks.

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

(b) **Introduction of Federal Corporate Tax in 2023**

Notwithstanding the above, the UAE Ministry of Finance has announced that a federal corporate tax will be implemented for financial periods starting on or after 1 June 2023 under the Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses ("**Federal CT Law**").

Under the Federal CT Law, corporate tax will be imposed on business and commercial activities at the rate of 0% for taxable income up to AED 375,000 and 9% for taxable income above AED 375,000. A different tax rate will apply for certain large multinational companies with global consolidated revenue in excess of EUR 750 million (approximately AED 3.15 billion) under a separate legislation which will be issued by the Ministry of Finance. Qualifying free zone persons will be subject to 0% corporation tax on qualifying income and 9% corporation tax on non-qualifying income. The Federal CT Law prescribes conditions that free zone entities must satisfy in order to be treated as qualifying free zone persons.

As of the date of this Prospectus, the Company does not expect to pay any corporation tax under the Federal CT Law as all of the Group's current operations fall under the Fiscal Arrangement and any dividends to ADNOC Gas are not qualifying income on which corporation tax is payable.

(c) **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 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.

(d) **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.

(e) 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%.

12. LOCK-UP ARRANGEMENTS

Pursuant to the terms of the Underwriting Agreement, the Company has contractually agreed, for a period of twelve months after the Closing Date, 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 other shares of the Company, 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, (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 Global Coordinators, such consent not to be unreasonably withheld or delayed.

Pursuant to the terms of the Underwriting Agreement, the Selling Shareholder has contractually agreed, for a period of twelve months after the Closing Date, not to (i) directly or indirectly, 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 other shares of the Company, 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, (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 Global Coordinators, such consent not to be unreasonably withheld or delayed. The foregoing restriction will not apply to:

(a) the sale of the Shares to be sold pursuant to the Offering;

(b) any intercompany transfers of Shares by the Selling Shareholder in favour of its respective affiliates ("**Transferees**");

(c) accepting a general offer made to all holders of Shares then in issue (other than Shares held by the person making the offer or its affiliates) on terms which treat all holders of Shares alike, or executing and delivering an irrevocable commitment or undertaking to accept such a general offer (without any further agreement to transfer or dispose of any Shares or any interest therein);

(d) selling or otherwise disposing of Shares to the extent that the proceeds of such sale or disposition are used to take up any rights granted in respect of a pre-emptive share offering by the Company;

(e) selling or otherwise disposing of Shares pursuant to any offer by the Company to purchase its own Shares which is made on identical terms to all holders of Shares;

(f) any disposal by and/or allotment and issue of Shares to the Selling Shareholder pursuant to any capital reorganisation in respect of any Shares beneficially owned, held or controlled by the Selling Shareholder, provided that any Shares issued to or otherwise acquired by the Selling Shareholder pursuant to such capital reorganisation shall be subject to the lock up restrictions;

(g) transferring or otherwise disposing of Shares pursuant to a compromise or arrangement between the Company and its creditors or any class of them or between the Company and its members of any class of them which is agreed to by the creditor or members and (where required) sanctioned by any applicable authority; or

(h) transferring or otherwise disposing of Shares where such transfer or disposal is required by law or by any competent authority or by order of a court of competent jurisdiction.

The Underwriting Agreement provides that the carve-out set in paragraph (ii) above is subject to the following conditions: (a) that any of such Transferees shall agree to be bound by the lock-up obligations of the Selling Shareholder; and (b) that any of such inter-company transfers of Shares shall be performed on terms and conditions that do not conflict with the Offering.

Pursuant to a share transfer instrument between ADNOC and TAQA (the "**Share Transfer Instrument**"), TAQA has agreed that, subject to certain exceptions, during a period from the date of the Share Transfer Instrument up to and including the date falling 12 months after the date of Listing, it will not, without the prior written consent of ADNOC, offer, sell or contract to sell, or otherwise dispose of, directly or indirectly, or announce an offer of any Shares they have acquired under the Share Transfer Instrument (or any interest therein in respect thereof) or enter into any transaction with the same economic effect as any of the foregoing.

13. REGULATION

(a) Overview

Article 23 of the constitution of the UAE provides that the natural resources and wealth in each Emirate are the public property of that Emirate and that the community must preserve and use those resources and that wealth for the public good and in the interests of the national economy. Accordingly, subject to the constitution of the UAE, the laws of Abu Dhabi are the principal source of regulation applicable to the oil and gas industry in Abu Dhabi.

This means that each Emirate within the UAE has constitutionally entrenched rights to its own natural resources (including oil and natural gas) which are deemed to be the public property of that Emirate. As a result, each Emirate pursues its own policies regarding the development of oil and natural gas, with the ruler in each Emirate retaining ultimate control over the development of oil and natural gas reserves in that Emirate. In addition, each Emirate participates directly in the development of oil and natural gas. In most circumstances, concessions are granted by each Emirate to the relevant state-owned petroleum company, or to a concession project company in which the Emirate or the state-owned petroleum company will hold a majority interest.

Furthermore, each Emirate also governs the sector through its own regulatory bodies. For example, infrastructural development for production, storage, transmission, distribution or export including transportation of oil and natural gas in each Emirate, is under such Emirate's control.

(b) **Abu Dhabi**

Since 1976, ADNOC has managed upstream, midstream and downstream oil and gas operations on behalf of the Government of Abu Dhabi. Given that the majority of the oil and natural gas reserves in the UAE are located in Abu Dhabi, most oil and natural gas development and production activities in the UAE are carried out by ADNOC.

(c) **Gas**

Law No. (4) of 1976, as amended, grants ADNOC the right to exploit and use all natural gas discovered or to be discovered within Abu Dhabi, either solely or through joint agreements or projects concluded with third parties, provided its participation is at least fifty-one percent (51%). Law No. (4) of 1976 also grants ADNOC the right to claim all rights derived from agreements concluded by the Government of Abu Dhabi in relation to natural gas discovered or produced or in relation to the facilities of production and extraction of natural gas. As such, all natural gas discovered or to be discovered in the territorial zone of Abu Dhabi is the sole property of Abu Dhabi.

(d) **Regulation**

The SCFEA which was established in 2020, regulates Abu Dhabi's oil and natural gas policy. The applicable laws and decrees governing the industry are as follows:

- Tax Decree of 1965, as amended, which sets out the underlying framework for income tax in respect of taxable persons in Abu Dhabi;
- Law No. (7) of 1971, as amended, which establishes ADNOC and sets out its key functions and operational provisions;
- Law No. (4) of 1976 in relation to gas ownership which affirms Abu Dhabi's ownership of gas within its territories, and which grants ADNOC with a right to use and exploit such gas;
- Law No. (12) of 1973, as amended, in relation to petroleum ports which regulates the use and operation of petroleum ports in Abu Dhabi under the auspices of the Abu Dhabi Petroleum Ports Authority;
- Law No. (8) of 1978 in relation to the conservation of petroleum resources which regulates all petroleum operations in Abu Dhabi including exploration, drilling, treatment, production, storage and transportation;
- Law No. (1) of 1988 in relation to the Supreme Petroleum Council which sets out the authorities, powers and functions of the Supreme Petroleum Council in respect of the petroleum industry in Abu Dhabi;
- Law No. (24) of 2020 in relation to the Supreme Council for Financial and Economic Affairs which transferred all functions and powers of the Supreme Petroleum Council to the newly formed Council and sets out its responsibilities in respect of the strategies and policies regulating the financial, investment and economic, oil and natural resources affairs in Abu Dhabi; and
- Law No. (17) of 2021 in relation to the reorganisation of ADNOC.

(e) **Law No. (8) of 1978 regarding the Conservation of Petroleum Resources**

The principal legislation governing the oil and natural gas operations in the Emirate is Abu Dhabi Law No. (8) of 1978 regarding the Conservation of Petroleum Resources which covers all stages of upstream petroleum operations. Although drafted in general terms, it imposes high standards on the industry, in particular, requiring the use of 'the most efficient scientific techniques' and the use of machinery and materials that conform to international standards of, amongst others, safety and efficiency. Construction of facilities under this law requires prior consent of the Council, including the submission of detailed studies and technical and economic evaluations. All exploration activity requires prior consent and any data obtained must be submitted to the Council, together with interim and final interpretations of the data. The law also contains detailed provisions regulating the drilling, completing, reworking and abandonment of wells including the process for obtaining consent, minimum standards to be met and reporting obligations.

(f) **The Supreme Petroleum Council and the Supreme Council for Financial and Economic Affairs**

ADNOC is wholly owned by the Government of Abu Dhabi. The ADNOC Board of Directors comprises 11 Board members, including His Excellency Dr. Sultan Ahmed Al Jaber, ADNOC Managing Director and Chief Executive Officer. The Chairman of the Board is His Highness Sheikh Mohamed Bin Zayed Al Nahyan. The ADNOC Board of Directors was established by the late H.H Sheikh Khalifa bin Zayed Al Nahyan, UAE President and Ruler of Abu Dhabi, in his capacity as Chairman of the SCFEA.

The SCFEA was established by Law No. (24) of 2020 as the supreme authority for the financial, investment and economic affairs of the Emirate of Abu Dhabi. The SCFEA represents the Government of Abu Dhabi and is responsible for, amongst other matters, organising, setting and approving public policies for Abu Dhabi in relation to all financial, investment, economic, petroleum and natural resources affairs. Its mandate includes supervising the performance of the relevant entities (including ADNOC) to ensure compatibility with the general policies approved by the SCFEA and the Emirate of Abu Dhabi's leadership, while allowing those relevant entities (including ADNOC) the corporate autonomy to develop and execute their own strategies.

(g) **ADNOC's establishment**

ADNOC was incorporated by Abu Dhabi Law No. (7) of 1971 issued by the Ruler of Abu Dhabi and reorganised under Law No. (17) of 2021. ADNOC's principal mandate and objective is to operate at all levels of petroleum production both inside and outside of Abu Dhabi. ADNOC is authorised to explore, evaluate, extract, develop, produce, refine, commercialise, sell, purchase, distribute, market, trade, transport and store hydrocarbons (including its derivatives). ADNOC may also carry out any activities or projects related to maritime shipping, or to energy resources of any form (whether renewable or otherwise). ADNOC may also incorporate or hold shares in companies either on its own or as a joint venture with other parties, enter into agreements with companies or institutions for the performance of services relating to ADNOC's objectives, or undertake any other lawful means that are necessary for ADNOC's performance of its objectives.

(h) **Environmental Regulation**

Environmental protection in the UAE is principally subject to the Environmental Protection and Development Law No. (24) of 1999, as amended (the "**Environmental Protection Law").** The Ministry of Climate Change and Environment is responsible for developing, issuing and revising environmental protection standards in coordination with other relevant bodies and with establishing plans for dealing with environmental emergencies. The Environmental Protection Law imposes a wide range of obligations and measures including the following:

- operators licensed to explore, extract or exploit onshore or offshore oil and gas fields are prevented from disposing any contaminating materials derived from their activities into their surrounding water or land environments unless secure measures are used that do not carry any adverse environmental impact or the contaminating materials are treated in accordance with appropriate technical means in line with international protocols and conventions;

- the Ministry of Climate Change and Environment will co-operate with other regulators and licensed operators on preparing and implementing environmental guidelines relating to the process of producing, transporting and exploiting oil and gas. Each of the Ministry of Climate Change and Environment, the relevant regulators and licensed operators must continuously monitor the environmental impact of exploring, extracting and exploiting oil and gas wells;

- the environmental obligations and liabilities that arise from oil spills at sea;

- prohibition on establishments that are commercial, industrial, agricultural, tourism or service based from disposing any untreated material, wastes or liquids that emanate from land into environmental waters;

- complying with air, water and soil standards prescribed by the Ministry of Climate Change and Environment from time to time (including, particularly, in the context of flaring or venting of oil and gas); and

- civil and criminal liabilities arising from actions or omissions that cause environmental damages and damages to third parties in violation of the Environmental Protection Law.

The Environmental Protection Law dis-applies some of its licensing provisions in the case of entities that have sufficiently robust systems and programmes to protect the environment and to achieve the goals of

the law, particularly with respect to environmental impact assessments, licensing requirements for the handling of hazardous materials or the ability of the Ministry of Climate Change and Environment to remove samples from wastes. Accordingly, all ADNOC Group Companies (and any operating entities in Abu Dhabi that are subject to the jurisdiction or oversight of ADNOC and the SCFEA) are relieved from applying to the Ministry of Climate Change and Environment with respect to certain environmental licensing requirements.

Environmental protection in the emirate of Abu Dhabi is principally subject to Law No. (16) of 2005 Concerning the Reorganisation of the Environment Agency - Abu Dhabi, and its amendments (the "**Abu Dhabi Environmental Protection Law**") that imposes certain obligations upon the regulator and regulated entities including the following, as applicable to oil and gas activities:

The Environment Agency Abu Dhabi shall:

- evaluate the impact of oil wastes on the environment and wildlife and offer recommendations and solutions concerning the related problems.
- Inspect any applications for issuance of licenses for the industrial, agricultural and environmental projects submitted to the competent authorities and notify such authorities about their related decisions.
- All relevant government authorities concerned with issuing commercial, agricultural, industrial and economic licenses are required to forward and consider the applications submitted to them and notify such authorities about their relevant decisions.

Operators that are engaged in projects that may cause harm to the environment must obtain a license.

Furthermore, pursuant to a tripartite collaboration agreement signed by ADNOC, the Ministry of Climate Change and Environment, and the Environment Agency Abu Dhabi, announced on 4 February 2020, the parties have agreed to explore opportunities for greater collaboration in environmental protection and conservation.

(i) Health, Safety and Environment

Federal Law No (33) of 2021 for the Protection of Labour is the primary health and safety law, governing health and safety issues at the federal level. The ADNOC HSE Standard is equivalent to and consistent with the federal law and must be complied with by all ADNOC Group Companies and other companies falling under the jurisdiction of ADNOC and the Supreme Council for Financial and Economic Affairs. The ADNOC HSE Standard is supplemented by the HSE technical guidance. The HSE technical guidance is not mandatory; however, each relevant company will need to demonstrate that any departure from the HSE technical guidance is at least as effective as the approach recommended by the HSE technical guidance. Additionally, decommissioning obligations are typically addressed by the relevant concession agreement or by the Supreme Council for Financial and Economic Affairs.

(j) Value Added Tax

The Government of Abu Dhabi has implemented new administrative fees and benefits from the federal VAT regime that has been introduced as part of a GCC-wide initiative since 2018.

(k) COVID-19

In alignment with government directions issued on 28 September 2022 and 7 November 2022 respectively all Covid-19 restrictions in Abu Dhabi have been lifted, including the requirement to wear masks, and an Al Hosn green status is no longer required for office work. The Company intends to continue to monitor the situation while maintaining strict health and safety protocols and ensuring frequent testing and vaccine availability.

(l) UAE Corporate Tax Law

Current Taxation of Corporates and Individuals

There is currently no corporate tax at the federal UAE level. However, corporate tax is imposed in some of the Emirates (including Abu Dhabi) through Income Tax Decrees at the Emirates level ("**Tax Decrees**"). In practice, these Tax Decrees are currently only enforced on foreign oil companies and branches of foreign banks. However, there is no guarantee that tax will not be enforced on other corporate entities at some time in the future since there is no specific legislation that grants an exemption from tax to entities which

are not foreign oil companies and branches of foreign banks. There is currently no personal income tax levied on individuals in the UAE.

Introduction of Federal Corporate Tax in 2023

Notwithstanding the above, the UAE Ministry of Finance has announced that a federal corporate tax will be implemented for financial periods starting on or after 1 June 2023 under the Federal Decree-Law No. (47) of 2022 on the Taxation of Corporations and Businesses ("**Federal CT Law**").

Under the Federal CT Law, corporate tax will be imposed on business and commercial activities at the rate of 0% for taxable income up to AED 375,000 and 9% for taxable income above AED 375,000. A different tax rate will apply for certain large multinational companies with global consolidated revenue in excess of EUR 750 million (approximately AED 3.15 billion) under a separate legislation which will be issued by the Ministry of Finance. Qualifying free zone persons will be subject to 0% corporation tax on qualifying income and 9% corporation tax on non-qualifying income. The Federal CT Law prescribes conditions that free zone entities must satisfy in order to be treated as qualifying free zone persons.

As of the date of this Prospectus, the Company does not expect to pay any corporation tax under the Federal CT Law as all of the Group's current operations fall under the Fiscal Arrangement and any dividends to ADNOC Gas are not qualifying income on which corporation tax is payable.

THIRD SECTION: FINANCIAL DISCLOSURES

1. SUMMARY

The tables below present summary historical and unaudited pro forma financial and operating data of the Group derived from the Annual Audited Financial Statements, the Unaudited Interim Financial Statements, the Unaudited Pro Forma Financial Information and key operating information.

The Company was incorporated in the ADGM on 8 December 2022 for the purpose of facilitating the Listing of the ADNOC Gas Business. 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 initial capitalisation; (ii) activities in connection with the Reorganisation and entry into the agreements related thereto (see "Material Agreements" and "Related Party Transactions"); and (iii) in preparation for this Offering. Consequently, no audited financial information for the Company is presented in this Prospectus (see "Presentation of Financial Information").

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 Company's actual financial position and financial performance and may not give a true picture of its financial position and 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 the Company, given that it has been prepared solely for the purposes of illustrating the identifiable and objectively measurable effects of the Reorganisation, applied to historical financial information of the ADNOC Gas Business. 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 execution of the Reorganisation. The Unaudited Pro Forma Financial Information set forth 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 Reorganisation occurred on 1 January 2021 or 31 October 2022, as applicable.

The Unaudited Pro Forma Financial Information does not purport to project the Company's results of operations for any future period and it also does not reflect the impact of any potential synergies deriving from the Reorganisation. The Unaudited Pro Forma Financial Information set forth 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 Reorganisation occurred on 1 January 2021 or 31 October 2022, as applicable.

This Prospectus also includes unaudited pro forma combined financial information of the Company for the twelve months ended 31 October 2022. This financial information has been calculated by adding (i) the unaudited pro forma combined financial information for the year ended 31 December 2021 and (ii) the unaudited pro forma combined financial information for the ten month period ended 31 October 2022 and then subtracting (iii) the unaudited pro forma combined financial information for the ten month period ended 31 October 2021, in each case, as derived from the Unaudited Pro Forma Financial Information or the underlying accounting records of the Company. The unaudited pro forma financial information for the twelve months ended 31 October 2022 has been prepared solely for illustrative purposes for this Prospectus. It is not prepared in the ordinary course of our financial reporting and has not been audited or reviewed. The unaudited pro forma financial information for the twelve months ended 31 October 2022 included herein is not required by or presented in accordance with IFRS or any other generally accepted accounting principles. The unaudited pro forma financial information for the twelve months ended 31 October 2022 is not necessarily indicative of the results that may be expected for any future period and should not be used as the basis for or prediction of an annualized calculation.

The Unaudited Pro Forma Financial Information has not been prepared in accordance with Regulation S-X of the Securities Act

The information set forth below should be read in conjunction with "Selected Historical Financial Information of AGP", "Selected Historical Financial Information of ALNG", "Selected Historical Financial Information of the AGP ASR Business", "Selected Historical Financial Information of the ALNG ASR Business", "Selected Historical Financial Information of the ADNOC ASR Gas Assets", and "Unaudited Pro Forma Financial Information" and the Audited Annual Financial Statements, the Unaudited Interim Financial Statements and Unaudited Pro Forma Financial Information, including the related notes thereto, included elsewhere in this Prospectus.

2. HISTORICAL AND *PRO FORMA* FINANCIAL AND KEY OPERATING INFORMATION OF THE GROUP

(a) Unaudited *pro forma* combined statement of financial position data

	As at 31 October 2022
	(USD millions)
ASSETS	
Non-current assets	
Property, plant and equipment	20,079
Intangible assets	80
Right-of-use assets	135
Equity-accounted investees	905
Investment in subsidiary	-
Recoverable from shareholders	-
Deferred tax assets	523
Advances and other receivables	5
Total non-current assets	**21,727**
Current assets	
Inventories	128
Recoverable from shareholders	-
Due from related parties	113
Cash and cash equivalents	92
Prepayments	25
Advances and other receivables	56
Total current assets	414
Total assets	**22,141**
EQUITY AND LIABILITIES	
Equity	
Share capital	-
Statutory reserve	-
Retained earnings / Accumulated losses	385
Invested equity	18,639
Total equity	**19,024**
Liabilities	
Non-current liabilities	
Lease liabilities	127
Provision for decommissioning	2,139
Due to related parties	15
Total non-current liabilities	**2,281**
Current liabilities	
Bank overdraft	2
Lease liabilities	8
Trade payables and other payables	349
Due to related parties	477
Total current liabilities	**836**
Total liabilities	**3,117**
Total Equity and Liabilities	**22,141**

(b) **Unaudited *pro forma* combined statement of profit or loss and other comprehensive income data**

	For the ten months ended 31 October		For the year ended 31 December	For the twelve months ended 31 October
	2022	2021	2021	2022
	(USD millions)			
Revenue	17,857	13,861	17,038	21,034
Other income	19	9	11	21
Total income	**17,876**	**13,870**	**17,049**	**21,055**
Operating costs				
Cost of feedstock	(10,528)	(8,002)	(9,801)	(12,327)
Marketing costs	(12)	(12)	(15)	(15)
Material and gas costs / consumption	(37)	(36)	(46)	(47)
Other production costs and utilities	(281)	(255)	(312)	(338)
Employee benefit expenses	(503)	(507)	(657)	(653)
Depreciation and amortisation	(976)	(919)	(1,104)	(1,161)
Provision for slow moving and obsolete inventories	(14)	(4)	(2)	(12)
Provision for doubtful debts - due from related parties	-	(10)	(10)	-
Other operating costs and administrative expenses	(289)	(266)	(306)	(329)
Loss on derecognition of JV	-	-	-	-
Share of operating costs in a joint arrangement	(202)	(213)	(287)	(276)
Asset usage charges	(14)	(14)	(19)	(19)
Recoverable	164	168	204	200
Total operating expenses	**(12,692)**	**(10,070)**	**(12,355)**	**(14,977)**
Finance costs	(116)	(43)	(52)	(125)
Loss on disposal of property, plant and equipment	(1)	(2)	(2)	(1)
Share of profit of equity-accounted investee	549	254	318	613
Profit / (loss) before tax	**5,616**	**4,009**	**4,958**	**6,565**
Income tax				
Current tax	(1,544)	(1,124)	(1,431)	(1,851)
Deferred tax	100	59	73	114
Income tax expense	(1,444)	(1,065)	(1,358)	(1,737)
Profit after tax for the period/year	**4,172**	**2,944**	**3,600**	**4,828**

(c) **Other historical and *pro forma* financial data**

The following table sets forth certain financial measures used by us as key indicators of the Group's financial performance on a *pro forma* basis giving effect to the Reorganisation for the ten months ended 31 October 2022 and 2021, the twelve months ended 31 October 2022 and the year ended 31 December 2021.

	Unaudited *pro forma* combined[1]			
	For ten months ended 31 October		For the year ended 31 December	For the twelve months ended 31 October
	2022	2021	2021	2022
	(*USD millions, except percentages*)			
Adjusted Revenue[2]	21,142	15,743	19,464	24,863
EBITDA[3]	6,194	4,766	5,852	7,280
EBITDA Margin[4]	35%	34%	34%	35%
Adjusted EBITDA[3][5]	7,500	5,392	6,614	8,721
Adjusted EBITDA Margin[4]	35%	34%	34%	35%
Illustrative free cash flow[3]	4,194	3,108	3,652	4,738
Cash conversion[6]	68%	65%	62%	65%
Dividends from ALNG[7]	525	241	356	639

Illustrative free cash Flow including dividends from ALNG.....	4,719	3,349	4,008	5,377

(1) The *pro forma* metrics set out in this table illustrate the impact of the Reorganisation on financial performance of the Group as if the Reorganisation had taken place on 1 January 2021. For further information regarding the Unaudited *Pro Forma* Financial Information, see "*Presentation of Financial and Other Information – Unaudited Pro Forma Financial Information*". For further information regarding the Other historical and *pro forma* financial data, see "*Presentation of Financial and Other Information – Non-IFRS Information*".

(2) Adjusted revenue is calculated as the Group's *pro forma* revenue plus the Group's proportionate share (70%) of ALNG's revenue. ALNG's revenue (*and the Group's corresponding proportionate share*) for the ten months ended 31 October 2022 and 2021 and the year ended 31 December 2021 were $4,665 million (*$3,266 million*), $2,675 million (*$1,873 million*) and $3,450 million (*$2,415 million*), respectively. See *"Summary historical financial information of ALNG"*.

(3) EBITDA excludes contribution from ALNG due to the equity method of accounting. Illustrative free cashflow is calculated as EBITDA less income tax and capital expenditure. The following table sets out the reconciliation of the Group's net income to EBITDA and illustrative free cash flow:

	Unaudited *pro forma* combined			
	For the ten months ended 31 October		For the year ended 31 December	For the twelve months ended 31 October
	2022	2021	2021	2022
			(*USD millions*)	
Net income for the period/year	**4,172**	**2,944**	**3,600**	**4,828**
Income tax	1,444	1,065	1,358	1,737
Depreciation of property, plant and equipment	976	919	1,104	1,161
Finance cost	116	43	52	125
Loss on sale of property, plant and equipment	1	2	2	1
Share of profit of equity-accounted investees	(549)	(254)	(318)	(613)
AIG depreciation adjustment	3	1	2	4
Group's share of AGP depreciation	31	46	52	37
EBITDA	**6,194**	**4,766**	**5,852**	**7,280**
Income tax	(1,444)	(1,065)	(1,358)	(1,737)
Capital expenditure	(556)	(593)	(842)	(805)
Illustrative free cash flow	**4,194**	**3,108**	**3,652**	**4,738**
Capital expenditure	556	593	842	805
Income tax	1,444	1,065	1,358	1,737
EBITDA	**6,194**	**4,766**	**5,852**	**7,280**
Group's proportionate share of ALNG EBITDA (70%)	1,306	626	762	1,441
Adjusted EBITDA	**7,500**	**5,392**	**6,614**	**8,721**

(4) EBITDA Margin is calculated as EBITDA divided by revenue for the year/period. Adjusted EBITDA Margin is calculated as Adjusted EBITDA divided by Adjusted Revenue for the year/period.

(5) Adjusted EBITDA is calculated as the Group's EBITDA plus the Group's proportionate share (70%) of ALNG's EBITDA. The following table sets out the reconciliation of ALNG's EBITDA to ALNG's net income (see *"Summary historical financial information of ALNG"*):

	For the ten months ended 31 October		For the year ended 31 December	For the twelve months ended 31 October
	2022	2021	2021	2022
			(*USD millions*)	
Profit after tax for the period/year	**784**	**363**	**454**	**875**
Current income tax and deferred tax charge	988	461	547	1,074
Gain on sale of property, plant and equipment	-	-	(0)	-
Finance income	(1)	(0)	(0)	(1)
Depreciation of property, plant and equipment	94	70	87	111
ALNG's EBITDA	**1,865**	**894**	**1,088**	**2,059**
Group's proportionate share of ALNG's EBITDA (70%)	1,306	626	762	1,441

(6) Cash conversion is calculated as illustrative free cash flow divided by EBITDA for the year/period.

(7) Dividends from ALNG represent the dividends received during the year/period through Gas Co's ownership interest in ALNG.

(d) **Other *pro forma* operating data**

1. Plant capacity utilisation, availability and reliability

The following table sets forth our plant utilisation, availability and reliability for the periods set forth below:

	For the year ended 31 December			
	2022	2021	2020	2019
Gas processing[1]				
Capacity utilisation[2]	90.9%	86.2%	83.7%	87.6%
Availability[3]	98.8%	95.4%	97.1%	98.0%
Reliability[4]	99.9%	99.5%	99.6%	99.7%
LNG[5]				
Capacity utilisation[6]	94.0%	98.0%	93.0%	94.0%
Availability	98.9%	99.2%	95.1%	96.1%
Reliability	99.1%	99.0%	97.4%	99.0%

(1) Based on the operation of the gas processing plants Asab 0 & 3, Asab 1 & 2, Bab, Bu Hasa, Habshan, Ruwais and Habshan-5. See "*Business Description – Operations – Facilities and Production*.

(2) Capacity utilisation is defined as total used capacity divided by the total available capacity for any given period, based on nameplate capacity. Based on the average utilisation of reference capacities for Asab 0 & 3, Asab 1 & 2, Bab, Bu Hasa, Habshan, Ruwais and Habshan-5 based on reference capacity which is decided based on feed composition received from ADNOC upstream. See "*Business Description – Operations – Facilities and Production*".

(3) Availability is defined as total available hours (8,760 hours per annum) reduced by the hours of non-availability due to scheduled and unscheduled outages divided by total available hours.

(4) Reliability is defined total available hours (8,760 hours per annum) reduced by the hours of non-availability due to unscheduled outages divided by total available hours.

(5) Based on operation of the LNG plant on Das Island by ALNG.

(6) Capacity utilisation is defined as total used capacity divided by the total available capacity for any given period, based on nameplate capacity. Based on reference capacity of 6.3 mtpa.

2. Sales volumes

The following table sets forth the Group's sales volumes of selected product groups for the periods set out below:

	For ten months ended 31 October		For the year ended 31 December		For the twelve months ended 31 October
	2022	2021	2021	2020	2022
			(*tbtu, except percentages*)		
Domestic gas products[1]	1,865	1,829	2,170	2,217	2,206
Portion of total sales volumes	*65%*	*65%*	*65%*	*65%*	*64%*
Export and traded liquids[2]	781	754	900	922	927
Portion of total sales volumes	*27%*	*27%*	*27%*	*27%*	*27%*
Sulphur	15	16	19	20	18
Portion of total sales volumes	*<1%*	*<1%*	*<1%*	*<1%*	*<1%*
LNG[3]	222	218	270	256	275
Portion of total sales volumes	*8%*	*8%*	*8%*	*7%*	*8%*
Total sales volumes	**2,882**	**2,817**	**3,359**	**3,415**	**3,425**

(1) Domestic gas products include sales gas, ethane and reinjection gas.

(2) Export and traded liquids include C+ (i.e.: propane, butane, paraffinic naphtha) and condensate.

(3) Sales volumes of LNG are presented on a proportionate basis relative to the Group's 70% ownership interest in ALNG.

3. SUMMARY HISTORICAL FINANCIAL INFORMATION OF AGP

The tables below present the summary historical financial data derived from the AGP Financial Statements. The financial statement information for AGP as at and for the years ended 31 December 2021 and 2020 is derived from the AGP Annual Audited Financial Statements included elsewhere in this Prospectus. The 2021 AGP Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The 2020 AGP Annual

Financial Statements have been audited by KPMG Lower Gulf Limited, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS (as issued by IASB). The financial statement information for AGP as at and for the ten months ended 31 October 2022 and 2021 is derived from the AGP Unaudited Interim Financial Statements included elsewhere in this Prospectus. The AGP Unaudited Interim Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information".

The information set forth below should be read in conjunction with "Selected Historical Financial Information of AGP" and the AGP Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

Further, investors should note that information set forth below represents the full and comprehensive financial information of AGP, to which the Group is entitled to a 68% proportionate share as a result of its stake in the AGP joint venture.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Operating expenses				
Personnel costs	265,306	273,665	316,368	332,499
Maintenance, supplies and services costs	60,833	54,509	86,774	65,452
Depreciation and amortisation	45,249	67,921	76,945	107,652
Pension costs	-	-	43,046	-
General and administrative expenses[(1)]	26,569	26,372	31,680	29,275
Product processing charge	64,651	63,471	76,345	74,398
Material costs	6,096	4,988	6,263	5,066
Fuel costs	28,387	28,419	33,241	29,037
Other expenses	6,316	2,816	1,881	91
Total operating expenses	**503,407**	**522,161**	**672,543**	**643,470**
Other income	(6,428)	(6,744)	(7,479)	(11,098)
Net operating expenses	**496,979**	**515,417**	**665,064**	**632,372**
Recoverable				
Recoverable back charges from ADNOC Sole Risk (ASR)[(2)]	(199,182)	(201,675)	(242,614)	(244,534)
Recoverables representing ADNOC back charges[(3)]	(1,214)	(927)	(1,112)	(1,028)
Net processing fee for the period/year–charged to the shareholders[(4)]	(296,583)	(312,815)	(421,338)	(386,810)
Profit for the period/year	-	-	-	-
Other comprehensive income (loss) for the period/year				
Other comprehensive income / (loss) not to be reclassified to profit or loss in subsequent periods				
Re-measurement gain / (loss) of employees' end of service benefit obligations	-	-	9,758	(5,355)
Total comprehensive income (loss) for the period/year	-	-	**9,758**	**(5,355)**

(1) This line item is labelled as "Administrative expenses" in the 2020 AGP Annual Financial Statements.
(2) This line item is labelled as "Reimbursement - ADNOC sole risk (ASR)" in the 2020 AGP Annual Financial Statements.
(3) This line item is labelled as "Recoveries representing ADNOC back charges" in the 2020 AGP Annual Financial Statements.
(4) This line item is labelled as "Net processing costs for the year - charged to the shareholders" in the 2020 AGP Annual Financial Statements.

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Non-current assets			
Property, plant and equipment	516,397	560,309	575,118

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
Intangible assets	35,014	21,549	23,885
Advances to contractors	832	2,191	5,491
Loans to employees	29,209	28,687	27,944
Total non-current assets	**581,452**	**612,736**	**632,438**
Current assets			
Inventories	11,610	16,255	17,955
Due from related parties	99,918	55,269	1,551
Receivable from Shareholders	29,392	81,309	45,971
Prepayment and other receivables	42,435	31,339	42,349
Cash and bank balances	8,793	1,817	5
Total current assets	192,148	**185,989**	**107,831**
Total assets	**773,600**	**798,725**	**740,269**
EQUITY AND LIABILITIES			
Equity			
Share capital	422,400	422,400	422,400
Actuarial loss on defined benefit obligation	(7,288)	(7,288)	(17,046)
Total equity	**415,112**	**415,112**	**405,354**
Non-current liabilities			
Due to a related party	16,990	25,267	-
Provision for employees' end-of-service benefits	175,460	172,297	179,825
Total non-current liabilities	**192,450**	**197,564**	**179,825**
Current liabilities			
Trade and other payables	105,532	157,078	117,053
Due to related parties	60,506	28,971	38,037
Total current liabilities	**166,038**	**186,049**	**155,090**
Total liabilities	**358,488**	**383,613**	**334,915**
Total equity and liabilities	**773,600**	**798,725**	**740,269**

(c) Statement of cash flows data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Net cash used in operating activities	(317,636)	(272,293)	(344,994)	(302,786)
Net cash used in investing activity	(23,888)	(34,975)	(39,194)	(56,323)
Net cash from financing activity	348,500	321,000	386,000	357,000
Net increase / (decrease) in cash and cash equivalents[(1)]	6,976	13,732	1,812	(2,109)
Cash and cash equivalents at the end of the period/year[(2)]	8,793	13,737	1,817	5

(1) This line item is labelled as "Net decrease in cash and bank balance" in the 2020 AGP Annual Financial Statements.
(2) This line item is labelled as "Cash and bank balance, end of the year" in the 2020 AGP Annual Financial Statements.

4. SUMMARY HISTORICAL FNANCIAL INFORMATION OF ALNG

The tables below present the summary historical financial data derived from the ALNG Financial Statements. The financial statement information for ALNG as at and for the years ended 31 December 2021 and 2020 is derived from the ALNG Annual Audited Financial Statements included elsewhere in this Prospectus. The 2021 ALNG Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein. and have been prepared in accordance with IFRS. The 2020 ALNG Annual Financial Statements have been audited by Deloitte & Touche, independent auditors, as stated in their audit report appearing herein, and have been prepared in accordance with IFRS. The financial statement information for ALNG as at and for the ten months ended 31 October 2022 and 2021 is derived from the ALNG Unaudited Interim Financial Statements included elsewhere in this Prospectus. The ALNG Unaudited Interim Financial Statements have been prepared in accordance with

the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information".

The information set forth below should be read in conjunction with "Selected Historical Financial Information of ALNG" and the ALNG Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

Further, investors should note that information set forth below represents the full and comprehensive financial information of ALNG, to which the Group is entitled to a 70% proportionate share as a result of its stake in the ALNG joint venture.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Revenue	**4,665,167**	**2,674,888**	**3,449,996**	**1,983,587**
Operating costs				
Gas costs	(2,392,139)	(1,393,771)	(1,689,601)	(984,706)
Shipping costs	(114,626)	(136,170)	(161,081)	(170,713)
Sulphur processing costs	(12,614)	(14,822)	(12,868)	(27,217)
	2,145,787	**1,130,126**	**1,586,446**	**800,951**
Other operating costs and general & administrative expenses	(276,651)	(232,393)	(337,439)	(362,383)
Pension cost recharge	-	-	(157,190)	-
Depreciation and amortisation	(93,784)	(70,164)	(87,249)	(86,657)
Provision for slow moving and obsolete inventories	(4,571)	(4,405)	(3,955)	(928)
Gain on sale of property, plant and equipment	-	-	43	-
Finance income	837	330	387	2,251
Profit before tax	**1,771,619**	**823,493**	**1,001,043**	**353,232**
Current tax charge	(958,561)	(452,965)	(642,128)	(181,745)
Deferred tax (charge) / credit	(29,356)	(7,979)	94,785	(9,575)
Profit after tax for the period/year	**783,702**	**362,548**	**453,699**	**161,913**
Other comprehensive income for the period/year	-	-	-	-
Total comprehensive income for the period/year	**783,702**	**362,548**	**453,699**	**161,913**

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Non-current assets			
Property, plant and equipment	1,342,653	1,398,412	1,469,220
Intangible assets	14,413	17,991	5,672
Due from a related party	15,211	22,474	-
Total non-current assets	**1,372,277**	**1,438,877**	**1,474,892**
Current assets			
Inventories	132,218	97,980	93,602
Trade receivables	161,101	142,789	100,581
Due from related parties	355,019	293,988	193,478
Contract assets	-	50,182	13,104
Prepayments and other assets	33,792	27,435	20,467
Cash and cash equivalents	175,942	299,015	169,245
Total current assets	858,073	**911,388**	**590,478**
Total assets	**2,230,350**	**2,350,265**	**2,065,370**

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
EQUITY AND LIABILITIES			
Equity			
Share capital	105,000	105,000	105,000
Statutory reserve	10,500	10,500	10,500
Retained earnings	1,691,976	1,326,116	1,045,375
Dividends	(734,988)	(403,393)	(67,701)
Total equity	**1,072,488**	**1,038,223**	**1,093,174**
Non-current liabilities			
Provision for employees' end of service benefits	18,530	15,874	23,614
Deferred tax liability	471,888	442,532	537,316
Due to a related party	76,934	113,668	-
Total non-current liabilities	**567,352**	**572,074**	**560,930**
Current liabilities			
Trade and other payables	154,748	131,935	182,267
Due to related parties	246,804	480,889	205,683
Current tax liability	188,959	127,144	23,316
Total current liabilities	**590,511**	**739,969**	**411,266**
Total liabilities	1,157,863	**1,312,042**	**972,196**
Total Equity and Liabilities	**2,230,350**	**2,350,265**	**2,065,370**

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(c) **Statement of cash flows data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Profit for the period/year	783,702	362,548	453,699	161,913
Operating cash flows before movements in capital	1,869,136	897,732	1,250,189	440,229
Cash generated by operations	1,632,787	679,433	1,213,973	350,255
Net cash generated from operating activities	656,438	336,253	666,750	127,553
Net cash used in investing activities	(30,073)	(20,888)	(28,330)	(62,337)
Financing activity	(749,437)	(344,764)	(508,650)	(238,176)
Net increase/(decrease) in cash and cash equivalents	(123,073)	(29,400)	129,770	(172,959)
Cash and cash equivalents at end of the period/year	175,942	139,845	299,015	169,245

5. SUMMARY HISTORICAL FINANCIAL INFORMATION OF THE AGP ASR BUSINESS

The tables below present the summary historical financial data derived from the AGP ASR Financial Statements. The financial statement information for the AGP ASR Business as at and for the years ended 31 December 2021 and 2020 is derived from the AGP ASR Annual Financial Statements included elsewhere in this Prospectus. The AGP ASR Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for AGP ASR Business as at and for the ten months ended 31 October 2022 and 2021 is derived from the AGP ASR Unaudited Interim Financial Statements included elsewhere in this Prospectus. The AGP ASR Annual Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information".

The information set forth below should be read in conjunction with "Selected Historical Financial Information of the AGP ASR Business" and the AGP ASR Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not be indicative of future performance and do not necessarily reflect what results or financial position may be expected for any future period.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
			(USD'000)	
Operating expenses				
Manpower charges	450,934	456,654	562,146	571,792
Material consumption	32,387	32,345	39,487	38,825
Routine works, services and others	173,896	168,582	206,329	210,312
General expenses	36,274	35,833	36,157	35,825
Gaseous nitrogen (GAN) purchased from ADNOC Industrial Gases	31,708	31,345	37,445	37,364
Purchase of electricity from ADNOC Refining	70,518	55,081	66,275	65,951
Share of common costs from ADNOC Gas Processing (JV)	205,432	205,355	246,134	250,107
Lean gas costs back charges from ADNOC Gas Processing (JV)	990	990	1,695	1,013
Provision / (reversal) for slow moving and obsolete inventories	13,540	4,085	2,461	(4,613)
Provision for doubtful debts–due from related parties	-	9,840	9,840	-
Miscellaneous expenses	23,571	7,001	2,875	5,326
Other income	(18,232)	(9,884)	(13,388)	(8,500)
Net operating expenses	**1,021,017**	**997,227**	**1,197,455**	**1,203,400**
Recoverable				
Recoverable back charge from related parties	(155,765)	(161,835)	(197,271)	(202,646)
Recovery joint/common costs from ADNOC Gas Processing (JV)	(8,311)	(5,778)	(7,460)	(6,585)
Recoverable from ADNOC	(856,942)	(829,614)	(992,725)	(994,170)
Profit for the period/year	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period/year	-	-	-	-

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Non-current assets			
Recoverable from shareholder	32,587	39,125	-
Advances and other receivables	1,905	3,266	4,899
Total non-current assets	**34,492**	**42,391**	**4,899**
Current assets			
Inventories	116,294	123,257	142,717
Recoverable from shareholder	7,940	28,011	20,085
Advances and other receivables	49,061	37,208	46,872
Prepayments	25,448	17,125	15,560
Due from related parties	51,159	38,572	79,083
Cash and cash equivalents	5,920	11,203	5,192
Total current assets	**255,822**	**255,376**	**309,509**
Total assets	**290,314**	**297,767**	**314,408**
EQUITY AND LIABILITIES			
Equity			
ADNOC account	(195,545)	(216,992)	(118,734)
Non-current liabilities			
Lease liabilities	32,587	39,125	-
Current liabilities			

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
Bank overdraft	2,331	-	-
Trade and other payables	333,469	386,701	353,730
Due to related parties	109,533	60,921	59,327
Lease liabilities	7,940	28,011	20,085
Total current liabilities	**453,272**	**475,634**	**433,142**
Total liabilities	**485,859**	**514,759**	**433,142**
Total Equity and Liabilities	**290,314**	**297,767**	**314,408**

(c) Statement of cash flows data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
			(USD'000)	
Cash flows from operating activities	(1,205,352)	(1,222,518)	(1,563,327)	(1,355,650)
Net cash used in operating activities	(1,249,313)	(1,274,748)	(1,472,991)	(1,401,733)
Net cash generated from investing activity	-	-	2	83
Net cash generated from financing activity	1,241,700	1,281,000	1,479,000	1,399,800
Net increase / (decrease) in cash and cash equivalents	(7,613)	6,252	6,011	(1,849)
Cash and cash equivalents at the end of the period/year	3,589	11,444	11,203	5,192

6. SUMMARY HISTORICAL FINANCIAL INFORMATION OF THE ALNG ASR BUSINESS

The tables below present the summary historical financial data derived from the ALNG ASR Financial Statements. The financial statement information for the ALNG ASR Business as at and for the years ended 31 December 2021 and 2020 is derived from the ALNG ASR Annual Financial Statements included elsewhere in this Prospectus. The ALNG ASR Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for the ALNG ASR Business as at and for the ten months ended 31 October 2022 and 2021 is derived from the ALNG ASR Unaudited Interim Financial Statements included elsewhere in this Prospectus. The ALNG ASR Annual Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information".

The information set forth below should be read in conjunction with "Selected Historical Financial Information of the ALNG ASR Business" and the ALNG ASR Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not be indicative of future performance and do not necessarily reflect what results or financial position may be expected for any future period.

(a) **Statement of profit or loss and other comprehensive income data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
	(USD'000)			
Operating expenditure				
Manpower charges	47,929	44,564	50,318	51,077
Material consumption	3,547	3,214	4,299	4,844
ADNOC Offshore / Das support	6,701	4,932	8,177	6,328
Insurance and other costs	1,775	1,577	1,829	1,542
Repair and maintenance costs	3,566	3,243	6,021	4,577
Das overheads	10,919	11,333	13,102	14,540
Abu Dhabi overheads	8,307	8,591	9,969	11,022
Provision for slow-moving and obsolete inventories	-	-	-	267
Pension cost recharge	-	-	38,738	-
Net operating expenditures	**82,743**	**77,454**	**132,452**	**94,196**
Recoverable from ADNOC	(82,743)	(77,454)	(132,452)	(94,196)
Profit for the period/year			**-**	**-**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period/year	-	-	**-**	**-**

(b) **Statement of financial position data**

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Current assets			
Inventories	7,222	7,015	7,707
Cash and cash equivalents	262	267	1,714
Total assets	**7,484**	**7,282**	**9,421**
EQUITY AND LIABILITIES			
Equity			
ADNOC account	(73,466)	(73,124)	(47,926)
Non-current liabilities			
Due to a related party	15,255	22,474	-
Current liabilities			
Due to a related party	65,695	57,933	57,347
Total liabilities	**80,950**	**80,406**	**57,347**
Total Equity and Liabilities	**7,484**	**7,282**	**9,421**

(c) **Statement of cash flows data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
			(USD'000)	
Cash flows from operating activities	(250,219)	(230,460)	(340,791)	(346,649)
Net cash used in operating activities	(249,882)	(242,311)	(317,039)	(377,971)
Cash flows from financing activity	249,877	240,871	315,592	378,912
Net increase / (decrease) in cash and cash equivalents	(5)	(1,439)	(1,447)	941
Bank balances at end of the period/year	262	275	267	1,714

7. SUMMARY HISTORICAL FINANCIAL INFORMATION OF THE ADNOC ASR ASSETS

The tables below present the summary historical financial data derived from the ADNOC ASR Financial Statements. The financial statement information for the ADNOC ASR Gas Assets as at and for the years ended 31 December 2021 and 2020 is derived from the ADNOC ASR Annual Financial Statements included elsewhere in this Prospectus. The ADNOC ASR Annual Financial Statements have been audited

by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for the ADNOC ASR Gas Assets as at and for the ten months ended 31 October 2022 and 2021 is derived from the ADNOC ASR Unaudited Interim Financial Statements included elsewhere in this Prospectus. The ADNOC ASR Annual Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information".

The information set forth below should be read in conjunction with "Selected Historical Financial Information of the ADNOC ASR Gas Assets" and the ADNOC ASR Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not be indicative of future performance and do not necessarily reflect what results or financial position would have been had the ADNOC ASR Gas Assets operated as a separate independent entity during the period presented.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
	(USD millions)			
Operating expenses				
Depreciation and amortisation	(968)	(913)	(1,096)	(1,273)
Other operating costs and administrative expenses	(932)	(898)	(1,114)	(1,079)
Operating loss	**(1,900)**	**(1,811)**	**(2,210)**	**(2,352)**
Finance cost	(110)	(37)	(45)	(64)
Loss on sale of property, plant and equipment	(1)	(2)	(2)	(2)
Loss before tax	**(2,011)**	**(1,850)**	**(2,257)**	**(2,418)**
Current tax	-	-	-	-
Deferred tax credit (charge)	21	11	13	15
Income tax credit	21	11	13	15
Loss after tax	**(1,990)**	**(1,839)**	**(2,244)**	**(2,403)**
Other comprehensive income	-	-	-	-
Total comprehensive income	**(1,990)**	**(1,839)**	**(2,244)**	**(2,403)**

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD millions)	
ASSETS			
Non-current assets			
Property, plant and equipment	20,033	20,859	20,760
Intangible assets	79	81	103
Right-of-use assets	-	20	19
Deferred tax assets	138	117	104
Total non-current assets	20,250	21,077	20,986
Current assets			
Loans and advances	-	5	3
Due from related party	58	58	55
Total current assets	58	63	58
Total assets	**20,308**	**21,140**	**21,044**
EQUITY AND LIABILITIES			
Equity			
Invested equity	17,880	18,329	18,777
Total equity	**17,880**	**18,329**	**18,777**
Non-current liabilities			
Provision for decommissioning	2,139	2,446	2,049
Total non-current liabilities	2,139	2,446	2,049
Current liabilities			
Due to related party	289	365	218
Total current liabilities	289	365	218
Total liabilities	**2,428**	**2,811**	**2,267**

	As at 31 October	As at 31 December	
	2022	2021	2020
	(USD millions)		
Total equity and liabilities	**20,308**	**21,140**	**21,044**

8. SELECTED HISTORICAL FINANCIAL INFORMATION OF AGP

The tables below present the selected historical financial data derived from the AGP Financial Statements. The financial statement information for AGP as at and for the years ended 31 December 2021 and 2020 is derived from the AGP Annual Audited Financial Statements included elsewhere in this Prospectus. The 2021 AGP Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein, and have been prepared in accordance with IFRS. The 2020 AGP Annual Financial Statements have been audited by KPMG Lower Gulf Limited, independent auditors, as stated in their audit report appearing herein, and have been prepared in accordance with IFRS (as issued by IASB). The financial statement information for AGP as at and for the ten months ended 31 October 2022 and 2021 is derived from the AGP Unaudited Interim Financial Statements included elsewhere in this Prospectus. The AGP Unaudited Interim Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information."

The information set forth below should be read in conjunction with the AGP Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

Further, investors should note that information set forth below represents the full and comprehensive financial information of AGP, to which the Group is entitled to a 68% proportionate share as a result of its stake in the AGP joint venture.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Operating expenses				
Personnel costs	265,306	273,665	316,368	332,499
Maintenance, supplies and services costs	60,833	54,509	86,774	65,452
Depreciation and amortisation	45,249	67,921	76,945	107,652
Pension costs	-	-	43,046	-
General and administrative expenses[(1)]	26,569	26,372	31,680	29,275
Product processing charge	64,651	63,471	76,345	74,398
Material costs	6,096	4,988	6,263	5,066
Fuel costs	28,387	28,419	33,241	29,037
Other expenses	6,316	2,816	1,881	91
Total operating expenses	**503,407**	**522,161**	**672,543**	**643,470**
Other income	(6,428)	(6,744)	(7,479)	(11,098)
Net operating expenses	**496,979**	**515,417**	**665,064**	**632,372**
Recoverable				
Recoverable back charges from ADNOC Sole Risk (ASR)[(2)]	(199,182)	(201,675)	(242,614)	(244,534)
Recoverables representing ADNOC back charges[(3)]	(1,214)	(927)	(1,112)	(1,028)

Net processing fee for the period/year–charged to the shareholders[4]	(296,583)	(312,815)	(421,338)	(386,810)
Profit for the period/year	-	-	-	-
Other comprehensive income (loss) for the period/year				
Other comprehensive income (loss) not to be reclassified to profit or loss in subsequent periods				
Re-measurement gain / (loss) of employees' end of service benefit obligations	-	-	9,758	(5,355)
Total comprehensive income / (loss) for the period/year	-	-	**9,758**	**(5,355)**

(1) This line item is labelled as "Administrative expenses" in the 2020 AGP Annual Financial Statements.
(2) This line item is labelled as "Reimbursement - ADNOC sole risk (ASR)" in the 2020 AGP Annual Financial Statements.
(3) This line item is labelled as "Recoveries representing ADNOC back charges" in the 2020 AGP Annual Financial Statements.
(4) This line item is labelled as "Net processing costs for the year - charged to the shareholders" in the 2020 AGP Annual Financial Statements.

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Non-current assets			
Property, plant and equipment	516,397	560,309	575,118
Intangible assets	35,014	21,549	23,885
Advances to contractors	832	2,191	5,491
Loans to employees	29,209	28,687	27,944
Total non-current assets	**581,452**	**612,736**	**632,438**
Current assets			
Inventories	11,610	16,255	17,955
Due from related parties	99,918	55,269	1,551
Receivable from Shareholders	29,392	81,309	45,971
Prepayment and other receivables	42,435	31,339	42,349
Cash and bank balances	8,793	1,817	5
Total current assets	192,148	**185,989**	**107,831**
Total assets	**773,600**	**798,725**	**740,269**
EQUITY AND LIABILITIES			
Equity			
Share capital	422,400	422,400	422,400
Actuarial loss on defined benefit obligation	(7,288)	(7,288)	(17,046)
Total equity	**415,112**	**415,112**	**405,354**
Non-current liabilities			
Due to a related party	16,990	25,267	-
Provision for employees' end-of-service benefits	175,460	172,297	179,825
Total non-current liabilities	**192,450**	**197,564**	**179,825**
Current liabilities			
Trade and other payables	105,532	157,078	117,053
Due to related parties	60,506	28,971	38,037
Total current liabilities	**166,038**	**186,049**	**155,090**
Total liabilities	**358,488**	**383,613**	**334,915**
Total equity and liabilities	**773,600**	**798,725**	**740,269**

(c) **Statement of cash flows data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Net cash used in operating activities	(317,636)	(272,293)	(344,994)	(302,786)
Net cash used in investing activity	(23,888)	(34,975)	(39,194)	(56,323)
Net cash from financing activity	348,500	321,000	386,000	357,000
Net increase / (decrease) in cash and cash equivalents[(1)]	6,976	13,732	1,812	(2,109)
Cash and cash equivalents at the end of the period/year[(2)]	8,793	13,737	1,817	5

(1) This line item is labelled as "Net decrease in cash and bank balance" in the 2020 AGP Annual Financial Statements.
(2) This line item is labelled as "Cash and bank balance, end of the year" in the 2020 AGP Annual Financial Statements.

9. SELECTED HISTORICAL FINANCIAL INFORMATION OF ALNG

The tables below present the selected historical financial data derived from the ALNG Financial Statements. The financial statement information for ALNG as at and for the years ended 31 December 2021 and 2020 is derived from the ALNG Annual Audited Financial Statements included elsewhere in this Prospectus. The 2021 ALNG Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein. and have been prepared in accordance with IFRS. The 2020 ALNG Annual Financial Statements have been audited by Deloitte & Touche, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for ALNG as at and for the ten months ended 31 October 2022 and 2021 is derived from the ALNG Unaudited Interim Financial Statements included elsewhere in this Prospectus. The ALNG Unaudited Interim Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information."

The information set forth below should be read in conjunction with the ALNG Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

Further, investors should note that information set forth below represents the full and comprehensive financial information of ALNG, to which the Group is entitled to a 70% proportionate share as a result of its stake in the ALNG joint venture.

(a) **Statement of profit or loss and other comprehensive income data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Revenue	**4,665,167**	**2,674,888**	**3,449,996**	**1,983,587**
Operating costs				
Gas costs	(2,392,139)	(1,393,771)	(1,689,601)	(984,706)
Shipping costs	(114,626)	(136,170)	(161,081)	(170,713)
Sulphur processing costs	(12,614)	(14,822)	(12,868)	(27,217)
	2,145,787	**1,130,126**	**1,586,446**	**800,951**
Other operating costs and general & administrative expenses	(276,651)	(232,393)	(337,439)	(362,383)
Pension cost recharge	-	-	(157,190)	-
Depreciation and amortisation	(93,784)	(70,164)	(87,249)	(86,657)
Provision for slow moving and obsolete inventories	(4,571)	(4,405)	(3,955)	(928)
Gain on sale of property, plant and equipment	-	-	43	-
Finance income	837	330	387	2,251
Profit before tax	**1,771,619**	**823,493**	**1,001,043**	**353,232**
Current tax charge	(958,561)	(452,965)	(642,128)	(181,745)

Deferred tax (charge) / credit	(29,356)	(7,979)	94,785	(9,575)
Profit after tax for the period/year	**783,702**	**362,548**	**453,699**	**161,913**
Other comprehensive income for the period/year	-	-	-	-
Total comprehensive income for the period/year	**783,702**	**362,548**	**453,699**	**161,913**

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Non-current assets			
Property, plant and equipment	1,342,653	1,398,412	1,469,220
Intangible assets	14,413	17,991	5,672
Due from a related party	15,211	22,474	-
Total non-current assets	**1,372,277**	**1,438,877**	**1,474,892**
Current assets			
Inventories	132,218	97,980	93,602
Trade receivables	161,101	142,789	100,581
Due from related parties	355,019	293,988	193,478
Contract assets	-	50,182	13,104
Prepayments and other assets	33,792	27,435	20,467
Cash and cash equivalents	175,942	299,015	169,245
Total current assets	858,073	**911,388**	**590,478**
Total assets	**2,230,350**	**2,350,265**	**2,065,370**
EQUITY AND LIABILITIES			
Equity			
Share capital	105,000	105,000	105,000
Statutory reserve	10,500	10,500	10,500
Retained earnings	1,691,976	1,326,116	1,045,375
Dividends	(734,988)	(403,393)	(67,701)
Total equity	**1,072,488**	**1,038,223**	**1,093,174**
Non-current liabilities			
Provision for employees' end of service benefits	18,530	15,874	23,614
Deferred tax liability	471,888	442,532	537,316
Due to a related party	76,934	113,668	-
Total non-current liabilities	**567,352**	**572,074**	**560,930**
Current liabilities			
Trade and other payables	154,748	131,935	182,267
Due to related parties	246,804	480,889	205,683
Current tax liability	188,959	127,144	23,316
Total current liabilities	**590,511**	**739,969**	**411,266**
Total liabilities	1,157,863	**1,312,042**	**972,196**
Total Equity and Liabilities	**2,230,350**	**2,350,265**	**2,065,370**

(c) Statement of cash flows data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Profit for the period/year	783,702	362,548	453,699	161,913
Operating cash flows before movements in capital	1,869,136	897,732	1,250,189	440,229
Cash generated by operations	1,632,787	679,433	1,213,973	350,255
Net cash generated from operating activities	656,438	336,253	666,750	127,553
Net cash used in investing activities	(30,073)	(20,888)	(28,330)	(62,337)

Financing activity	(749,437)	(344,764)	(508,650)	(238,176)
Net increase/(decrease) in cash and cash equivalents	(123,073)	(29,400)	129,770	(172,959)
Cash and cash equivalents at end of the period/year	175,942	139,845	299,015	169,245

10. SELECTED HISTORICAL FINANCIAL INFORMATION OF THE AGP ASR BUSINESS

The tables below present the selected historical financial data derived from the AGP ASR Financial Statements. The financial statement information for the AGP ASR Business as at and for the years ended 31 December 2021 and 2020 is derived from the AGP ASR Annual Financial Statements included elsewhere in this Prospectus. The AGP ASR Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for AGP ASR Business as at and for the ten months ended 31 October 2022 and 2021 is derived from the AGP ASR Unaudited Interim Financial Statements included elsewhere in this Prospectus. The AGP ASR Annual Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information."

The information set forth below should be read in conjunction with the AGP ASR Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
	(USD'000)			
Operating expenses				
Manpower charges	450,934	456,654	562,146	571,792
Material consumption	32,387	32,345	39,487	38,825
Routine works, services and others	173,896	168,582	206,329	210,312
General expenses	36,274	35,833	36,157	35,825
Gaseous nitrogen (GAN) purchased from ADNOC Industrial Gases	31,708	31,345	37,445	37,364
Purchase of electricity from ADNOC Refining	70,518	55,081	66,275	65,951
Share of common costs from ADNOC Gas Processing (JV)	205,432	205,355	246,134	250,107
Lean gas costs back charges from ADNOC Gas Processing (JV)	990	990	1,695	1,013
Provision / (reversal) for slow moving and obsolete inventories	13,540	4,085	2,461	(4,613)
Provision for doubtful debts–due from related parties	-	9,840	9,840	-
Miscellaneous expenses	23,571	7,001	2,875	5,326
Other income	(18,232)	(9,884)	(13,388)	(8,500)
Net operating expenses	**1,021,017**	**997,227**	**1,197,455**	**1,203,400**
Recoverable				
Recoverable back charge from related parties	(155,765)	(161,835)	(197,271)	(202,646)
Recovery joint/common costs from ADNOC Gas Processing (JV)	(8,311)	(5,778)	(7,460)	(6,585)
Recoverable from ADNOC	(856,942)	(829,614)	(992,725)	(994,170)
Profit for the period/year	-	-	-	-
Other comprehensive income	-	-	-	-
Total comprehensive income for the period/year	-	-	-	-

(b) **Statement of financial position data**

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Non-current assets			
Recoverable from shareholder	32,587	39,125	-
Advances and other receivables	1,905	3,266	4,899
Total non-current assets	**34,492**	**42,391**	**4,899**
Current assets			
Inventories	116,294	123,257	142,717
Recoverable from shareholder	7,940	28,011	20,085
Advances and other receivables	49,061	37,208	46,872
Prepayments	25,448	17,125	15,560
Due from related parties	51,159	38,572	79,083
Cash and cash equivalents	5,920	11,203	5,192
Total current assets	**255,822**	**255,376**	**309,509**
Total assets	**290,314**	**297,767**	**314,408**
EQUITY AND LIABILITIES			
Equity			
ADNOC account	(195,545)	(216,992)	(118,734)
Non-current liabilities			
Lease liabilities	32,587	39,125	-
Current liabilities			
Bank overdraft	2,331	-	-
Trade and other payables	333,469	386,701	353,730
Due to related parties	109,533	60,921	59,327
Lease liabilities	7,940	28,011	20,085
Total current liabilities	**453,272**	**475,634**	**433,142**
Total liabilities	**485,859**	**514,759**	**433,142**
Total Equity and Liabilities	**290,314**	**297,767**	**314,408**

(c) **Statement of cash flows data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Cash flows from operating activities	(1,205,352)	(1,222,518)	(1,563,327)	(1,355,650)
Net cash used in operating activities	(1,249,313)	(1,274,748)	(1,472,991)	(1,401,733)
Net cash generated from investing activity	-	-	2	83
Net cash generated from financing activity	1,241,700	1,281,000	1,479,000	1,399,800
Net increase / (decrease) in cash and cash equivalents	(7,613)	6,252	6,011	(1,849)
Cash and cash equivalents at the end of the period/year	3,589	11,444	11,203	5,192

11. SELECTED HISTORICAL FINANCIAL INFORMATION OF THE ALNG ASR BUSINESS

The tables below present the selected historical financial data derived from the ALNG ASR Financial Statements. The financial statement information for the ALNG ASR Business as at and for the years ended 31 December 2021 and 2020 is derived from the ALNG ASR Annual Financial Statements included elsewhere in this Prospectus. The ALNG ASR Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for the ALNG ASR Business as at and for the ten months ended 31 October 2022 and 2021 is derived from the ALNG ASR Unaudited Interim Financial Statements included elsewhere in this Prospectus. The ALNG ASR Annual Financial Statements have

been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information."

The information set forth below should be read in conjunction with the ALNG ASR Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

(a) Statement of profit or loss and other comprehensive income data

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD'000)		
Operating expenditure				
Manpower charges	47,929	44,564	50,318	51,077
Material consumption	3,547	3,214	4,299	4,844
ADNOC Offshore / Das support	6,701	4,932	8,177	6,328
Insurance and other costs	1,775	1,577	1,829	1,542
Repair and maintenance costs	3,566	3,243	6,021	4,577
Das overheads	10,919	11,333	13,102	14,540
Abu Dhabi overheads	8,307	8,591	9,969	11,022
Provision for slow-moving and obsolete inventories	-	-	-	267
Pension cost recharge	-	-	38,738	-
Net operating expenditures	**82,743**	**77,454**	**132,452**	**94,196**
Recoverable from ADNOC	(82,743)	(77,454)	(132,452)	(94,196)
Profit for the period/year			**-**	**-**
Other comprehensive income	-	-	-	-
Total comprehensive income for the period/year	**-**	**-**	**-**	**-**

(b) Statement of financial position data

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD'000)	
ASSETS			
Current assets			
Inventories	7,222	7,015	7,707
Cash and cash equivalents	262	267	1,714
Total assets	**7,484**	**7,282**	**9,421**
EQUITY AND LIABILITIES			
Equity			
ADNOC account	(73,466)	(73,124)	(47,926)
Non-current liabilities			
Due to a related party	15,255	22,474	-
Current liabilities			
Due to a related party	65,695	57,933	57,347
Total liabilities	**80,950**	**80,406**	**57,347**
Total Equity and Liabilities	**7,484**	**7,282**	**9,421**

(c) **Statement of cash flows data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
	(USD'000)			
Cash flows from operating activities	(250,219)	(230,460)	(340,791)	(346,649)
Net cash used in operating activities	(249,882)	(242,311)	(317,039)	(377,971)
Cash flows from financing activity	249,877	240,871	315,592	378,912
Net increase / (decrease) in cash and cash equivalents	(5)	(1,439)	(1,447)	941
Bank balances at end of the period/year	262	275	267	1,714

12. SELECTED HISTORICAL FINANCIAL INFORMATION OF THE ADNOC ASR GAS ASSETS

The tables below present the selected historical financial data derived from the ADNOC ASR Financial Statements. The financial statement information for the ADNOC ASR Gas Assets as at and for the years ended 31 December 2021 and 2020 is derived from the ADNOC ASR Annual Financial Statements included elsewhere in this Prospectus. The ADNOC ASR Annual Financial Statements have been audited by RAI, independent auditors, as stated in their audit report appearing herein and have been prepared in accordance with IFRS. The financial statement information for the ADNOC ASR Gas Assets as at and for the ten months ended 31 October 2022 and 2021 is derived from the ADNOC ASR Unaudited Interim Financial Statements included elsewhere in this Prospectus. The ADNOC ASR Annual Financial Statements have been prepared in accordance with the requirements of IAS 34 and have been reviewed by RAI. For a detailed description of the basis of presentation with respect to our historical financial information, see "Presentation of Financial Information."

The information set forth below should be read in conjunction with the ADNOC ASR Financial Statements, including the related notes thereto, included elsewhere in this Prospectus. Historical results may not necessarily be indicative of results that may be expected for any future period.

(a) **Statement of profit or loss and other comprehensive income data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
	(USD millions)			
Operating expenses				
Depreciation and amortisation	(968)	(913)	(1,096)	(1,273)
Other operating costs and administrative expenses	(932)	(898)	(1,114)	(1,079)
Operating loss	**(1,900)**	**(1,811)**	**(2,210)**	**(2,352)**
Finance cost	(110)	(37)	(45)	(64)
Loss on sale of property, plant and equipment	(1)	(2)	(2)	(2)
Loss before tax	**(2,011)**	**(1,850)**	**(2,257)**	**(2,418)**
Current tax	-	-	-	-
Deferred tax credit (charge)	21	11	13	15
Income tax credit	**21**	**11**	**13**	**15**
Loss after tax	**(1,990)**	**(1,839)**	**(2,244)**	**(2,403)**
Other comprehensive income	-	-	-	-
Total comprehensive income	**(1,990)**	**(1,839)**	**(2,244)**	**(2,403)**

(b) **Statement of financial position data**

	As at 31 October	As at 31 December	
	2022	2021	2020
	(USD millions)		
ASSETS			
Non-current assets			

	As at 31 October	As at 31 December	
	2022	2021	2020
		(USD millions)	
Property, plant and equipment	20,033	20,859	20,760
Intangible assets	79	81	103
Right-of-use assets	-	20	19
Deferred tax assets	138	117	104
Total non-current assets	**20,250**	**21,077**	**20,986**
Current assets			
Loans and advances	-	5	3
Due from related party	58	58	55
Total current assets	**58**	**63**	**58**
Total assets	**20,308**	**21,140**	**21,044**
EQUITY AND LIABILITIES			
Equity			
Invested equity	17,880	18,329	18,777
Total equity	**17,880**	**18,329**	**18,777**
Non-current liabilities			
Provision for decommissioning	2,139	2,446	2,049
Total non-current liabilities	**2,139**	**2,446**	**2,049**
Current liabilities			
Due to related party	289	365	218
Total current liabilities	**289**	**365**	**218**
Total liabilities	**2,428**	**2,811**	**2,267**
Total equity and liabilities	**20,308**	**21,140**	**21,044**

(c) **Statement of cash flows data**

	For the ten months ended 31 October		For the year ended 31 December	
	2022	2021	2021	2020
		(USD millions)		
Net cash used in operating activities	(1,008)	(958)	(1,001)	(912)
Net cash used in investing activities	(533)	(563)	(795)	(586)
Net cash generated from financing activity	1,541	1,521	1,796	1,498
Net increase / (decrease) in cash and cash equivalents	-	-	-	-
Cash and cash equivalents at end of the period/year	-	-	-	-

13. UNAUDITED *PRO FORMA* FINANCIAL INFORMATION

Prospective investors should read this unaudited pro forma financial information in conjunction with accompanying explanatory notes and the historical financial information included elsewhere in this Prospectus.

Background

The Company was incorporated on 8 December 2022 as a private limited company, with registration number 000008957, pursuant to the Abu Dhabi Global Market Companies Regulations 2020. ADNOC Gas was established for the purpose of serving as a holding company of Gas Co and O&M Co.

The Unaudited *Pro Forma* Financial Information is prepared in connection with the Listing of Shares of ADNOC Gas on the Abu Dhabi Securities Exchange.

ADNOC has historically conducted its gas processing and liquefied natural gas operations (a) on a sole risk basis ("**ASR**"), (b) through its interests in the Joint Ventures namely, AGP and ALNG, and (c) through its wholly owned subsidiary, AIG.

ADNOC transferred its ownership interests in (i) the above-mentioned operations, (ii) the Joint Ventures and (iii) AIG (together, the "**ADNOC Gas Business**"), with effect from 1 January 2023, to Gas Co as part of the Reorganisation. Further, ADNOC Gas also intends to eventually consolidate marketing functions and resources through O&M Co through the Post-Reorganisation Optimisation.

The Reorganisation was effected pursuant the following agreements:

(a) ADNOC ASR Gas Assets that are currently reflected within the ADNOC financial records through the Intra-Group Asset Transfer Agreement;

(b) activities carried out by the Joint Ventures and AIG on behalf of ADNOC for the ADNOC ASR Gas Assets reflected in separate special purpose ADNOC ASR financial statements:

1. Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations ("**AGP ASR Business**");

2. Abu Dhabi Gas Liquefaction Company Limited (ALNG) – Sole Risk Operations ("**ALNG ASR Business**"); and

3. ADNOC Industrial Gases Company Limited – Sole Risk Operations ("**AIG ASR Business**"),

through the ASR Asset Transfer Agreement;

(c) joint venture interest of 68% in AGP through the AGP Participation Interest Transfer Agreement;

(d) joint venture interest of 70% in ALNG through the ALNG Share Transfer Agreement; and

(e) AIG, through the AIG Share Transfer Agreement,

(for more details on these agreements, see "*Related Party Transactions*")

As a result, following completion of the Reorganisation, Gas Co will acquire ownership of the ADNOC Gas Business.

Pursuant to the Capitalisation Agreement entered between ADNOC and ADNOC Gas and Gas Co effective 1 January 2023, in consideration for the transfer by ADNOC of all its interests in the ADNOC Gas Business, Gas Co issued and allotted shares in Gas Co to ADNOC Gas. Consequently, ADNOC Gas issued and allotted 18,345,854,551 ordinary shares at par value of USD 1 per share in ADNOC Gas to ADNOC, following which ADNOC continued to hold, immediately prior to Listing, approximately 95% of the total issued and outstanding share capital of ADNOC Gas. The invested equity presented in the Unaudited Pro Forma Financial Information represents the aggregation of share capital and other reserves of ADNOC Gas.

The aforementioned transfer of the interests in the ADNOC Gas Business is a common control transaction as the ADNOC Gas Business was deemed to be controlled by ADNOC before and after the Reorganisation. Therefore, the Reorganisation is considered to be outside the scope of IFRS 3 Business Combinations. On completion of the Reorganisation, ADNOC Gas has applied the book value of accounting.

Accordingly, for the purpose of this Unaudited *Pro Forma* Financial Information:

(a) the assets and liabilities of the ADNOC Gas Business (including investment in equity accounted investees) are reflected at their carrying amounts. No adjustments are made to reflect fair values, or recognise any new assets or liabilities, at the date of the combination that would otherwise be recognised under the acquisition method;

(b) no goodwill is recognised as a result of the combination. Any difference between the consideration transferred and the acquired net assets is reflected within equity; and

(c) the statement of profit or loss reflects the results of the ADNOC Gas Business.

Additionally, on 1 January 2023, ADNOC and Gas Co entered into the Reorganisation Agreements to carry out the operations and trading activities of Gas Co.

In connection with the Reorganisation, Gas Co entered into a fiscal arrangement (the "**Fiscal Arrangement**") from the Abu Dhabi Supreme Council for Financial and Economic Affairs effective from 1 January 2023, setting out the fiscal regime applicable to the ADNOC Gas Business.

The Unaudited *Pro Forma* Financial Information has been prepared to illustrate the impact of the Reorganisation, the Reorganisation Agreements and the Fiscal Arrangement on the statement of financial position as at 31 October 2022, as if the Reorganisation had taken place and the Reorganisation Agreements and the Fiscal Arrangement had been effective as at 31 October 2022, and the combined statement of profit or loss for the ten-month periods ended 31 October 2022 and 31 October 2021 and for the year ended 31 December 2021, as if the Reorganisation had taken place and the Reorganisation Agreements and the Fiscal Arrangements had been effective, on 1 January 2021.

This Unaudited *Pro Forma* Financial Information has been compiled in a manner consistent with the accounting policies adopted by ADNOC.

ADNOC Gas has assessed that there are no material differences between the accounting policies applied in preparing the respective historical financial statements and the ADNOC ASR Assents Financial Statements for the year ended 31 December 2021. 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. The *pro forma* adjustments are described in the accompanying notes, which should be read in conjunction with the Unaudited *Pro Forma* Financial Information.

The Unaudited *Pro Forma* Financial Information has been prepared for illustrative purposes only and because of its nature, the Unaudited *Pro Forma* Financial Information addresses a hypothetical situation and, therefore, does not represent ADNOC Gas's actual financial position and financial performance and may not give a true picture of its financial position and 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 Gas, given that it has been prepared solely for the purposes of illustrating the identifiable and objectively measurable effects of the Reorganisation, the Reorganisation Agreements and the Fiscal Arrangement. 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 consummation of the Reorganisation.

The Unaudited *Pro Forma* Financial Information is based upon:

- the historical financial statements of the ASR activities and the ADNOC ASR Accounts;
- 100 percent equity interest in AIG;
- joint venture interests in AGP and ALNG; and
- the ADNOC ASR Gas Assets Financial Statements for the year ended 31 December 2021 and the ADNOC ASR Gas Assets interim condensed financial information for the ten-months period ended 31 October 2021 and 31 October 2022.

Unaudited *Pro Forma* Financial Information gives effect to the *pro forma* adjustments that are (i) directly attributable to the Reorganisation, the Reorganisation Agreements and the Fiscal Arrangement; (ii) expected to have a continuing impact on ADNOC Gas; and (iii) factually supportable. These *pro forma* adjustments are described in the accompanying notes. The *pro forma* information presented herein should be read in conjunction with the historical ASR financial statements and the ADNOC ASR Accounts.

The Unaudited Pro Forma Financial Information was approved by the management and authorised for issue on 13 February 2023.

(a) *Unaudited pro forma combined statement of financial position as at 31 October 2022*
(all amounts are in USD 'millions, unless otherwise stated)

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Investments	Combination adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	*Combined pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
ASSETS												
Non-current assets												
Property, plant and equipment	-	-	-	46	20,033	-	-	20,079	-	-	-	20,079
Intangible assets	-	-	-	1	79	-	-	80	-	-	-	80
Right-of-use assets	-	-	-	-[1]	-	-	-	-	-	135	-	135
Equity-accounted investees	-	-	-	-	-	905	-	905	-	-	-	905
Investment in subsidiary	-	-	-	-	-	115	(115)	-	-	-	-	-
Recoverable from shareholder	33	1	-	-	-	-	(34)	-	-	-	-	-
Deferred tax assets	-		-	-	138	-	-	138	-	-	385	523
Advances and other receivables	2	3	-	-	-	-	-	5	-	-	-	5
Total non-current assets	**35**	**4**	**-**	**47**	**20,250**	**1,020**	**(149)**	**21,207**	**-**	**135**	**385**	**21,727**
Current assets						-						
Inventories	116	4	7	1	-	-	-	128	-	-	-	128
Recoverable from shareholder	8	-[1]	-	-	-	-	(8)	-	-	-	-	-
Due from related parties	51	-[1]	-	4	58	-	-	113	-	-	-	113
Prepayments	25	-	-	-[1]	-	-	-	25	-	-	-	25
Advances and other receivables	49	6	-	1	-	-	-	56	-	-	-	56
Cash and cash equivalents	6	67	-[1]	19	-	-	-	**92**	-	-	-	**92**
Total current assets	**255**	**77**	**7**	**25**	**58**	-	**(8)**	**414**	**-**	**-**	**-**	**414**
TOTAL ASSETS	**290**	**81**	**7**	**72**	**20,308**	**1,020**	**(157)**	**21,621**	**-**	**135**	**385**	**22,141**

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Investments	Combination adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	*Combined pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
EQUITY AND LIABILITIES												
Equity												
Share capital	-	-	-	170	-	-	(170)	**-**	**-**	**-**	**-**	**-**
Statutory reserve	-	-	-	15	-	-	(15)	**-**	**-**	**-**	**-**	**-**
Retained earnings / Accumulated losses	-	-	-	(121)	-	-	121	**-**	**-**	**-**	385	**385**
Invested equity	(196)	59	(73)	-	17,880	1,020	(51)	**18,639**		-	-	**18,639**
TOTAL EQUITY	**(196)**	**59**	**(73)**	**64**	**17,880**	**1,020**	**(115)**	**18,639**	**-**	**-**	**385**	**19,024**
Liabilities												
Non-current liabilities												
Lease liabilities	33	1	-	-	-	-	(34)	**-**	**-**	127	**-**	**127**
Provision for decommissioning	-	-	-	-	2,139	-	-	**2,139**	**-**	**-**	**-**	**2,139**
Due to related parties	-	-	15	-	-	-	-	**15**	**-**	**-**	**-**	**15**
Total non-current liabilities	**33**	**1**	**15**	**-**	**2,139**	-	**(34)**	**2,154**	**-**	**127**	**-**	**2,281**
Current liabilities												
Bank overdraft	2	-	-	**-**	**-**	-	**-**	**2**	**-**	**-**	**-**	**2**
Lease liabilities	8	-[1]	-	**-**	**-**	-	(8)	**-**	**-**	8	**-**	**8**
Trade payables and other payables	333	14	-	2	-	-	-	**349**	**-**	**-**	**-**	**349**
Due to related parties	110	7	65	6	289	-	**-**	**477**	**-**	**-**	**-**	**477**
Total current liabilities	**453**	**21**	**65**	**8**	**289**	-	**(8)**	**828**	-	**8**	-	**836**
TOTAL LIABILITIES	**486**	**22**	**80**	**8**	**2,428**	-	**(42)**	**2,982**	-	**135**	-	**3,117**
TOTAL EQUITY AND LIABILITIES	**290**	**81**	**7**	**72**	**20,308**	**1,020**	**(157)**	**21,621**	**-**	**135**	**385**	**22,141**

[1] Amount less than 0.5 USD Million

(b) *Unaudited pro forma combined statement of profit or loss for the period ended 31 October 2022*
(all amounts are in USD 'millions, unless otherwise stated)

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Share of results of Joint arrangements	Combination Adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	*Combined pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
Revenue	-	36	-	8	-	-	(32)	**12**	17,845	-	-	**17,857**
Other income	18	1	-	-	-	-	-	**19**	-	-	-	**19**
Total income	**18**	**37**	**-**	**8**	**-**	-	**(32)**	**31**	**17,845**	**-**	**-**	**17,876**
Operating costs												
Cost of feedstock	-	-	-	-	-	-	-	-	(10,528)	-	-	**(10,528)**
Marketing costs	-	-	-	-	-	-	-	-	(12)	-	-	**(12)**
Material and gas costs/ consumption	(65)	-	(4)	-	-	-	32	**(37)**	-	-	-	**(37)**
Other production costs and utilities	(245)	(4)	(30)	(2)	-	-	-	**(281)**	-	-	-	**(281)**
Employee benefit expenses	(451)	(3)	(48)	(1)	-	-	-	**(503)**	-	-	-	**(503)**
Depreciation and amortisation	-	-	-	(3)	(968)	-	-	**(971)**	-	(5)	-	**(976)**
Provision for slow moving and obsolete inventories	(14)	-	-	-	-	-	-	**(14)**	-	-	-	**(14)**
Other operating costs and admin expenses	(264)	(22)	(1)	(2)	(932)	-	932	**(289)**	-	-	-	**(289)**
Share of operating costs in a joint arrangement	-	-	-	-	-	(202)	-	**(202)**	-	-	-	**(202)**
Asset usage charges	-	-	-	-	-	-	-	-	-	(14)	-	**(14)**
Recoverable	1,021	(8)	83				(932)	**164**	-	-	-	**164**
Total Operating expenses	**(18)**	**(37)**	**-**	**(8)**	**(1,900)**	**(202)**	**32**	**(2,133)**	**(10,540)**	**(19)**	**-**	**(12,692)**
Finance costs	-	-	-	-	(110)	-	-	**(110)**	-	(6)	-	**(116)**
Loss on disposal of Property, plant and equipment	-	-	-	-	(1)	-	-	**(1)**	-	-	-	**(1)**
	-	**-**	**-**	**-**	**(111)**	**-**	**-**	(111)	**-**	**(6)**	**-**	(117)
Share of profit of equity-accounted investee	-	-	-	-	-	549	-	**549**	-	-	-	**549**
Profit/ (loss) before tax	**-**	**-**	**-**	**-**	**(2,011)**	**347**	**-**	**(1,664)**	**7,305**	**(25)**	**-**	**5,616**

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Share of results of Joint arrangements	Combination Adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	*Combined pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
Income tax												
Current tax	-	-	-	-	-	-	-	-	-	-	(1,544)	**(1,544)**
Deferred tax credit	-	-	-	-	21	-	-	**21**	-	-	79	**100**
Income tax expense	**-**	**-**	**-**	**-**	**21**	**-**	**-**	**21**	**-**	**-**	**(1,465)**	**(1,444)**
Profit/ (loss) after tax for the year	**-**	**-**	**-**	**-**	**(1,990)**	**347**	**-**	**(1,643)**	**7,305**	**(25)**	**(1,465)**	**4,172**

(c) *Unaudited pro forma combined statement of profit or loss for the period ended 31 October 2021*
(all amounts are in USD 'millions, unless otherwise stated)

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Share of results of Joint arrangements	Combination Adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	Combined *pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
Revenue	-	33	-	3	-	-	(31)	**5**	13,856	-	-	**13,861**
Other income	10	-	-	-[1]	-	-	(1)	**9**	-	-	-	**9**
Total income	**10**	**33**	**-**	**3**	**-**	-	**(32)**	**14**	**13,856**	**-**	**-**	**13,870**
Operating costs												
Cost of feedstock	-	-	-	-	-	-	-	-	(8,002)	-	-	**(8,002)**
Marketing costs	-	-	-	-	-	-	-	-	(12)	-	-	**(12)**
Material and Gas costs/ consumption	(64)	-	(3)	-	-	-	31	**(36)**	-	-	-	**(36)**
Other production cost and utilities	(224)	(4)	(28)	-[1]	-	-	1	**(255)**	-	-	-	**(255)**
Employee benefit expenses	(457)	(4)	(45)	(1)	-	-	-	**(507)**	-	-	-	**(507)**
Depreciation and amortisation	-	-	-	(1)	(913)	-	-	**(914)**	-	(5)	-	**(919)**
Provision for slow moving and obsolete inventories	(4)	-	-	-	-	-	-	**(4)**	-	-	-	**(4)**
Provision for doubtful debts - due from related parties	(10)	-	-	-	-	-	-	**(10)**	-	-	-	**(10)**
Other operating costs and administrative expenses	(248)	(16)	(2)	-[1]	(898)	-	898	**(266)**	-	-	-	**(266)**
Share of operating costs in a joint arrangement	-	-	-	-	-	(213)	-	**(213)**	-	-	-	**(213)**
Asset usage charges	-	-	-	-	-	-	-	-	-	(14)	-	**(14)**
Recoverable	997	(9)	78	-	-	-	(898)	168	-	-	-	**168**
Total Operating expenses	**(10)**	**(33)**	**-**	**(2)**	**(1,811)**	**213**	**32**	**(2,037)**	**(8,014)**	**(19)**	**-**	**(10,070)**
Finance costs	-	-	-	-	(37)	-	-	**(37)**	-	(6)	-	**(43)**
Loss on disposal of Property, plant and equipment	-	-	-	-	(2)	-	-	**(2)**	-	-	-	**(2)**
	-	**-**	**-**	**-**	**(39)**	**-**	**-**	**(39)**	**-**	**(6)**	**-**	**(45)**
Share of profit of equity-accounted investee	-	-	-	-	-	254	-	**254**	-	-	-	**254**
Profit/ (loss) before tax	**-**	**-**	**-**	**1**	**(1,850)**	**41**	**-**	**(1,808)**	**5,842**	**(25)**	**-**	**4,009**
Income tax												
Current tax	-	-	-	-	-	-	-	-	-	-	(1,124)	(1,124)
Deferred tax credit	-	-	-	-	**11**	**-**	**-**	**11**	-	-	48	59
Income tax expense	-	-	-	-	**11**		**-**	**11**	-	-	**(1,076)**	**(1,065)**

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Share of results of Joint arrangements	Combination Adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	Combined *pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
Profit/ (loss) after tax for the year	-	-	-	1	(1,839)	41	-	(1,797)	5,842	(25)	(1,076)	2,944

(d) *Unaudited pro forma combined statement of profit or loss for the period ended 31 December 2021*
(all amounts are in USD 'millions, unless otherwise stated)

	Historical financial information								*Pro forma* adjustments			Total
	AGP ASR	AIG ASR	ALNG ASR	AIG	ADNOC ASR	Share of results of Joint arrangements	Combination adjustments	Combined historical (Total)	Trading activities	Asset usage arrangements	Fiscal arrangements	Combined *pro forma*
	Note 1	*Note 2*	*Note 3*	*Note 4*	*Note 5*	*Note 6*	*Note 7*		*Note 8(a)*	*Note 8(b)*	*Note 8(c)*	
Revenue	-	40	-	4	-	-	(37)	**7**	17,031	-	-	**17,038**
Other income	13	-	-	-[1]	-	-	(2)	**11**	-	-	-	**11**
Total income	**13**	**40**	**-**	**4**	**-**	-	**(39)**	**18**	**17,031**	**-**	**-**	**17,049**
Operating costs												
Cost of feedstock	-	-	-	-	-	-	-	-	(9,801)	-	-	**(9,801)**
Marketing costs	-	-	-	-	-	-	-	-	(15)	-	-	**(15)**
Material and Gas costs/ consumption	(79)	-	(4)	-	-	-	37	**(46)**	-	-	-	**(46)**
Other production cost and utilities	(272)	(5)	(37)	-	-	-	2	**(312)**	-			**(312)**
Employee benefit expenses	(562)	(5)	(89)	(1)	-	-	-	**(657)**	-	-	-	**(657)**
Depreciation and amortisation	-	-	-	(2)	(1,096)	-	-	**(1,098)**	-	(6)	-	**(1,104)**
Provision for slow moving and obsolete inventories	(2)	-	-	-	-	-	-	**((2)**	-	-	-	**(2)**
Provision for doubtful debts - due from related parties	(10)	-	-	-	-	-	-	**(10)**	-	-	-	**(10)**
Other operating costs and administrative expenses	(285)	(19)	(2)	-[1]	(1,114)	-	1,114	**(306)**	-	-	-	**(306)**
Share of operating costs in a joint arrangement	-	-	-	-	-	(287)	-	**(287)**	-	-	-	**(287)**
Asset usage charges	-	-	-	-	-	-	-	-	-	(19)	-	**(19)**
Recoverable	1,197	(11)	132	-	-	-	(1,114)	**204**	-	-	-	**204**
Total Operating expenses	**(13)**	**(40)**	**-**	**(3)**	**(2,210)**	**(287)**	**39**	**(2,514)**	**(9,816)**	**(25)**	**-**	**(12,355)**
Finance costs	-	-	-	-	(45)	-	-	**(45)**	-	(7)	-	**(52)**
Loss on disposal of property, plant and equipment	-	-	-	-	(2)	-	-	**(2)**	-	-	-	**(2)**
	-	-	-	-	(47)	-	-	**(47)**	-	**(7)**	-	**(54)**
Share of profit of equity-accounted investee	-	-	-	-	-	318	-	**318**	-	-	-	**318**
Profit/ (loss) before tax	**-**	**-**	**-**	**1**	**(2,257)**	**31**	**-**	**(2,225)**	**7,215**	**(32)**	**-**	**4,958**
Income tax												
Current tax	-	-	-	-	-	-	-	-	-	-	(1,431)	(1,431)
Deferred tax credit	-	-	-	-	**13**	-	**-**	**13**	-	-	60	73
Income tax expense	-	-	-	-	**13**	-	**-**	**13**	-	-	**(1,371)**	**(1,358)**
Profit/ (loss) after tax for the year	**-**	**-**	**-**	**1**	**(2,244)**	**31**	**-**	**(2,212)**	**7,215**	**(32)**	**(1,371)**	**3,600**

Notes to Unaudited *Pro Forma* Financial Information

(a) Historical financial information of operations of AGP ASR

1. Historical financial information of the operations of the AGP ASR assets has been extracted without any material adjustments from the audited AGP ASR financial statements for the year ended 31 December 2021 prepared in accordance with the IFRS as issued by the International Accounting Standards Board ("**IASB**"); and

2. Historical financial information of the operations of the AGP ASR assets has been extracted without any material adjustments from the unaudited interim condensed AGP ASR financial information as at and for the ten-month period ended 31 October 2022, which includes comparative information for the ten-month period ended 31 October 2021 prepared in accordance with IAS 34 Interim Financial Reporting.

(b) Historical Financial information of operations of AIG ASR

1. Historical financial information of the operations of the AIG ASR assets has been extracted without any material adjustments from the audited AIG ASR financial statements for the year ended 31 December 2021 prepared in accordance with IFRS as issued by the IASB; and

2. Historical financial information of the operations of the AIG ASR assets has been extracted without any material adjustments from the unaudited interim condensed AIG ASR financial statements as at and for the ten-month period ended 31 October 2022, which includes comparative information for the ten-month period ended 31 October 2021 prepared in accordance IAS 34 Interim Financial Reporting.

(c) Historical Financial information of operations of ALNG ASR

1. Historical financial information of the operations of the ALNG ASR assets has been extracted without any material adjustments from the audited ALNG ASR financial statements for the year ended 31 December 2021 prepared in accordance with IFRS as issued by the IASB; and

2. Historical financial information of the operations of the ALNG ASR assets has been extracted without any material adjustments from the unaudited interim condensed ALNG ASR financial information as at and for the ten-month period ended 31 October 2022, which includes comparative information for the ten-month period ended 31 October 2021 prepared in accordance IAS 34 Interim Financial Reporting.

(d) Historical Financial information of AIG

1. AIG's historical financial information has been extracted without any material adjustments from the audited AIG financial statements for the year ended 31 December 2021 prepared in accordance with IFRS as issued by the IASB; and

2. AIG's historical financial information has been extracted without any material adjustments from the unaudited interim condensed AIG financial information as at and for the ten-month period ended 31 October 2022, which includes comparative information for the ten-month period ended 31 October 2021 prepared in accordance IAS 34 Interim Financial Reporting.

(e) ADNOC ASR financial statements

1. The ASR carve-out historical financial information has been extracted without any material adjustments from the audited ADNOC ASR Annual Financial Statements for the year ended 31 December 2021 prepared in accordance with IFRS as issued by the IASB; and

2. The unaudited ASR carve-out accounts have been extracted without any material adjustments from the ADNOC ASR Unaudited Interim Financial Statements as at and for the ten-month period ended 31 October 2022, which includes comparative information for the ten-month period ended 31 October 2021 prepared in accordance IAS 34 Interim Financial Reporting.

(f) **Investment adjustments**

This column represents adjustments to reflect the following:

1. Equity accounting for investment in the Joint Ventures

ADNOC held 68% of the shares in AGP and 70% percent of the shares in ALNG before transferring its interests to Gas Co. The consolidated financial statements of the ADNOC Group recognises the interests in the Joint Ventures using equity method of accounting as per IAS 28 Investments in Associates and Joint Ventures. In the *pro forma* statement of financial position, the investment in AGP and ALNG is based on the carrying values in the books of ADNOC at 1 January 2021 and subsequently adjusted for the share of the Joint Ventures' profit or loss less dividends, impairment.

2. Investment in AIG

On 29 July 2021, Linde GmBH, one of the shareholders of AIG, sold its interest of 49% in the AIG to ADNOC for a consideration of USD 7,000,000, making AIG a wholly owned subsidiary of ADNOC. Therefore, the carrying value of the interest in AIG which was previously equity accounted for under IAS 28 is derecognised. Further, the financial statements of AIG are consolidated on a line-by-line basis in the Unaudited *Pro Forma* Financial Information.

(g) **Combination adjustments**

This column represents adjustments to eliminate the following related party transactions:

- Receivables and payables arising from the intercompany sales and purchases of goods and provision of services
- Share capital, reserves and retained earnings included in the column *'Historical financial information'* of AIG upon consolidation.
- Inter-company revenue and cost transactions between AIG ASR and AGP ASR.
- Income from ADNOC in the ASR financial statements.
- The lease liabilities and corresponding amounts recoverable from ADNOC that are reflected in the ASR financial statements.

(h) ***Pro forma* adjustments**

1. Trading activities

(i) **Revenue**

The historical financial information does not reflect revenue from the following:

- the sale of products produced from ASR assets;
- Gas Co's share of production from AGP as the activities were carried out by ADNOC separate from the ADNOC Gas Business; and
- sale of products from integrated gas sources sourced by Gas Co pursuant to the Gas Supply and Payment Agreement.

Gas Co is a principal in the sale of products and recognises revenue from the sale of products on a gross basis.

Gas Co carries out the processing of feedstock into different products and sells it to the third-party customers and affiliates of ADNOC, with ADNOC acting as a Marketing Manager in the interim period. Re-injection gas is one of the products processed by Gas Co from the feedstock and sold back to ADNOC for the purpose of re-injection into reservoirs operated by ADNOC.

Re-injection gas is a derived component from the original feedstock sold by ADNOC to Gas Co under the GSPA, which is repurchased by ADNOC. Accordingly, to that extent the control does not pass on to ADNOC Gas. Hence Gas Co recognises revenue on net basis i.e.: income from sale of re-injection gas to ADNOC less feedstock cost for the same in *pro forma* statement of profit or loss.

(ii) **Feedstock cost**

Gas Co entered into the GSPA with ADNOC effective 1 January 2023 to procure raw gas and gas from integrated gas sources (together referred to as 'feedstock') for its operations. The feedstock cost is determined through the actual sales volume of the NGL and non-NGL products by taking into account fuel gas cost, minimum gas payment and the profit share components in accordance with the GSPA with ADNOC. This feedstock cost is presented under "operating expenses" in the *pro forma* statement of profit or loss. (See *"Material Agreements–Gas Supply and Payment Agreement*").

(iii) **Marketing cost**

Gas Co entered into the Transitional Marketing And Transportation Services Agreement with ADNOC effective 1 January 2023 through which ADNOC acts as an agent in undertaking marketing and transportation services for the products of Gas Co. For providing these services, Gas Co reimburses ADNOC the marketing and transportation costs. The consideration paid by Gas Co (i.e.: reimbursable costs) to ADNOC for marketing and transportation services is presented under 'operating expenses' in the *pro forma* statement of profit or loss. (See *"Material Agreements–Transitional Marketing and Transportation Services Agreement*").

2. Asset usage

(i) **Lease liabilities and Right of Use assets**

Gas Co has entered into the following lease arrangements:

- Lease of lands from ADNOC for operations of AGP ASR assets.
- Lease of lands from ADNOC in Mirfa region for operations of AIG ASR assets.

Gas Co recognised a lease liability and Right of Use assets in the Unaudited *Pro Forma* Financial Information with respect to these lease arrangements. Further, the interest accretion on lease liability and the amortisation of Right of Use assets are also presented in the Unaudited *Pro Forma* Financial Information.

(ii) **Gas pipelines**

Gas Co entered into the Pipelines Use and Operation Agreement with ADNOC effective 1 January 2023 through which Gas Co has the right to use, manage and operate the pipelines. However, ownership interest in pipelines is not transferred to Gas Co. Further, Gas Co makes tariff payments to ADNOC for use of the pipelines based on the quantum of molecules flowing through these pipelines. The tariff payments made by Gas Co to ADNOC will have a cap based on baseline estimates and not include any fixed payment or minimum commitments. Further, the tariff is computed based on the unit of molecules and is not dependent on any index or rate. (See *"Material Agreements–Pipelines Use and Operation Agreement"*.)

No lease liability is recognised in the Unaudited *Pro Forma* Financial Information in the absence of fixed payments and index or rate based variable payments. Instead, Gas Co recognised a charge for the usage of gas pipelines which is based on actual quantum of molecules flowing through the pipelines. Such tariff for the use of pipelines is presented under 'operating expenses' in the *pro forma* statement of profit or loss.

3. Fiscal arrangements

(i) **Current tax**

Under the provisions of the Fiscal Arrangement:

- taxable income from trading activities of Gas Co will be subject to tax at the rate of 55 percent on NGL products;
- income from trading activities of non NGL products will have a tax holiday period for the first five years ending on 31 December 2027 and will not be subject to tax. Post the tax holiday period, trading activities of non NGL products will be subject to tax at the rate of 15% up to taxable income of USD 1 Billion and 35% on taxable income in excess of USD 1 Billion;
- taxable income from trading activities of Gas Co will be subject to tax at the rate of 10 percent on industrial gases; and
- any other corporate income will not be subject to tax.

Taxable income as defined in the Fiscal Arrangement is the Gas Co's revenues and all other income *less* all feedstock costs and operating expenses, as determined in accordance with the terms of the Fiscal Arrangement. NGL products means propane, butane, paraffinic naphtha and export condensate. Non-NGL products means methane, ethane, re-injection gas and sulphur.

Therefore, current taxes are computed in the Unaudited *Pro Forma* Financial Information on the basis of the above-mentioned terms of the Fiscal Arrangement.

(ii) **Deferred tax**

The terms of the Fiscal Arrangement provide that decommissioning costs or costs and expense for overhaul at gas processing and handling facilities are deductible from income only in the year in which such expenditure is actually spent.

The Unaudited *Pro Forma* Financial Information includes decommissioning liabilities (including accretion from unwinding of discount) and capitalisation of decommissioning costs as a part of property, plant and equipment (including depreciation). Therefore, temporary differences arise between carrying amount of provision for decommissioning costs and the decommissioning costs capitalised in the balance sheet and their tax base.

Accordingly, the deferred tax impact is calculated at the weighted average rate for the decommissioning costs of ASR assets and AGP assets and at 55% for the decommissioning costs of ALNG assets and presented in the Unaudited *Pro Forma* Financial Information.

14. DIVIDEND POLICY

The Board has adopted a robust dividend policy designed to return to shareholders a substantial portion of its distributable free cash flow after expenditure on growth opportunities and while maintaining an investment grade credit profile. To the extent the Board determines to pay a dividend in respect of a given period, we intend to distribute cash dividends twice each financial year (each, a “reference year”), with an initial payment in the fourth quarter of the reference year in relation to the financial performance for the first six months of that financial year and a second payment in the second quarter of the financial year following the reference year in relation to the financial performance of the last six months of the reference year, subject to the approval of Shareholders at a general meeting.

The Company's ability to pay dividends is dependent on a number of factors, including:

- the availability of positive net income distributable reserves, the Company's capital expenditure plans, credit rating considerations and other cash requirements in support of our strategy in future periods;

- market conditions, the then-current operating environment in our markets and the outlook for the Group's business;
- level 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 our outlook for our business; and
- approval of any dividend payment at a general meeting of our Shareholders.

See "*Investment Risks–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, 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 - "*We may not pay any cash dividends on the Shares. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them*".

Subject to the foregoing, and while there is no assurance that the Company will pay dividends or, if a dividend is paid, what the amount of such dividend will be, the Company is targeting to pay a fixed dividend amount of USD 1,625 million in the fourth quarter of 2023 in respect of the first half of the year ended 31 December 2023; and a further USD 1,625 million in the second quarter of 2024 in respect of the second half of the year ended 31 December 2023. Thereafter, we expect to grow the annual target dividend amount from USD 3,250 million (which is equal to the annualized dividend for the year ended 31 December 2023) by a growth rate of 5% per annum on a dividend per share basis over the period 2024-2027. This progressive dividend policy is designed to reflect our expectation of strong cash flow and our expected long-term earning potential, while allowing us to retain sufficient flexibility to fund continued investment in long-term growth opportunities.

In addition, the Company expects that the Board of Directors will also consider market conditions, the then-current operating environment in the markets in which the Company operates, and the outlook for the Group's business.

15. MATERIAL EVENTS AND CONTRACTS CONCLUDED BY THE GROUP (INCLUDING RELATED PARTY AGREEMENTS)

The following is a summary of certain terms of the Group's material contracts and related party agreements. The following summaries do not purport to describe all of the applicable terms and conditions of such contracts and are qualified in their entirety by reference to the actual agreements.

(a) Related Party Transactions

Members of the Group are party to various agreements and other arrangements with related parties comprising ADNOC and certain of its other subsidiaries. The most significant of these transactions are described below. For details of the impact of related party transactions on our financial position and financial results as at and for the year ended 31 December 2020, please refer to the notes of the Audited Annual Financial Statements, included elsewhere in this Prospectus. For details of the impact of related party transactions on our financial position and financial results as at and for the year ended 31 December 2021 and the ten months ended 31 October 2021 and 2022, please refer to the notes of the Unaudited *Pro Forma* Financial Information, included elsewhere in this Prospectus. Definitions of capitalised terms defined within a description of any agreement in this section shall apply to that agreement only and not to any other agreement described in this section or elsewhere in this Prospectus. Definitions of capitalised terms used but not defined in any description of any agreement in this section shall have the definition set forth under "Definitions and Abbrevations" or as otherwise provided in this Prospectus.

1. Pipelines Use and Operation Agreement

See the section "*Material Agreements*".

2. Transitional Marketing and Transportation Agreement

See the section "*Material Agreements*".

3. **Transitional Support Services Agreement**

See the section "*Material Agreements*".

4. **The Reorganisation**

(i) **Capitalisation Agreement**

On 31 December 2022, the Company entered into the Capitalisation Agreement with ADNOC and Gas Co which establishes how the consideration payable by Gas Co under the Intra-Group Asset Transfer Agreement, the AGP Participation Interest Transfer Agreement, the ALNG Share Transfer Agreement, and the AIG Share Transfer Agreement (together the "**Sale Agreements**") will be satisfied. Under the terms of the Capitalisation Agreement, the Company satisfies consideration on behalf of Gas Co in return for Gas Co providing the Company with consideration of the same form and value.

ADNOC has the right to determine whether the Closing Payment (and any post-closing adjustments to that payment) under the Sale Agreements will be satisfied by one or a combination of: (i) the issue to ADNOC of ordinary shares of the Company or (ii) the principal amount of a shareholder loan to be lent by ADNOC to the Company, the combined value of which corresponds to the aggregate closing payment amounts under the Sale Agreements. On 31 December 2022, ADNOC provided the Company and Gas Co with a formal notice in accordance with the terms of the Capitalisation Agreement, pursuant to which ADNOC confirmed that the aggregate of the closing payments payable by Gas Co pursuant to the Sale Agreements was to be satisfied by the combination of the following:

- the issue of a number of ordinary shares at par value of one US Dollar per share in the capital of the Company (and such number of shares shall constitute "**Closing Payment List Co Consideration Shares**" for the purposes of the Capitalisation Agreement); and
- The Company and ADNOC entering into the Shareholder Loan Agreement for the grant of a shareholder loan by ADNOC to the Company for an initial amount of USD 0 (nil) (and such loan amount shall constitute "**List Co Loan Amount**" for the purposes of the Capitalisation Agreement).

ADNOC agrees to release Gas Co from its payment obligations under the Sale Agreements upon satisfaction by the Company of its relevant obligations under the Capitalisation Agreement.

(ii) **AGP Participation Interest Transfer Agreement**

On 22 December 2022, ADNOC and Gas Co entered into the AGP Participation Interest Transfer Agreement with ADNOC and Gas Co pursuant to which, effective 1 January 2023, ADNOC transferred to Gas Co ADNOC's "Participation Share", as defined in the Joint Venture Agreement dated 31 March 2009 relating to AGP ("**AGP Joint Venture Agreement**"), which included 287,232 ordinary shares of AGP, representing 68% of the its entire issued share capital ("**AGP Shares**"), together with all accrued benefits and rights (including voting and dividend rights) attached thereto. Pursuant to the AGP Participation Interest Transfer Agreement, Gas Co agrees to assume ADNOC's obligations under, and be bound by the provisions of the AGP Joint Venture Agreement and the collateral agreements contemplated therein to which ADNOC is a party. The agreement contemplates that on or before the closing date the parties will enter into the novation agreement in respect of the AGP Joint Venture Agreement, the terms of which are summarised above.

Pursuant to the AGP Participation Interest Transfer Agreement, ADNOC agrees to transfer any rights of ADNOC to receive gas or gas products under the collateral agreements contemplated under the AGP Joint Venture Agreement which have not been delivered to ADNOC as at the closing date. The purchase price for the sale of the Participation Interest to Gas Co represents ADNOC's good faith estimate of the book value of the AGP Shares

plus the book value of any paid but unutilised cash call amounts paid by ADNOC to AGP in accordance with the AGP Joint Venture Agreement or other connected arrangements.

Within 21 days of the closing date, ADNOC is required to deliver to Gas Co a notice confirming the actual book value of the Participation Interest as at the closing date and any necessary adjustments to the consideration will be made in accordance with the Capitalisation Agreement.

(iii) **ALNG Share Transfer Agreement**

On 22 December 2022, Gas Co and ADNOC entered into the ALNG Share Transfer Agreement pursuant to which , effective from 1 January 2023, ADNOC transferred its 73,500,000 ordinary shares of ALNG, representing 70% of its entire issued share capital ("**ALNG Shares**"), together with all accrued benefits and rights (including voting and dividend rights) attached thereto.

The purchase price for the sale of the ALNG Shares to Gas Co represents ADNOC's good faith estimate of the book value of the ALNG Shares.

Within 21 days of the closing date, ADNOC is required to deliver to Gas Co a notice confirming the actual book value of the ALNG Shares as at the closing date and any necessary adjustments to the consideration will be made in accordance with the Capitalisation Agreement.

(iv) **Intra-Group Asset Transfer Agreement**

On 22 December 2022, ADNOC and Gas Co entered into Intra-Group Asset Transfer Agreement pursuant to which, effective 1 January 2023, ADNOC transferred to Gas Co certain assets and the facilities and rights associated therewith, including the ASR Businesses and the Mirfa IGP (and associated contracts, IP, real property, inventory and other rights) and all sales or offtake agreements entered into by ADNOC for the sale products produced or handled at those facilities not fully performed by the parties to it as at the closing date ("**Sales Contracts**").

The AGP ASR Business is currently operated by AGP under an operating agreement with ADNOC dated 17 August 2010, and the ALNG ASR Business is currently operated by ALNG under an operating agreement with ADNOC effective from 24 January 2007. These operating agreements were novated by ADNOC to Gas Co pursuant to the Novation and Amendment Agreement in respect of the Amended and Restated AGP Operating Agreement (see "*Related Party Transactions – Novation and Amendment Agreement in respect of the Amended and Restated AGP Operating Agreement*") and the Novation and Amendment Agreement in respect of the ALNG ASR Business Operating Agreement (see "*Related Party Transactions – Novation and Amendment Agreement in respect of the ALNG ASR Business Operating Agreement*"), respectively (see below).

The Intra-Group Asset Transfer agreement provides that the transferring contracts identified in the agreement will be assigned with effect from closing, save for those contracts which require third party consents for assignment, in respect of which the parties will use commercially reasonable endeavours to obtain such consent. The agreement also provides a mechanism for performance of Sales Contracts where the relevant Sales Contract does not permit Gas Co to immediately commence performance of the contract as an affiliate of ADNOC.

The purchase price for the assets transferred to Gas Co pursuant to the Intra-Group Asset Transfer Agreement represents ADNOC's good faith estimate of the book value of the assets.

Within 21 days of the closing date, ADNOC is required to deliver to Gas Co a notice confirming the actual book value of the relevant assets as at the closing date and any necessary adjustments to the consideration will be made in accordance with the Capitalisation Agreement.

(v) **AIG Share Transfer Agreement**

On 22 December 2022, ADNOC and Gas Co entered into the AIG Share Transfer Agreement with ADNOC and Gas Co, pursuant to which, effective 1 January 2023, ADNOC sold 170,000 ordinary shares of USD 1,000 each in the capital of AIG, being its entire issued capital ("**AIG Shares**") together with all accrued benefits and rights (including voting and dividend rights) attached thereto, to Gas Co .

The purchase price for the sale of the AIG Shares to Gas Co represents ADNOC's good faith estimate of the book value of the AIG Shares.

Within 21 days of the closing date, ADNOC is required to deliver to Gas Co a notice confirming the actual book value of the AIG Shares as at the closing date and any necessary adjustments to the consideration will be made in accordance with the Capitalisation Agreement.

5. **ADNOC VAT Group Risk Management Deed**

On or prior to Listing, we will procure that all Taxable Persons in the Group (to exclude the Company but to include controlled subsidiaries such as Gas Co and O&M Co) that are also members of the ADNOC VAT Group enter into an ADNOC VAT Group Risk Management Deed with ADNOC (in its capacity as the "**Representative Member**" of the ADNOC VAT Group) and other members of the ADNOC VAT Group as set out therein. We will enter into the ADNOC VAT Group Risk Management Deed to record certain matters relating to the joint and several liability of the ADNOC VAT Group. Pursuant to the ADNOC VAT Group Risk Management Deed, when determining the liability for VAT, Supplies (as defined below) will not be automatically deemed to have been made by or to the Representative Member but will instead be attributed to the relevant VAT group member that was a party to that Supply. Under the ADNOC VAT Group Risk Management Deed, Taxable Persons in the Group, along with the other VAT group members signatories to this deed, agree and acknowledge that we will be severally (and not jointly) liable for any VAT imposed, on or in connection with, any errors included in, any omissions from, any late or incomplete submission of, or any failure to submit, any VAT return, in each case to the extent that such error, omission or other compliance failing relates to a supply of goods or a supply of services as interpreted under the relevant VAT law and executive regulations ("**Supply**" or "**Supplies**") to which the relevant VAT group member was a party or results from the conduct of that member. We along with the VAT group members signatories to this deed also agree that the Representative Member will not be liable for any VAT imposed on or in connection with any errors, omissions or other compliance failing in respect of any VAT return. Taxable Persons in the Group, along with the other VAT group members, also agree to indemnify and hold harmless the Representative Member against any and all claims, losses, damages, costs, expenses and liabilities arising in respect of or in connection with VAT, any VAT return, and the Representative Member's role as representative member for the purposes of VAT law of the ADNOC VAT Group.

6. **Novation and Amendment Agreement in respect of the ALNG ASR Business Operating Agreement**

(i) **Novation and Amendment**

On 31 December 2022, ADNOC, Gas Co and ALNG entered into a novation and amendment agreement in respect of the operating agreement for the ADNOC sole risk operations, which became effective on 24 January 2007.

Pursuant to the novation and amendment agreement, ADNOC novates its rights, obligations and liabilities under the novating agreement to Gas Co and amend the terms of the novating agreement effective from 1 January 2023.

(ii) **Amended and Restated Operating Agreement**

Pursuant to the Amended and Restated Operating Agreement between ALNG and Gas Co, Gas Co appoints ALNG and ALNG agrees to operate the ALNG ASR Business.

Gas Co, as owner of the ALNG ASR Business, further transfers and assigns to ALNG, as operator of the ALNG ASR Business, all rights and obligations of Gas Co under any

agreement and documents relating to the ALNG ASR Business agreed and executed by Gas Co. Gas Co retains an exclusive ownership interest in all property transferred, assigned to or operated by ALNG in connection with the ALNG ASR Business.

ALNG is authorised to and shall conduct or shall cause its agents or its contractors to conduct the ALNG ASR Business under the overall direction of Gas Co and in a manner consistent with the agreed annual work programs and budgets. Gas Co shall have free and unlimited access to all facilities operated and managed by ALNG, provided that does not interfere with safe and efficient running of ALNG's operations. Similarly, ALNG has free and unlimited access to ALNG ASR Business provided that it does not affect safe and efficient conduct or unduly interfere with Gas Co's operations. ALNG shall plan with and provide updates to Gas Co about projects, including establishing the appropriate level of financial authority for each project.

ALNG may not participate in any ALNG ASR Business by payment of a premium or otherwise. ALNG shall not be liable for any costs or liabilities incurred or accrued or relating to or resulting from the ALNG ASR Business. ALNG is not obliged to meet any cash calls issued by ALNG and related exclusively to the ALNG ASR Business.

ALNG shall be removed as operator upon receipt of notice from Gas Co if (a) ALNG is subject to insolvency, bankruptcy, material reorganisation or the like; or (b) any proposed transfer or issue of any shares in ALNG would result in ALNG ceasing to be an affiliate of Gas Co. In addition, Gas Co may choose to remove ALNG as the operator at any time, with or without cause, or withdraws all assets and/or operations from the ALNG ASR Business by notifying ALNG in writing at least 180 calendar days prior to such removal.

The agreement terminates upon the earlier of (i) the termination of the agreement in accordance with the terms of the Joint Development Agreement dated 6 December 2022 between ADNOC, ALNG, TotalEnergies S.E., Mitsui & Co., Ltd. and BP Global Investments Limited or (ii) the effective date of removal of ALNG as operator by Gas Co.

7. **Novation and Amendment Agreement in respect of the NGL Processing and Products Offtake Agreement**

See the section "*Material Agreements".*

8. **Novation and Amendment Agreement in respect of the AGP Associated Gas Processing and NGL Delivery Agreement**

See the section "*Material Agreements".*

9. **Novation and Amendment Agreement in respect of the Amended and Restated AGP Gas Supply and Payment Agreement**

See the section "*Material Agreements".*

10. **Novation and Amendment Agreement in respect of the Amended and Restated AGP Operating Agreement**

(i) **Novation and Amendment Agreement**

On 31 December 2022, ADNOC, Gas Co and AGP entered into a novation and amendment agreement in respect of the amended and restated operating agreement dated 17 August 2010 pertaining to onshore gas operations. Pursuant to the novation and amendment agreement, ADNOC novates the amended and restated operating agreement to Gas Co effective from 1 January 2023.

(ii) **Amended and Restated Operating Agreement**

As novated, the amended and restated operating agreement determines the parties' respective rights and obligations in relation to, and the terms and conditions pursuant to which AGP will conduct the activities set out in the agreement and all other activities assigned by Gas Co to AGP from time to time with respect to the AGP ASR Business on

behalf of Gas Co. The AGP ASR Business include (i) the operation and maintenance of the relevant ADNOC ASR Gas Assets; (ii) the transportation of liquid sulphur from the Habshan gas plant to the Ruwais sulphur handling terminal; (iii) the transportation and delivery of sales gas on behalf of Gas Co to any and all existing and future customers of Gas Co; (iv) the management on behalf of Gas Co of sales gas swap agreements with other gas suppliers; (v) the delivery of Gas Co's propane, butane and paraffinic naphtha produced at the ADNOC Ruwais NGL Facilities to customers; (vi) the transportation and delivery of Gas Co's condensate to ADNOC Refining, the Ruwais and Abu Dhabi refineries, and future customers; (vii) the delivery of Gas Co's granulated sulphur to the Ruwais sulphur handling terminal to customers; (viii) the conduct and management of feasibility, conceptual, pre-FEED and FEED studies, and EPC and commissioning/start-up activities related to projects assigned by Gas Co to AGP; and (ix) any other operations that are incidental to the foregoing and any activities assigned by Gas Co to AGP from time to time.

Subject to the terms of the agreement, (i) AGP shall have custody of the ASR Facilities together with the books of account, records and other documents pertaining to the AGP ASR Business, but shall not own any assets comprising the AGP ASR Business, which assets shall be owned by Gas Co; and (ii) AGP is authorised to and shall conduct (or shall cause its agents or its contractors to conduct) the AGP ASR Business under the overall direction of Gas Co, and in a manner consistent with the annual work programs and budgets specified in the agreement.

In addition, in respect of the AGP ASR Business, AGP shall (i) contract in its own name with third parties within the scope set forth in the agreement; (ii) not realise any gain or (subject to relevant indemnity provisions) suffer any loss as a result of its conduct of such operations; and (c) keep separate accounts of AGP operations and the AGP ASR Business, and not transfer costs from one to the other.

Gas Co may remove AGP as operator of the AGP ASR Business at any time, with or without cause, or withdraw all of the assets and/or operations from the AGP ASR Business, by written notice to AGP in accordance with the terms of the agreement.

The amended and restated operating agreement terminates upon the earlier of (i) the effective date of removal by Gas Co of AGP as operator in accordance with its provisions, (ii) the expiry or termination of the Amended and Novated AGP Joint Venture Agreement (see "*Material Agreements – Amended and Novated AGP Joint Venture Agreement*"), or (iii) the effective date of its termination in accordance with the relevant provisions of the joint development agreement dated 6 December 2022 between ADNOC, AGP, Total Energies S.E., Shell Abu Dhabi B.V. and PTTEP Gas Corporation.

11. **Novation and Amendment Agreement in respect of the AGP Manpower Supply Agreement**

(i) **Novation and Amendment Agreement**

On 31 December 2022, ADNOC, Gas Co and AGP entered into a novation and amendment agreement, in respect of the Manpower Supply Agreement, which became effective in 2010.

Pursuant to the novation and amendment agreement, ADNOC novates its rights, obligations and liabilities under the Manpower Supply Agreement and the terms of the novating agreement are amended effective from 1 January 2023.

Pursuant to the Manpower Supply Agreement, as novated, Gas Co must use its best efforts to second to AGP such technical and non-technical personnel from Gas Co or its affiliates as requested by AGP to assist it in the performance by AGP of its relevant functions related to the NGL Complex and the ASR facilities. The number and categories of personnel to be seconded is determined based on an "Annual Secondment Plan" as agreed upon between AGP and Gas Co, with any seconded personnel remaining employees of Gas Co or its affiliate, as applicable, under AGP's sole supervision. AGP may request seconded personnel from Gas Co independently from the Annual Secondment Plan at least six (6) months prior to the date on which any proposed secondment is expected to start.

The period of any secondment begins at three (3) to four (4) years, which may be extended by mutual agreement of the parties, and Gas Co must use best efforts to minimise departures of seconded personnel prior to the end of their agreed periods of secondment. Gas Co has the right to withdraw any seconded personnel without prior notice to AGP in case of an emergency or by giving six (6) months' prior notice to AGP but, unless AGP agrees otherwise, must provide a suitable replacement. In addition, Gas Co may withdraw, by giving thirty (30) days' prior written notice to AGP, any seconded personnel who has tendered his or her resignation to Gas Co.

(ii) **Charges for Provisions of Secondees**

As consideration for the secondments, AGP pays monthly charges as per the calculations set forth in the agreement.

(iii) **Taxes**

If any amount payable or reimbursable to Gas Co under this agreement is subject to any taxes or governmental charges in the UAE or Abu Dhabi, AGP will pay Gas Co additional sums to meet the tax requirements or charges.

(iv) **Liability**

Gas Co and its affiliates are not liable to AGP for any claims caused by, arising out of, or in connection with any act or omission of a secondee while seconded at AGP, provided the claim is not attributable to gross negligence of senior supervisory personnel of Gas Co, and AGP indemnifies Gas Co and its affiliates against any such claims.

AGP, at its own costs, must obtain insurance cover up to adequate levels of indemnity in respect of liability and include Gas Co (and its affiliates) as additional assured in the policy, provided it is at a reasonable additional cost.

(v) **Governing Law and Arbitration**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE, with unsettled disputes resolved by arbitration in accordance with the rules of arbitration of the International Chamber of Commerce in accordance with the process and terms specified in the agreement.

12. **Gas Supply and Payment Agreement between the Company and ADNOC**

See the section "*Material Agreements*".

13. **Re-injection Gas Supply Agreement between the Company and ADNOC**

See the section "*Material Agreements*".

14. **Agreement Relating to Responsibilities for Multi Product Sales Contract**

See the section "*Material Agreements*".

15. **Corporate Services Agreement**

Following Listing, the Company may 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.

16. **Information Sharing Agreement**

On Listing, we will enter into an information sharing agreement ("**ISA**") with ADNOC, which sets out guidelines on matters relating to the sharing of material non-public information and insider trading. Pursuant to the ISA, 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 ISA contains 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 ISA is governed by the laws of Abu Dhabi and the Federal Laws of the UAE as applied in Abu Dhabi. The ISA 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.

(b) **Material Agreements**

The following summaries of selected provisions of the material agreements are not considered or intended to be full statements of the terms of these agreements. Unless otherwise stated, any reference in this Prospectus to any agreement will mean such agreement and all schedules, exhibits and attachments thereto as in effect on the date hereof. Definitions of capitalised terms defined within a description of any agreement in this section shall apply to that agreement only and not to any other agreement described in this section or elsewhere in this Prospectus. Definitions of capitalised terms used but not defined in any description of any agreement in this section shall have the definition set forth under "Definitions and Abbreviations" or as otherwise provided in this Prospectus.

1. **Gas Supply and Payment Agreement**

(i) **Sale and Purchase**

On 31 December 2022, Gas Co and ADNOC entered into the Gas Supply and Payment Agreement pursuant to which ADNOC agreed to sell to Gas Co, and Gas Co agreed to purchase from ADNOC, as from 1 January 2023, (i) Raw Gas (after the supply to ALNG of any Raw Gas required to be so supplied under the gas supply and payment agreement dated 31 March 2019 between ADNOC and ALNG, see "*-ALNG Gas Supply and Payent Agreement*") and (ii) Integrated Gas, in accordance with the terms of this Agreement. "**Raw Gas**" includes gas and gas products produced from reservoirs (including associated gas and non-associated gas) and excludes all Integrated Gas. "**Integrated Gas**" includes gas and gas products extracted from the Shah gas field and/or produced by ASG for or received or acquired by ADNOC, but excluding any sulphur produced by the ASG Facilities.

ADNOC undertakes to make available for delivery to Gas Co, at the delivery points, the following minimum quantities of Raw Gas and Integrated Gas ("**Feedstock**"):

(A) volumes of Raw Gas equal to the quantity of all Raw Gas which can at the time be received and processed at the gas processing and fractionation plants and facilities owned and operated by Gas Co from time to time ("**Buyer Facilities**"), provided ADNOC may supply Raw Gas from any source, but is only obliged to make available Raw Gas from the hydrocarbon reservoirs identified in the agreement; and

(B) all Integrated Gas acquired by ADNOC or that ADNOC is entitled to receive.

ADNOC agrees to obtain Gas Co's consent to any change to the ASG arrangements that adversely impacts ADNOC's entitlement to products from ASG.

Provided the Buyer Facilities have available capacity to receive, process and/or store the Feedstock, Gas Co shall use its commercially reasonable endeavours (subject to any operational limitations) to purchase all quantities of Feedstock made available or delivered by ADNOC at the delivery points.

(ii) **Supply Constraints**

ADNOC's obligations under the agreement are subject to certain supply constraints, which the parties may agree to amend from time to time("**Supply Constraints**"). Pursuant to the interim Supply Constraints:

(A) ADNOC's obligations to supply Feedstock to Gas Co shall not apply (x) in the event of shutdowns or reductions in capacity (including maintenance) of any infrastructure or facilities used by ADNOC in connection with Feedstock (including the ASG Facilities and any and all facilities owned or operated by, or on behalf of, ADNOC and used in extracting, producing and transporting Feedstock to the delivery points, together "**Seller Facilities**"), provided that such shutdown or reduction in capacity is not caused by ADNOC's gross negligence; and (y) in the event of Force Majeure (as defined below);

(B) the supply of Feedstock under the agreement is subject to (x) the production policies of the Government of the Emirate of Abu Dhabi; (y) the strategic requirements of the UAE and ADNOC; and (z) any directions of the SCFEA; and

(C) notwithstanding anything to the contrary in the agreement, the availability of quantities of Raw Gas is subject to (x) the levels of production of crude oil in effect from time to time; and (y) reservoir conditions, and ADNOC shall have no liability whatsoever resulting from the non-availability of Raw Gas related to levels of production of crude oil or requirements for field operations and/or reservoir conditions that render extraction and processing of Feedstock unfeasible.

(iii) **Priority of Supply of Raw Gas**

ADNOC will make available and deliver to Gas Co Raw Gas after any Raw Gas required to be supplied to ALNG under the ALNG Gas Supply and Payment Agreement has been supplied to ALNG in accordance with that agreement.

(iv) **Gas Inventory**

ADNOC agrees to sell to Gas Co, on 1 January 2023, free from all encumbrances and together with all accrued and attached benefits and rights, all gas and gas products that are then within the Buyer Facilities owned by ADNOC, excluding any sulphur produced by ASG or within the sulphur handling facilities.

(v) **Planning and Scheduling**

The Agreement includes a number of provisions regarding (a) forecasts; (b) supply plans in relation to Feedstock quantities; and (c) the process for ADNOC's confirmation of aggregate quantities of each type of Feedstock it will make available to Gas Co (subject to the provisions of the agreement, including applicable Supply Constraints), and that Gas Co will take, during a month ("**Firm Monthly Quantity**").

Subject to the failure to supply or take provisions, ADNOC shall sell and make available, and Gas Co shall take, the Firm Monthly Quantity of Feedstock at the applicable delivery points.

Upon request by either party, the parties agree to promptly consult in good faith to develop and agree detailed planning procedures and timelines (including for nominating Feedstock quantities and determining Firm Monthly Quantities). The parties may agree to update those procedures from time to time. The interim planning and nomination procedures set out in the agreement will apply until planning and nomination procedures are agreed and implemented.

(vi) **Facilities, Delivery Points and Gas Measurement**

Gas Co agrees, and agrees to procure that, the Feedstock delivered is used efficiently and that fuel consumption, losses, boil-off and flaring is minimised and that any Buyer Facility where the Feedstock is used performs and is operated efficiently, in each case in

accordance with the standard of a reasonable and prudent operator. The agreement includes a number of provisions in relation to (a) each party's respective facilities and equipment; (b) delivery points; (c) modifications to, additions or removal of, delivery points or ADNOC's facilities relating to delivery points; (d) the measurement of the quantity and quality of Feedstock delivered to Gas Co; and (e) efficiency reporting and access to information in relation thereto.

(vii) **Failure to Supply or Take**

Promptly following the date of the agreement, parties shall enter into good faith discussions to agree on applicable provisions in connection with the consequences of a failure by ADNOC to supply, and a failure by Gas Co to take, Feedstock pursuant to the agreement ("**Agreed Failure to Supply or Take Provisions**"). Parties shall endeavour to agree on such provisions as soon as reasonably practicable following the date of the agreement, which provisions shall then apply retrospectively from 1 January 2023 (unless otherwise agreed). Once agreed, amounts payable by a party to the other under the agreement shall be each party's sole and exclusive remedy in respect of any failure to make available or take Feedstock (as applicable), and until the Agreed Failure to Supply or Take Provisions are agreed, parties shall have no remedies in respect of any such failure.

The parties may agree to amend or change the Failure to Supply or Take Provisions at any time.

(viii) **Feedstock Specifications**

Integrated Gas supplied to Gas Co must meet the specifications set out in the agreement.

In relation to Raw Gas, the quality of Raw Gas actually delivered by ADNOC will fluctuate from time to time and may change depending on the source, and ADNOC does not guarantee any exact quality specifications in respect of Raw Gas and does not warrant the quantity, quality or availability of any Raw Gas. Except in the case of (i) any Feedstock that cannot be technically or operationally processed in Buyer Facilities in accordance with relevant design specification as at 1 January 2023, or (ii) any Feedstock that damages Buyer Facilities, or has a material detrimental effect on the operations or technical integrity of Buyer Facilities ("**Off-Specification Feedstock**"), ADNOC shall have no liability to Gas Co for any fluctuations in the quality of Raw Gas delivered, and Gas Co shall not be relieved from its obligations to take and pay for Raw Gas as a consequence of any such fluctuations or differences in quality.

ADNOC shall use commercially reasonable endeavours not to deliver to Gas Co Off-Specification Feedstock. Gas Co shall use commercially reasonable endeavours to accept Off-Specification Feedstock delivered by ADNOC (provided it is able to do so without damaging Buyer Facilities or suffering any material detrimental effect on the operations or technical integrity of Buyer Facilities), including by re-directing the Off-Specification Feedstock to a different Buyer Facility capable of processing the Off-Specification Feedstock, if reasonably practicable (and in such an event, ADNOC shall not be liable to Gas Co for any loss suffered by Gas Co as a result of its acceptance of Off-Specification Feedstock).

The Agreement includes provisions regarding Gas Co's sole and exclusive rights and remedies in respect of Off-Specification Feedstock that it unknowingly takes delivery of, but subsequently rejects. In such circumstances, ADNOC's liability will be limited to the lower of the deductible in connection with the recovery of insurance proceeds in respect of physical damage to the Buyer Facilities or the direct, reasonable and documented cost of disposing of the relevant Off-Specification Feedstock and repairing any damage to, or detrimental effect on, or replacing any Buyer Facilities.

(ix) **Gas Payments, Minimum Gas Price Review**

The price for the Feedstock supplied under the Agreement is calculated with reference to the products sold by Gas Co, on a product by product basis. The quantities of products are determined in mmbtu using conversion factors set out in the Agreement ("**Conversion**

Factors") and the price is determined on a $/mmbtu basis. The price comprises of a minimum gas price component, and a profit share based on the sales realised by Gas Co for the sale of the products derived from the Feedstock supplied by ADNOC.

Gas Co shall pay to ADNOC (a) the Feedstock Payment for each product (as calculated in accordance with the agreement); (b) payments from Participants (as defined in the amended and restated gas supply and payment agreement between Gas Co, Total Energies S.E., Shell Abu Dhabi B.V., PTTEP Gas Corporation and AGP, dated 31 March 2009 ("**AGP GSPA**")) ("**AGP Participants**"), other than Gas Co, in connection with the supply of Gas to AGP Participants or AGP for, on behalf of, or for the account or benefit of AGP Participants pursuant to the AGP GSPA; (c) payments from AGP in accordance with the associated gas processing and NGL delivery agreement between Gas Co, AGP Participants and AGP, dated 31 March 2009 ("**AGPNDA**") for Fuel Gas (as defined therein); and (d) the Fuel Gas Payment (as calculated in accordance with the agreement). The Feedstock Payment is subject to an annual escalation of 2%.

All payments under the agreement shall be made in USD. In the event of a delay or failure to make a payment when due, Gas Co will be required to pay interest to ADNOC until the date ADNOC's receives that payment.

ADNOC may from time to time review and notify Gas Co of proposed new minimum gas prices and escalation rates (as such terms are defined in the Agreement), determined based on the principles set forth in the Agreement ("**Minimum Gas Price Pricniples**"), and applicable after six months from the date of that notice ("**Review Effective Date**"), provided that (i) such Review Effective Date shall not occur prior to the expiry of five years from 1 January 2023 and (ii) such notification may only occur once in each consecutive 5-year period from 1 January 2023 ("**Price Review Period**") (and subject also to a minimum and maximum resulting increase in the minimum gas prices).

ADNOC may also notify Gas Co of proposed new Conversion Factors consistent with the Minimum Gas Price Principles, which are to apply from the Review Effective Date, but not prior to the expiry of 30 months from 1 January 2023, and provided such notification may only occur once in each consecutive 30-month period from 1 January 2023.

If Gas Co disagrees with ADNOC's notifications in relation to the minimum gas price or the Conversion Factors and parties fail to reach an agreement thereon, an independent expert determination may be sought by ADNOC to determine whether or not the proposed minimum gas price or the Conversion Factors are consistent with the Minimum Gas Price Principles pursuant to the terms of the agreement. The independent expert determination shall be final and binding on the parties. ADNOC has the right not to disclose commercially sensitive or confidential information to the auditor and, where required, the ADNOC Group CFO will review and confirm whether the relevant summary, factor, element or information complies with the Minimum Gas Price Principles.

(x) **AGP GSPA**

ADNOC shall ensure Feedstock is supplied to Gas Co as required by Gas Co to meet its obligations under the AGP GSPA and the relevant collateral agreements from time to time. ADNOC shall indemnify Gas Co for and against all losses which Gas Co may suffer as a result of or in connection with the AGP GSPA and Gas Co's obligations to make available and supply gas under the AGP GSPA and such collateral agreements. Gas Co shall not, without the prior written consent of ADNOC, agree to renew, extend or otherwise amend the AGP GSPA, or enter into any new or alterative arrangement for the supply of gas or gas products to or in connection with AGP, or in relation to payment for Fuel Gas (as defined in the AGPNDA) under the AGPNDA.

(xi) **Term and Termination**

The agreement shall enter into effect from the date of signature and remain effective for a period of 25 years from 31 December 2022, unless terminated earlier in accordance with its terms ("**Initial Term**"). Upon the expiry of the Initial Term, the agreement shall automatically renew for further successive 5-year periods, unless a party notifies the other

of its intention not to renew at least 24 months prior to the expiry of the Initial Term or a renewal term (as the case may be).

ADNOC may terminate the agreement forthwith on giving to Gas Co notice in writing to that effect in the event Gas Co goes into liquidation (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) or enters into an arrangement or composition with its creditors. Either party may also terminate the agreement during the Initial Term, with effect from (i) the end of the period expiring 15 years from 1 January 2023; and (ii) the end of the period expiring 20 years from 1 January 2023, in each case by giving the other party at least a 24-month prior notice of termination.

(xii) **Force Majeure**

Neither party shall be considered in default of the performance of its obligations under the agreement to the extent such performance is prevented, hindered or delayed as a result of any event (or combination of events) which is beyond the reasonable control of such party, acting as a reasonable and prudent operator ("**Force Majeure**"), provided the party claiming such a relief from its obligations may only be so relieved if and to the extent the conditions specified in the agreement are satisfied.

Force Majeure events include, inter alia, (i) trade or labour dispute, strike, lockout or industrial disturbance, and (ii) failure, explosion, breakage or accident at or to Buyer Facilities (where Gas Co is the affected party) or Seller Facilities (where ADNOC is the affected party), unless caused by the negligence, wilful misconduct or non-performance of the affected party, its affiliates or suppliers. Force Majeure events exclude, inter alia, (i) the breakdown or failure of any facilities or equipment (including Seller Facilities or Buyer Facilities) caused by normal wear and tear or by the failure of the affected party to maintain such facilities or equipment or to maintain suitable stock of spares in accordance with Internationally Accepted Petroleum Industry Practices); and (ii) failure to obtain or maintain any governmental authorisation where such failure is due to the act or omission of the affected party or its affiliates.

In addition, an event or circumstance affecting a third party shall constitute a Force Majeure in respect of ADNOC or Gas Co if (i) it would constitute a Force Majeure in accordance with the agreement had it occurred to ADNOC or Gas Co (respectively); and (ii) it is beyond the reasonable control of ADNOC or Gas Co (respectively) and directly prevents, hinders or delays the performance by ADNOC or Gas Co (respectively) of its obligations under this agreement.

If and to the extent Force Majeure affects ADNOC's ability to supply the full quantity of Feedstock deliverable to Gas Co under the agreement, ADNOC may reduce such supply and shall not be bound to acquire by purchase or otherwise additional quantities from other suppliers.

If a Force Majeure event affecting either ADNOC or Gas Co persists for a continuous period of 365 days, either party may terminate the agreement in accordance with its terms by notice to the other party.

(xiii) **Liabilities and Indemnities**

Unless the agreement provides for another specific remedy, each party shall be liable for, and shall indemnify, defend and hold the other party harmless from and against, any losses in respect of (a) any personal injury to, or death or disease of, or the loss of, or damage to, the property of, the indemnifying party, its affiliates or their respective senior executives, directors, officers, employees, secondees, agents, third party contractors and representatives ("**Connected Persons**") arising out of or in connection with the agreement, except to the extent caused or contributed to by the gross negligence or wilful misconduct of the other party, its affiliates or their Connected Persons; and (b) any claim relating to the personal injury to, or death or disease of, any third party (excluding any affiliates of either party and their respective Connected Persons) or the loss of, or damage to, the property of any such third party, in each case, arising out of or in connection with any act, omission or default for which the indemnifying party is liable under the agreement, except to the

extent caused or contributed to by the gross negligence or wilful misconduct of the other party, its affiliates or their Connected Persons.

Except for the indemnities referred to above and unless otherwise expressly provided in the agreement, neither party shall have any liability to the other for any indirect or consequential loss or damage, loss of profit or revenue, loss of production or downtime costs, loss of opportunity, loss of contract or loss of goodwill arising out of or in connection with the agreement.

(xiv) **Insurance**

The parties shall obtain insurance for their respective facilities and operations as they deem appropriate, but at a minimum to the extent required by applicable law. Each party shall (i) ensure its insurers waive all rights against the other party, and (ii) indemnify the other party for liability, costs and expenses incurred should those insurers still pursue alleged or actual rights of recovery as a result of such party's failure to do the same.

Where insurance is not required by applicable law, each party may elect to self-insure risks.

(xv) **Assignment**

No party shall assign, charge, transfer or otherwise dispose of any of its rights and obligations under the agreement to any third party (other than an affiliate) without the prior written consent of the other party.

Either party shall have the right to sell, assign, transfer or novate its rights, obligations, interests and liabilities in connection with the agreement to any affiliate at any time without the consent of the other party.

(xvi) **Governing Law**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE.

(xvii) **Dispute Resolution**

If a dispute is not settled amicably, within the agreed timeframes, between the parties' senior managers (as nominated from time to time) nor between their chief executive officers, it may be referred by any party to and finally settled by arbitration under the rules of arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with such rules.

2. **Re-injection Gas Supply Agreement**

(i) **Sale and Purchase**

On 31 December 2022, Gas Co and ADNOC entered into the Re-injection Gas Supply Agreement pursuant to which Gas Co agreed to sell to ADNOC, and ADNOC agreed to purchase from Gas Co, during the term of the agreement, nominated quantities of natural gas, produced from the quantities of Raw Gas Gas Co receives from ADNOC under the GSPA.

(ii) **Delivery Points**

Each party agrees to construct, commission, test, operate, maintain, insure and repair at its own risk and expense all of its respective facilities as may be necessary such that Gas Co can make available, and ADNOC can take delivery of, natural gas at the agreed delivery points in accordance with the terms and conditions of this agreement. ADNOC may request modifications to, additions or removal of, delivery points or Gas Co's facilities relating to delivery points, and Gas Co may carry out modifications to, or removals of, or additions to its facilities that are relevant to delivery points.

(iii) **Quality of Gas**

The Seller shall use commercially reasonable endeavours to deliver natural gas with the specifications set out in the agreement, but may at any time and upon written notice to ADNOC, revise these specifications to reflect changes in the quality of gas received from ADNOC.

(iv) **Quantity and Planning**

The Agreement includes a number of provisions regarding forecasts, planning and gas measurement systems. Gas Co agrees to use commercially reasonable endeavours to make the nominated quantities (as calculated pursuant to the agreement) available at the applicable delivery points subject to (i) the availability of natural gas in accordance with the production policies of the Government of Abu Dhabi, (ii) the directions of ADNOC, the SCFEA (or such other government representative as may be directed thereby) or the Government of Abu Dhabi, (iii) the requirements of applicable law, (iv) the availability of sufficient natural gas produced from gas quantities supplied by ADNOC under the GSPA; (v) under-injection that is permissible pursuant to ADNOC's re-injection guidelines.

Upon request by either party, the parties agree to promptly consult in good faith to develop and agree detailed planning procedures and timelines. The interim planning and nomination procedures set out in the Agreement will apply until planning and nomination procedures are agreed and implemented.

Notwithstanding any other provision of the agreement, but subject to the availability of such natural gas in accordance with the production policies of the Government of Abu Dhabi, and gas quantities supplied under the GSPA, Gas Co agrees to use its commercially reasonable endeavours to supply requested quantities of natural gas to meet the minimum re-injection requirements for the re-injection reservoirs in accordance with the ADNOC gas master plan applicable from time to time.

(v) **Gas Pricing and Payments**

The price for the supply of all natural gas during the term of the agreement is a fixed price per mmbtu, subject to any fluctuations based on a decision of the SCFEA relating to natural gas pricing. In the event of such a decision by SCFEA, Gas Co has the right to notify ADNOC in writing no later than sixty (60) days prior to the end of the relevant contract year to request an adjustment to the contract price. Any change to the contract price must be agreed between the parties. If no agreement is reached by the last day of the current contract year, the existing contract price will not change until agreed by the parties (and once agreed, will be retrospectively applied from the first day of the relevant contract year).

Payments by ADNOC shall be made in USD, unless otherwise agreed between the parties.

In the event of a failure to make a payment when due, ADNOC will be required to pay interest to Gas Co until the actual date of payment.

(vi) **Maintenance**

Parties agree to coordinate scheduled maintenance on their respective facilities to ensure common periods of maintenance, to the extent practicable, with a view to minimising the commercial impact on each party (unless such maintenance is unavoidable due to safety reasons). If a party is required to perform maintenance activities, it shall use its commercially reasonable endeavours to minimise any inconvenience or disruption to the delivery and offtake of natural gas. If Gas Co is required to undertake maintenance in one or more of its facilities, it shall ensure that natural gas from other facilities is made available to ADNOC to avoid interruptions in the supply to the relevant facilities owned and/or operated by ADNOC.

(vii) **Term and Termination**

The agreement takes effect from 1 January 2023 for a period of 25 years, unless terminated earlier in accordance with its terms ("**Initial Term**"). Upon expiry of the Initial

Term, the agreement shall automatically renew for further successive 5-year periods, unless a party notifies the other of its intention not to renew at least 18 months prior to the expiry of the Initial Term or a renewal term (as the case may be).

Either party may terminate the agreement immediately by written notice to the other party if (i) any insolvency event occur in relation to that other party or (ii) that other party assigns, charges, transfers or otherwise disposes of any of its rights and obligations under the agreement to a third party without the first party's prior written consent. Gas Co may also terminate the agreement if (i) the GSPA is terminated pursuant to its terms; or (ii) natural gas resources in Abu Dhabi deplete which either results in an inability of Gas Co to supply natural gas, or despite Gas Co using commercially reasonable endeavours, the supply of natural gas under the agreement is no longer commercially viable.

(viii) **Force Majeure**

Neither party shall be considered in default of the performance of its obligations under the agreement to the extent such performance is prevented, hindered or delayed as a direct result of any event (or combination of events) which is beyond the reasonable control of such party ("**Force Majeure**"), provided the Party claiming such a relief from its obligations may only be so relieved if and to the extent the conditions specified in the agreement are satisfied. Force Majeure events include, inter alia, trade or labour dispute, strike, lockout or industrial disturbance. Force Majeure events exclude, inter alia, failure to obtain or maintain any permit, license or consent, where such failure is due to the act or omission of the affected party.

(ix) **Liabilities and Indemnities**

Gas Co has no liability for any failure to deliver natural gas at the delivery points in accordance with the agreement and the only consequence of, and ADNOC's sole and exclusive remedy in respect of, such failure shall be ADNOC's right to terminate the agreement in accordance with its terms.

Unless a specific remedy is otherwise provided, and subject to provisions in relation to each party's facilities, each party shall indemnify, defend and hold the other harmless from and against all claims, losses and liabilities arising from (a) any personal injury to, or death or disease of, or the loss of, or damage to, the property of, the indemnifying party, its affiliates or their respective senior executives, directors, officers, employees or secondees (together "**personnel**"), or contractors, agents or representatives (together "**contractors**") arising out of or in connection with the agreement, except to the extent caused by the gross negligence or wilful misconduct of the other party, its affiliates or their respective personnel or contractors; and (b) any claim made against the other party by a third party arising out of or in connection with the action, inaction or default of the indemnifying party for which it is liable under the agreement or pursuant to applicable law, except to the extent caused or contributed to by the gross negligence or wilful misconduct of the other party, its affiliates or their respective personnel or contractors.

(x) **Insurance**

The parties shall obtain insurance for their respective facilities and operations as they deem appropriate, but at a minimum to the extent required by applicable law. Each Party shall (i) ensure its insurers waive all rights against the other party, and (ii) indemnify the other party for liability, costs and expenses incurred should those insurers still pursue alleged or actual rights of recovery.

Where insurance is not required by applicable law, each party may elect to self-insure risks.

(xi) **Assignment**

ADNOC may assign and transfer its rights and obligations under this agreement to any third party controlled by the Government of Abu Dhabi without the consent of Gas Co. Subject to the foregoing, no party shall assign, charge, transfer or otherwise dispose of any

of its rights and obligations under the agreement to any third party without the prior written consent of the other party.

(xii) **Governing Law**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE.

(xiii) **Dispute Resolution**

If a dispute is not settled amicably, within the agreed timeframes, between the parties' seniors managers (as designated from time to time) nor between their chief executive officers, it may be referred by any party to, and finally settled by, arbitration under the rules of arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with such rules.

3. **ALNG Gas Supply and Payment Agreement**

(i) **Sale and Purchase**

On 31 March 2019 ADNOC and ALNG entered into the Gas Supply and Payment Agreement pursuant to which ADNOC agreed to sell and deliver to ALNG, at the agreed delivery points and (unless otherwise mutually agreed) at the agreed pressures, natural gas as feedstock and fuel for the production of liquefied natural gas (LNG), liquefied petroleum gas (LPG), paraffinic naphtha and liquid sulphur, and ALNG agreed to accept such natural gas at the delivery points and make the corresponding payments, subject to the terms of the agreement. The risk and property in the natural gas supplied by ADNOC shall pass to ALNG as the natural gas passes the delivery points.

(ii) **Gas volumes**

Subject to the terms of the agreement, ADNOC undertakes to make available for delivery to ALNG, each day during the term of the agreement, volumes of natural gas equal to the maximum LNG production capacity of the LNG processing plant as at 1 April 2019, such production capacity being equal to approximately one thousand one hundred mmscfd of natural gas ("**Base Volume**"), except in the following circumstances:

(A) in the event of shutdowns or reductions in capacity of any infrastructure or facilities used by ADNOC in connection with natural gas;

(B) between 1 January 2020 and 31 December 2023, when ADNOC will be entitled to reduce the Base Volume due to a shortage of natural gas for the production of power in the Emirate of Abu Dhabi;

(C) ADNOC shall by 31 March 2030 confirm to ALNG the volume that ADNOC will make available for delivery to ALNG for the period between 1 April 2032 and 31 March 2040, and shall make such confirmed volume available for delivery to ALNG, provided (i) the confirmed volume shall not be less than an agreed minimum and (ii) if less than the Base Volume and, solely as a result thereof, ALNG's profitability is materially lower than the average level of profitability it enjoyed between 1 April 2019 and 31 March 2032, the parties shall discuss in good faith the mechanism to improve such profitability; or

(D) in the event of Force Majeure.

On and from the date on which the integrated gas development expansion – 2 project in the Emirate of Abu Dhabi is commissioned (as notified by ADNOC to ALNG) and for the remainder of the term of this agreement, the volumes of natural gas made available for delivery by ADNOC each day shall include an agreed volume of low pressure natural gas. ADNOC has absolute discretion as to the sources of natural gas to be made available for delivery to ALNG. ALNG recognises that the availability of quantities of natural gas is subject to: (i) the availability of such quantities from the levels of production of crude oil, (ii) the requirements for use of such quantities for fields' operations, and (iii) reservoir

conditions, and that ADNOC shall have no liability whatsoever resulting from non-availability of natural gas ensuing from (i)-(iii).

(iii) **Gas measurement procedures**

As parties, following execution of the agreement, were required to enter into good faith discussions to develop, agree and implement detailed measurement and sampling procedures which will enable them to accurately measure and verify the quantities, composition and energy value of natural gas. The agreement includes a number of provisions in relation to the process for the development of such measurement procedures. ALNG shall provide ADNOC with monthly reports of all quantities of fuel gas which ALNG consumes using the procedures set forth in the agreement. ADNOC shall have the right, upon reasonable notice to ALNG, to audit the books, records and operations of ALNG to verify the contents of any fuel gas reports for any year within a twenty-four month period following the end of such year.

(iv) **Operation of the LNG plant**

ALNG shall use the natural gas delivered efficiently, minimise fuel consumption, losses, boil-off and flaring at the LNG plant, and ensure the efficient performance and operation of the LNG plant in accordance with the standard of a reasonable and prudent operator. ALNG shall use all commercially reasonable endeavours, in consultation with ADNOC, to identify measures which ALNG may take to minimise its consumption of fuel gas and reduce the environmental impact of the LNG plant. If ALNG is required to incur expenditures to implement any efficiency and optimisation measures identified by the parties, the impact, benefits and costs thereof, together with the apportionment of such costs, will be discussed by the parties in good faith.

(v) **Feedstock quality**

Unless otherwise agreed between the parties, the quality of the natural gas delivered shall correspond to and meet the range of specifications set forth in the agreement. Both parties recognise that over the duration of the agreement the quality of natural gas supplied will vary. If, due to a change of quality of natural gas or a change in the proportion of natural gas produced from each source, ALNG is unable to process the corresponding natural gas in the LNG plant in accordance with relevant design specification as at 1 April 2019, the parties shall negotiate in good faith to agree upon necessary actions and any resulting agreed expenditure by ALNG shall be for ADNOC's account, provided that any resulting asset or expense shall not be depreciated, amortised or expensed for the purposes of the gas payment formula set forth in the agreement. ADNOC shall not warrant the quantity, quality or availability of any natural gas or be liable for any shortage or lack of availability thereof.

(vi) **Gas payments**

ALNG shall pay ADNOC:

(A) the feedstock payment calculated based on the formula set out in the agreement in respect of all natural gas duly delivered by ADNOC to ALNG at the delivery points and not consumed as Fuel Gas ("**Feed Gas**"), and utilised by ALNG during the term of this agreement; and

(B) the fuel gas payment calculated based on the formula set out in the agreement in respect of all Fuel Gas consumed by ALNG only during the term of this agreement.

For the purposes of this section, "Fuel Gas" means (x) all natural gas, and/or processed gas produced from the operations of the LNG plant, which is consumed by ALNG in such plant as fuel for its processes, utilities, power generation and non-industrial purposes; or (y) all natural gas delivered to ALNG at the delivery points and then supplied by ALNG to any person for use as fuel by such person on Das Island.

ALNG undertakes (i) at least once per year, to cause its external auditors to deliver to ADNOC a certificate confirming that the calculations of such payments are in accordance

with this agreement, and (ii) not to make changes to any part of its accounting policy which may, in ADNOC's opinion, affect the agreed gas payments formula. ADNOC shall have the right to audit the books and records of ALNG upon reasonable notice.

Payments shall be made in USD. In the event of a delay or failure to make a payment to ADNOC when due, interest shall be payable from the due date until receipt of such payment by ADNOC.

(vii) **Maintenance**

Each party undertakes to give the other party written notice of any planned maintenance activities scheduled with respect to its facilities in the following year. The parties shall use reasonable endeavours to coordinate any planned maintenance to minimise its effects on the production, delivery and receipt of Feed Gas. ADNOC's obligation to make available for delivery, and ALNG's obligation to take delivery of, Feed Gas shall be reduced to the extent planned maintenance affects operations of either parties.

(viii) **Term**

The effective date of the agreement is 31 March 2019 and it shall continue in effect until 31 March 2040 (unless otherwise agreed between the parties), subject to provisions in relation to termination rights, confidentiality, and the Make-Up Quantity. If ALNG is required, pursuant to any supply and purchase agreement with any customer to deliver, after 31 March 2040, any quantity of LNG, LPG, paraffinic naphtha or liquid sulphur for which ALNG has previously been paid by a counterparty ("**Make Up Quantity**"), ADNOC shall supply such quantities of natural gas to ALNG to enable ALNG to produce the Make Up Quantity, and the term of this agreement shall be extended with respect to such quantities. ALNG shall use its reasonable endeavours to manage its sales and deliveries to minimise its liability to deliver any Make Up Quantity after 31 March 2040.

(ix) **Termination**

ADNOC may terminate the agreement forthwith on giving ALNG notice in the event (i) ALNG goes into liquidation (other than a voluntary liquidation for the purpose of amalgamation or reconstruction) or enters into an arrangement or composition with its creditors; or (ii) ALNG shall be in arrears with payment due to ADNOC under this agreement and fails to rectify the position within ninety days after written notice thereof.

In addition, if an event of Force Majeure affecting either party persists for a continuous period of three hundred and sixty five days, either party may terminate the agreement by notice to the other party.

(x) **Force Majeure**

Unless otherwise expressly provided, a party shall not be liable for any failure or omission to comply with the terms of the agreement if such failure or omission arises from any cause beyond its control ("**Force Majeure**"). ADNOC may withhold, reduce or suspend deliveries under the agreement to the extent it considers reasonable and equitable if, by reason of any cause beyond its reasonable control, there is such a curtailment or interference with (i) ADNOC's availability of natural gas or (ii) transportation of such natural gas as either to delay or hinder ADNOC in, or to prevent ADNOC from, supplying the full quantity of natural gas deliverable under the agreement and also at the same time maintaining in full its other business in natural gas. Force Majeure shall not apply to any obligations involving the payment of money other than as to any specified means, currency or place of payment.

(xi) **Assignment**

No rights or obligations under the agreement may be transferred or assigned in whole or in part without the consent of the parties.

(xii) **Governing law and arbitration**

The agreement is governed by the laws of the Emirate of Abu Dhabi and the federal laws of the UAE. If a dispute is not settled amicably within the agreed timeframe, it shall be referred by any party and finally resolved by arbitration in accordance with the rules of arbitration of the International Chamber of Commerce by three (3) arbitrators to be appointed in accordance with such rules.

4. **Pipelines Use and Operation Agreement**

On 22 December 2022, Gas Co entered into the Pipelines Use and Operation Agreement with ADNOC, pursuant to which ADNOC granted Gas Co the right to use, manage and operate certain existing pipelines which comprise approximately 620 km of our pipeline network that we do not own as well as future pipelines (the "**Pipelines**") for the transportation of gas and gas products.

Prior to the date of this agreement, ADNOC entered into a long term lease agreement with another party to which ADNOC leased its ownership interest in certain Pipelines to such parties ("**Lease Agreement**"). The Pipelines Use and Operation Agreement grants Gas Co the right to use, manage and operate Pipelines that are subject to such third party lease interests. Most of the Pipelines in our network (approximately 2,640 km) are not subject to third party lease interests and were transferred by ADNOC to Gas Co pursuant to the Intra-Group Asset Transfer Agreement (see below).

(i) **Term**

The agreement is effective from 1 January 2023 (the "**Effective Date**") and will terminate on the earlier of the termination of the Lease Agreement pursuant to its terms; the termination of the agreement by either party by way of notice where a party has committed a material breach, which has not been remedied within sixty (60) days of notice of such breach being served; and the termination of the agreement by ADNOC where Gas Co is prevented from performing its obligations under the agreement due to an event of force majeure which subsists for one hundred and twenty (120) days or more (such period, the "**Term**").

(ii) **Payments**

In consideration for ADNOC's grant of rights and appointment of Gas Co as operator of the Pipelines, Gas Co will pay ADNOC a quarterly tariff (the "**Tariff**") calculated in accordance with the terms of the agreement. In consideration for the payment of the Tariff, Gas Co shall be the sole custodian and controller of the Pipelines from the relevant date specified in the agreement and for the Term thereof.

Gas Co also accepts sole responsibility for and agrees to make payment of all expenditures incurred in connection with the Pipelines themselves or ADNOC and Gas Co's business, operations, support and management activities related to their use and operation. ADNOC is responsible at its sole cost and expense for any applicable governmental rates, taxes and charges levied by a governmental authority on it in connection with its ownership interests in the Pipelines, unless and until the ownership interests are transferred to Gas Co. ADNOC is financially responsible for all capital expenditure in respect of the Pipelines and shall reimburse Gas Co in respect of all capital expenses incurred in respect of the Pipelines in accordance with the pre-approved budget theretofore capital expenditure.

Gas Co's payment obligations under the agreement will not be suspended, reduced or abated by the non-use or non-operation of any Pipeline for any reason.

(iii) **Ownership Interest in the Pipelines**

ADNOC shall provide written notice to Gas Co 180 days before a relevant Pipeline than the Excluded Pipelines, which are not required for operations of the gas business) ceases to be subject to a Lease Agreement. Prior to a relevant Pipeline ceasing to be subject to a Lease Agreement, ADNOC and Gas Co will negotiate in good faith to agree to terms for the transfer of ADNOC's ownership interest in the Pipeline to Gas Co as soon as practicable after the Pipeline ceases to be subject to a Lease Agreement.

Both ADNOC and Gas Co acknowledge it is currently intended for each Pipeline (other than certain excluded pipelines to be transferred in this manner and that the price payable for each such transfer will be the book value of the relevant Pipeline. Should ADNOC and Gas Co be unable to agree on terms for the transfer of the ownership of a Pipeline, they will instead negotiate in good faith terms on which Gas Co may continue to have rights to use and operate the Pipelines, and what usage charges would apply to such rights.

(iv) **Obligations of Gas Co**

Gas Co must conduct the Pipeline operations in accordance with specified performance standards outlined in the agreement and shall have the exclusive charge of carrying out and performing all Pipeline operations and be responsible for conducting such operations efficiently, diligently and economically. Gas Co will also be responsible for all necessary registrations, licences, consents and permissions with regard to the Pipeline operations. Gas Co will be responsible for maintaining and repairing the Pipelines and interconnection facilities, and maintaining comprehensive records and insurance for the Pipelines operations.

(v) **Reporting Requirements / Planning and Measurement of Supply**

Gas Co is subject to certain information reporting requirements including, but not limited to, the following:

(A) monthly operating information;

(B) a written notice setting out the actual Gas Supply and LNG Supply (as such amounts are to be computed under the agreement) (together "**Tariffed Supply**") for the immediately preceding Quarterly Reporting Period, together with, in each case, reasonable supporting evidence; and

(C) a written notice setting out the actual Tariffed Supply for the final Quarterly Reporting Period, together with, in each case, reasonable supporting evidence.

ADNOC shall provide Gas Co with:

(A) a billing period statement in the form set out in the agreement (setting out the actual Tariffed Supply and the Deemed Tariffed Supply for the preceding Quarterly Reporting Period, together with supporting evidence);

(B) along with an invoice for an amount equal to the Tariff for such Quarterly Reporting Period.

ADNOC shall provide Gas Co with a final billing period statement, in the form set out in the agreement, no later than ten (10) days following expiry of the Term. Both the billing period statement and final billing period statement shall include ADNOC's calculations regarding the Tariffed Supply in accordance with the terms of the agreement.

(vi) **Decommissioning**

Each party may notify the other of a proposal to decommission a relevant Pipeline no less than one hundred and eighty (180) days prior to the proposed decommissioning. The parties will meet and discuss in good faith the impact of the proposed decommissioning. A proposed decommissioning cannot be implemented until the parties have agreed the proposed timeline and material details in writing.

Gas Co will be responsible for implementing any decommissioning of the Pipelines.

(vii) **Force Majeure**

Neither ADNOC, nor Gas Co will be considered in default of the performance of its obligations under the agreement to the extent that performance of such obligations is prevented, hindered or delayed because of an event or combination of events not reasonably foreseeable at the Effective Date and which is beyond the control of the party

claiming relief (the "**Affected Party**") (each an event of "**Force Majeure**") and provided, in each case, that the event or circumstance in question satisfies the following requirements:

(A) the act, event, circumstance or condition that constitutes an event of Force Majeure continues to prevent, impede, or delay the Affected Party's performance of its obligations;

(B) there is a direct causal relation between the prevention, impediment or delay claimed and the events invoked;

(C) the Affected Party shall take all actions (at its own expense) which are reasonable under the circumstances to overcome such Force Majeure and to proceed with the performance of its obligations under the agreement, including cooperating with the other party to develop and implement a plan of remedial action and reasonable alternative measures to remedy the effects of such event of Force Majeure;

(D) the Affected Party shall give notice of any event of Force Majeure and any abatement thereof to the other party; and

(E) the Affected Party shall bear the burden of proving that an event of Force Majeure has occurred and that it is so affected.

Force Majeure events include *inter alia*:

(A) flood, lightning, storm, typhoon, tornado, earthquake, landslide, soil erosion, subsidence, washout, radioactive contamination or epidemic;

(B) war (whether declared or undeclared), blockade, insurrection, military uprising, or act of public enemies; and

(C) revolution, rebellion, civil war, riot, civil disturbance, civil commotion, terrorist acts, seizure or act of sabotage, imposition of sanctions, embargo or breaking off of diplomatic relations,

other than, in each case, where such event is caused by the Affected Party, or its affiliates' personnel, contractors or suppliers seeking to rely on the force majeure provision.

For the avoidance of doubt, trade or labour disputes, strikes, lockout and industrial disturbances that are not on an industry wide basis shall not constitute events of Force Majeure.

Neither ADNOC nor Gas Co shall be liable to the other party to the extent any loss, damage, cost or expense is suffered or incurred by such party as a consequence of the occurrence of an event of Force Majeure.

(viii) **Assignment**

Neither ADNOC nor Gas Co shall assign, transfer, create an encumbrance over, declare a trust of or otherwise dispose of all or any part of its rights and benefits under the agreement (including any cause of action arising in connection with any of them) or of any right or interest in any of them.

(ix) **Liability and Indemnity**

Without limiting Gas Co's liability for fraud and without prejudice to ADNOC's rights to terminate the agreement, Gas Co shall have no liability to ADNOC for any claims by ADNOC for, or in connection with any loss resulting from Gas Co's negligence or breach of the agreement.

Without limiting either party's liability for fraud and without prejudice to ADNOC's rights to terminate the agreement, each party waives all rights of recourse against the other party in respect of consequential losses and, in any event, neither party shall be liable to the

other party for consequential loss or damage, loss of profits, loss of production, loss of opportunity and/or loss of contract.

Both Gas Co and ADNOC shall keep each other indemnified and held harmless against any claim, demand, action, fine, directive, or other penalty or proceedings (whether criminal, regulatory or otherwise) brought or instituted against the other by any third party in connection with, relating to, or arising out of the exercise of its rights or the performance or non-performance by Gas Co or ADNOC, as applicable, of its obligations under the agreement and against all costs, claims, demands and damages involved therewith, except, in the case of Gas Co indemnifying ADNOC, to the extent arising out of the gross negligence of ADNOC.

To the extent permissible under applicable law, Gas Co shall indemnify and hold harmless ADNOC against any liability for any accident, death or injury to any personnel of Gas Co or its affiliates or against any loss of or damage to any property belonging to Gas Co or its affiliates or any of their personnel (including the Pipelines), which may arise out of or in connection with the agreement, and against all costs, claims, demands and damages involved therewith, except to the extent arising out of the gross negligence of ADNOC.

To the extent permissible under applicable law, ADNOC shall indemnify and hold harmless Gas Co against any liability for any accident, death or injury to any personnel of ADNOC or its affiliates or against any loss of or damage to any property belonging to ADNOC or any ADNOC personnel (excluding the Pipelines), which may arise out of or in connection with this agreement and against all costs, claims, demands and damages involved therewith.

(x) **Governing Law and Arbitration**

The agreement, and any dispute, arising out of or in any way relating to it or its formation and any non-contractual disputes or claims, shall be governed by the laws of Abu Dhabi and the federal laws of the UAE.

ADNOC and Gas Co shall attempt in good faith to amicably settle any dispute, controversy or claim arising out of or in connection with the conclusion, validity, effect, interpretation, performance, termination or dissolution of the Pipelines Use and Operations Agreement and/or any non-contractual obligations arising out of or in connection with it.

If a dispute is not settled amicably within the agreed timeframe, it shall be referred by any party and finally resolved by arbitration in accordance with the rules of arbitration of the International Chamber of Commerce applicable at the time of conclusion of the agreement by one arbitrator appointed in accordance with such rules.

5. **Transitional Marketing and Transportation Services Agreement**

On 22 December 2022, Gas Co, as "Seller", entered into the Transitional Marketing and Transportation Services Agreement with ADNOC as the "Marketing Manager" pursuant to which ADNOC is authorised to sell, as agent, the full volume of Gas Co's products (including methane, ethane, etc.), other than sulphur which is sold under a separate arrangement, to customers or its affiliates.

(i) **Appointment of ADNOC as Marketing Manager**

Gas Co appoints ADNOC as its exclusive agent. ADNOC shall serve as an independent contractor of the Gas Co.

(ii) **Marketing arrangements**

From the effective date, Gas Co will designate 100% of the quantity of its products which are not the subject of a product sale and purchase agreements ("**Uncommitted Quantity**") to ADNOC for marketing in accordance with the agreement.

ADNOC is authorised to sell, as agent, the full volume of Gas Co's products (including methane, ethane, etc.), other than sulphur, to customers or its affiliates, at the appropriate

market reference price for each product (other than natural gas) on the best possible terms and in any event on terms consistent with the applicable ADNOC General Terms and Conditions available at www.adnoc.ae/en/our-products/general-terms-and conditions, as amended from time to time. For any Uncommitted Quantity sold on a basis other than FOB, the marketing Manager shall enter into and implement the Transportation Arrangement.

ADNOC shall have customary powers and functions necessary to enable it to carry out its express functions and powers under the Agreement, including the marketing and sale of products, the execution of contracts, the right to perform all acts and exercise all rights under any contracts for the benefit of Gas Co, amending such contracts and liaising with Government authorities.

If requested by Gas Co, ADNOC will develop an annual marketing plan within 20 Business Days. For each contract year after 1 January 2023, ADNOC shall prepare and submit Gas Co a proposed program and budget to include (i) a schedule of activities, (ii) an estimate of transportation costs, and (iii) an estimate of reimbursable costs. Where no program and budget have been approved for an applicable contract year prior to the commencement of that year, the last program and budget approved by Gas Co will apply to that year on a provisional basis until any program and budget for that year are approved by Gas Co.

If ADNOC is to take action with respect to any emergency (including events or circumstances which have or reasonably threaten to cause (i) serious bodily injury to a person, (ii) serious physical damage to a project/facility/asset of Gas Co or (iii) the occurrence of any accident having a material impact on the environment), ADNOC may take such action to incur costs, expenses and liabilities, even outside the terms of a prevailing approved program and budget.

(iii) **Separate agreements and designation of products**

Gas Co acknowledges that ADNOC may provide marketing and transportation services to other entities, including other ADNOC Affiliates. Gas Co may not individually engage with a customer in relation to a marketing and sale of any Uncommitted Quantity, as any such engagement must occure through the ADNOC.

(iv) **Liability for ADNOC**

Gas Co indemnifies ADNOC against any claims brought by a person which arise out or in connection with the performance or non-performance by ADNOC of its obligations under the agreement (other than where liability arises through ADNOC's gross negligence). Total liability of ADNOC to Gas Co in any financial year is capped to AED 100, except as a result of ADNOC's gross negligence, in which case ADNOC's liability is uncapped.

(v) **Resignation**

ADNOC may resign as Marketing Manager at any time by giving no less than 180 days' written notice to Gas Co. After notice has been given the Parties must discuss a transition plan in good faith.

(vi) **Transportation Arrangements**

ADNOC will, if requested by Gas Co, implement transportation arrangements in relation oto products for the purpose of meeting delivery commitments or in order to optimise shipping capacity and reduce overall ullage.

(vii) **Insurance**

ADNOC shall obtain and maintain, and procure its subcontractors to maintain, insurance policies as required by its internal risk management policy and any applicable laws, and otherwise as it deems appropriate. All costs, expenses and liabilities incurred by ADNOC in obtaining and maintaining (or otherwise in connection with) these insurance policies shall be allocated to Gas Co. ADNOC and Gas Co will each procure that its respective insurers waive all rights against the other howsoever arising.

(viii) **Reimbursable Costs**

In consideration of the performance by ADNOC of its functions and powers under the agreement, Gas Co will pay ADNOC all reimbursable costs, properly incurred. The reimbursable costs are the costs and expenses primarily incurred by ADNOC in carrying out its functions and powers under the agreement, in accordance with a prevailing approved yearly budget proposal ("**Program and Budget**") or permitted overrun.

If applicable, ADNOC is authorised to take action and incur expenditure exceeding a prevailing approved Program and Budget by up to 10% of the prevailing approved Program and Budget but only to the extent that such actions or expenditures are necessary for carrying out the relevant activity.

(ix) **Customer Payments**

ADNOC will pay Gas Co any customer payments within 5 days of receiving such payments, without setoff, and must keep or cause to be kept proper books, accounts and records of all these payments received.

(x) **Delay in payment**

If either party fails to pay any sum due to the other, the party failing to pay shall pay interest, of 3% percentage above SOFR as in effect on the day when such payment was originally due, on such sum to the other party. If SOFR was not published on that day, then SOFR published on the nearest preceding day will be used.

(xi) **Records and audit**

ADNOC is to keep accounts of all costs and fees charged or invoiced to Gas Co. ADNOC is to procure these accounts are audited at the end of every contract year by an internationally reputable firm of auditors with the appropriate qualifications and experience, or with suitable qualifications as per the Abu Dhabi Accountability Authority regulations. Upon receiving the audit results, ADNOC is to promptly share them with Gas Co. All costs, expenses and liabilities incurred are to be borne by Gas Co.

(xii) **Taxes**

Gas Co shall be responsible for all taxes levied or imposed in relation to the sale of any products together with any other taxes in relation to the services under this agreement.

(xiii) **Force Majeure**

Neither ADNOC nor Gas Co will be in default of this agreement if the performance of its obligations – other than a payment obligation – is prevented or delayed by circumstances of Force Majeure for so long as such circumstances subsist. A Force Majeure Event is an event the occurrence of which is not reasonably foreseeable on the date of the agreement, and which is beyond the reasonable control of the affected party, and includes:

(A) flood, lightning, storm, typhoon, tornado, earthquake, landslide, soil erosion, subsidence, washout or epidemic;

(B) war (whether declared or undeclared), blockade, insurrection, military uprising, or act of public enemies;

(C) revolution, rebellion, civil war, riot, civil disturbance, terrorist acts, seizure or act of sabotage, cyber-attacks, imposition of sanctions, embargo or breaking-off of diplomatic relations;

(D) trade or labour dispute, strike, lockout or industrial disturbance; and

(E) failure, explosion, breakage or accident to the relevant company facilities (unless caused by the negligence or wilful misconduct of the affected party or its personnel).

The affected party shall give the other party notice of an event of a Force Majeure shall bear the burden of proof of the occurrence of said Force Majeure, and take all reasonable measures to mitigate its effect (including cooperating with the other party to develop a plan of remedial action and reasonable alternative measures to remedy the effects of such Force Majeure).

(xiv) **No Consequential Loss**

Neither party is liable in any tort or negligence as a result of any act or omission in the course of or in connection with the performance or non-performance of this agreement, for any (i) actual or anticipated loss of income or profits, loss of revenue, loss of use, loss of production, loss of contract, loss of goodwill, increased cost of working or loss of business opportunity; (ii) exemplary or punitive damages; (iii) any claim made or brought against the other party by a third party; or (iv) any indirect, remote, unforeseeable or consequential loss or damages.

Such provision applies in all circumstances regardless of cause, including in the event of a pre-existing defect, negligence, tort, wilful misconduct, any other wilful default, breach of duty, strict liability or other fault.

(xv) **Assignment**

Neither party shall assign or otherwise transfer any of its rights, benefits, or obligations without the prior written consent of the other party.

(xvi) **Term**

The agreement is effective from 1 January 2023, or such later date as agreed between the parties, and shall continue in effect until terminated.

The agreement may be terminated by either party in the case of a termination event, or by Gas Co for convenience.

A termination event occurs where there is:

(A) a material breach of the agreement and that party fails to rectify such breach (or take all reasonable steps to rectify the adverse consequences of the breach) within three months of receiving notice in writing from the other party that it is required to rectify the breach;

(B) a party's failure to make payment when due and such payment remains unpaid for 60 days following the due date;

(C) a party suffers an insolvency event which persists for 90 days; or

(D) resignation of the marketing manager.

Where a party elects to terminate the agreement in light of a termination event, the electing party must issue a written notice to the other party within ten business days of the occurrence of the termination event. The agreement will terminate after six month from the date of a termination notice, and the parties are to, in good faith, discuss and develop a transition plan to be implemented within the six (6) months period leading up to termination.

The agreement may be terminated by Gas Co at any time by written notice to ADNOC. The agreement will then terminate on the day specified in the termination notice.

(xvii) **Governing law and dispute resolution**

The agreement, and relating disputes, proceedings, claims, and interpretations of it are governed by the laws in force in Abu Dhabi and the applicable federal laws of the UAE. The parties shall in good faith and with a spirit of cooperation use all reasonable efforts to settle amicably any dispute that arises out of or relates to the Assignment Agreement or

the breach, termination or validity thereof through constructive discussions and negotiations.

If a dispute has not been amicably settled by the parties within 30 calendar days of one party's notice of the dispute to the other party, either party may by notice to the other party refer the dispute for resolution to each party's chief executive officer.

If a dispute has not been settled by the parties' Senior Managers within 60 calendar days of one party's referral to the Senior Managers, either party may by notice to the other party refer the dispute for resolution to each party's respective Senior Manager.

If, notwithstanding the foregoing, a dispute is not settled between the parties' chief executive officers within 90 days of the referral of the dispute to the Senior Managers, each party has a right to call for a final settlement by arbitration under the Rules of Arbitration of the International Chamber of Commerce by three arbitrators appointed in accordance with those rules with the seat in Abu Dhabi.

6. **Novation and Amendment Agreement in respect of the AGP Amended and Restated Joint Venture Agreement**

(i) **Novation and Amendment Agreement**

On 31 December 2022, ADNOC, Gas Co, TOTAL Energies SE, SHELL Abu Dhabi B.V., PTTEP Gas Corporation, and AGP entered into a novation and amendment agreement in respect of the amended and restated joint venture agreement dated 31 March 2009.

Pursuant to the novation and amendment agreement, ADNOC novates the amended and restated joint venture agreement to Gas Co effective from 1 January 2023. Notwithstanding the foregoing, ADNOC shall, until 30 September 2028, guarantee to PTTEP, AGP, TOTAL Energies and SHELL the due performance by Gas Co of its obligations under the novating agreement and each collateral agreement (as specified in the novating agreement) to which Gas Co is a party.

In addition, if at any time Gas Co (or a wholly owned affiliate of Gas Co) holds a participation share and (a) Gas Co or AGP is about to cease to be directly or indirectly controlled by ADNOC; or (b) the objects of Gas Co under its establishing laws are about to materially change and either Gas Co will no longer be able to hold a participation share in ALNG or perform its obligations under the novating agreement or the business of Gas Co will change substantially to include significant new unrelated businesses and activities, then ADNOC shall procure that Gas Co, prior to or immediately following such event, transfer the participation share held by it (or its wholly owned affiliate) to ADNOC (or a wholly owned affiliate of ADNOC).

(ii) **Joint Venture**

Pursuant to the amended and restated joint venture agreement between Gas Co, TOTAL, SHELL, PTTEP (each a "**Participant**") and AGP, AGP shall be the exclusive operator of the NGL complex which is composed of the assets listed in the relevant asset registers (as amended from time to time) ("**NGL Complex**"). AGP is expressly permitted to procure third party services in operating the NGL Complex.

PTTEP, SHELL and TOTAL Energies shall provide technical services to AGP in accordance with the terms of the agreement and their respective technical support agreements. Each Participant shall provide secondees to AGP in accordance with the terms of this agreement and their respective manpower supply agreements.

The parties acknowledge that certain rights and obligations of AGP under the joint venture agreement and collateral agreements listed therein directly relate to, or depend on, AGP being the operator of the relevant ADNOC ASR Gas Assets under the operating agreement in respect of the onshore gas operations of ADNOC (see "*Related Party Transactions – Novation and Amendment Agreement in respect of the Amended and Restated AGP Operating Agreement*"), as amended ("**ASR Operating Agreement**"). To the extent AGP ceases to be the operator under the ASR Operating Agreement, AGP shall also cease to

have the rights and obligations under the joint venture agreement and collateral agreements relevant to the operator, and Gas Co shall have those rights and obligations from that time.

(iii) **Objectives**

AGP shall be conducted in accordance with the principles set forth in the agreement, including as to the implementation of health, safety and environmental standards, compliance with laws, asset integrity standards, long-term replacement plans and the replacement of obsolete equipment.

(iv) **Sharing of Facilities and Corporate Services**

Gas Co agrees that (i) the ADNOC Ruwais NGL facilities shall, to the extent required by AGP (acting on behalf of the Participants), be made available to AGP for it to fulfil its obligations under the NGL processing and products offtake agreement; (ii) the relevant ADNOC ASR Gas Assets shall, to the extent required by AGP (acting on behalf of the Participants), be made available to AGP on reasonable terms and conditions to be agreed between the parties; and (iii) the ADNOC services at Asab, Bab, Bu Hasa and Ruwais, (including water and electricity, accommodation, common facilities, and recreational facilities, as such services may be adjusted from time to time) shall, to the extent required by AGP, be made available to AGP on agreed terms, subject to AGP's board approval, and AGP shall reimburse Gas Co, at cost, for such services. AGP also agrees that the NGL Complex shall, to the extent required by Gas Co, be made available to Gas Co for the purposes set out in the amended and restated gas supply and purchase agreement.

(v) **Financing**

The board shall determine the financing requirements of AGP, and the Participants shall fund the same through share capital contributions and/or loans in proportion to their respective participation share (consisting of 68% in respect of Gas Co, 15% in respect of TOTAL, 15% in respect of SHELL and 2% in respect of PTTEP, as may be adjusted from time to time).

(vi) **Transfer of Shares**

A Participant may transfer the whole, but not part, of its participation share subject to the prior written consent of the Government of the Emirate of Abu Dhabi. This consent is not required in the case of a transfer by a Participant of the whole of its participation share to its wholly owned affiliate, in which case the transferor shall procure that, for so long as its participation share is vested in the transferee, that transferee remains a wholly owned affiliate of the transferor.

The transfer of a transferor's whole participation share shall vest in the transferee the corresponding portion of the transferor's rights under this agreement and the collateral agreements listed therein to which the transferor is a party. The transferor shall guarantee to the other parties to each relevant agreement the due performance by the transferee of its corresponding obligations.

(vii) **Administration of AGP**

Gas Co shall appoint 4 persons to AGP's board of directors and designate, from time to time, one of them as director entitled to vote in accordance with AGP's amended and restated articles of association. PTTEP, SHELL and TOTAL Energies shall each appoint one person to the board and each such director shall be entitled to vote.

The chairman of the board shall be nominated by Gas Co and appointed by the board from among its members. The chief executive officer shall be nominated by Gas Co and appointed by the board on terms and conditions approved by the board, and shall be responsible for the administration of AGP within the policies laid down from time to time by the board. The other senior staff of AGP reporting directly to the chief executive officer shall be appointed by the board on terms and conditions approved by the board from time to time.

(viii) **Voting by the Board**

Resolutions of the board shall be by approval of the Gas Co voting director and the director appointed by either TOTAL Energies or SHELL, except for proposals relating to certain matters specified in the agreement (including the alteration of AGP's articles of association, the sale or liquidation of AGP, the sale or encumbrance of any assets having an aggregate original book value in excess of a certain threshold, the terms and conditions for loans, certain financing requirements and any expansion of the NGL Complex beyond its capacity or any change in its scope) where approval of all the directors of the board entitled to vote shall be required.

(ix) **Voting by the Shareholders**

Resolutions of annual and special meetings of the shareholders shall be by approval of the votes attaching to the shares held by Gas Co and either TOTAL Energies or SHELL, except that any resolution on a number of matters specified in the agreement (including those listed under "*Voting by the Board*" above) shall be by approval of 100% of the votes attaching to all shares in AGP.

(x) **Withdrawal**

If PTTEP, SHELL or TOTALEnergies ceases to be a party to the agreement pursuant to a notice of withdrawal given under the associated gas processing and NGL delivery agreement, that party will cease to be a Participant from the date that such notice comes into effect and cease to have rights or obligations from such date. Following receipt of a withdrawal notice, AGP must notify each other Participant and transfer the participation share of the withdrawn Participant and the shares in AGP held by the withdrawn Participant to Gas Co without payment.

(xi) **Decommissioning of NGL Complex**

Decommissioning activities to be implemented by AGP in relation to the NGL Complex, prior to the termination of this agreement by expiry of its term, shall be funded on a cash basis and such funding shall be allocated between the Participants in proportion to their respective participation shares. Decommissioning activities involve the decommissioning, dismantling, removal and/or making safe of any part of the NGL Complex, together with any necessary site restoration and/or environmental clean-up, or other activities relating thereto.

The agreement includes a number of provisions in relation to the appointment of a decommissioning consultant, the preparation of a decommissioning plan, and the funding of decommissioning activities.

(xii) **Related Agreements**

The relevant parties agreed to enter into several other agreements in connection with this agreement, including (i) the amended and restated gas supply and payment agreement outlining the arrangements under which associated gas is supplied to AGP at the NGL Complex in return for certain payments by PTTEP, SHELL and TOTAL Energies to Gas Co; (ii) the associated gas processing and NGL delivery agreement which governs the relationship between the relevant parties in connection with associated gas delivered to AGP and processed by it in the NGL Complex for the production of NGL and its delivery to the ADNOC Ruwais NGL facilities; (iii) the NGL processing and products offtake agreement outlining the arrangements under which NGL delivered to the ADNOC Ruwais NGL facilities shall be processed in such facilities for the production of propane, butane and paraffinic naphtha, and thereafter, the offtake of such products by the Participants in proportion to their respective Participation Shares and the payment by each Participant to AGP of a product processing charge to cover the cost of the operations of the ADNOC Ruwais NGL facilities; (iv) the Ruwais asset transfer agreement outlining the arrangements for the acquisition by ADNOC of certain assets from AGP; (v) the ASR Operating Agreement; (vi) the technical support agreements for the purpose of providing of technical

support to AGP; and (vii) the manpower supply agreements for the purpose of providing manpower to AGP.

(xiii) **Employment Policy**

AGP shall to the maximum extent possible, from time to time, employ qualified UAE nationals in all aspects of its operations and maintain training programs in accordance with the terms of the agreement.

(xiv) **Selection of Contractors, Materials and Services**

The selection of contractors, insurance and banking services providers, as well as the purchase of goods, materials and equipment, are subject to a number of requirements set forth in the agreement.

(xv) **Availability of Land for Facilities**

The Participants must confirm with the Supreme Petroleum Council (replace by SCFEA) that AGP will have the continuous right to use (i) the land required in order to maintain the NGL Complex (including necessary utilities and ancillary constructions); and (ii) such land required by AGP to maintain necessary pipeline and telecommunications facilities to interconnect Asab, Bab and Bu Hasa with Ruwais.

(xvi) **Audit**

Each Participant shall have the right at all reasonable times to inspect the books and records of AGP at the expense of such Participant. Participants shall use their reasonable efforts to conduct joint and simultaneous audits to minimise any inconvenience to AGP.

(xvii) **Force Majeure**

None of the parties shall be bound to fulfil its obligations under the agreement in circumstances beyond the control of the affected party that hinder, prevent or delay the performance of any obligation by the affected party ("**Force Majeure**") (but only for so long as such circumstances subsist). Force Majeure events include, inter alia, strikes, lockouts, other labour disputes, shortage of labour or materials, and legislation and its interpretation. In the event of Force Majeure affecting the material obligations of a party for a period in excess of three months, parties shall meet to discuss and agree on the most appropriate solution.

(xviii) **Term and Termination**

The agreement is effective from 1 October 2008 and shall remain in full force and effect for a period of twenty years therefrom, unless the Participants unanimously decide to reduce or extend such period.

(xix) **Termination for Default**

If any of PTTEP, PARTEX Oil and Gas (Holdings) Corporation ("**PARTEX Guarantor**"), SHELL, SHELL Gas B.V. ("**SHELL Guarantor**") or TOTAL Energies should experience any of the default events set forth in the agreement (which include, without limitation, any arrangement or composition with, or for the benefit of its creditors; ceasing to carry on business, or being or becoming insolvent or unable to pay its debts as they fall due; the PARTEX Guarantor or the SHELL Guarantor, as applicable, breaching any of its obligations under the parent company guarantee entered into by it as a guarantor for the benefit of Gas Co or such guarantee becoming unenforceable or ineffective), then such party shall be in default as of the applicable default date.

Thereupon and unless the default event has been remedied, Gas Co shall have the right, in its sole discretion, to terminate the defaulting party's participation share of rights and obligations under this agreement and the applicable collateral agreements to which the latter is a party, by written notice to the defaulting party. Upon the effective date of that

notice, such participation share and the defaulting party's shares in AGP shall be transferred to Gas Co without cost.

(xx) **Liquidation of AGP or Transfer of Shares upon Termination**

At Gas Co's sole discretion, upon termination of this agreement by expiry of its term, each of PTTEP, SHELL and TOTAL Energies shall either (i) cooperate in liquidating AGP (in which case the shareholders shall cause AGP to transfer all of AGP's assets to Gas Co for a price equal to their residual book value as demonstrated by the audited accounts of AGP as at the date of such termination), or (ii) transfer their respective shares in AGP to Gas Co, free from liens, for a price equal to the residual book value of AGP's assets as demonstrated by the audited accounts of AGP as at the date of such termination.

(xxi) **Governing Law and Arbitration**

The agreement is governed by the laws of the Emirate of Abu Dhabi and the federal laws of the UAE. Any unsettled dispute shall be referred to arbitration under the rules of arbitration of the International Chamber of Commerce, in accordance with the process and terms specified in the agreement.

7. **Novation and Amendment Agreement in respect of the ALNG Amended and Restated Participants Agreement**

(i) **Novation and Amendment Agreement**

On 31 December 2022, Gas Co, ADNOC, MITSUI & Co. Ltd, BP PLC, and TOTAL Energies S.E. entered into a novation and amendment agreement in respect of the ALNG amended and restated participants agreement dated 31 March 2019.

Pursuant to the novation and amendment agreement, ADNOC novates the amended and restated participants agreement to Gas Co effective from 1 January 2023, but remains primarily liable to MITSUI, BP and TOTAL Energies for the performance of all obligations undertaken by Gas Co under the novating agreement and any relevant ancillary or collateral agreement. In addition, if at any time Gas Co (or a wholly owned affiliate thereof) holds shares in ALNG and (a) Gas Co or ALNG is about to cease to be directly or indirectly controlled by ADNOC; or (b) the objects of Gas Co under its establishing laws are about to materially change and either Gas Co will no longer be able to hold shares in ALNG or perform its obligations under the novating agreement, or the business of Gas Co will change substantially to include significant new businesses and activities that are unrelated to the acquisition, production, use or exploration, sale and disposal of any type of gas or related products (within or outside the UAE), then in each case ADNOC shall procure that Gas Co, without delay, and prior to or immediately following such event, transfer the shares it (or its wholly owned affiliate) holds to ADNOC (or a wholly-owned affiliate of ADNOC).

(ii) **Purpose of Novated and Amended Participants Agreement**

The novated and amended participants agreement governs the relationship between Gas Co, MITSUI, BP, and TOTAL Energies as regards the ownership and continued operation of ALNG in its business of (i) procuring natural gas for processing into LNG, LPG and other products at the gas processing plant consisting of existing natural gas liquefaction trains 1, 2 and 3 and related facilities, and any future LNG or related facilities, located on Das Island and owned by ALNG ("**LNG Plant**"), and (ii) marketing such products to customers.

(iii) **Business of ALNG**

ALNG owns and operates the LNG Plant, takes delivery and processes natural gas from ADNOC under the gas supply and payment agreement between ALNG and ADNOC ("**ALNG GSPA**"), and also sells LNG, LPG, paraffinic naphtha and sulphur produced at the LNG Plant pursuant to certain supply and purchase agreements as well as on a 'spot' basis.

(iv) **Financing**

If additional finance is required to maintain the LNG Plant in a safe and efficient condition or to meet governmental, local authority or regulatory requirements and ALNG's board of directors does not approve available third-party loans, the parties shall themselves provide (or arrange the provision of) loans pro rata to their shareholding percentages and on terms to be agreed. In addition, the parties (and their affiliates) may themselves, according to their shareholding percentages, provide any required funds to be borrowed by ALNG from third party lenders on terms no less favourable than those offered to ALNG by such third parties lenders for comparable amounts.

If ALNG is temporarily unable to meet its cash obligations (other than to subrogated insurers) either from revenue or borrowed funds, parties shall, on demand, advance as loans to ALNG their share of such cash requirements according to their shareholding percentages, or arrange for such loans to be made. These loans shall bear interest at a normal commercial rate to be agreed between the parties and ALNG, and shall be repaid by ALNG to the lenders pro rata as soon as cash is available from operating revenues or borrowed funds in excess of current requirements.

(v) **Transfer of Shares**

The agreement includes a number of restrictions on the transfer of shares in ALNG. In particular, each party (i) agrees that it shall remain primarily liable for the performance of all obligations undertaken by it (or any of its affiliates) under the agreement and any ancillary or collateral agreement as related to the performance of its obligations under this agreement, irrespective of the fact that any shares of ALNG are held by any of its affiliates from time to time; and (ii) undertakes to procure that none of its affiliates holding shares in ALNG ceases to be an affiliate while holding such shares. In addition, if any party transfers its shares in ALNG to its wholly-owned affiliate, and that affiliate is about to cease to be a wholly-owned affiliate of that party, that party shall, without delay, and prior to the affiliate ceasing to be its wholly owned affiliate, cause that affiliate to transfer the ALNG shares back to that party.

A party may offer to sell all of its shares in ALNG to a specified third party provided the third party is approved in advance by the Government of Abu Dhabi. Any transfer of shares in ALNG (other than a permitted transfer to a party's wholly-owned affiliate) shall be subject to the transferor remaining primarily liable for the performance of all its obligations (whether or not then matured) to third parties in respect of any then outstanding indebtedness of ALNG. If any party other than Gas Co offers to sell any of its shares in ALNG, the proposed sale shares must first be offered to Gas Co on the same terms and conditions (including price) as offered to the third party (or other party to the agreement), as the case may be. If Gas Co does not take up the shares, the pre-emption right shall be offered on a pro-rata basis to the other parties to the agreement.

(vi) **Administration**

The business of ALNG shall be managed by a board of directors consisting of eight members. Gas Co shall have the right to nominate four members, MITSUI two, and each of the other parties (or their affiliates) one. Each of the parties agree to cause their shareholding (and those of their affiliates) to be voted for the election of candidates so nominated and only vote for their removal at the request of the party who nominated such candidates. The directors nominated by Gas Co shall jointly be entitled to one vote for every share held by Gas Co and its affiliates, those nominated by MITSUI shall jointly be entitled to one vote for every share held by MITSUI and its affiliates, and each of the directors nominated by BP and TOTAL Energies shall be entitled to one vote for every outstanding shares such party, or its affiliates holds in ALNG.

Decisions of the board of directors shall be by approval of all directors nominated by Gas Co present at the meeting, except for (i) a number of matters which also require the approval of one director nominated by MITSUI and one director nominated by either of BP or TOTAL Energies (such as the alteration of ALNG's articles of association, the reduction or increase of its share capital; the sale, liquidation or winding up of ALNG or ALNG's

merger, consolidation or amalgamation with another company, the mortgage, sale or encumbrance of assets which value exceeds a certain threshold; transactions with related parties, annual budgets, unbudgeted capital expenditures exceeding a certain threshold, appointment of the chief executive officer, and approval of the terms of any sale of LNG, LPG or other products in excess of a specified threshold); and (ii) proposals relating to financial commitments by the parties to expand the LNG Plant beyond trains 1, 2 and 3 which shall require the unanimous approval of all the directors.

The chairman of the board of directors shall be designated upon nomination by Gas Co. The chief executive officer of ALNG shall be appointed by the board in accordance with the terms of the agreement upon nomination by Gas Co, which nomination shall be made after consultation with the other parties.

The quorum for meetings of the board shall be one director nominated by Gas Co, provided that no matter requiring approval by a director nominated by a party or requiring unanimous director approval may be decided unless the minimum number of directors necessary to take any such action is present. The quorum for any meeting of the parties, annual or special, shall consist of Gas Co provided that no matter requiring approval by directors nominated by Gas Co, MITSUI and either of BP or TOTAL Energies or by unanimity may be decided unless the minimum number of directors necessary to take any such action is present.

(vii) **Operation and Maintenance of the LNG Plant**

Parties agree, within the limits of their available resources, to provide ALNG with technical assistance as requested by the latter to ensure the efficient operation and maintenance of the LNG Plant and on such terms and conditions as shall be agreed between ALNG and the relevant parties. ALNG shall to the maximum extent possible employ qualified Abu Dhabi and other UAE nationals in all aspects of its operations. The selection of contractors, insurance and banking services providers, as well as the purchase of goods and materials, are subject to a number of requirements set forth in the agreement.

(viii) **Natural Gas Supply**

If, from 1 April 2032, ADNOC exercises its right under the ALNG GSPA to reduce the daily base volume and, solely as a result thereof, ALNG's profitability is materially lower than the average level of profitability it enjoyed between 1 April 2019 and 31 March 2032, parties shall discuss a mechanism to improve such profitability and, following such discussions, shall cause ALNG to jointly determine such mechanism with ADNOC.

(ix) **Profit Distribution**

ALNG's profit policy is to declare dividends and make a maximum distribution of profits available in cash after due allowance for reserves that the directors may recommend (not to be less than 10% of net profits with respect to any year, as determined by ALNG's independent auditors), until the amount of such reserve attains an amount equal to 10% of the common share capital of ALNG. Subject to the foregoing, ALNG may declare and pay dividends as frequently as the directors deem fit.

(x) **Decommissioning**

Parties shall (a) no later than 31 March 2036 or (b) if the ALNG GSPA is terminated prior to 31 March 2036, as soon as reasonably practicable after the early termination thereof, appoint an independent, dedicated third party engineering consultant or consultancy firm to prepare a decommissioning plan in accordance with the terms of the agreement, which shall include details of the decommissioning activities and their cost. The appointment of the decommissioning consultant shall be subject to final approval by Gas Co on behalf of the Supreme Petroleum Council of the Emirate of Abu Dhabi.

The decommissioning costs shall be funded in accordance with the decommissioning plan, provided the parties shall cause ALNG to pay or reserve decommissioning costs to be funded periodically after the finalisation of the plan ("**Decommissioning Contribution**") as

part of its operating expenses. To the extent that ALNG is unable to fund any portion of a Decommissioning Contribution as part of its operating expenses, the parties shall fund such shortfall pro rata to their respective shareholding percentages at the date the decommissioning activities are scheduled to commence in accordance with the decommissioning plan. Parties may also be required to pay additional sums pro rata to their respective shareholding percentages if there are additional decommissioning costs that ALNG is unable to cover and which the Supreme Petroleum Council anticipates (as notified by Gas Co to the other parties) will not be covered by the Decommissioning Contributions.

In addition, if the ALNG GSPA expires, or is terminated, before a decommissioning plan becomes final and binding, then to the extent ALNG is unable to fund any decommissioning costs, the parties shall each remain liable to fund any such costs pro rata to their respective shareholding percentages in accordance with the agreement.

(xi) **Coordination with ADNOC, ADNOC Group Policies**

Parties acknowledge that ALNG forms part of the production and processing chain of ADNOC and its affiliates and, therefore, ALNG shall (subject to any approvals under the agreement and ALNG's articles of association where applicable) coordinate its operational activities with ADNOC and its affiliates including, but not limited to, complying with ADNOC group policies and procedures and coordinating maintenance activities and periods of shutdown of the plants and other facilities.

(xii) **Term**

The novating agreement is effective from 31 March 2019 and shall remain in force until otherwise agreed by all parties.

(xiii) **Governing Law and Arbitration**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE. Any unsettled dispute shall be referred to arbitration under the rules of arbitration of the International Chamber of Commerce, in accordance with the process and terms specified in the agreement.

8. **Transitional Support Services Agreement**

On 22 December 2022, Gas Co entered into the Transitional Support Services Agreement with ADNOC pursuant to which ADNOC will provide Gas Co with certain corporate support services specified in the agreement, including in the areas of communications, HSE, human capital and administration, legal, insurance, OneERP, information technology, tax and any additional services agreed between Gas Co and ADNOC. The Transitional Support Services Agreement is effective from 1 January 2023 for an initial one-year term and thereafter may be extended for successive one-year periods by agreement of the parties.

(i) **Payment of Services Fees**

In consideration for the performance of the services by ADNOC, other than with respect to legal and insurance services, Gas Co shall pay ADNOC service fees in an amount equal to the actual cost incurred by ADNOC in providing these services during each relevant year. The legal services fee for the first contract year, commencing 1 January 2023, is AED 1,551,030 and the insurance services fee in each contract year will be an amount equal to the actual insurance premiums paid by ADNOC on Gas Co's behalf, plus the actual amount of any administrative costs, and/or out-of-pocket expenses, incurred by ADNOC in procuring the relevant insurance policies for Gas Co.

(ii) **Liability and Indemnification**

The parties mutually indemnify one another for claims, losses, damages, costs, expenses and liabilities arising in respect of personal injury and property damage arising out of or in connection with the performance of the agreement (with exceptions for gross negligence

and wilful misconduct of the indemnified party and their relevant third parties and related parties). ADNOC's liability to Gas Co for any damage or loss sustained by Gas Co arising out of the performance, mis-performance or non-performance of the services, by or on behalf of ADNOC is limited to (i) cases of any proven or accepted negligence or failure of ADNOC to perform its obligations under the agreement, (ii) the re-performance of services at ADNOC's own cost; and (iii) in any contract year, 100% of the aggregate services fees and additional fees payable in such contract year.

(iii) **Taxatoin Liability**

Pursuant to the VAT law, each of ADNOC and members of the ADNOC Group on whose behalf ADNOC acts as representative to the federal tax authority in respect of transactions will be jointly and severally liable for all VAT obligations assessed in respect of the Consolidated Group VAT Return. If Gas Co is not, or ceases to be a member of the ADNOC Group then Gas Co will be responsible for its own VAT returns and tax services will no longer form part of ADNOC's services under the agreement.

(iv) **Termination**

The agreement may be terminated by written agreement between the parties at any time during the term and for convenience.

(v) **Governing Law and Arbitration**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE. Any unsettled dispute shall be referred to resolution by the Abu Dhabi civil courts.

9. **Novation and Amendment Agreement in respect of the NGL Processing and Products Offtake Agreement**

(i) **Novation and Amendment**

On 31 December 2022, ADNOC, Gas Co, AGP, TotalEnergies S.E., Shell Abu Dhabi B.V., and PTTEP Gas Corporation entered into a novation and amendment agreement, in respect of the NGL Processing and Product Offtake Agreement, dated 31 March 2009. Pursuant to the novation and amendment agreement, effective from 1 January 2023, ADNOC novates its rights, obligations and liabilities under the NGL Processing and Product Offtake Agreement to Gas Co which shall thereupon discharge all obligations thereunder, and the terms of the novating agreement are amended as set forth in the novation and amendment agreement.

(ii) **Obligations of AGP as ASR Operator**

The parties acknowledge that certain rights and obligations of AGP under the joint venture agreement and collateral agreements listed therein directly relate to, or depend on, AGP being the operator of the ASR facilities under the Operating Agreement in respect of the Onshore Gas Operations of ADNOC dated 1 August 2001, as amended (see "*Related Party Transactions – Novation and Amendment Agreement in respect of the Amended and Restated AGP Operating Agreement*") ("**ASR Operating Agreement**"). To the extent AGP ceases to be the operator under the ASR Operating Agreement, AGP shall also cease to have the rights and obligations under the joint venture agreement and collateral agreements relevant to the operator, and Gas Co shall have those rights and obligations from that time.

(iii) **Term and Termination**

The NGL Processing and Product Offtake Agreement is effective from 1 October 2008 and shall continue in full force and effect until termination of the AGP Amended and Restated Joint Venture Agreement dated 31 March 2009 (as amended and novated from time to time) in accordance with its terms).

(iv) **Processing, Capacity and Specification**

AGP (as the operator of the ADNOC Ruwais NGL Facilities) undertakes to process for each of Gas Co, PTTEP, Shell, and TOTAL Energies ("**AGP JV Partners**") their participation share of the mixture of NGL delivered at the Ruwais delivery point in exchange for each AGP JV Partner paying AGP (acting on behalf of Gas Co for these purposes) its participation share of the costs incurred for the manufacturing of propane, butane and paraffinic naphtha as per the equation specified in the agreement ("**Products Processing Charge**"). Gas Co, as shall take all necessary steps (including to issue the necessary instructions under the ASR Operating Agreement) to procure that AGP performs its obligations under the novated and amended AGP ASR business operating agreement (see "*Related Party Transactions - Novation and Amendment Agreement in respect of the Amended and Restated AGP Operating Agreement*"). Gas Co shall first consult the AGP JV Partners before taking any action in relation to the Ruwais NGL fractionation plant, which would materially impact the part of the NGL processing capacity of those facilities available to handle the NGL delivered at the Ruwais delivery point, the forecasted availability of propane, butane and paraffinic naphtha, and/or the Products Processing Charge.

If the products received by the AGP JV Partners are different in quality and/or composition from the expected quality and/or composition based on the NGL measured at the NGL measurement points, (i) AGP shall take all necessary steps to identify and provide a detailed written report on the cause for the difference, and (ii) Gas Co shall take all necessary steps to return the quality and/or composition at no cost to the other AGP JV Partners. If Gas Co fails to return the quality and composition of the relevant products within three (3) months, Gas Co shall meet with the other AGP JV Partners to discuss and agree on the appropriate level of compensation. Gas Co shall not be expected to rectify any differences in quality and/or composition of products which result from the processing of feed streams in the ADNOC Ruwais NGL Facilities existing at 1 January 2023.

(v) **Fractionation of NGL**

Pursuant to the NGL Processing and Product Offtake Agreement, AGP (as the operator of the ADNOC Ruwais NGL Facilities) treats and fractionates the NGL it receives into propane, butane and paraffinic naphtha, and then stores and delivers such products to the AGP JV Partners. Gas Co shall extract the ethane from the NGL and has the right to use it free of charge. The agreement contains quality and composition specifications, which may be further agreed between parties from time to time, with AGP to use its best efforts to meet such specifications. Under the agreement, each AGP JV Partner is entitled to a portion of each product equal to the aggregate quantities of each such products (as measured at the Asab, Bab and Bu Hasa plant measurement points) multiplied by that AGP JV Partner's participation share, and adjusted proportionately for operational losses encountered at the ADNOC Ruwais NGL Facilities. AGP does not warrant the availability or fitness of any of the products.

(vi) **Offtake Programme**

Each AGP JV Partner must lift in each month the quantities of the products that it is entitled to, with any deviations subject to prior consent from AGP, and each AGP JV Partner must notify AGP of its vessel nominations for the offtake of the products during such month which it is due to load. AGP must promptly prepare and deliver an offtake programme for each loading month to each AGP JV Partner after consultation with the AGP JV Partners, not discriminating between them. If an AGP JV Partner is unable to take delivery of any of its products in accordance with the applicable programme, they must instruct AGP as to the disposition of such products. AGP shall not pay any demurrage in respect of the offtake of products.

(vii) **Products Processing Charge**

Each AGP JV Partner shall pay to AGP, acting on behalf of Gas Co, its participation share of the product processing charges as set forth in the agreement.

(viii) **Audit Rights**

Upon reasonable advance written notice to AGP and at its own cost, each AGP JV Partner has the right to audit the books and records of AGP relating to the measurement of the products for any calendar year within twenty four (24) months after the end of such calendar year. The AGP JV Partners shall use their reasonable efforts to conduct audits jointly or simultaneously to minimise any inconvenience to AGP, and any AGP JV Partner conducting an audit must provide written notice to AGP and the other AGP JV Partners of all discrepancies disclosed by such audit.

(ix) **Force Majeure**

A party shall not be bound to fulfil its obligations under the agreement (except for any obligations involving payment of money) if any event or circumstance arises which is beyond the control of the affected party and prevents, hinders or delays performance of an obligation by the affected party, provided written notice is given to the other party and that the parties take all reasonable measures to mitigate the effect of such event or circumstances. If such event or circumstance affect material obligations for any party for a period exceeding three (3) months, the parties shall meet to discuss and agree on the most appropriate solution.

(x) **Governing Law and Arbitration**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE, with unsettled disputes resolved by arbitration in accordance with the rules of arbitration of the International Chamber of Commerce in accordance with the process and terms specified in the agreement.

10. **Novation and Amendment Agreement in respect of the AGP Associated Gas Processing and NGL Delivery Agreement**

(i) **Novation and Amendment**

On 31 December 2022, ADNOC, Gas Co, AGP, TOTAL Energies S.E., Shell Abu Dhabi B.V. and PTTEP Gas Corporation entered into a novation and amendment agreement, in respect of the associated gas processing and NGL delivery agreement, dated 31 March 2009.

Pursuant to the novation and amendment agreement, ADNOC novates its rights, obligations and liabilities under the novating agreement to Gas Co and the terms of the novating agreement are amended effective from 1 January 2023.

(ii) **Obligations of AGP as ASP Operator**

The parties acknowledge that certain rights and obligations of AGP under the joint venture agreement and collateral agreements listed therein directly relate to, or depend on, AGP being the operator of the ASR facilities under the Operating Agreement in respect of the Onshore Gas Operations of ADNOC dated 1 August 2001, as amended ("**ASR Operating Agreement**"). To the extent AGP ceases to be the operator under the ASR Operating Agreement, AGP shall also cease to have the rights and obligations under the joint venture agreement and collateral agreements relevant to the operator, and Gas Co shall have those rights and obligations from that time.

(iii) **Availability of Processing Capacity**

AGP shall make available to each of PTTEP, Shell, TOTAL Energies and Gas Co (together, "**Participants**") its participation share of the maximum amount of associated gas which can be processed at the Asab, Bab or Bu Hasa NGL plants ("**Plant Design Production Ceiling**") in return for each Participant paying a processing fee to AGP. Irrespective of the actual level of utilisation by any participant of its participation share of the Plant Design Production Ceiling, each participant must pay a processing fee to AGP in accordance with the terms of the agreement.

(iv) **Processing of Associated Gas**

AGP, acting on behalf of the Participants shall receive and accept delivery of associated gas from the operating companies operating the oil fields. Upon delivery of the associated gas, AGP shall (i) extract NGL from the associated gas, (ii) meter and analyse the components of the NGL, (iii) deliver such NGL to the Ruwais delivery point, and (iv) make any surplus associated gas and all residue gas available to Gas Co in accordance with instructions from Gas Co and pursuant to the relevant amended and restated gas supply and payment agreement. The quality and composition specifications of the NGL to be delivered to the Ruwais Delivery Point shall be agreed between the parties from time to time. AGP will use its best efforts to meet such specifications.

The Participants shall, upon reasonable advance written notice to AGP and at their own costs, have the right to audit the books and records of AGP within twenty four (24) months following the end of a calendar year.

(v) **Use of Associated Gas, NGL and Residue Gas**

AGP shall not acquire title or interest in associated gas, NGL or residue gas, AGP has the right to consume such quantities of associated gases, residue gas, NGL and products (propane, butane, paraffinic naphtha) required to operate the NGL Complex.

(vi) **Payment of Fuel Gas**

AGP shall pay to Gas Co for such gas consumed by the NGL Complex as part of the operations for extracting and delivering NGL to the ADNOC Ruwais NGL Facilities ("**Fuel Gas**") a price calculated as set out in the agreement. Any overdue payment by AGP shall bear interest.

(vii) **Supply and Processing of Bab Acid Gas**

AGP shall supply AGP, on behalf of Gas Co for this purpose, at the Habshan acid gas delivery point with the gas (primarily composed of H2S and CO2 produced by treating the associated at Bab) ("**Bab Acid Gas**") at no cost for Gas Co.

AGP, acting on behalf of Gas Co, shall accept delivery of Bab Acid Gas, process the same at the Habshan plant and convert it into sulphur, at no charge to AGP. Any such sulphur, and its associated costs and revenues, shall belong to Gas Co.

(viii) **Processing Fee**

Irrespective of its actual entitlement of NGL, each Participant shall pay AGP a processing fee in respect of each month an amount corresponding to that Participant's participation share of AGP's costs for such month, which includes, inter alia, operating costs and other charges and expenses of AGP attributable to the operation of the NGL complexes, depreciation of AGP's tangible and intangible assets, interest and financial charges incurred by AGP and fuel gas charges.

AGP shall notify each Participant on a monthly basis of its anticipated net cash requirement for the following month, and the Participants shall thereafter pay their participation share. If at any time AGP finds that payments received by it are insufficient to pay its obligations as they fall due, AGP shall notify and request additional cash calls from the Participants. If during any month the accumulated actual revenue of any of PTTEP, SHELL or TOTAL Energies ceases to suffice to enable it to meet the accumulated amount invoiced to it under the agreement in respect of that month, that Participant shall have the right to give AGP an irrevocable notice of withdrawal, and upon the notice coming into effect, the Participant shall cease to be a Participant under and a party to the AGP Joint Venture Agreement and applicable collateral agreements (including this agreement) and all amounts owed to AGP by that Participant will immediately become due and payable to AGP.

If (A) (i) any governmental actions changes or has the effect of changing terms and conditions applicable to the AGP Joint Venture Agreement or any applicable collateral agreement, restricts the export of products or the destination to which they may be sent,

the processing capacity of AGP, or the availability of associated gas or shipping used for export of products or (ii) a declaration of war or engagement of war occurs by the government of the UAE or political action is taken that involves war, civil war, revolution, insurrection or related circumstances within the UAE, and (B) as a direct result of any such circumstances, a Participant's available revenue is less than what it otherwise would have been, such Participant shall promptly notify AGP and its obligation to make payment of processing fees shall be reduced for the relevant period in accordance with the terms of the agreement. Should any Participant pay less than the processing fee payable by it due to such moratoria, whenever thereafter its available revenue for any month exceeds the processing fee for such month, pay to AGP a sum equal to such excess until such time when the paid amount equals all processing fees previously unpaid to AGP.

(ix) **Force Majeure**

A party shall not be bound to fulfil its contractual obligations (except for any obligations involving payment of money) if any event or circumstance which is beyond the control of the affected party and prevents, hinders or delays performance of an obligation by the affected party, provided written notice is given to the other parties. If such event or circumstance affect material obligations of any party for a period exceeding three (3) months, the parties shall meet to discuss and agree on the most appropriate solution. Parties shall take any reasonable measures available in order to mitigate the effect of such force majeure.

(x) **Audit Rights**

The Participants shall, upon reasonable advance written notice to AGP and at their own costs, have the right to audit the books and records of AGP relating to the measurement and analysis of NGL, or the measurement of Fuel Gas, for any calendar year within twenty four (24) months following the end of that calendar year. The Participants shall use their reasonable efforts to conduct audits jointly or simultaneously to minimize any inconvenience to AGP, and any Participant conducting an audit must provide written notice to AGP and the other Participants of all discrepancies disclosed by such audit.

(xi) **Governing Law and Arbitration**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE. Any unsettled dispute shall be resolved by arbitration in accordance with the rules of arbitration of the International Chamber of Commerce, in accordance with the process and terms specified in the agreement.

11. **Novation and Amendment Agreement in respect of the Amended and Restated AGP Gas Supply and Payment Agreement**

(i) **Novation and Amendment**

On 31 December 2022, ADNOC, Gas Co, AGP, TOTAL Energies S.E., Shell Abu Dhabi B.V., and PTTEP Gas Corporation entered into a novation and amendment agreement, in respect of the Amended and Restated Gas Supply and Payment Agreement dated 31 March 2009.

Pursuant to the novation and amendment agreement, ADNOC novates its rights, obligations and liabilities under the novating agreement to Gas Co and to amend the terms of the novating agreement effective from 1 January 2023.

(ii) **Obligations of AGP as ASR Operator**

The parties acknowledge that certain rights and obligations of AGP under the joint venture agreement and collateral agreements listed therein directly relate to, or depend on, AGP being the operator of the ASR Facilities under the Operating Agreement in respect of the Onshore Gas Operations of ADNOC dated 1 August 2001, as amended ("**ASR Operating Agreement**"). To the extent AGP ceases to be the operator under the ASR Operating Agreement, AGP shall also cease to have the rights and obligations under the joint venture

agreement and collateral agreements relevant to the operator, and Gas Co shall have those rights and obligations from that time.

(iii) **Supply of Associated Gas**

Gas Co shall make available such maximum amount of associated gas as can be processed at the relevant Asab, Bab or Bu Hasa NGL plants ("**Plants**"). Gas Co shall also supply to each PTTEP, Shell and TOTAL Energies (together with Gas Co, "**Participants**") such quantities of associated gas equal to the Participants' share of the plant design production ceilings subject to (i) any planned or unplanned shutdown in the NGL complex, (ii) the availability of such quantities of associated gas, and (iii) the requirement for use of such quantities of associated gas as determined by operation companies for the efficient operation in the oil fields in accordance with applicable industry practices.

Neither Gas Co nor any of the operating companies operating the oil fields warrant the quantity, quality or availability of associated gas and neither is liable for any shortage or non-availability of associated gas. AGP is responsible for establishing an annual overall programme as part of its budget preparation cycle and notifying it to the Participants.

In the event that any of PTTEP, Shell or TOTAL Energies do not require all of the associated gas (the "**Non-Required Associated Gas**") to which any of them would otherwise be entitled to, Gas Co shall have the right to determine how such non-required associated gas shall be used and/or disposed of. In order to ensure that the NGL complex shall at all times be technically able to handle associated gas supplied to PTTEP, Shell and TOTAL Energies, Gas Co shall deliver to AGP the minimum quantity of associated gas (calculated based upon the assumption that each other Participant shall deliver to AGP for processing the total amount of associated gas to which it is entitled) as is sufficient at all times in order to fulfil the minimum required loading and throughput to enable production at the applicable specifications.

In the event a Participant takes up part or all of the Non-Required Associated Gas, it will (i) have the right to use the unutilised part of such non-requiring Participants as long as it is available, (ii) reimburse the non-requiring Participants for such part of the processing fee paid by such non-requiring Participants, and (iii) take into account the revenues derived from non-required associated gas and any adjustment in calculating its gas payments to be paid to Gas Co.

If for any reason other than planned or unplanned shutdown in the NGL complex, Gas Co requires to divert to an ASR facility any quantities of associated gas which would have otherwise been supplied to PTTEP, Shell or TOTAL Energies, Gas Co shall make up their loss by providing equivalent quantities of associated gas from alternative sources (subject to processing capacity downstream) or such equivalent quantities of propane, butane and paraffinic naphtha produced from the NGL complex at the Ruwais delivery point.

(iv) **Recycling of Residue Gas**

Gas Co authorises AGP to use quantities of residue gas for recycling. AGP, which owns the recycling facilities, shall deliver to the relevant operating companies who operate the recycling facilities, agreed quantities of residue gas to be recycled for the purpose of stripping NGL from the crude oil derived from the relevant oil fields. AGP and the operating companies mutually indemnify each other for the operation of the recycling facilities. AGP shall reimburse the operating companies for costs attributable to the recycling of residue gas. Operating companies shall not warrant the amount or quality of NGL absorbed during the recycling process. Gas Co shall have the right, for operational and/or safety reasons, to terminate the recycling of residue gas without compensating PTTEP, Shell or TOTAL.

(v) **Delivery of Associated Gas and Return of Surplus Associated Gas and Residue Gas**

The operating companies shall deliver to AGP the quantities of associated gas to which each Participant is entitled to in accordance with the agreement. Right, title and risk in the associated gas passes to the Participants at the delivery point. The operating companies shall use their best endeavours to maintain the quality and pressure of associated gas at

the delivery points as stable as reasonably possible and to maintain even flow rates. Any planned changes shall be notifiable to AGP as soon as practicable prior to such change being effected. AGP shall, in accordance with Gas Co's instructions, (i) subject to availability of capacity at the NGL complex, process any surplus associated gas at the NGL complex for the sole benefit of Gas Co in return for a gas processing charge, and/or (ii) deliver any surplus associated gas to Gas Co, at Gas Co's cost.

AGP shall deliver all residue gas, after recycling of the residue gas, to Gas Co at the relevant delivery point.

(vi) **Gas Payments**

In consideration of the undertaking of Gas Co in this agreement, PTTEP, Shell and TOTAL Energies shall pay to Gas Co an agreed gas payment. In addition, PTTEP, Shell and TOTAL Energies shall, in respect of each calendar year, pay to Gas Co an additional gas payment, being an additional share of profits achieved by AGP above certain target amounts, as determined pursuant to the agreement. If any adjustment to the minimum gas payment or additional gas payment occurs as a result of an audit pursuant to the fiscal letter from the Supreme Petroleum Council, Gas Co will be notified and payment shall thereafter be made to the Participant to which such adjustment is due in immediately available funds.

(vii) **Force Majeure**

Parties shall not be bound to fulfil contractual obligations (except for any obligations involving payment of money) in any event or circumstance which is beyond the control of the affected party and prevents, hinders or delays performance of an obligation by the affected party, provided written notice is given to the other party. If such event or circumstance affects material obligations for any party for a period exceeding three (3) months, the parties shall meet to discuss and agree on the most appropriate solution. Parties shall take any reasonable measures available in order to mitigate the effect of such force majeure.

(viii) **Governing Law and Arbitration**

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE. Unsettled disputes shall be finally resolved by arbitration in accordance with the rules of arbitration of the International Chamber of Commerce.

12. **Agreement Relating to Responsibilities for Multi Product Sales Contracts**

On 31 December 2022, ADNOC and Gas Co entered into the Agreement Relating to Responsibilities for Multi Product Sales Contracts, pursuant to which, notwithstanding the novations contemplated by the Intra-Group Asset Transfer Agreement, the parties agreed that the following agreements would not be novated from ADNOC to Gas Co: (1) the Amended and Restated Feedstock Supply Agreement between ADNOC and Borouge, dated 13 June 2017 (the "**Borouge Agreement**"); and (2) the System Feedstock Supply Agreement between ADNOC and ADNOC Refining, dated 31 July 2019 (the "**ADNOC Refining Agreement**" and together with the Borouge Agreement, the "**Multi Product Agreements**").

With effect from completion of the sale and purchase of the transferring assets under the Intra-Group Transfer Agreement, ADNOC will transfer and assign to Gas Co all of its rights and benefits (i) in respect of the Borouge Agreement, in connection with those quantities of raw ethane, propane and butane which ADNOC is required to provide to Borouge; and (ii) in respect of the ADNOC Refining Agreement, in connection with those quantities of thammama condensate which ADNOC is required to provide to ADNOC Refining (together, the "**Designated Products**").

While ADNOC will continue to be obligated to perform all obligations under the Multi Product Agreements for products other than the Designated Products, Gas Co shall have the obligation to do so with regards to the supply and sale of the Designated Products. Gas

Co shall sell and transfer title to Designated Products directly to Borouge and ADNOC Refining, as applicable, and shall have the right to directly invoice the parties under the Multi Product Agreements for the delivery of these Designated Products, except where doing so requires prior consent which has not yet been obtained – in which case Gas Co shall sell and transfer title to any Designated Products to ADNOC to the extent required by ADNOC to allow it to comply with its obligations under the relevant agreement.

To the extent that ADNOC receives any monies, goods or other benefits received under or in relation to the Multi Product Agreements which relate to the delivery by Gas Co of Designated Products, ADNOC shall promptly pass these on to Gas Co.

13. **Sulphur Sales and Marketing Agreement**

On 31 December 2022, ADNOC and Gas Co entered into the Sulphur Sales and Marketing Agreement, pursuant to which Gas Co agreed to sell all the sulphur (which meets certain agreed specifications) produced at the Habshan sulphur granulation plant (the "**Seller Sulphur**") to ADNOC exclusively, and ADNOC agreed to purchase, market and sell the Seller Sulphur to its third-party customers. Each month, the operator of the sulphur handling terminal, currently AGP, shall determine, by way of specified off-take procedures, and notify the parties of the sum of (a) the total quantity of all Seller Sulphur available at the sulphur handling terminal at the beginning of the month, and (b) the total quantity of all granulated sulphur delivered to the sulphur handling terminal during the month by or on behalf of Gas Co (excluding the inventory of granulated sulphur required for sulphur handling terminal operations). ADNOC, in its sole discretion, shall in turn determine the selling price of the Seller Sulphur and any other granulated sulphur (which meets the agreed specifications) that is available at the sulphur handling terminal (the "**Other Sulphur**") and shall make all the necessary commercial arrangements for selling the Seller Sulphur together with the Other Sulphur. ADNOC may sell the Seller Sulphur and Other Sulphur in a commingled state. ADNOC will seek to sell on the best possible pricing terms, having regard to the prevailing market conditions.

If the Seller Sulphur does not meet the agreed specifications, ADNOC shall sell the off-specification sulphur to the market by way of tender and Gas Co shall receive the proceeds of such sale, reimbursing ADNOC for any costs incurred as a result of managing the off-specification sulphur.

The Sulphur Sales and Marketing Agreement is effective from 1 January 2023 and has an initial five-year term, after which it will automatically renew for further periods of three years – unless either party gives at least 12 months prior written notice, in which case the agreement will terminate at the end of the last day of the initial term or renewal term, as applicable. Notwithstanding such notice, the term shall, however, in any event continue past the termination date set out in it until the earlier of (a) such date when all of ADNOC's firm contractual commitments to sell Seller Sulphur and Other Sulphur, that were entered into after the commencement of the initial term (renewal terms are not included unless agreed in writing by the Seller) and having a term of more than twelve months, shall expire, terminate or be renewed, or (b) such date when there is no more Seller Sulphur at the Habshan sulphur granulation plant, the sulphur handling terminal or in transit between the two.

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE. Unsettled disputes shall be finally resolved by three (3) arbitrators under with the rules of arbitration of the International Chamber of Commerce, in accordance with the process and terms specified in the agreement.

14. **Mirfa AGP Operation, Maintenance and Corporate Services Agreement**

On 31 December 2022, AGP and Gas Co entered into the Operations, Maintenance and Corporate Services Agreement, pursuant to which the parties agreed (a) the terms and conditions upon which AGP shall operate and maintain the Mirfa IGP on behalf of Gas Co, and (b) the basis on which AGP shall provide, or procure the provision of, corporate services to Gas Co, in each case for the sole benefit and at the sole risk and cost of Gas Co.

AGP's obligations under the agreement include providing (a) services for the operations and maintenance of the Mirfa IGP and all other related services and activities that would reasonably be expected to be performed ("**O&M Services**"), and (b) the services required by Gas Co solely to procure the provision of the O&M Services from AGP ("**Corporate Services**", and together with the O&M Services, the "**Services**"), including: (i) finance, legal and health, safety and environment services, (ii) corporate support services, (iii) human capital function services, (iv) technical and engineering services, (v) operations excellence services, and (vi) projects services and excluding any services Gas Co notifies AGP to be excluded from Corporate Services. The Services shall be performed in accordance with the standards and practices set out in the agreement, at a cost, and in consideration for a service fee calculated in accordance with the agreement.

AGP shall obtain and maintain all relevant insurances in respect of the Services. Each party shall indemnify the other for any loss, damage or claim arising from such insurers pursuing any alleged or actual right of recovery as a result of the other party's failure to do the same.

Gas Co's obligations include cooperating with and providing AGP with assistance and access to the Mirfa IGP, its premises and facilities, and data and information in its possession, in each case as reasonably required or necessary for AGP to carry out the Services. Gas Co shall not interfere with AGP's performance of the Services, but shall, at its own expense and through arrangements agreed with AGP, including the provision of at least five business days' notice, have access to the areas where AGP is performing the O&M Services.

Title to the Mirfa IGP shall at all times remain with Gas Co, and AGP shall not have any title or interest in the Mirfa IGP.

The agreement is effective from 1 January 2023 and has an initial term of the earlier of (a) one year, or (b) the date that it is terminated in accordance with its terms. The initial term will automatically renew for further periods of one year, unless Gas Co, at its sole discretion, provides written notice to AGP at least three months prior to the expiry of the initial term or renewal term, as applicable. The termination provisions include an agreement by the parties for the termination of this agreement in accordance with the terms of the Joint Development Agreement dated 6 December 2022 between ADNOC, AGP, TOTAL, SHELL and PTTEP (*mutatis mutandis*), with effect from the "Effective Date" (as defined in that agreement) and without notice.

The agreement is governed by the laws of Abu Dhabi and the federal laws of the UAE. Unsettled disputes shall be finally resolved by arbitration under with the rules of arbitration of the International Chamber of Commerce, in accordance with the process and terms specified in the agreement.

(c) **The Group's Financing Arrangements**

1. **Term Loan Agreement**

(i) **Overview**

Under the unsecured senior corporate term facility agreement ("**TLA**") entered into on 3 February 2023, and subject to its terms, ADNOC agrees to provide to Gas Co a facility in the amount of USD 4,000,000,000.

(ii) **Purpose**

The facility must be utilized by Gas Co for capital expenditure purposes (which include without limitation the payment of costs and expenses associated with the TLA). ADNOC is not bound to monitor or verify the application of any borrowed amount.

(iii) **Utilisation**

Gas Co may make a utilisation request so long as it would not have more than 10 outstanding loans under the TLA at any time. The amount of any proposed loan pursuant

to a utilisation request must be at least $10,000,000 (unless the available remaining facility is less than such amount). Gas Co may only make one utilisation request per month.

(iv) **Interest Rates and Period**

The interest rate on each loan is 1% per annum plus the applicable term secured overnight financing rate (SOFR) published by CME Group Benchmark Administration Limited (or any other person which takes over the administration or publication of that rate, as applicable) for a period equal in length to the interest period of the relevant loan. Gas Co will pay accrued interest on each loan on the earlier of the last day of each interest period and at six monthly intervals after the first day of the interest period.

If there is no loan outstanding, Gas Co may select an interest period of six months or any other period agreed between the parties, provided that the interest period for any new loan to be made while a loan is outstanding shall have a maturity date that aligns with the end of an interest period of an outstanding loan. If no selection is made, the interest period will be six months.

Gas Co may cancel the whole or part of an available facility, or prepay the whole or any part of a loan (subject to minimum thresholds) by giving ADNOC prior notice.

Any prepayment of loans shall be made together with accrued interest on the amount prepaid and any applicable break costs (as set forth in the TLA) in connection with that prepayment.

(v) **Default Interest**

If Gas Co fails to pay an amount under the TLA when due, interest shall accrue on the overdue amount from the due date up to the date of actual payment at the rate specified in the TLA.

(vi) **Prepayment and Cancellation**

ADNOC's commitments under the TLA will be cancelled and any outstanding loans will be repayable to ADNOC if (i) in any applicable jurisdiction, it becomes unlawful for ADNOC to perform any of its obligations or to fund or maintain its participation in any loan under the TLA; or (ii) ADNOC ceases to have direct or indirect ownership of more than 50% of the issued share capital of Gas Co.

(vii) **Repayment of Borrowings**

All loans under the TLA are to be repaid on the date which is five years from the date of the TLA. Gas Co may not re-borrow any part of the facility once repaid.

(viii) **Fees and Increased Costs**

In connection with providing the TLA, Gas Co agreed to pay to ADNOC (i) an agreed upfront fee, (ii) a commitment fee on ADNOC's available commitment for the availability period, and (iii) any increased costs incurred by ADNOC (or any of its affiliates) as a direct result of the introduction of, or any change in, any law or regulation after the date of the TLA, or any compliance therewith.

(ix) **Events of Default**

The TLA contains certain events of default, including non-payment of amounts due under the TLA on their due date, misrepresentation, cross-acceleration (subject to a materiality threshold), the insolvency of Gas Co or it becoming the subject of insolvency proceedings, unlawfulness or invalidity of Gas Co's obligations under the finance documents, or Gas Co's repudiation of a finance document. Upon an event of default, ADNOC may declare all loans and amounts accrued or outstanding under the finance documents immediately due and payable.

(x) **Changes to the Lenders**

ADNOC may, subject to certain conditions and procedures, dispose of, transfer and assign its rights or obligations under the finance documents, and charge, assign or otherwise create security in or over its rights under any finance document.

(xi) **Governing Law and Jurisdiction**

The TLA and any non-contractual obligations arising out of it are governed by the laws of the Emirate of Abu Dhabi. The courts of the Emirate of Abu Dhabi have exclusive jurisdiction to settle any dispute in connection with the TLA.

2. **Revolving Facility Agreement**

(i) **Overview**

Under the unsecured senior corporate revolving facility agreement ("**RCF**") and subject to its terms, ADNOC agrees to provide Gas Co a USD 2,000,000,000 revolving loan facility for three years. The agreement was entered into on 30 January 2023.

(ii) **Purpose**

The RCF must be utilised by Gas Co towards its working capital and for capital expenditure purposes (which include without limitation the payment of costs and expenses associated with the RCF). ADNOC is not bound to monitor or verify the application of any borrowed amount.

(iii) **Utilisation**

Gas Co may make a utilisation request under the RCF so long as it would not have more than 10 outstanding loans under the RCF at any time. The amount of any proposed loan pursuant to a utilisation request must be at least $10,000,000 (or if less the available remaining facility). Gas Co may only make one utilisation request per month.

(iv) **Interest Rates and Period**

The interest rate on any loan under the RCF is 0.85% per annum plus the applicable term secured overnight financing rate (SOFR) published by CME Group Benchmark Administration Limited (or any other person which takes over the administration or publication of that rate, as applicable) for a period equal in length to the interest period of the relevant loan. Gas Co will pay accrued interest on each loan on the earlier of the last day of each interest period or at six monthly intervals after the first day of the interest period.

If there is no loan outstanding under the RCF, Gas Co may select an interest period of three or six months or any other period agreed between the parties, provided that the interest period for any new loan to be made while a loan is outstanding shall have a maturity end date that aligns with the end of an interest period of an outstanding loan.

(v) **Default Interest**

If Gas Co fails to pay any amount payable under the RCF when due, interest shall accrue on the overdue amount from the due date up to the date of actual payment at the rate specified in the RCF.

(vi) **Prepayment and Cancellation**

ADNOC's commitments under the RCF will be cancelled and any outstanding loans under the RCF will be repayable to ADNOC if (i) in any applicable jurisdiction, it becomes unlawful for ADNOC to perform any of its obligations or to fund or maintain its participation in any loan under the RCF; or (ii) ADNOC ceases to have direct or indirect ownership of more than 50% of the issued share capital of Gas Co.

Gas Co may also voluntarily prepay the whole or any part of a loan (subject to a minimum prepayment amount) by giving ADNOC prior notice.

Any prepayment of loans shall be made together with accrued interest on the amount prepaid and any applicable break costs (as set forth in the RCF) in connection with that prepayment.

(vii) **Repayment of Borrowings**

Gas Co shall repay each loan on the last day of the loan's interest period, provided that the interest period does not extend beyond the date falling three years from the date of the RCF.

(viii) **Fees and Increased Costs**

Under the terms of the RCF, Gas Co will pay to ADNOC (i) an agreed upfront fee, (ii) a commitment fee on ADNOC's available commitment for the availability period, and (iii) any increased costs incurred by ADNOC (or any of its affiliates) as a direct result of the introduction of, or any change in, any law or regulation after the date of the RCF, or any compliance therewith.

(ix) **Events of Default**

The RCF contains certain events of default, including non-payment of amounts due under the RCF on their due date, misrepresentation, cross-acceleration (subject to a materiality threshold), the insolvency of Gas Co or it becoming the subject of insolvency proceedings, unlawfulness or invalidity of Gas Co's obligations under the finance documents, or Gas Co's repudiation of a finance document. Upon an event of default, ADNOC may declare all loans and other amounts accrued or outstanding under the finance documents immediately due and payable.

(x) **Changes to the Lenders**

ADNOC may, subject to certain conditions and procedures, dispose of, transfer and assign its rights or obligations under the finance documents, and charge, assign or otherwise create security in or over its rights under any finance document.

(xi) **Governing Law and Jurisdiction**

The RCF and any non-contractual obligations arising out of it are governed by the laws of the Emirate of Abu Dhabi. The courts of the Emirate of Abu Dhabi have exclusive jurisdiction to settle any dispute in connection with the RCF.

3. **Cash Pooling and Virtual Accounts Agreement**

(i) **Overview**

Under the Cash Pooling and Virtual Accounts Agreement entered into on 20 January 2023, Gas Co and ADNOC Group Treasury Services Limited ("**AGTSL**") agree to establish a cash pooling arrangement for AED and USD as part of a broader ADNOC Group initiative to centralise, amongst other things, a number of activities currently being carried out on a decentralised basis by the relevant members of the ADNOC Group (which activities include liquidity management, investment of surplus cash, payments and collections, risk management (including foreign exchange and interest rate risk), debt portfolio management and bank relationships).

(ii) **Cash Pooling**

In connection with the USD cash pool implemented or to be implemented by the ADNOC Group members in relation to which AGTSL is using the virtual account management service ("**VAM USD Cash Pool**"), Gas Co shall direct that payment of (i) all its receivables in any currency (save as otherwise agreed by AGTSL in relation to a non-USD receivable) be made to a specific account of AGTSL ("**VAM USD Cash Pool Account**"); and (ii) all of

its payables in any currency (save as otherwise agreed by AGTSL in relation to a non-USD payable) be made from the same account.

AGTSL intends to set up and maintain certain record keeping and reporting structures in respect of the VAM USD Cash Pool Account via notional sub-divisions or "nodes" among members of the cash pool group (such nodes being "**virtual accounts**").

In addition to the VAM USD Cash Pool, Gas Co agrees to participate in (i) an AED cash pooling arrangement to be implemented by the participating ADNOC Group members pursuant to a Cash Sweeping Services Multi-Entity Agreement (not yet entered into) and (ii) a domestic USD cash pool. Gas Co shall ensure there is no negative balance in connection with its accounts pertaining the AED cash pool and/or domestic USD cash pool and, if any such negative balance arises, then AGTSL may charge interest thereon at the rate it determines (which should reflect an appropriate market rate and an administration fee it determines, acting reasonably).

Pursuant to the agreement, Gas Co must close all its existing USD bank accounts as soon as reasonably practicable after the date of the agreement, and promptly thereafter transfer any outstanding funds to the domestic USD cash pool account or VAM USD Cash Pool Account (as applicable). Thereafter, Gas Co shall not open any new USD bank account during the term of the agreement.

Gas Co shall use all reasonable endeavours to ensure that no overdraft arises on its virtual accounts. If nevertheless any such overdraft arises, Gas Co shall pay the corresponding amount thereof together with interest calculated in accordance with the agreement.

(iii) **Interest**

AGTSL will pay interest accrued on positive balances in Gas Co's relevant cash pool accounts, and Gas Co shall pay interest accrued on overdrafts on its virtual accounts, in each case on a monthly basis and at a rate to be agreed between AGTSL and Gas Co from time to time.

(iv) **Representations, Warranties and Undertakings**

AGTSL gives various representations and warranties and makes a number of undertakings to Gas Co during the term of the agreement, including that (i) it will remain the sole legal and beneficial owner of the funds in the cash pool accounts; (ii) the funds in the cash pool accounts will not be subject to any encumbrance or right of set-off (except for any right of set-off which may arise in favour of the applicable cash pool bank by virtue of its capacity as such); and (iii) all amounts repaid by AGTSL to Gas Co in respect of an applicable positive balance will be free of any encumbrance or right of set-off.

Gas Co also gives a number of representations and warranties and makes a number undertakings to AGTSL during the term of the agreement, including that (i) AGTSL is not holding funds contained in the cash pool accounts on behalf of Gas Co and is not acting as agent or fiduciary for Gas Co; (ii) Gas Co does not have any direct or indirect legal or beneficial interest in the cash pool accounts or the funds deposited therein, nor the benefit of any encumbrance right of set-off over such cash pool accounts or funds; (iii) no applicable cash pool bank is acting in any fiduciary capacity for Gas Co or any other third party; (iv) Gas Co's virtual account does not constitute a separate bank account but is a notional representation of the apportionment of certain credits and debits on the VAM USD Cash Pool Account created only for record keeping, reporting and administrative purposes, and does not generate any actual credits and debits independently from the VAM USD Cash Pool Account; and (v) the relationship between AGTSL and Gas Co in respect of amounts credited and debited to Gas Co's virtual account is one of debtor and creditor.

(v) **Information**

Gas Co is required under this agreement to deliver weekly and monthly cash flow forecasts to AGTSL in accordance with the time periods set out in the agreement.

Gas Co is obliged to promptly notify AGTSL of any substantial deterioration (actual or anticipated) in its financial condition or if any formal corporate action, legal proceedings or other procedure or step is taken in relation to any distress event which includes the suspension of payments, winding-up, reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of Gas Co, arrangement with any class of creditors or the appointment of a liquidator, receiver or other similar officer in respect of Gas Co or any of its assets.

(vi) **Obligations of AGTSL**

The obligations of AGTSL to Gas Co under this agreement are limited by, and contingent on, the actual performance by the relevant cash pool bank of any related obligations under the applicable cash pool bank terms. AGTSL shall have no responsibility for the bank's compliance therewith. If the bank fails to perform any obligation owed by it under such terms or defers or varies payment or performance of any obligations for any reason, AGTSL shall be entitled to make a corresponding deferral or variation under this agreement and make its performance thereunder conditional on the bank's performance, provided that if such default/failure/deferral or variation payment/performance is subsequently obtained by AGTSL from the relevant cash pool bank (in whole or in part), AGTSL shall make the corresponding payment or perform the corresponding obligation (or portion thereof) owed to Gas Co.

In addition, AGTSL's obligations to repay any positive balance in Gas Co's relevant cash pool accounts shall be subject to the relevant cash pool bank approving the release of funds therefrom.

(vii) **Assignment**

Neither AGTSL nor Gas Co can assign, transfer, novate or dispose of any of, or any interest in, its rights, benefits and obligations under the agreement.

(viii) **Power of Attorney**

Gas Co irrevocably authorises AGTSL to enter into any and all instruments and agreements, make and receive any notices and communications, and take all other measures and perform any other actions which AGTSL considers necessary or desirable in relation to the cash pools or Gas Co's virtual accounts.

(ix) **Term and Termination**

The agreement will remain in full force and effect until sixty (60) days' written notice of termination is given by AGTSL to Gas Co, or such shorter period as otherwise agreed among the parties.

Gas Co may terminate its participation in the cash pools upon written notice to AGTSL if the latter commits a material breach of this agreement and fails to remedy it within thirty (30) days of a notice identifying such material breach and requiring its remediation.

(x) **Governing Law and Jurisdiction**

The agreement is governed by the laws of the Emirate of Abu Dhabi and the federal laws of the UAE. The courts of the Emirate of Abu Dhabi have exclusive jurisdiction to settle any dispute in connection therewith.

FOURTH SECTION: OTHER DETAILS

1. MECHANISM FOR ADOPTING A GOVERNANCE SYSTEM IN THE COMPANY

The Board of Directors is committed to standards of corporate governance that are in line with international best practice.

In this respect, the ADX listing rules provide that the ADX may, as it deems appropriate, decide to apply the Corporate Governance Guide for Joint Stock Companies issued by the SCA pursuant to Decision No. 3/RM of 2020 (as amended) (the "**SCA Governance Code**") to financial free zone companies (such as the Company) which list on the ADX. In this regard, the ADX has confirmed that the SCA Governance Guide will generally be applicable to the Company, but it has also approved a request from the Company that, taking into account matters such as the governance regime contained in the articles of association and the fact that a number of topics are already regulated under the Companies Regulations, certain provisions of the SCA Governance Guide should be disapplied. In particular, the ADX approved the disapplication of a number of provisions of the SCA Governance Guide including Articles 6(3), 6(4), 8(1), 8(2), 8(3)(A), 8(3)(F), 10(1), 15, 16, 20-23 (inclusive), 24(5)(C), 24(9), 25, 26(1), 27, 29, 32 (other than section 32(4) and, as it relates to the recording of conflicts in board of director meeting minutes, section 32(5)), 34, 35, 36(2), 38, 39, 40-48 (inclusive), 50, 51(1)(a) 52(2), 59(5), 59(6), 59(7), 59(10), 59(11), 59(12), 60(1), 61(20), 62(1), 65, 67(3)(B), 68(7), 71(2), 71(4), 80 and 82(1)(B) and 82(C). The ADX also approved the interpretation of a number of other provisions of the SCA Governance Guide in a manner consistent with the Companies Regulations and our Articles of Association.

In this Prospectus, the corporate governance rules applicable to the Company (taking into account the application of the SCA Governance Code (and disapplication of certain provisions) referred to above are referred to as the "**Governance Rules**".

The Governance Rules require that at least one-third of the Board must comprise non-executive independent directors in accordance with the criteria set out in the Governance Rules. The Governance Rules define an independent member as a member who has no relationship with the Company, any member of its senior executive management, its auditor, its parent company, its subsidiaries, any sister company, or any affiliate company in a manner that could lead to financial or moral benefit which may affect their decisions, subject to certain exceptions for directors with certain government links. The Board consists entirely of non-executive directors (the "**Non-Executive Directors**"). The Company regards its seven directors as "independent members of the Board" within the meaning of the Governance Rules.

The Company's articles of association further require that the Board meet at least four times each year.

2. THE COMPANY'S PROPOSED MANAGEMENT STRUCTURE

(a) Company's Board structure

The Board consists of 7 Directors, all of whom are Non-Executive Directors and all of whom are independent Directors.

Name	Year of birth	Position	Year appointed
H.E. Dr. Sultan Ahmed Sultan Essa Al Jaber*	1973	Chairperson (Independent Member)	2022
H.E. Kamal Ishaq Abdulla Ismail Almaazmi*	1986	Director (Independent Member)	2023
H.E. Mohamed Hassan Mohamed Hassan Alsuwaidi*	1982	Director (Independent Member)	2023

Khaled Salmeen Anber Salmeen*	1973	Director (Independent Member)	2022
Abdulmunim Saif Hamoud Ahmed Alkindi*	1958	Director (Independent Member)	2023
Musabbeh Helal Musabbeh Ali Alkaabi*	1971	Director (Independent Member)	2023
Fatema Mohamed Abdulla Alshaibeh Alnuami*	1975	Director (Independent Member)	2023

*Denotes that the Director is considered independent under the Governance Rules.

The business address of H.E. Mohamed Hassan Alsuwaidi is Capital Gate Building, Khaleej Al Arabi, P.O. Box 164, Abu Dhabi, United Arab Emirates. The business address of H.E. Kamal Ishaq Abdulla Ismail Almaazmi is SheikhRashid Bin Saeed Street, Al Muntazah, 22404, P.O. Box 246, Abu Dhabi, UAE. The business address of the remaining five directors is West Corniche Street, P.O. 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 Al Jaber – Chairperson

His Excellency Dr. Sultan Ahmed Al Jaber was appointed as the Chairperson of the Company as of the establishment of the Company. H.E. Dr. Sultan Ahmed Al Jaber has served as Group Chief Executive Officer and Managing Director of ADNOC since February 2016. Prior to taking on the leadership position at ADNOC, H.E. Dr. Sultan Ahmed Al Jaber served as Chief Executive Officer of the Energy platform, of Mubadala Development Company. 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, H.E. Dr. Sultan Ahmed Al Jaber served as the UAE Minister of State and in July 2020, H.E. Dr. Sultan Ahmed Al Jaber was named the Minister of Industry and Advanced Technology. He also holds several additional leadership roles and advisory positions and counsels on issues related to Energy, Economics, Strategic Communications and Sustainable Development. In July 2020, H.E. Dr. Sultan Ahmed Al Jaber 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, H.E. Dr. Sultan Ahmed Al Jaber 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. 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.

H.E. Dr. Sultan Ahmed Al Jaber is an active member of the Emirates 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, U.S., and a BSc in Chemical and Petroleum Engineering from the University of Southern California, U.S..

H.E. Kamal Ishaq Abdulla Ismail Almaazmi – Director

Mr. Almaazmi is the Director General of Strategic Financial Affairs at the Department of Finance in Abu Dhabi where he heads the office of government investments, debt management office, office of petroleum and natural resources affairs, fiscal policy strategic and economic affairs office. Mr. Almaazmi is a board member and the chairman of the audit committee of EDGE Group, Abu Dhabi Securities Exchange (ADX) and Emirates Electricity and Water Company (EWEC) and the chairman of EWEC's growth committee. Mr. Almaazmi was part of the private equity team of Mubadala Investment Company, working on direct and indirect investments internationally. Mr. Almaazmi has experience working with McKinsey & Company and Emirates Advance Investment – Raytheon JV. Mr. Almaazmi holds an MBA

from the Wharton School of the University of Pennsylvania in Finance and Strategic Management and a bachelor's degree in electrical and Electronic Engineering, with a minor in Mathematics, from the American University of Sharjah. Mr. Almaazmi passed all CFA exams.

H.E. Mohamed Hassan Mohamed Hassan Alsuwaidi – Director

His Excellency Mohamed Hassan Alsuwaidi is the Managing Director and Chief Executive Officer at ADQ. His Excellency also holds the position of Chairman of Abu Dhabi National Energy Company (TAQA). His Excellency is a member of the Board of Directors at ADNOC Distribution, Abu Dhabi Pension Fund, Emirates Nuclear Energy Corporation (ENEC), Louis Dreyfus Company (LDC), Al Dahra Holding, Lulu Group International and MiZa. Prior to joining ADQ, His Excellency garnered extensive experience across multiple sectors in his tenure with Mubadala Investment Company, where he held several investment management positions covering sectors such as metals and mining, real estate, hospitality, infrastructure, technology, and agriculture. During his career at Mubadala Investment Company, His Excellency held several board positions. His Excellency holds a bachelor's degree in Accounting from United Arab Emirates University.

Mr 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 Borouge plc, Fertiglobe plc, Abu Dhabi Marine Business and Services Company PJSC, Abu Dhabi Oil Refining Company (Takreer), 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.

Mr Abdulmunim Saif Hamoud Ahmed AlKindi – Director

Mr. AlKindi serves as Executive Director, ADNOC Upstream Directorate. Prior to that, Mr. AlKindi served as Executive Director, People Technology and Corporate Support Directorate at ADNOC. Mr. AlKindi also serves as a member of the Board of Directors of several ADNOC affiliated companies including ADNOC Drilling Company PJSC. Mr. AlKindi holds an MBA from Brunel University, UK.

Mr Musabbeh Helal Musabbeh Ali Alkaabi – Director

Mr. Musabbeh Al Kaabi is currently the Executive Director for ADNOC's Low Carbon Solutions & International Growth Directorate. Mr. Al Kaabi previously served as the Chief Executive Officer of Mubadala's UAE Investments platform. Prior to his role as Mubadala's UAE Investment platform, Mr. Al Kaabi was responsible for Mubadala's substantial international energy portfolio as CEO of the Petroleum & Petrochemicals platform from 2017 to 2020. He also served as CEO of Mubadala Petroleum, Mubadala's wholly owned exploration and Production Company, from 2014 to 2017. During his tenure, he successfully led the company through a challenging period of declining commodity prices, locking in significant cost efficiencies and operational improvements whilst high grading the portfolio to focus on value-adding assets and maintaining an exemplary health and safety record. He joined Mubadala Petroleum in 2013 as Chief Growth Officer, responsible for new business development, mergers & acquisitions and exploration. Mr. Al Kaabi began his career at ADNOC where he spent

sixteen years during which he held a series of increasingly senior technical and managerial roles, rising to lead ADNOC's Exploration Division. Mr. Al Kaabi holds a Bachelor of Science degree in Geophysical Engineering from Colorado School of Mines and a Master of Sciences in Petroleum Geoscience from Imperial College, London.

Fatema Mohamed Abdulla Alshaibeh Alnuami – Director

Ms. Fatema Mohamed Al Nuaimi currently serves as Executive Vice President, Downstream Business Management within the Downstream Industry, Marketing and Trading ("**DM&T**") at ADNOC. Her role includes functional oversight of downstream industry companies. Ms, Nuaimi previously served as the Chief Executive Officer of ALNG. During her 20-year career in the ADNOC Group, Ms. Al Nuaimi has held a variety of management and technical positions. Ms. Al Nuaimi was the Senior Vice President, Supply Chain Management in Borouge, where she oversaw both the supply of feedstock to production plants and the supply of petrochemical products across a global network of receiving hubs. Ms. Al Nauimi also held the position of Gas Strategy and Master Planning Unit Manager in ADNOC, where she was responsible for providing strategic insight across the group's natural gas resources, with a focus on maximizing value and profitability as well as meeting the UAE's future domestic gas demand. In this role, Ms. Al Nuaimi led the development of the gas master plan and oversaw implementation of the plan across ADNOC Group. Ms. Al Nuaimi was appointed the first Chairperson of the ADNOC Gender Balance Committee, which was created in 2016. She is a board member of Emirates General Petroleum (Emarat) Establishment, a board member of National Gas Shipping Company (NGSCO) as part of ADNOC Logistics and Services, and a board member of ADNOC Offshore. She is a member of the International Association for Energy Economics. Ms. Al Nuaimi holds a degree in Chemical Engineering from the UAE University and an MBA from the American University in Dubai.

(b) **Senior Management**

In addition to the members of the Board of Directors, the day-to-day management of the Company's operations is conducted by its senior management team, as follows:

Name	Year of birth	Position	Date of Appointment
Ahmed Mohammed Alebri	1982	Acting Chief Executive Officer	1 January 2023
Peter van Driel	1966	Chief Financial Officer	1 January 2023
Mohamed Al Hashemi	1977	Acting Chief Operating Officer	1 January 2023
Rashid Al Mazrouei	1977	SVP, Marketing	1 January 2023
Wafa Al Hammadi	1973	SVP, Finance & Accounting	1 January 2023
Ameen Al Hosani	1981	VP, Audit & Assurance	1 January 2023
John King	1970	General Counsel	1 January 2023

The management expertise and experience of each of the senior management team is set out below:

Ahmed Mohammed Alebri – Acting Chief Executive Officer

Mr. Ahmed Mohamed Alebri is the Acting Chief Executive Officer of ADNOC Gas.

Mr. Alebri previously served as Acting CEO of ADNOC Gas Processing, the UAE's major supplier of gas and gas related products and as Acting General Manager of ADNOC Industrial Gases, UAE's supplier of nitrogen and liquid oxygen to the oil and gas sector. His professional experience spans 18 years in the oil and gas industry. His value-driven leadership style varies from accelerating the impact of tech-enabled transformation and innovative tactics in engineering services to the smart delivery of strategic projects leading to sustainable growth across the UAE hydrocarbon value chain.

His academic achievements include the attainment of his Master's in Business Administration from Abu Dhabi University. He also holds a Bachelor's Degree in Mechanical Engineering from the University of Missouri.

Peter van Driel–Chief Financial Officer

Mr. Peter van Driel is a highly experienced finance executive who has developed broad, deep, and international experience over 30 years in senior roles in the energy sector. Mr. van Driel joined Shell Plc in 1991, after graduating with a Master's degree in Business Administration from Rotterdam School of Management in the Netherlands.

Mr. van Driel career in Shell Plc spans both oil and gas upstream, downstream and trading businesses. He has held a number of financial and commercial roles including M&A roles. In his 29-year career in Shell, Mr. van Driel worked in a number of countries, from his native Netherlands, to the United Kingdom, the Philippines, Russia and the United States.

After Shell, Mr. van Driel became CFO and Executive Board member of JSC Naftogaz, the largest Ukrainian state-owned oil and gas company. Mr. van Driel lead the finance organisation and set the Group strategy and transformation of the company. After two years in Kyiv Mr. van Driel left JSC Naftogaz at the end of 2021.

Mr. van Driel is an impactful leader and an effective contributor to the wider leadership agenda, leading strategic and operational decision making. He has extensive experience inspiring staff, bringing people together, and leading teams through major business changes, including reorganisations and major downsizing, as well as periods of growth. He has strong business acumen with care for people and is passionate about change, innovation, and digitalisation.

Mohammed Al Hashemi–Acting Chief Operating Officer

Mr. Mohamed Al Hashemi has more than 20 years' experience, he joined ADNOC in 2002, after graduating with a Bachelor's Degree in Electrical Engineering from the University of Tulsa, Oklahoma, USA. During his first couple of years at ADNOC, Mr Al Hashemi successfully set up the maintenance section in the largest ADNOC Gas Processing Plant (Habshan) as a part of the company's restructuring.

Further down in his career, he was responsible of the commissioning and start-up of green field Habshan 5 and establishing the division's maintenance organisation and processes. Mr. Al Hashemi has subsequently served as Vice President for the JV Bu Hasa facility, followed by his last stint in an executive role as Senior Vice President of Production Planning and Transmission.

Over the years Mr. Al Hashemi has risen the ranks ground up, and through various roles, has demonstrated strong leadership along with in-depth technical expertise spanning operations, maintenance, production planning, transmission, and supply operations.

His practical range of experience and a tenacious focus on improving operational efficiency, and customer experience, and maximising shareholder value and revenues, while maintaining visible HSE and asset integrity emphasis in his every decision-making process, have positively contributed to ADNOC over the years.

Rashid Al Mazrouei–Senior Vice President, Marketing

Mr. Rashid Al Mazrouei is the Senior Vice President of Commercial at ALNG. With over 20 years' experience at ADNOC, holding variety of managerial positions at ADNOC. In 2000, he began his career at ALNG where he carried out several roles in the marketing department with a focus on market sales and research. In 2017, he was back at ALNG Headquarters as LNG Marketing Manager where he was responsible of sales, marketing, and the business development of LNG Production where he was appointed as the head of ALNG's Tokyo Office in 2010.

In 2019, he was promoted to Vice President Strategy where he led the organisational strategy towards a new business model. He then became the Senior Vice President of Commercial at ALNG, his strategic role focused on ALNG's Marketing and Procurement activities.

Mr. Rashid holds a Bachelor's Degree in Business Administration (Marketing) from the American University in Dubai. He was also an LNG Trader from 2008 – 2010, responsible for developing and

maintaining relationships with regional and international LNG players such as Shell, Mitsui, Vitol, and many more.

Wafa Al Hammadi – Senior Vice President, Finance and Accounting

Ms. Wafa Al Hammadi has more than 25 years' experience, including 7+ years in various Chief Financial Officer roles, her most recent role as a CFO was in ADNOC Gas Processing, the UAE's major supplier of gas and gas related products and ADNOC Industrial Gases.

Having served as CFO in TOTAL ABK S.A., (an affiliate of TotalEnergies), and ADNOC Offshore, where she led the finance function merger between ADMA and ZADCO that took place in 2018, Ms. Al Hammadi brings deep domain expertise in oil and gas with extensive financial management experience to drive strategic and sustainable growth.

Beyond her responsibilities as CFO, Ms. Al Hammadi is also a Member of the Fertiglobe Board. Ms. Al Hammadi was a member of Al Dhafra Petroleum board. She has also served as Co-Chairperson of the Fertiglobe Audit Committee and today remains an active working Member, having also held several positions on the Corporate Audit Committees of ADNOC Drilling Company PJSC, Al Yasat and ADNOC Industrial Gases. Ms. Al Hammadi holds a Bachelor's Degree in Business Administration major in Finance & Banking from UAE University and a Chartered Management Accountant from CIMA,UK.

Ameen Abdulla Al Hosani–Vice President, Audit & Assurance

Mr. Ameen Abdulla Al Hosani has been VP of Audit & Assurance since January 2023 and has more than 18 years in the oil and gas industry. Prior to joining the Company, Mr. Al Hosani has been with ADNOC since 2004, where he served in a number of roles in petroleum engineering, construction, project engineering management, project management, project quality management and corporate assurance.

Mr. Al Hosani holds a Bachelor's Degree in chemical engineering from the University of Tulsa in the USA and a Master's Degree in project management from the British University in Dubai, UAE.

John King–General Counsel

Mr. King is an energy law expert, with a focus on international oil and gas developments. He has more than 25 years' experience in the energy and resources sector, with a strong focus on upstream oil and gas developments, particularly LNG projects. Mr. King has worked for extended periods "in-house" to operating LNG export businesses. He has also served twice as a Partner to "first-tier" Australian law firms. Mr. King has lived and worked in the UK, Indonesia, Australia, the U.S., South Korea and most recently, the UAE.

Mr. King has been ranked by in-house counsel and peers as a leading practitioner in energy law. He has authored several publications and previously acted as course coordinator and lecturer for the Masters of Law (LLM) program, Commercial Aspects of Resources Development (The Law Relating to Oil and Gas Agreements) at the University of Western Australia.

Mr. King holds an LLB from Bond University, Queensland. He is an admitted solicitor in Australia (1993) and the UK (1999).

(c) **Group Structure Chart**

Please refer to Annexe 5.

(d) **Employment positions held by members of the senior management of the Company within any of the Company's subsidiaries and/or other public joint stock companies in the UAE**

Mr. Mohamed Tajudeen Alsayed Mohamed Alhashmi is Production Planning and Transmission Senior Vice President at AGP.

Mr. Rashed Khalfan Khalifa D Almazrouei is the Commercial Senior Vice President at ALNG.

Mr. John Michael Boyd King is the General Counsel at ALNG.

(e) **Employment positions held by Board members within any of the Company's subsidiaries and/or other public joint stock companies in the UAE**

H.E. Dr. Sultan Ahmed Al Jaber is the Managing Director and Chief Executive Officer of ADNOC. H.E. also serves as a board member in a number of companies in the UAE, including: (i) Abu Dhabi Future Energy PJSC (Masdar),(ii) Emirates Development Bank, (iii) First Abu Dhabi Bank, (iv) Emirates Global Aluminum, (v) Fertiglobe plc, (vi) Abu Dhabi National Oil Company for Distribution PJSC (ADNOC Distribution), (vii) Abu Dhabi Marine Business and Services Company PJSC (ADNOC Logistics and Services Holding Company), (viii) ADNOC Drilling Company PJSC and (ix) Borouge plc.

Mr. Khaled Salmeen Anber Salmeen is an Executive Director of Downstream Industry, Marketing and Trading at ADNOC. Mr. Salmeen also serves as a board member in each of the following: (i) Borouge plc, (ii) Abu Dhabi Marine Business and Services Company PJSC (ADNOC Logistics & Services Holding Company), (iii) Abu Dhabi National Oil Company for Distribution PJSC (ADNOC Distribution), (iv) Fetriglobe plc, and (v) Abu Dhabi Future Energy Company (Masdar).

Mr. Abdulmunim Saif Hamoud Ahmed Alkindi is an Executive Director of the Upstream Directorate at ADNOC. Mr. Alkindi also serves as a board member in each of the following: (i) ADNOC Drilling Company PJSC, (ii) ADNOC Logistics & Services Holding Company, (iii) ADNOC Logistics & Services Assets Company, and (iv) Abu Dhabi Aviation.

Mr. Musabbeh Helal Musabbeh Ali Alkaabi is an Executive Director of Low Carbon Solutions and International Growth at ADNOC. Mr. Alkaabi also serves as a board member in each of the following: (i) Abu Dhabi Future Energy Company (Masdar), (ii) Mubadala Energy, (iii) Al Yah Satellite Communications Company PJSC (Yahsat), (iv) National Central Cooling Company (Tabreed), (v) Emirates Global Almunim PJSC, and (vi) First Abu Dhabi Bank PJSC.

Ms. Fatema Mohamed Abdulla Alshaibeh Alnuaimi is the Exectuive Vice President of Downstream Business Management at ADNOC, and a board member in Abu Dhabi Marine Business and Services Company PJSC (ADNOC Logistics & Services Holding Company).

(f) **Conditions of eligibility and election of the Board**

Pursuant to the Articles of Association, the Board shall be responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. Board members will be elected by the shareholders in general meeting in accordance with the cumulative voting process set out in the Articles of Association. The Board holding office as at the date of this Prospectus was appointed by the Selling Shareholder for a period of three years commencing on the date of Listing.

If a position becomes vacant during the term of the Board, then the relevant shareholder (if such shareholder is a "Major Shareholder", meaning that it holds at least 25% of our shares) that cast the most votes for that director may appoint a replacement, otherwise the replacement will be appointed by the Board as a simple majority matter. In either case, the replacement shall serve the remaining term of the director who vacated her or his position.

(g) **Directors' 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 shares and any restructuring of the Company;
- appointing executive management;
- ensuring the independence of Directors and that potential conflicts of interest are managed; and
- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

The business address of H.E. Mohamed Hassan Alsuwaidi is Capital Gate Building, Khaleej Al Arabi, P.O. Box 164, Abu Dhabi, United Arab Emirates. The business address of H.E. Kamal Ishaq Abdulla Ismail Almaazmi is SheikhRashid Bin Saeed Street, Al Muntazah, 22404, P.O. Box 246, Abu Dhabi, UAE. The business address of the remaining five directors is West Corniche Street, P.O. Box 898, Abu Dhabi, United Arab Emirates.

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 Nomination and Remuneration Committee and the Executive Committee will be as specified in the relevant terms of reference adopted by the Board of Directors from time to time.

A high-level overview of the mandate of each of these committees, as at Listing, is set out below.

(a) 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 will require that the Audit Committee must comprise 5 members. At least 3 members of the Audit Committee must be Non-Executive Directors (of whom at least 2 must be independent). In addition, at least one member is required to have practical audit, finance or accounting experience. The Audit Committee will be chaired by one of the independent members and will include other members elected by the Board 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 not less than four times per year. All members of the Audit 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 Audit Committee will take appropriate steps to ensure that the Company's external auditors are independent of the Company as required by applicable law.

(b) 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, 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 4 members. At least 3 of the members of the Nomination and Remuneration Committee will need to be Non-Executive Directors (of whom at least 2 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 will need to 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 Company's insider trading policy which sets out guidelines on matters relating to the sharing of material non-public information and insider trading.

(c) **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 6 members. The Executive Committee will meet every four to six weeks.

Board Committees Composition

The table below sets forth the members of each of the committees of the Board as of Listing:

Committee Member	Audit Committee	Nomination and Remuneration Committee	Executive Committee
Khaled Salmeen	x	✓	✓
Mohamed Alsuwaidi	x	✓	x
Abdulmunim Alkindi	✓	x	x
Kamal Almaazmi	✓	x	x
Fatema Alnuaimi	✓	x	✓
Mike Baker	x	x	✓
Ahmed Alsheebani	x	x	✓
Musabbeh Alkaabi	x	✓	x
Ahmed Abujarad	✓	x	x
Mohammed Abubakar	x	x	✓
Omar Al Farsi	✓	x	x
Butti Al Qubaisi	x	x	✓
Ayesha Mohamed Al Hammadi	x	✓	x

As of Listing, the chairperson of the Nomination and Remuneration Committee shall be H.E. Mohamed Alsuwaidi, the chairperson of the Executive Committee shall be Khaled Salmeen, and the chairperson of the Audit Committee shall be H.E. Kamal Almaazmi.

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 Articles of Association (which are set out in Annexe 2 of this Prospectus).

5. ARTICLES OF ASSOCIATION

The full text of the Articles of Association is annexed to this Prospectus.

The following is a summary of selected rights under our Articles and the Companies Regulations and the rules and regulations that will apply to the Company following Listing.

(a) Share capital

In the following description of the rights attaching to the Shares, a holder of Shares and a shareholder is, in both cases, the person registered in the Company's register of shareholders as the holder of the relevant shares.

Without prejudice to any rights attached to any existing shares, and subject to the other provisions of the Articles, the Company may issue shares with such rights or restrictions as determined by either the Company by ordinary resolution or, if the Company passes a resolution to so authorise them, by the Board. Subject to the other provisions of the Articles, the Company may also 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.

(b) Share register

Upon Listing on the ADX, the Shares will be dematerialised and the share register will be maintained by the ADX.

The Shares may be sold, transferred, or otherwise disposed of in accordance with the provisions of the Articles and the applicable regulations for selling, purchasing, clearing, settling and recording.

(c) Changes in share capital

The provisions of the Articles governing the conditions under which the Company may alter its share capital are no more stringent than the conditions imposed by the Companies Regulations.

(d) Pre-emption rights on new issues of shares

Any issue of new Shares for cash must first be offered to the existing shareholders for subscription, in proportion to their existing shareholdings, before being offered to any third-party. In no circumstances shall the Directors be empowered to issue and allot any equity securities absent a valid authorisation.

(e) Dividends

Subject to the other provisions of the Articles of Association, the Company may declare dividends to be paid to its shareholders. However, no dividend shall be declared unless it has been recommended by the Board of Directors and does not exceed the amount recommended by the Board of Directors.

(f) Transfer of shares

The Shares offered pursuant to this Prospectus shall be held in dematerialised form in a shareholder registry maintained by the ADX and transfers shall be governed by and shall comply with the regulations applicable to companies listed on the ADX. The Shares may be sold, transferred, pledged or otherwise disposed of in accordance with the Articles. Transfers made other than in accordance with the Articles shall be void.

(g) **General meetings**

1. **Annual general meeting**

An annual general meeting shall be held in each period of 6 months beginning with the day following the Company's accounting reference date, at such place or places (including electronic platforms), date and time as may be decided by the directors.

2. **Convening of general meetings**

The directors may, whenever they think fit, call a general meeting. The directors are required to call a general meeting once the Company has received requests from its members to do so in accordance with the Companies Regulations. The directors shall determine whether a general meeting is to be held as a physical general meeting or an electronic general meeting.

3. **Notice of general meetings etc.**

Notice of general meetings shall include all information required to be included by the Companies Regulations and shall be given to all members other than those members who are not entitled to receive such notices from the Company under the provisions of the Articles.

4. **Quorum**

No business shall be transacted at any general meeting unless a quorum is present at the time when the meeting proceeds to business. A quorum will require the presence, in person or by proxy, of shareholders representing a simple majority of the total issued and outstanding share capital of the Company.

In the event that a general meeting is adjourned due to a lack of quorum and then reconvened in accordance with the Articles of Association, the reconvened general meeting shall be subject to the same quorum requirement. If, however, the meeting is again adjourned for lack of quorum and reconvened once more, a quorum will exist at that second reconvened meeting provided that shareholders representing at least a simple majority of the total issued and outstanding share capital of the Company are present (in person or by proxy).

(h) **Directors**

1. **The Board of Directors**

Pursuant to the Articles of Association, the Board shall be responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company. Board members will be elected by the shareholders in general meeting in accordance with the cumulative voting process set out in the Articles of Association. The Board holding office as at the date of this Prospectus was appointed by the Selling Shareholder for a period of three years commencing on the date of Listing.

If a position becomes vacant during the term of the Board, then the relevant shareholder (if such shareholder is a "Major Shareholder", meaning that it holds at least 25% of our shares) that cast the most votes for that director may appoint a replacement, otherwise the replacement will be appointed by the Board as a simple majority matter. In either case, the replacement shall serve the remaining term of the director who vacated her or his position.

2. **Number of directors**

The Board shall consist of 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.

3. **Board meetings**

The Board shall hold its meetings either (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 (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 (b) in person. 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. The quorum necessary for the transaction of business of the Board is the presence, either in person or via a duly appointed alternate director, of a simple majority of the total number of directors subject to the conflict of interest provisions in the Articles of Association.

If a meeting of the Board is adjourned due to a lack of quorum and then reconvened in accordance with the Articles of Association, the reconvened board meeting shall be subject to the same quorum requirement. If, however, the Board meeting is again adjourned for lack of quorum and reconvened once more, a quorum will exist at that second reconvened meeting provided that a simple majority of the directors are in attendance or represented by an alternate.

A meeting of the Board at which a quorum is present shall be competent to exercise all powers and discretions for the time being exercisable by the Board. Subject to the board supermajority matters and shareholder supermajority matters, resolutions are adopted by a majority of the votes of the Directors present or represented, and in case of a tie, the Chairperson shall not have a casting vote.

(i) **Directors' interests**

For the purposes of section 165 of the Companies Regulations, the Directors shall have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director to avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. Any such authorisation will be effective only if:

- any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director in question or any other interested Director; and
- the matter was agreed by a unanimous vote of the Directors, other than the interested Directors.

The Directors may extend any such authorisation to any actual or potential conflict of interest which may arise out of the matter so authorised and may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they expressly impose, but such authorisation is otherwise given to the fullest extent permitted. The Directors may also terminate any such authorisation at any time. Further details are set out in the Articles of Association.

(j) **Liability of the Board**

The members of the Board owe general duties to the Company in accordance with the Companies Regulations (including exercising reasonable care, skill and diligence and acting to promote the success of the Company). The Company may bring a claim against any member of the Board in breach of their duties as a director, with available remedies varying depending on the severity of the breach but may include damages, injunctive relief and other remedies.

Subject to the prior permission of the ADGM court, an eligible shareholder may independently initiate proceedings against any member of the Board if the Company fails to do so in respect of a cause of action arising from an actual or proposed act or omission involving negligence, default, breach of duty or breach of trust by that member of the Board.

So far as may be permitted by the Companies Regulations, every director, officer, senior manager or alternate director (or former director, officer, senior manager or alternate director) of the Company or of an associated company (as contemplated by section 278 of the Companies Regulations) may be indemnified out of the Company's assets against any liability incurred by them in connection with any negligence, default, breach of duty or breach of trust by them or any other liability incurred by them in the execution of their duties, the exercise of their powers or otherwise in connection with their duties, powers or offices.

(k) **Director's remuneration**

The method of calculating the remuneration of the members of the Board shall be determined by the Board.

(l) **Liquidation rights**

In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's surplus assets in accordance with the applicable law and regulation in the ADGM.

(m) **Form of notices and communications**

Unless the Articles of Association expressly require otherwise, any notice, document or information to be sent or supplied by the Company to shareholders (including forms of appointment of a proxy and copies of the Company's annual accounts) may be sent or supplied in hard copy form, in electronic form (for example, by email or facsimile) or by means of the Company's or another website.

6. SUPERVISION AND REGULATION

The Company is a public limited company 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, ADNOC Gas plc is not subject to the provisions of UAE Federal Law No. (32) of 2021 Concerning Commercial Companies (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 Companies Regulations, certain provisions of the SCA Governance Code, 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 the charters, policies and procedures adopted by the Board of Directors from time to time). See the section entitled "*Mechanism for adopting a governance system in the Company*". 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 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, the ADX has the authority to approve and supervise the governance rules applicable to financial free zone companies such as the Company that list securities on the ADX. Our Governance Rules have been approved by the ADX.

The corporate governance regime applicable to the Company is different from that applicable to entities incorporated under the UAE Commercial Companies Law and regulated by SCA. Investors should familiarise themselves with applicable ADGM laws and regulations, and the Articles of Association annexed to the Prospectus. Investors should also note that the corporate governance regime applicable to the Company is not regulated or enforced by SCA.

7. ADGM NON-OBJECTION

The ADGM Registration Authority has issued a certificate of no objection to the Listing and the Offering in accordance with Article 33 of the Offering Regulations (as amended by SCA Decision No. (25/R.M) 2020).

8. INDEPENDENT AUDITORS

(a) AGP

The annual financial statements of AGP as of and for the year ended 31 December 2021, included in this Prospectus, have been audited by RAI, independent auditors, in accordance with International Standards on Accounting (ISA), who have issued an unqualified report thereon.

The annual financial statements of AGP as of and for the year ended 31 December 2020, included in this Prospectus, have been audited by KPMG Lower Gulf Limited, independent auditors, as stated in their report appearing herein.

The unaudited interim condensed financial statements of AGP as of and for the ten months ended 31 October 2022 have been reviewed by RAI in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("**ISRE 2410**"), who have issued an unqualified report thereon.

With respect to the unaudited interim condensed financial statements AGP ASR for the period ended 31 October 2022, included herein, RAI has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in this Prospectus states that they did not audit, and they do not express an opinion on, such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

(b) ALNG

The annual financial statements of ALNG as of and for the year ended 31 December 2021, included in this Prospectus, have been audited by RAI, independent auditors, in accordance with ISA, who have issued an unqualified report thereon.

The financial statements of ALNG as of 31 December 2020, and for the year ended 31 December 2020, included in this Prospectus, have been audited by Deloitte & Touche, independent auditors, as stated in their report appearing herein.

The unaudited interim condensed financial statements of ALNG as of and for the ten months ended 31 October 2022 have been reviewed by RAI in accordance with ISRE 2410, who have issued an unqualified report thereon.

With respect to the unaudited interim condensed financial statements of ALNG for the period ended 31 October 2022, included herein, RAI has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in this Prospectus states that they did not audit, and they do not express an opinion on, such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

(c) AGP ASR Business

The annual financial statements of the AGP ASR Business for the years ended 31 December 2021 and 2020, included in this Prospectus, have been audited by RAI, independent auditors, in accordance with ISA, who have issued an unqualified report thereon.

The unaudited interim condensed financial statements of the AGP ASR Business for the ten months ended 31 October 2022 have been reviewed by RAI in accordance with ISRE 2410, who have issued an unqualified report thereon.

With respect to the unaudited interim condensed financial statements of the AGP ASR Business for the period ended 31 October 2022, included herein, RAI has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in this Prospectus states that they did not audit, and they do not express an opinion on, such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

(d) **ALNG ASR Business**

The annual financial statements of the ALNG ASR Business for the years ended 31 December 2021 and 2020, included in this Prospectus, have been audited by RAI, independent auditors, in accordance with ISA, who have issued an unqualified report thereon.

The unaudited interim condensed financial statements of the ALNG ASR Business for the ten months ended 31 October 2022 have been reviewed by RAI in accordance with ISRE 2410, who have issued an unqualified report thereon.

With respect to the unaudited interim condensed financial statements of the ALNG ASR Business for the period ended 31 October 2022, included herein, RAI has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in this Prospectus states that they did not audit, and they do not express an opinion on, such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

(e) **ADNOC ASR Gas Assets**

The annual financial statements of the ADNOC ASR Gas Assets as of the years ended 31 December 2021 and 2020, included in this Prospectus, have been audited by RAI, independent auditors, in accordance with ISA, who have issued an unqualified report thereon.

The unaudited interim condensed financial statements of the ADNOC ASR Gas Assets as of the ten months ended 31 October 2022 have been reviewed by RAI in accordance with ISRE 2410, who have issued an unqualified report thereon.

With respect to the unaudited interim condensed financial statements of the ADNOC ASR Gas Assets as of the period ended 31 October 2022, included herein, RAI has reported that they applied limited procedures in accordance with professional standards for a review of such information. However, their separate report included in this Prospectus states that they did not audit, and they do not express an opinion on, such interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

ANNEXE 1

FINANCIAL STATEMENTS

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Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Financial statements

For the year ended 31 December 2020

Principal business address:
P.O. Box: 665
Abu Dhabi
UAE

Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Financial statements

for the year ended 31 December 2020

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KPMG Lower Gulf Limited
Level 19, Nation Tower 2
Corniche Road, P.O. Box 7613
Abu Dhabi, United Arab Emirates
Tel. +971 (2) 401 4800, www.kpmg.com/ae

Independent Auditors' Report

To the Shareholders of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) ("the Company"), which comprise the statement of financial position as at 31 December 2020, the statements of profit or loss, other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

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 *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and their preparation in compliance with the applicable provisions of the Abu Dhabi Law No. 11 of 1978, as amended by circular No. 12 of 1978, the Amended and Restated Joint Venture Agreement dated 31 March 2009, Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (1) of 2017 and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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.

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Auditors' Responsibilities for the Audit of the Financial Statements (Continued)

- 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditors' report to the related disclosures in the 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

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 2020:

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KPMG Lower Gulf Limited is registered and licensed under the laws of the United Arab Emirates.

Report on Other Legal and Regulatory Requirements (Continued)

- 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;
- Abu Dhabi Law No. 11 of 1978, as amended by circular No. 12 of 1978, and the Amended and Restated Joint Venture Agreement dated 31 March 2009 ("Law of establishment"); and
- Relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations.

KPMG Lower Gulf Limited



Saif Fayez Shawer
Registration No.: 1131
Abu Dhabi, United Arab Emirates

Date: 26 April 2021

Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Statement of financial position

As at 31 December

	Note	2020 USD'000	2019 USD'000
ASSETS			
Non-current assets			
Property, plant and equipment	*6*	**575,118**	624,697
Intangible assets	*7*	**23,885**	12,102
Advances to contractors		**5,491**	2,301
Loans to employees	*11*	**27,944**	31,985
Total non-current assets		**632,438**	671,085
Current assets			
Inventories	*9*	**17,955**	13,140
Due from related parties	*10*	**1,551**	21,775
Receivable from shareholders	*10*	**45,971**	16,161
Prepayment and other receivables	*11*	**42,349**	41,770
Cash and bank balances	*8*	**5**	2,114
Total current assets		**107,831**	94,960
Total assets		**740,269**	766,045
EQUITY AND LIABILITIES			
EQUITY			
Share capital	*12*	**422,400**	422,400
Actuarial loss on defined benefit obligation		**(17,046)**	(11,691)
Total equity		**405,354**	410,709
LIABILITIES			
Non-current liability			
Provision for employees' end of service benefits	*13*	**179,825**	179,151
Current liabilities			
Trade and other payables	*14*	**117,053**	169,298
Due to related parties	*10*	**38,037**	6,887
Total current liabilities		**155,090**	176,185
Total liabilities		**334,915**	355,336
Total equity and liabilities		**740,269**	766,045

To the best of our knowledge, the financial statements fairly presents, in all material respects, the financial position, results of operation and cash flows of the Company as of and for the year ended 31 December 2020.

These financial statements were authorised and approved by the Board of Directors on 3 March 2021, and signed on their behalf by:

Wafa Al Hammadi
Chief Financial Officer

Dr. Saif Sultan Al Nasseri
Chief Executive Officer

Director

Director

The notes set out on pages 10 to 34 form an integral part of these financial statements.
The independent auditors' report is set out on pages 1 to 4.

All parties consent to this document being signed electronically -CFO/INT/2021/2890

Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Statement of profit or loss

For the year ended 31 December

	Note	**2020 USD'000**	2019 USD'000
Revenue			
Net processing costs for the year – charged to the shareholders	*10*	**386,810**	408,197
Reimbursement -ADNOC sole risk (ASR)	*10, 18*	**244,534**	250,970
Total revenue		**631,344**	659,167
Other income			
Recoveries representing ADNOC back charges	*10, 19*	**1,028**	1,405
Other income	*17*	**11,098**	3,809
		643,470	664,381
Operating costs			
Personnel costs	*15*	**(332,499)**	(332,741)
Maintenance, supplies and services costs		**(65,452)**	(53,422)
Depreciation and amortisation	*6, 7*	**(107,652)**	(115,445)
Administrative expenses	*16*	**(29,275)**	(32,277)
Product processing charge	*18*	**(74,398)**	(86,130)
Material costs		**(5,066)**	(5,056)
Fuel costs		**(29,037)**	(36,635)
Gross operating costs		**(643,379**	(661,706)
Other expenses	*17*	**(91)**	(2,675)
Total processing costs		**(643,470)**	664,381
Profit for the year		**-**	-

The notes set out on pages 10 to 34 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Statement of other comprehensive income

For the year ended 31 December

	Note	**2020 USD'000**	2019 USD'000
Profit for the year		-	-
Other comprehensive loss for the year			
Other comprehensive loss not to be reclassified to profit or loss in subsequent periods			
Re-measurement loss of employees' end of service benefit obligations	*13*	**(5,355)**	(37,787)
Total comprehensive loss for the year		**(5,355)**	(37,787)

The notes set out on pages 10 to 34 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Statement of changes in equity

For the year ended 31 December

	Note	**Share capital USD'000**	**Actuarial (loss)/gain on defined benefit obligation USD'000**	**Total USD'000**
At 1 January 2019		422,400	26,096	448,496
Profit for the year		-	-	-
Re-measurement loss of employees' end of service benefit obligations	*13*	-	(37,787)	(37,787)
At 31 December 2019		422,400	(11,691)	410,709
Profit for the year		-	-	-
Re-measurement loss of employees' end of service benefit obligations	*13*	-	**(5,355)**	**(5,355)**
At 31 December 2020		**422,400**	**(17,046)**	**405,354**

The notes set out on pages 10 to 34 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4.

Abu Dhabi Gas Industries Limited (ADNOC Gas Processing)

Statement of cash flows

For the year ended 31 December

	Note	**2020 USD'000**	2019 USD'000
Cash flows used in operating activities			
Profit for the year		**-**	-
Adjustments for:			
Depreciation and amortisation	*6, 7*	**107,652**	115,445
Provision for employees' end of service benefit charged	*13*	**6,298**	5,960
Loss on disposal/write-off of capital work in progress		**1,704**	1
Provision/(reversal) of doubtful debts expense	*17*	**-**	(1,241)
(Reversal)/provision for obsolete and slow-moving inventories - net	*9*	**(2,167)**	3,174
Net processing costs – charged to the shareholders		**(386,810)**	(408,197)
		(273,323)	(284,858)
Payment for provision of employees' end of service benefits	*13*	**(24,272)**	(13,784)
Changes in working capital:			
Inventories		**(2,648)**	222
Due from related parties **		**33,517**	47,712
Prepayments and other receivables and advance to contractors		**272**	(14,069)
Trade and other payables		**(67,482)**	(29,846)
Due to related parties		**31,150**	6,678
Net cash used in operating activities		**(302,786)**	(287,945)
Cash flows used in investing activity			
Payments for purchase of property, plant and equipment and intangible assets*		**(56,323)**	(28,710)
Net cash used in investing activity		**(56,323)**	(28,710)
Cash flows from financing activity			
Cash calls received from the Shareholders	*10*	**357,000**	294,000
Net cash from financing activities		**357,000**	294,000
Net decrease in cash and bank balance		**(2,109)**	(22,655)
Cash and bank balance, beginning of the year	*8*	**2,114**	24,769
Cash and bank balance, end of the year	*8*	**5**	2,114

Non-cash transactions

Accrual for purchase of property, plant and equipment*		**15,237**	26,262
Provision for end of service benefit charged to ASR**	*13*	**13,293**	12,848
Transfer from property, plant and equipment to intangibles		**-**	422

The notes set out on pages 10 to 34 form an integral part of these financial statements.

The independent auditors' report is set out on pages 1 to 4

1 General information

Abu Dhabi Gas Industries Limited ("ADNOC Gas Processing" or the "Company") is a limited liability company established by Abu Dhabi Law No. 11 of 1978, as amended by circular No. 12 of 1978.

The Company's registered address is P.O. Box 665, Abu Dhabi, United Arab Emirates.

The shareholders of the Company, in accordance with the Amended and Restated Joint Venture Agreement, including their respective shareholdings, are as follows (the "Shareholders"):

	% share
Abu Dhabi National Oil Company (ADNOC)	68%
TOTAL S.A.	15%
Shell Abu Dhabi B.V.	15%
Partex Gas Corporation (Partex)	2%

The Company was formed to undertake a joint venture for the processing of associated gas produced from various onshore oil fields in the Emirate of Abu Dhabi. Initial processing is performed at the onshore plants and gas is pumped into the ADNOC Sole Risk (ASR) plant in Ruwais. The processed products consisting of propane, butane and paraffinic naphtha are delivered to the Shareholders at Ruwais in accordance with their participation shares. Purchase of the associated gas and sales of the processed products are accounted for between the Shareholders and do not form part of the Company's operations. These financial statements represent the financial performance and position from activities of the joint venture operations only. A separate set of financial statements are prepared for the ASR activities conducted by the Company.

On 31 March 2009, the Shareholders agreed to amend and restate the Original Joint Venture Agreement, in accordance with the Law No. 11 of 1978, the Company's Original Articles of Association and articles 20 of the Original Joint Venture Agreement for the purposes of operating the NGL Complex and producing products, in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2008. In accordance with the Amended and Restated Joint Venture Agreement, the agreement is effective for a period of 20 years from the effective date of 1 October 2008.

Although the Company's current liabilities exceeded its current assets by USD 47,259 thousand as at 31 December 2020 (*31 December 2019: USD 81,225 thousand*), the financial statements have been prepared on a going concern basis as the Company is a joint-venture operating entity which is not-for-profit and is funded by the Shareholders. As per the joint venture agreement, the shareholders will continue to arrange funding for the Company to enable it to both meet its liabilities as they fall due and to carry on its business without significant curtailment of operations for a period of at least 12 months from the date of approval of the financial statements for the year ended 31 December 2020.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS.

The Company maintains a separate set of financial statements that are prepared in accordance with the Accounting Guide in compliance with the provisions stipulated by the Amended & Restated Joint Venture Agreement.

These IFRS financial statements are prepared by management for the purpose of accommodating for the IFRS consolidation reporting requirements of Abu Dhabi National Oil Company (hereby referred to as "ADNOC").

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis.

2.3 Functional and presentation currency

The financial statements have been presented in US Dollars ("USD"), which is the functional currency and presentation currency of the Company. All values are rounded to the nearest thousand (USD'000) except when otherwise indicated.

3 Significant accounting policies

New currently effective standards

A number of new standards are effective from 1 January 2020, but they do not have a material effect on the Company's financial statements.

New standards or amendments	Effective date
– *Amendments to References to Conceptual Framework in IFRS Standards*	1 January 2020
– *Definition of a Business (Amendments to IFRS 3)*	1 January 2020
– *Definition of Material (Amendments to IAS 1 and IAS 8)*	1 January 2020
– *Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)*	1 January 2020

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted; however, the Company has not early adopted any of the forthcoming new or amended standards in preparing these financial statements.

Management anticipates that the application of the following standards does not have material impact on the Company's financial statements in the period of initial application.

3 Significant accounting policies *(continued)*

Standards issued but not yet effective (continued)

New standards or amendments	Effective date
– *COVID-19-related rent concessions (Amendment to IFRS 16)*	1 June 2020
– *Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)*	1 January 2021
– *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*	1 January 2022
– *Annual Improvements to IFRS Standards 2018-2020*	1 January 2022
– *Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)*	1 January 2022
– *Reference to the Conceptual Framework (Amendments to IFRS 3)*	1 January 2022
– *IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts*	1 January 2023
– *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*	1 January 2023
– *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFR S 10 and IAS 28)*	Available for optional adoption/effective date deferred indefinitely

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, except if mentioned otherwise

3.1 Property, plant and equipment

Property, plant and equipment is carried at the historical cost less accumulated depreciation and accumulated impairment losses, if any. The cost of property, plant and equipment is their purchase cost, together with any incidental expenses of acquisition. Capital work in progress for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes all direct costs attributable to the design and construction of the asset including related staff costs, and for qualifying assets, borrowing costs are capitalized in accordance with the Company's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate asset category and is accounted for in accordance with the Company's accounting policy.

Depreciation is charged to the statement of profit or loss, using the straight-line method to allocate the costs of the related assets less their residual values, if any, over the following estimated economic useful lives:

	Years
Building and infrastructure	20-30
Fixture, fittings and office equipment	5-15
Oil and gas properties (pipelines)	30
Plant, machinery, and equipment	8-30
Transportation, storage and terminal	5-20

Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Where an item of property, plant and equipment is comprised of major components having different useful lives, each component is recognised as a separate item of property, plant and equipment.

3 Significant accounting policies *(continued)*

3.1 Property, plant and equipment *(continued)*

Subsequent costs (i.e. expenditure for major repair and maintenance that are eligible for capitalisation in line with the requirements of IFRS) are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The cost of spare parts held as essential for the continuity of operations and which are designated as strategic spares are depreciated on a straight-line basis over their estimated operating life. Maintenance and normal repairs which do not extend the estimated economic useful life of an asset or production output are charged to the statement of profit or loss as and when incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the statement of profit or loss.

3.2 Inventories

Cost of inventories comprises the invoiced cost, freight and other expenses incurred in bringing the inventories to their present condition and location. Inventories comprise of consumables and minor spare parts and are valued using the weighted-average method. Inventories are measured at lower of cost and net realisable value.

3.3 Intangible assets

Intangible assets acquired separately are reported at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged on a straight-line basis over their estimated useful lives. The estimated useful lives are reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight-line basis over their estimated useful lives which is normally a period of two to ten years.

The useful lives of intangible assets are assessed to be either finite or indefinite. The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible asset. Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

3 Significant accounting policies *(continued)*

3.3 Intangible assets

Computer software (continued)

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit ("CGU") level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

3.4 Capital work in progress

Properties or assets (whether tangible or intangible assets) in the course of construction for production, supply or administrative purposes are carried at cost less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the asset including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the Company's accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate asset category and is accounted for in accordance with the Company's accounting policy.

3.5 Impairment of non-financial assets

At the end of each reporting period, the Company 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).

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 pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

3 Significant accounting policies *(continued)*

3.6 Foreign currency

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. 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 statement of profit or loss in the period in which they arise.

3.7 Provisions

Provisions are recognised when the Company has:

- a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of economic resources will be required to settle the obligation in the future; and
- the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3.8 Employees benefits

(i) Short term obligation

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period. The accrual relating to annual leave and leave passage is disclosed as a current liability in the statement of financial position.

(ii) Employees' end of service benefits (EOSB)

The liability recognised in the statement of financial position in respect of the defined end of service benefit plan is the present value of the projected defined benefit obligation ("DBO") at the end of the reporting period. The provision for EOSB is calculated by a qualified actuary using the projected unit credit method whilst considering the Company's policy with respect to end of service benefits where it requires the provision to be at least equal to the benefits payable in accordance with the UAE Labour law for their period of service up to the end of the reporting period.

The provision relating to provision for EOSB is disclosed as a non-current liability.

3 Significant accounting policies *(continued)*

3.8 Employees benefits *(continued)*

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. Re-measurements are not reclassified to the statement of profit or loss in subsequent periods. The liability is calculated as the current value of the vested benefits to which the employee is entitled, should the employee leave at the statement of financial position date. Payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the UAE Labour law.

Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined EOSB obligation. The Company recognises the following changes in the net defined benefit obligation in the statement of profit or loss within personnel costs:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income

(iii) Pension contributions

With respect to its UAE national employees, the Company makes pension contributions to the Abu Dhabi Retirement Pensions and Benefits Funds in accordance with the Abu Dhabi Retirement Pensions and Benefits Fund's regulations. With respect to its GCC national employees, the Company makes pension contributions to the pension funds or agencies of their respective countries. Such contributions are charged to operating costs during the employees' period of service.

3.9 Revenues

Revenue from contract with customers

Revenue comprises processing fee represents the net processing cost billed to the Shareholders in proportion to their shareholding interests in accordance with the Joint Venture dated 31 March 2009 deemed effective as of 1 October 2009 ("the Agreement").

In addition, ADNOC Sole Risk (ASR) – Share of common charges are recoverable, in accordance with the Agreement and Annex G – Ruwais Asset Transfer Agreement dated 31 March 2009 deemed effective 30 September 2008. A simplified method to establish the joint and common cost percentage has been implemented with CEO confirmation letter dated 30 October 2012. The percentages on the joint and common costs had been revised retrospectively effective from 1 October 2009 and, subsequently, on 1 January 2019 *(Refer to Note 18)*.

Performance obligations and revenue recognition policies
The following provides information about the nature and timing of the satisfaction of performance obligations in the contract with a customer, including significant payment terms, and the related revenue recognition policies.

Type of service	**Nature and timing of satisfaction of performance obligations, including significant payment terms**	**Revenue recognition**
Net processing costs	Invoices for net processing costs are issued at the end of each month. Amounts are collected in arrears, usually within 60 days.	Revenue is recognised over time when the net processing costs becomes due in accordance with the terms of the Agreement.

3 Significant accounting policies *(continued)*

3.9 Revenues *(continued)*

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition
Reimbursement – ADNOC sole risk	Inter-company settlements are at the end of each month when the common costs are incurred by the Company.	Revenue is recognised when the related costs are incurred and recovered from the Company at the end of each month in accordance with the terms of the Agreement.

3.10 Financial assets

The Company has the following financial assets: Cash and bank balances, due from related parties, loans to employees and other receivables. These financial assets are classified as measured at amortised cost. The classification depends on the nature and purpose of the financial asset and is determined at the time of initial recognition.

(a) Cash and bank balances

Cash and bank balances are comprised of cash and balances with banks in current accounts or deposits which mature within three months of the date of placement.

(b) Receivables from shareholder, due from related parties, loans to employees and other receivables

Receivables from shareholders, due from related parties, loans to employees and other receivables, have fixed or determinable payments that are not quoted in an active market. Interest income, if any is recognised by applying the effective rate of interest, except for short-term receivables and certain other receivables when the recognition of interest would be immaterial.

(i) Recognition and measurement of financial assets

At initial recognition, in the case of a financial asset not at FVTPL, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset.

(ii) Impairment

An estimate of the collectible amount of balances due from related parties, other receivables and loans to employees are made when collection of the full amount is no longer probable. For individually significant amounts, this estimation is performed on an individual basis.

The Company assesses on a forward-looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For cash and bank balance, the management believe that under the requirement of IFRS 9 there is no impact from an ECL perspective. For due from related parties, other receivables and loans to employees, the Company applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of such receivables.

3 Significant accounting policies *(continued)*

3.11 Financial assets *(continued)*

(iii) Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

3.12 Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(ii) Financial liabilities

Trade and other payables, due to related parties and advance from shareholders are classified as 'financial liabilities', are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis except for short term liabilities when the recognition of interest would be immaterial.

(a) Trade and other payable

These amounts represent liabilities for goods and services provided to the Company prior to the end of the financial period which are unpaid. The amounts are unsecured.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(b) Due to related parties

These amounts represent liabilities for goods and services provided to the Company by ADNOC and its affiliates prior to the end of the financial period which are unpaid. The amounts are unsecured.

(iii) Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

3 Significant accounting policies *(continued)*

3.12 Financial liabilities and equity instruments *(continued)*

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liability simultaneously.

3.12 Leases

i) As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which is located, less any lease incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses if any and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises the following:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

Short-term leases and leases of low-value assets

The Company 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 Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii) As lessor

Rental income from operating leases, if any, is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

4 Financial risk management objectives and policies

4.1 Financial risk management

Financial instruments carried on the statement of financial position comprise cash and bank balances, due from related parties, receivables from shareholders, loans to employees, other receivables, trade and other payables and due to related parties.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been impacted.

The classification of financial assets depends on the purpose for which the financial assets were acquired. management determines the classification of its financial assets at initial recognition.

The Company's activities expose it to a variety of financial risks: market risk including currency risk and cash flow and fair value interest rate risk and price risk, credit risk and liquidity risk. The Company's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance. The Shareholders actively monitor and manage the financial risks relating to the Company. The Company does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes. The Company reviews and agrees policies for managing each of these risks and these policies are summarised below:

The Company's receivables and payables carried at amortised cost are not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Hence, the Company is not exposed to fair value interest rate risk.

4.1.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks – currency risk, cash flow and fair value interest risk and price risk. Management believes that the Company does not have significant exposure to market risk.

4.1.2 Currency risk

Currency risk is the risk that value of financial instrument will fluctuate due to change in foreign exchange rates. The Company is not exposed to fluctuations in foreign exchange rates during its ordinary course of operations, since all significant transactions of the Company during the year are in UAE Dirham and US Dollars. There is no significant risk related to activity conducted and balances stated in USD Dollars since it is pegged to the UAE Dirham.

4.1.3 Liquidity risk

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise since the Shareholders of the Company are the major source of funding for the Company. The Company's financial current liabilities consist of trade and other payables, and due to related parties. All the financial liabilities are expected to be settled within 12 months of the reporting date and the Company expects to have adequate funds available to do so.

The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

4 Financial risk management objectives and policies *(continued)*

4.1 Financial risk management *(continued)*

4.1.3 Liquidity risk (continued)

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Financial liabilities USD'000	Less than 3 months	3 to 12 months	1 to 5 years	Over 5 years	Total
As at 31 December 2020					
Trade and other payables	**117,053**	**-**	**-**	**-**	**117,053**
Due to related parties	**-**	**38,037**	**-**	**-**	**38,037**
Total undiscounted financial liabilities	**117,053**	**38,037**	**-**	**-**	**155,090**
As at 31 December 2019					
Trade and other payables	169,298	-	-	-	169,298
Due to related parties	-	6,887	-	-	6,887
Total undiscounted financial liabilities	169,298	6,887	-	-	176,045

4.1.4 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation.

Credit risk usually arises from cash and bank balances, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to various types of customers, including outstanding receivables.

The following financial assets of the Company are subject to expected credit loss model:

- Bank balances
- Due from related parties
- Loan to employees
- Other receivables

The Company is exposed to credit risk in relation to its monetary assets, mainly arising from due from related parties, other receivables, loan from employees and bank balances. The Company has no significant exposure to credit risk. In addition, the Company has policies in place to minimise its exposure to credit risk. The Company's receivable balances primarily relate to balances due from the Shareholders and affiliated companies. Banking transactions are limited to branches of reputed local banks. Receivables are classified as past due if they are outstanding for more than sixty days.

While cash and bank balances, due from related parties and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

4.2 Fair values

Management considers that the fair values of financial assets and financial liabilities approximate their carrying amounts at the reporting date.

4.3 Capital risk management

The Company's policy is to maintain a strong capital base so as to maintain external creditor's confidence and to sustain future developments of the business. The Company manages its capital to ensure it will be able to continue as a going concern through cash calls from shareholders. The Company does not have a formalised optimal target capital structure or target ratios in connection with its capital risk management objective. The Company's overall strategy remains unchanged from the previous years.

5 Critical accounting estimates, assumptions and judgements

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and expenditure. Actual results may differ from these estimates.

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. The Company makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have significant effect on the amounts recognised in the financial statements are as follows:

5.1 Economic useful lives of property, plant and equipment

Management determines the estimated useful lives of property, plant and equipment for calculating depreciation. This estimate is determined after considering expected usage of the assets and physical wear and tear. Management reviews the residual value and useful lives annually and change in depreciation charges, if any, are adjusted in current and future periods.

5.2 Estimation of provision for employees' end of service benefits (EOSB)

The cost of provision for EOSB and the present value of the liability are determined using actuarial valuations performed by an independent actuary. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, turnover assumptions and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, the provision for EOSB is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, since the UAE Dirham is pegged to the US Dollar, management considers the yields on US Government Bonds which allows for an additional risk premium to reflect a credit spread and the risk of the currency linkage being broken.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on management's long-term expectations which is aligned with ADNOC Group's expectations. Refer to Note 13 in the financial statements for further details.

5.3 Allowances for obsolete and slow-moving inventories

Management makes a provision for slow moving and obsolete inventory items. Estimates of net realisable value of inventories are based on the most reliable evidence at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly related to events occurring subsequent to the reporting date to the extent that such events confirm conditions existing at the end of year. Refer to Note 9 in the financial statements for further details.

5.4 Impairment of property, plant and equipment

Property, plant and equipment are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on contractual agreements and estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment. Impairment on property, plant and equipment as at 31 December 2020 is Nil (*31 December 2019: Nil*).

6 Property, plant and equipment

USD'000	Building and infrastructure	Fixture, fittings and office equipment	Oil and gas properties (Pipelines)	Plant, machinery and equipment	Transportation, storage and terminal	Capital work in progress	Total
Cost							
1 January 2019	378,419	345,887	81,724	1,512,523	2,165	120,699	2,441,417
Transfers (to)/from intangibles	(25,568)	(109,298)	(81,724)	196,106	15,983	1,915	(2,586)
Additions	80	-	-	2,914	-	41,062	44,056
Disposals/write off	-	(3)	-	-	-	-	(3)
Transfers	3,093	5,871	-	96,135	8	(105,107)	-
31 December 2019	356,024	242,457	-	1,807,678	18,156	58,569	2,482,884
Additions	744	-	-	16,029	-	45,088	61,861
Write-off of capital work in progress	-	-	-	-	-	(1,570)	(1,570)
Disposals	(332)	(274)	-	(10)	-	-	(616)
Transfers to intangibles	-	-	-	-	-	(6,803)	(6,803)
Transfers from CWIP	136	2,566	-	17,974	609	(21,285)	-
31 December 2020	**356,572**	**244,749**	**-**	**1,841,671**	**18,765**	**73,999**	**2,535,756**

6 Property, plant and equipment *(continued)*

USD'000	Building and infrastructure	Fixture, fittings and office equipment	Oil and gas properties (Pipelines)	Plant, machinery and equipment	Transportation, storage and terminal	Capital work in progress	Total
Accumulated							
1 January 2019	161,326	328,804	25,185	1,234,849	1,680	-	1,751,844
Transfers to/from intangibles	9,288	(104,855)	(25,185)	102,898	13,775	-	(4,079)
Charge for the year	12,452	4,871	-	92,636	465	-	110,424
Disposals/write off	-	(2)	-	-	-	-	(2)
31 December 2019	183,066	228,818	-	1,430,383	15,920	-	1,858,187
Charge for the year	10,515	3,923	-	88,151	466	-	103,055
Disposals/write off	(332)	(263)	-	(9)	-	-	(604)
31 December 2020	**193,249**	**232,478**		**1,518,525**	**16,386**	**-**	**1,960,638**
Net book value							
At 31 December 2019	172,958	13,639	-	377,295	2,236	58,569	624,697
At 31 December 2020	**163,323**	**12,271**	**-**	**323,146**	**2,379**	**73,999**	**575,118**

7 Intangible assets

	Software USD'000	Capital work in progress USD'000	Total USD'000
Cost			
1 January 2019	59,828	3,958	63,786
Transfers to/from property, plant & equipment during the year	4,501	(1,915)	2,586
Additions	9,153	1,763	10,916
Transfers	771	(771)	-
31 December 2019	74,253	3,035	77,288
Additions	-	9,699	9,699
Transfers from property, plant & equipment during the year	-	6,803	6,803
Write-off of capital work in progress	-	(122)	(122)
Transfers from CWIP	1,955	(1,955)	-
31 December 2020	**76,208**	**17,460**	**93,668**
Accumulated amortisation			
1 January 2019	56,086	-	56,086
Transfer from property, plant & equipment during the year	4,079	-	4,079
Charge for the year	5,021	-	5,021
31 December 2019	65,186	-	65,186
Charge for the year	4,597	-	4,597
31 December 2020	**69,783**	**-**	**69,783**
Net book value			
At 31 December 2019	9,067	3,035	12,102
At 31 December 2020	**6,425**	**17,460**	**23,885**

8 Cash and bank balances

	31 December 2020 USD'000	31 December 2019 USD'000
Bank balances	**5**	1,918
Cash in hand	**-**	196
	5	2,114

9 Inventories

	31 December 2020 USD'000	31 December 2019 USD'000
Items for disposal	**844**	900
Spare parts and consumables	**38,318**	35,614
	39,162	36,514
Less: Provision for obsolete and slow-moving items	**(21,207)**	(23,374)
	17,955	13,140

9 Inventories *(continued)*

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

	31 December 2020 USD'000	31 December 2019 USD'000
At 1 January	**23,374**	20,200
(Reversal) / provision during the year	**(2,167)**	3,174
At 31 December	**21,207**	23,374

10 Balances and transactions with the related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties comprise of major shareholder, associated companies, directors and key management personnel of the Company.

Due from related parties	**31 December 2020 USD'000**	31 December 2019 USD'000
ADNOC affiliates	**1,334**	918
Abu Dhabi National Oil Company	**-**	20,665
Others	**217**	192
	1,551	21,775

Due to related parties	**31 December 2020 USD'000**	31 December 2019 USD'000
Abu Dhabi National Oil Company	**28,342**	-
ADNOC affiliates	**5,116**	29
ADNOC Gas Processing - Sole Risk (ASR)	**4,228**	6,772
Others	**351**	86
	38,037	6,887

Receivable from the Shareholders	**31 December 2020 USD'000**	31 December 2019 USD'000
Abu Dhabi National Oil Company (ADNOC)	**31,260**	10,991
TOTAL S.A.	**6,896**	2,425
Shell Abu Dhabi B.V.	**6,896**	2,425
Partex Gas Corporation (Partex)	**919**	320
	45,971	16,161

10 Balances and transactions with the related parties *(continued)*

In accordance with the Amended and Restated Joint Venture Agreement, the Shareholders are required to pay advances to the Company in the form of a processing fee based on the net processing costs for the year. The Shareholders are required to fund the Company by way of weekly cash calls. The advance for processing fees can be called from the Shareholders at 30 days' notice.

Balances due from related parties at each reporting date include some amounts that are past due. However, such balances are usually recovered within a period of less than 12 months.

No interest is charged on balances due from related parties. The Company does not have any past history of significant defaults of balances due from related parties since the majority of the counterparties comprise of the Shareholders. The provision for impairment on balances due from related parties at 31 December 2020 is USD *Nil (2019: Nil)*.

The Company considers these balances to be fully recoverable and does not consider any significant exposure on these balances.

Transactions with related parties	**2020 USD'000**	2019 USD'000
Charge to ASR for share of common costs *(Note 18)*	**244,534**	250,970
Charge from ASR of product processing charge *(Note 18)*	**74,398**	86,130
Fuel costs[1]	**29,037**	36,635
Provision for end of service benefits recharged to ADNOC Gas Processing ASR *(Note 13)*	**13,293**	12,848
Training and scholarship costs in respect of UAE Nationals charged by ADNOC	**12,864**	17,136
Building rent charged by ADNOC	**7,047**	6,987
Personnel and related costs charged by the Shareholders	**5,139**	6,959
Billing to ADNOC for use of Company's facilities *(Note 19)*	**1,028**	1,405

[1]In accordance with Annex E Article 5.2 of the Amended and Restated Joint Venture Agreement, fuel costs are recharged by ADNOC at the rate USD 1.35 per million BTU (lower heating value) and subsequently escalated at a rate of 3% per annum on a yearly basis.

The above ADNOC transactions represent the significant transactions with ADNOC. The Company has other transactions with ADNOC relating to the common facilities of ADNOC Group which are shared by the Company.

Processing fee proceeds from the shareholders	**2020 USD'000**	2019 USD'000
Abu Dhabi National Oil Company (ADNOC)	**242,760**	199,919
TOTAL S.A.	**53,550**	44,099
Shell Abu Dhabi B.V.	**53,550**	44,099
Partex Gas Corporation (Partex)	**7,140**	5,883
	357,000	294,000

10 Balances and transactions with the related parties *(continued)*

The movement in respect to processing fee due (to)/from the Shareholders is as follows:

	Abu Dhabi National Oil Company (ADNOC) USD'000	TOTAL S.A. USD'000	Shell Abu Dhabi B.V. USD'000	Partex Gas Corporation (Partex) USD'000	Total USD'000
At 1 January 2019	(66,664)	(14,706)	(14,706)	(1,960)	(98,036)
Processing fee charged for the year	277,574	61,230	61,230	8,163	408,197
Processing fee proceeds received during the year	(199,919)	(44,099)	(44,099)	(5,883)	(294,000)
At 31 December 2019	10,991	2,425	2,425	320	16,161
At 1 January 2019					
Processing fee charged for the year	263,030	58,022	58,022	7,736	386,810
Processing fee proceeds received during the year	(242,760)	(53,550)	(53,550)	(7,140)	(357,000)
At 31 December 2020	**31,260**	**6,896**	**6,896**	**919**	**45,971**

Compensation of key management personnel

The remuneration of directors and other members of key management during the years were as follows:

	2020 USD'000	2019 USD'000
Short-term benefits	**3,942**	4,663
Directors remuneration paid	**63**	35

11 Prepayment and other receivables

Current	31 December 2020 USD'000	31 December 2019 USD'000
Prepayments	**8,112**	8,630
Loans to employees	**25,759**	26,233
Other receivables	**8,478**	6,907
	42,349	41,770

11 Prepayment and other receivables *(continued)*

	31 December 2020 USD'000	31 December 2019 USD'000
Non-current		
Loans to employees	**27,944**	31,985

At 31 December 2020, loans to ADNOC Gas Processing employees working in ASR facilities amounted to USD 31,700 thousand (*2019: USD 36,824 thousand*). During the year amount was fully collected from ASR and was recorded within due from/to related parties *(Note 10)*.

12 Share capital

	31 December 2020 USD'000	31 December 2019 USD'000
Authorised		
425,000 ordinary shares of US$ 1,000 each	**425,000**	425,000
Issued and fully paid		
422,400 ordinary shares of US$ 1,000 each	**422,400**	422,400

The Company has not purchased any shares during the year ended 31 December 2020 *(31 December 2019: Nil)*.

13 Provision for employees' end of service benefits

The Company operates a defined benefit plan in line with the labour law requirement in the United Arab Emirates. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment, as defined by the conditions stated in the labour laws of United Arab Emirates.

Provision for employees' end of service benefits are unfunded plans where the company meets the benefit payment obligations as it falls due.

The amounts recognised in the statement of financial position and the movements in the net defined benefit obligation over the years are as follows:

	31 December 2020 USD'000	31 December 2019 USD'000
Provision balance as at 1 January	179,151	136,340
Current service cost – Joint Venture	4,781	4,013
Interest expense – Joint Venture	1,517	1,947
Total amount recognised in statement of profit or loss *(Note 15)*	**6,298**	**5,960**
Current service cost – ADNOC Sole Risk	10,092	8,385
Interest expense – ADNOC Sole Risk	3,201	4,463
Expense portion allocated to ADNOC Sole Risk *(Note 10)*	**13,293**	**12,848**

13 Provision for employees' end of service benefits *(continued)*

	31 December 2020 USD'000	31 December 2019 USD'000
Re-measurements:		
Loss from change in financial assumptions	11,688	29,009
Experience (gains)/ losses	(6,333)	8,778
Total amount recognised in other comprehensive income	**5,355**	**37,787**
Benefits paid during the year	**(24,272)**	**(13,784)**
Provision balance as at 31 December	**179,825**	**179,151**

13.1 Significant actuarial assumptions

Provision for employees end of service benefits pertaining to ADNOC Gas Processing employees working in ASR facilities are recorded in the books of the Company and the related expenses are recharged to ADNOC Gas Processing ASR. At 31 December 2020, the provision for end of service benefits for ADNOC Gas Processing employees working in ASR facilities amounted to USD 96,717 thousand (*31 December 2019: USD 97,764 thousand).*

The significant actuarial assumptions were as follows:

	31 December 2020 USD'000	31 December 2019 USD'000
Discount rate	1.75%	2.75%
Salary increase rate for the first five years	4%	4%
Mortality rates	AM92	AM92
Retirement assumption (age in years)	60	60
Average service in future years (in years)	11	11
Number of individuals	2,227	2,449

13.2 Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

	31 December 2020 USD'000	31 December 2019 USD'000
Discount rate + 1%	167,463	168,646
Discount rate - 1%	192,420	191,303
Salary increase + 1%	192,430	191,466
Salary decrease – 1%	167,196	168,278

14 Trade and other payables

	31 December 2020 USD'000	31 December 2019 USD'000
Trade payables	**20,802**	12,414
Accrued expenses and other payables	**96,251**	156,884
	117,053	169,298

The average credit period on purchases is sixty days. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. No interest is charged on trade and other payables.

15 Personnel costs

	2020 USD'000	2019 USD'000
Salaries and wages	**252,511**	250,957
End of service benefit charge *(Note 13)*	**6,298**	5,960
Other benefits	**73,690**	75,824
	332,499	332,741

16 Administrative expenses

	2020 USD'000	2019 USD'000
Sponsored students' expenses	**12,864**	17,136
Office rentals	**7,047**	6,987
Insurance	**4,119**	3,212
Telecommunications	**2,048**	2,244
Others	**3,197**	2,698
	29,275	32,277

17 Other income/expenses

Other income

	2020 USD'000	2019 USD'000
Power Sharing - Bab to Habshan	**3,740**	3,809
Backcharges to Elixier	**387**	-
Write-off of bonus accruals	**2,878**	-
Health insurance scheme	**2,802**	-
Reversal of car loan provision	**1,000**	-
Others	**291**	-
	11,098	3,809

Other expenses

	2020 USD'000	2019 USD'000
Write-off of capital work in progress	**1,692**	-
Exchange differences	**426**	170
BeAAT charges	**106**	68
Reversal of provision for doubtful debt expense	**-**	(1,241)
Reversal/Provision for obsolete and slow-moving inventories	**(2,167)**	3,174
Gains on disposal of obsolete inventories	**(2)**	(7)
Loss on disposal of property, plant and equipment	**12**	-
Others	**24**	511
	91	2,675

18 ADNOC Sole Risk (ASR) – Share of common charges

Common costs and certain other costs recorded initially in either the ASR or Joint Venture books are required to be re-allocated to the respective operations.

In year 2010, following the transfer of the ADNOC Ruwais NGL Facilities from ADNOC Gas Processing JV in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2009 and Annex G – Ruwais Asset Transfer Agreement dated 31 March 2009 deemed effective 30 September 2008, a simplified method to establish the joint and common cost percentage has been implemented with CEO confirmation letter dated 30 October 2012. The percentages on the joint and common costs had been revised retrospectively effective from 1 October 2009.

Since the prior years, the Shareholders resolved to implement a simplified cost allocation basis for the allocation of Headquarter Common Costs from the Company to ASR. With retrospective effect from 1 January 2009 and at the end of each reporting period, the allocation is computed on a pro rata basis of the actual Operations and Maintenance costs of the Company and ASR facilities after adjusting for the product processing charge and the nitrogen injection costs relating to the ADNOC Ruwais NGL Facilities and the Habshan Complex, respectively.

18 ADNOC Sole Risk (ASR) – Share of common charges *(continued)*

The revised rates for the common and joint costs allocation to and from ADNOC Gas Processing and ASR Account are as follows:

Common charges from ASR to Joint Venture	**Effective date**	**JV share**
Pipeline Division	1 January 2019	8%
Habshan Division	1 January 2016	2%
Projects and Technical Projects Division	1 January 2019	11%

Common charges from Joint Venture to ASR	**Effective date**	**JV direct costs**
Headquarter Common Costs	1 January 2019	83%
Technical Support	1 January 2019	71%
Production, Planning & Shipping Department	1 January 2019	79%
Asab Plant Division	1 January 2019	66%

Costs directly attributable to ASR reallocated by JV	**Effective date**	**Reallocation**
Headquarter Common Costs directly attributable to ASR	1 August 2001	100%
Technical Support attributable to ASR	1 June 2002	100%

Common costs reallocated during the year in accordance with the above bases are as follows:

	2020 USD'000	2019 USD'000
Common charges from ASR to the Company	**(6,585)**	(7,198)
Common charges from the Company to ASR	**250,107**	254,275
Costs directly attributable to ASR	**-**	2,703
Lean gas processing fee – Asab and Buhasa	**1,012**	1,190
Charge to ASR for share of common costs *(Note 10)*	**244,534**	250,970
Product processing charge *(Note 10)*	**74,398**	86,130

With effect from 30 September 2008, the ADNOC Ruwais NGL Facilities were transferred from ADNOC Gas Processing JV, in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2008 and Annex G – Ruwais Asset Transfer Agreement dated 31 March 2009 and deemed effective as of 30 September 2008. As a result of the transfer, a product processing charge is charged to the Company to cover the costs of operations of the ADNOC Ruwais NGL Facilities in processing NGL based on actual production attributable to the Company over total production of all trains, in accordance with Annex F – NGL Processing and Products Offtake Agreement Article 6 of the Amended and Restated Joint Venture Agreement.

19 ADNOC back charges

Recoveries representing ADNOC back charges represent amounts billed to ADNOC for use of the Company's plant facilities, in accordance with the related agreements as follows:

	2020 USD'000	2019 USD'000
Billing to ADNOC for use of the Company's facilities *(Note 10)*	**1,028**	1,405

20 Commitments and contingencies

(i) Capital expenditure commitments

Capital commitment are the future capital expenditures that the Company has committed to spend on its Property, plant and equipment which are mainly for retirement of power generation units at Asab, Bab and Buhasa. Total capital expenditure commitments amounted to USD 181,972 thousand *(2019: 127,131 thousand)*.

(ii) Operating lease commitments

The Company does not have any significant non-cancellable operating lease commitments as most of the leases are only for one year. Leases mainly comprise of the one-year rental agreement with ADNOC related to the Company's HQ building.

(iii) Contingent liabilities

During the year, the Company has received various claims from contractors/suppliers totaling USD 1,060 thousand *(2019: Nil)*. These amounts represent those which are more than 50% probable in terms of settlement.

21 ADNOC Group Central Fund for risk financing

The Company is a participant in a centralised fund, administered by ADNOC, to finance certain self-insured risks. The fund is made up of premium discounts, investment income and contributions from participants, as agreed upon from time to time. Under the scheme, the Company is obliged to provide additional funding, if required. At 31 December 2020, the Company's share in the fund held by ADNOC was USD 1,050 thousand (*2019: USD 1,354 thousand*).

22 Events after the reporting date

No events have arisen subsequent to reporting date and before the date of signing the audit report that could be considered as adjusting event and has material effect on the financial statements as at 31 December 2020.

23 Corona virus impact

The Company has performed an assessment on the impact of COVID-19 and concluded that there are no significant changes in its financial position and performance as at and for the year ended 31 December 2020. During the year, operational and capital costs are funded, without delay or interruption, through cash calls from Shareholders. As cash calls were received promptly, management has continued to prepare the financial statements on a going concern basis. The effects of Covid-19 on businesses continues to evolve, hence there are risks and uncertainties associated with its future impact on businesses, though the Company continues to update its plans to seek to respond to them.

24 Approval of financial statements

The financial statements were approved by Board of Directors and authorized for issue on 3 March 2021.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Report and Financial Statements
for the year ended 31 December 2021

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Report and Financial Statements
for the year ended 31 December 2021

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To: The Shareholders of Abu Dhabi Gas Industries Limited – Joint Venture Operations

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Abu Dhabi Gas Industries Limited – Joint Venture Operations (referred to as the "JV Operations") as defined in note 1, which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the JV Operations as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (referred to as "IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (referred to as "ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the JV Operations in accordance with the International Ethics Standards Board for Accountants' International code of Ethics for Professional Accountants (including Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 2.1 to the financial statements, which states that these financial statements represent the financial information of the Operations and not the financial statements of Abu Dhabi Gas Industries Limited as a whole. Our opinion is not modified in respect of this matter.

Other Matter

The financial statements of the JV Operations for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 26 April 2021.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the JV Operations' 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 Operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the JV Operations' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA 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 financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a. Identify and assess the risks of material misstatement of the 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.

b. 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 Operations' internal control.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d. 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 JV Operations' 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 that the related disclosures in the 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 JV Operations to cease to continue as a going concern.

e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

Further, as required by the Decree 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 information provided to us, nothing has come to our attention that causes us to believe that the JV Operations has not complied, in all material respects, with any provisions of its Law of Establishment and relevant provisions of the applicable laws, resolutions and circulars organising the JV Operations' operations, as applicable, which would materially affect its activities or the financial statements as at 31 December 2021.

For RAI Audit and Tax Services,



Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 30 June 2022
Abu Dhabi
United Arab Emirates

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Statement of financial position
As at 31 December

	Notes	2021 USD'000	2020 USD'000
ASSETS			
Non-current assets			
Property, plant and equipment	6	**560,309**	575,118
Intangible assets	7	**21,549**	23,885
Advances to contractors		**2,191**	5,491
Loans to employees	11	**28,687**	27,944
Total non-current assets		**612,736**	632,438
Current assets			
Inventories	9	**16,255**	17,955
Due from related parties	10	**55,269**	1,551
Receivable from Shareholders	10	**81,309**	45,971
Prepayment and other receivables	11	**31,339**	42,349
Cash and bank balances	8	**1,817**	5
Total current assets		**185,989**	107,831
Total assets		**798,725**	740,269
EQUITY AND LIABILITIES			
EQUITY			
Share capital	12	**422,400**	422,400
Actuarial loss on defined benefit obligation		**(7,288)**	(17,046)
Total equity		**415,112**	405,354
LIABILITIES			
Non-current liabilities			
Due to a related party	10	**25,267**	-
Provision for employees' end of service benefits	13	**172,297**	179,825
Total non-current liabilities		**197,564**	179,825
Current liabilities			
Trade and other payables	14	**157,078**	117,053
Due to related parties	10	**28,971**	38,037
Total current liabilities		**186,049**	155,090
Total liabilities		**383,613**	334,915
Total equity and liabilities		**798,725**	740,269

Khaled Salmeen
Director

Director ELIAS KASSIS, TOTAL ENERGIES

Wafa Al Hammadi
Chief Financial Officer

Ahmed Mohamed Alebri
Acting Chief Executive Officer

The accompanying notes form an integral part of these financial statements.

All parties consent to this document being signed electronically -CFO/INT/2022/3864

All parties consent to this document being signed electronically -GCL/INT/2022/6780

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Statement of profit or loss
For the year ended 31 December 2021

	Notes	2021 USD'000	2020 USD'000
Operating expenses			
Personnel costs	**15**	**316,368**	332,499
Maintenance, supplies and services costs		**86,774**	65,452
Depreciation and amortisation	**6, 7**	**76,945**	107,652
Pension costs	**10**	**43,046**	-
Administrative expenses	**16**	**31,680**	29,275
Product processing charge	**18**	**76,345**	74,398
Material costs		**6,263**	5,066
Fuel costs	**10**	**33,241**	29,037
Other expenses	**17**	**1,881**	91
Total operating expenses		**672,543**	643,470
Other income	**17**	**(7,479)**	(11,098)
Net operating expenses		**665,064**	632,372
Recoverable			
Recoverable back charges from ADNOC Sole Risk (ASR)	**10, 18**	**(242,614)**	(244,534)
Recoveries representing ADNOC back charges	**10, 19**	**(1,112)**	(1,028)
Net processing fee for the year – charged to the Shareholders		**(421,338)**	(386,810)
Profit for the year		**-**	**-**

The accompanying notes form an integral part of these financial statements.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Statement of other comprehensive income
For the year ended 31 December 2021

	Note	2021 USD'000	2020 USD'000
Profit for the year		-	-
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods			
Re-measurement gain/(loss) of employees' end of service benefit obligation	**13**	**9,758**	(5,355)
Total comprehensive income/(loss) for the year		**9,758**	(5,355)

The accompanying notes form an integral part of these financial statements.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Statement of changes in equity
For the year ended 31 December 2021

	Note	Share capital USD'000	Actuarial (loss)/gains on defined benefit obligation USD'000	Total USD'000
At 1 January 2020		422,400	(11,691)	410,709
Re-measurement loss of employees' end of service benefit obligations	**13**	-	(5,355)	(5,355)
At 31 December 2020		422,400	(17,046)	405,354
Re-measurement gain of employees' end of service benefit obligations	**13**	-	9,758	9,758
At 31 December 2021		**422,400**	**(7,288)**	**415,112**

The accompanying notes form an integral part of these financial statements.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Statement of cash flows
For the year ended 31 December 2021

	Notes	2021 USD'000	2020 USD'000
Cash flows used in operating activities			
Net operating expenses incurred on behalf of Shareholders		**(421,338)**	(386,810)
Adjustments for:			
Depreciation and amortisation	**6, 7**	**76,945**	107,652
Provision for employees' end of service benefit charged	**13**	**5,507**	6,298
Loss on write-off/disposal of property, plant and equipment		**473**	1,704
Reversal of provision for obsolete and slow-moving inventories	**9**	**(272)**	(2,167)
		(338,685)	(273,323)
Changes in working capital:			
Decrease/(increase) in inventories		**1,972**	(2,648)
(Increase)/decrease in due from related parties		**(41,455)**	33,517
Decrease in prepayments and other assets		**13,567**	272
Increase/(decrease) in trade and other payables		**18,946**	(67,482)
Increase in due to related parties		**16,201**	31,150
		(329,454)	(278,514)
Payment for provision of employees' end of service benefits	**13**	**(15,540)**	(24,272)
Net cash used in operating activities		**(344,994)**	(302,786)
Cash flows used in investing activity			
Payments for purchase of property, plant and equipment and intangible assets		**(39,194)**	(56,323)
Net cash used in investing activity		**(39,194)**	(56,323)
Cash flows from financing activity			
Processing fee received during the year	**10**	**386,000**	357,000
Net cash from financing activity		**386,000**	357,000
Net increase/(decrease) in cash and cash equivalents		**1,812**	(2,109)
Cash and cash equivalent at the beginning of the year	**8**	**5**	2,114
Cash and cash equivalent at the end of the year	**8**	**1,817**	5

Refer to note 8 for non-cash transactions.

The accompanying notes form an integral part of these financial statements.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Notes to the financial statements
For the year ended 31 December 2021

1 General information

Abu Dhabi Gas Industries Limited ("ADNOC Gas Processing" or the "Company") is a limited liability company established by Abu Dhabi Law No. 11 of 1978, as amended by circular No. 12 of 1978.

The Company's registered address is P.O. Box 665, Abu Dhabi, United Arab Emirates.

The Shareholders of the Company, in accordance with the Amended and Restated Joint Venture Agreement, including their respective shareholdings, are as follows (the "Shareholders"):

	% share
Abu Dhabi National Oil Company (ADNOC)	68%
TOTAL S.A.	15%
Shell Abu Dhabi B.V.	15%
PTT Exploration and Production (PTTEP) Gas Corporation (Partex)	2%

The Company was formed to undertake a joint venture for the processing of associated gas produced from various onshore oil fields in the Emirate of Abu Dhabi. Initial processing is performed at the onshore plants and gas is pumped into the ADNOC Sole Risk (ASR) plant in Ruwais. The processed products consisting of propane, butane and paraffinic naphtha are delivered to the Shareholders at Ruwais in accordance with their participation shares. Purchase of the associated gas and sales of the processed products are accounted for between the Shareholders and do not form part of the Company's operations. These financial statements represent the financial performance and position from activities of Abu Dhabi Gas Industries Limited – Joint Venture Operations (referred to as "ADNOC Gas Processing – Joint Venture" or the "JV Operations"). A separate set of financial statements is prepared for the ASR activities conducted by the Company.

On 31 March 2009, the Shareholders agreed to amend and restate the Original Joint Venture Agreement, in accordance with the Law No. 11 of 1978, the Original Articles of Association and articles 20 of the Original Joint Venture Agreement for the purposes of operating the NGL Complex and producing products, in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2008. In accordance with the Amended and Restated Joint Venture Agreement, the agreement is effective for a period of 20 years from the effective date of 1 October 2008.

The financial statements have been prepared on a going concern basis as the JV Operations is a joint-venture operating entity which is not-for-profit and is funded by the Shareholders. As per the joint venture agreement, the Shareholders will continue to arrange funding for the JV Operations to enable it to meet its liabilities as they fall due.

2 Basis of preparation

2.1 Statement of compliance

The financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS.

2 Basis of preparation (continued)

2.1 Statement of compliance (continued)

These financial statements are financial statements of the Abu Dhabi Gas Industries Limited – Joint Venture Operations ("ADNOC Gas Processing – JV Operations" or the "JV Operations") and not general-purpose financial statements of the Company. Therefore, these financial statements record the expenditure, assets and liabilities of the JV Operations only and excludes all other expenditure, assets and liabilities of Abu Dhabi Gas Industries Limited except as mentioned in note 11 and note 13 (e.g. ASR Operations expenditure, assets and liabilities are not part of these financial statements).

2.2 Basis of measurement

The financial statements have been prepared on historical cost basis.

2.3 Functional and presentation currency

The financial statements have been presented in US Dollars ("USD"), which is the functional currency and presentation currency of the JV Operations. All values are rounded to the nearest thousand (USD'000) except when otherwise indicated.

3 New standards, interpretations and amendments

a) New and revised IFRSs applied in 2021

In the current year, the JV Operations has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2021.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

This amendment had no impact on the financial statements of the JV Operations.

3 New standards, interpretations and amendments (continued)

a) New and revised IFRSs applied in 2021 (continued)

Covid-19-Related Rent Concessions – amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 1 April 2021. However, the Company has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

This amendment had no impact on the financial statements of the JV Operations.

b) New and revised IFRSs in issue but not yet effective and not early adopted

Classification of Liabilities as Current or Non-Current - amendments to IAS 1 (effective from 1 January 2023)
The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Reference to the Conceptual Framework - Amendments to IFRS 3 (effective from 1 January 2022)
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - amendments to IAS 16 (effective from 1 January 2022)
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

3 New standards, interpretations and amendments (continued)

b) New and revised IFRSs in issue but not yet effective and not early adopted (continued)

Onerous Contracts - Cost of Fulfilling a Contract - amendments to IAS 37 (effective from 1 January 2022)
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

IFRS 17: Insurance Contracts (effective from 1 January 2023)
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 1 January 2023.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) (Effective date deferred indefinitely, and adoption is still permitted)
Relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective from 1 January 2023)
The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Definition of Accounting Estimates - Amendments to IAS 8 (effective from 1 January 2023)
The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022)
The Annual Improvements include amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective from 1 January 2022), IFRS 9 Financial Instruments (effective from 1 January 2022), IFRS 16 Leases (effective date not yet decided) and IAS 41 Agriculture (effective from 1 January 2022).

3 New standards, interpretations and amendments (continued)

b) New and revised IFRSs in issue but not yet effective and not early adopted (continued)

- **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**
  As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities (continued)**
  The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The JV Operations will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- **IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter**
  As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

  The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

- **IAS 41 Agriculture – Taxation in fair value measurements**
  As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

  An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

The amendments are not expected to have a material impact on the JV Operations

4 Summary of significant accounting policies

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all periods presented, except if mentioned otherwise.

4.1 Property, plant and equipment

Property, plant and equipment is carried at the historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is charged to the statement of profit or loss, using the straight-line method to allocate the costs of the related assets less their residual values, if any, over the following estimated economic useful lives:

	Years
Building and infrastructure	3-30 years
Fixture, fittings and office equipment	4-15 years
Oil and gas properties (pipelines)	30 years
Plant, machinery, and equipment	3-30 years
Transportation, storage and terminal	4-20 years

Where an item of property, plant and equipment is comprised of major components having different useful lives, each major component is recognised as a separate item of property, plant and equipment.

Subsequent costs (i.e. expenditure for major repair and maintenance that are eligible for capitalisation in line with the requirements of IFRS) are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the JV Operations and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. The cost of spare parts held as essential for the continuity of operations and which are designated as strategic spares are depreciated on a straight line basis over their estimated operating life. Maintenance and normal repairs which do not extend the estimated economic useful life of an asset or production output are charged to the statement of profit or loss as and when incurred.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

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.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the statement of profit or loss.

4.2 Inventories

Cost of inventories comprises the invoiced cost, freight and other expenses incurred in bringing the inventories to their present condition and location. Inventories comprise of consumables and minor spare parts and are valued using the weighted-average cost method. Inventories are measured at lower of cost and net realisable value.

4 Summary of significant accounting policies (continued)

4.3 Intangible assets

Intangible assets acquired separately are reported at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Amortisation is charged on a straight line basis over their estimated useful lives. The estimated useful lives are reviewed at the end of each annual reporting period, with effect of any changes in estimate being accounted for on a prospective basis.

Computer software

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised on a straight line basis over their estimated useful lives which is normally a period of three to five years.

The useful lives of intangible assets are assessed to be either finite or indefinite. The amortisation period and the amortisation method for intangible assets with finite useful lives are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category consistent with the function of the intangible asset. Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash generating unit ("CGU") level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

4.4 Capital work in progress

Properties or assets (whether tangible or intangible assets) in the course of construction for production, supply or administrative purposes are carried at cost less any recognised impairment loss. Cost includes all direct costs attributable to the design and construction of the asset including related staff costs, and for qualifying assets, borrowing costs capitalised in accordance with the JV Operations' accounting policy. When the assets are ready for intended use, the capital work in progress is transferred to the appropriate asset category and is accounted for in accordance with the JV Operations' accounting policy.

4.5 Impairment of non-financial assets

At the end of each reporting period, the JV Operations reviews the carrying amounts of its tangible 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).

Recoverable amount is the higher of fair value less costs to sell and value in use.

4 Summary of significant accounting policies (continued)

4.5 Impairment of non-financial assets (continued)

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset 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 in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

4.6 Provisions

Provisions are recognised when the JV Operations has:

- a present legal or constructive obligation as a result of a past event;
- it is probable that an outflow of economic resources will be required to settle the obligation in the future; and
- the amount can be reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4.7 Employees benefits

(i) Short term obligation

An accrual is made for estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the end of the reporting period. The accrual relating to annual leave and leave passage is disclosed as a current liability in the statement of financial position.

4 Summary of significant accounting policies (continued)

4.7 Employees benefits (continued)

(ii) Employees' end of service benefits (EOSB)

The liability recognised in the statement of financial position in respect of the defined end of service benefit plan is the present value of the projected defined benefit obligation ("DBO") at the end of the reporting period. The provision for EOSB is calculated by a qualified actuary using the projected unit credit method whilst considering the JV Operations' policy with respect to end of service benefits where it requires the provision to be at least equal to the benefits payable in accordance with the UAE Labour law for their period of service up to the end of the reporting period.

The provision relating to provision for EOSB is disclosed as a non-current liability.

Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized immediately in other comprehensive income. Re-measurements are not reclassified to the statement of profit or loss in subsequent periods. The liability is calculated; as the current value of the vested benefits to which the employee is entitled, should the employee leave at the statement of financial position date. Payments are based on employees' final salaries and allowances and their cumulative years of service, as stated in the UAE Labour law.

Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit or loss.

The net interest cost is calculated by applying the discount rate to the net balance of the defined EOSB obligation. The JV Operations recognises the following changes in the net defined benefit obligation in the statement of profit or loss within personnel costs:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements.
- Net interest expense or income

(iii) Pension contributions

With respect to its UAE national employees, the JV Operations makes pension contributions to the Abu Dhabi Retirement Pensions and Benefits Funds in accordance with the Abu Dhabi Retirement Pensions and Benefits Fund's regulations. With respect to its GCC national employees, the JV Operations makes pension contributions to the pension funds or agencies of their respective countries. Such contributions are charged to operating costs during the employees' period of service.

4.8 Foreign currency

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. 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 statement of profit or loss in the period in which they arise.

4 Summary of significant accounting policies (continued)

4.9 Onerous contract

An onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

4.10 Accounts payable and accruals

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

For lump sum contracts, project accruals are based on percentage of completion basis.

For contracts based on performance milestones, project related accruals are recognised to the extent of contractual performance milestone achieved up to the reporting date.

4.11 Processing fee

Processing fee represents the net processing cost billed to the Shareholders in proportion to their shareholding interests and recognised as recoverable credit in the statement of profit or loss.

4.12 Financial assets

The JV Operations has the following financial assets: Cash and bank balances, due from related parties, loans to employees and other receivables. These financial assets are classified as measured at amortised cost or fair value, depending on the classification of the financial assets.

(a) Cash and bank balances

Cash and bank balances are comprised of cash and balances with banks in current accounts or deposits which mature within three months of the date of placement.

(b) Receivables from Shareholders, due from related parties, loans to employees and other receivables

Receivables from Shareholders, due from related parties, loans to employees and other receivables, have fixed or determinable payments that are not quoted in an active market. Interest income, if any is recognised by applying the effective rate of interest, except for short-term receivables and certain other receivables when the recognition of interest would be immaterial.

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is 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.

4 Summary of significant accounting policies (continued)

4.12 Financial assets (continued)

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

(iii) Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(iv) Amortised cost and effective interest rate method

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the JV Operations recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the profit or loss.

4 Summary of significant accounting policies (continued)

4.12 Financial assets (continued)

Impairment

IFRS 9 impairment uses a three stage approach recognising increasing credit risk: (i) at origination all assets have at least 12 months expected credit losses (Stage 1); (ii) brings forward recognition of impairment when credit risk increases significantly; assets are subject to lifetime expected credit losses (Stage 2); and (iii) as IAS 39 credit impaired assets (Stage 3).

The JV Operations assesses on a forward looking basis the expected credit losses ("ECL") associated with its debt instruments carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For cash and cash equivalents, the management believe that under the requirement of IFRS 9 there is no impact from an ECL perspective. For accounts receivables and due from related parties, the JV Operations applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Derecognition of financial assets

The JV Operations derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the JV Operations neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the JV Operations recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the JV Operations retains substantially all the risks and rewards of ownership of a transferred financial asset, the JV Operations continues to recognise the financial asset.

4.13 Financial liabilities and equity instruments

(i) Classification as debt or equity

Debt and equity instruments are classified either as financial liabilities or as equity in accordance with the substance of the contractual arrangement.

(ii) Financial liabilities

Trade and other payables, due to related parties and advance from Shareholders are classified as 'financial liabilities', are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis except for short term liabilities when the recognition of interest would be immaterial.

(a) Trade and other payables

These amounts represent liabilities for goods and services provided to the JV Operations prior to the end of the financial period which are unpaid. The amounts are unsecured.

Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

4 Summary of significant accounting policies (continued)

4.13 Financial liabilities and equity instruments (continued)

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

(b) Due to related parties

These amounts represent liabilities for goods and services provided to the JV Operations by ADNOC and its affiliates prior to the end of the financial period which are unpaid. The amounts are unsecured.

(iii) Derecognition of financial liabilities

The JV Operations derecognises financial liabilities when, and only when, the JV Operations' obligations are discharged, cancelled or they expire.

(iv) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the JV Operations currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liability simultaneously.

4.14 Leases

(i) As a lessee

The JV Operations recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which is located, less any lease incentive received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, and the JV Operations' incremental borrowing rate. Generally, the JV Operations uses its incremental borrowing rate as the discount rate.

4 Summary of significant accounting policies (continued)

4.14 Leases (continued)

(i) As a lessee (continued)

Lease payments included in the measurement of the lease liability comprises the following:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the JV Operations is reasonably certain to exercise, lease payments in an optional renewal period if the JV Operations is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the JV Operations is reasonably certain not to terminate early.

Short-term leases and leases of low-value assets

The JV Operations 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 JV Operations recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

JV Operations as lessor

Rental income from operating leases, if any, is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

JV Operations as lessee

Operating lease payments, are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

5 Critical accounting estimates, assumptions and judgements

The preparation of these financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and expenditure. Actual results may differ from these estimates.

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. The JV Operations makes estimates and assumptions concerning the future.

The resulting accounting estimates will, by definition, seldom equal the related actual results. Information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have significant effect on the amounts recognised in the financial statements are as follows:

5 Critical accounting estimates, assumptions and judgements (continued)

5.1 Useful lives of property, plant and equipment

Management determines the estimated useful lives of property, plant and equipment for calculating depreciation. This estimate is determined after considering expected usage of the assets and physical wear and tear. Management reviews the residual value and useful lives annually and change in depreciation charges, if any, are adjusted in current and future periods.

5.2 Estimation of provision for employees' end of service benefits (EOSB)

The cost of EOSB liability and the present value of the liability are determined using actuarial valuations performed by an independent actuary. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, turnover assumptions and mortality rates. Due to the complexity of the valuation, the underlying assumptions and its long-term nature, an EOSB liability is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, since the UAE Dirham is pegged to the US Dollar, management considers the yields on US Government Bonds which allows for an additional risk premium to reflect a credit spread and the risk of the currency linkage being broken.

The mortality rate is based on publicly available mortality tables for the specific countries. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on management's long-term expectations which is aligned with ADNOC Group's expectations.

Refer to Note 13 in the financial statements for further details.

5.3 Allowances for obsolete and slow-moving inventories

Management makes a provision for slow moving and obsolete inventory items. Estimates of net realisable value of inventories are based on the most reliable evidence at the time the estimates are made. These estimates take into consideration fluctuations of price or cost directly related to events occurring subsequent to the reporting date to the extent that such events confirm conditions existing at the end of year.

Refer to Note 9 in the financial statements for further details.

5.4 Contingencies

By their nature, contingencies will only be resolved when one or more future events occur or fail to occur. The assessment of such contingencies inherently involves the exercise of significant judgment and estimates of the outcome of future events.

5 Critical accounting estimates, assumptions and judgements (continued)

5.5 Impairment of property, plant and equipment and intangibles

The JV Operations determines at each reporting date whether there are any indicators of impairment relating to the JV Operations' property, plant and equipment and intangible assets. A broad range of internal and external factors are considered as part of the indicator review process. If there are any indicators of impairment, the JV Operations conducts a full impairment calculation.

Property, plant and equipment are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment. As at 31 December 2021, no impairment indicators were identified.

5.6 Project capital accruals

Management has estimated the accruals for project costs based on milestone progress certificates certified by engineers and consultants.

5.7 Decommissioning liability

Decommission provision is not recognised in the financial statements as the decommissioning provision is being held directly in the books of the Shareholders based on its methodologies.

5.8 Discount rate for long-term liability

In assessing present value of the long-term pension liability and long-term pension payable to ADNOC, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. The rate used to discount the long-term pension liability is determined by reference to market yields at the balance sheet date on high quality corporate bonds at ADNOC Group level. Accordingly, the JV Operations has calculated the present value of the long-term pension liability using a discount rate of 2.25%.

5.9 Leases - estimating the incremental borrowing rate

Leases in which the JV Operations cannot readily determine the interest rate implicit in the lease, it uses incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the JV Operations would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the assets in a similar economic environment. The IBR therefore reflects what the JV Operations 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The JV Operations estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates.

Notes to the financial statements (continued)
For the year ended 31 December 2021

6 Property, plant and equipment

	Building and infrastructure USD'000	Fixture, fittings and office equipment USD'000	Plant, machinery and equipment USD'000	Transportation, storage and terminal USD'000	Capital work in progress ("CWIP") USD'000	Total USD'000
Cost						
1 January 2020	356,024	242,457	1,807,678	18,156	58,569	2,482,884
Additions	744	-	16,029	-	45,088	61,861
Write-off of capital work in progress	-	-	-	-	(1,570)	(1,570)
Disposals	(332)	(274)	(10)	-	-	(616)
Transfers to intangibles	-	-	-	-	(6,803)	(6,803)
Transfers from CWIP	136	2,566	17,974	609	(21,285)	-
31 December 2020	356,572	244,749	1,841,671	18,765	73,999	2,535,756
Additions	-	-	106	-	58,036	58,142
Disposals	(3,083)	(1,945)	(6,794)	(225)	-	(12,047)
Transfers from CWIP (i)	137	12,815	30,155	-	(43,107)	-
31 December 2021	353,626	255,619	1,865,138	18,540	88,928	2,581,851
Accumulated depreciation						
1 January 2020	183,066	228,818	1,430,383	15,920	-	1,858,187
Charge for the year	10,515	3,923	88,151	466	-	103,055
Disposals/write off	(332)	(263)	(9)	-	-	(604)
31 December 2020	193,249	232,478	1,518,525	16,386	-	1,960,638
Charge for the year	10,890	3,361	57,687	540	-	72,478
Disposals/write off	(3,042)	(1,612)	(6,695)	(225)	-	(11,574)
31 December 2021	**201,097**	**234,227**	**1,569,517**	**16,701**	**-**	**2,021,542**
Net book value						
At 31 December 2020	163,323	12,271	323,146	2,379	73,999	575,118
At 31 December 2021	**152,529**	**21,392**	**295,621**	**1,839**	**88,928**	**560,309**

Notes to the financial statements (continued)
For the year ended 31 December 2021

6 Property, plant and equipment (continued)

(i) During the year, Bu-Hasa de-bottlenecking project was capitalized amounting to USD 28.2 million.
(ii) Property, plant and equipment include fully depreciated assets amounting to USD 1,734,957 thousand.

7 Intangible assets

	Software USD'000	Capital work in progress USD'000	Total USD'000
Cost			
1 January 2020	74,253	3,035	77,288
Additions	-	9,699	9,699
Transfers from property, plant & equipment	-	6,803	6,803
Write-off of capital work in progress	-	(122)	(122)
Transfers from CWIP	1,955	(1,955)	-
31 December 2020	76,208	17,460	93,668
Additions	-	2,131	2,131
Transfers from CWIP	1,401	(1,401)	-
31 December 2021	**77,609**	**18,190**	**95,799**
Accumulated amortisation			
1 January 2020	65,186	-	65,186
Charge for the year	4,597	-	4,597
31 December 2020	69,783	-	69,783
Charge for the year	4,467	-	4,467
31 December 2021	**74,250**	**-**	**74,250**
Net book value			
At 31 December 2020	6,425	17,460	23,855
At 31 December 2021	**3,359**	**18,190**	**21,549**

8 Cash and bank balances

	2021 USD'000	2020 USD'000
Bank balances	**1,775**	5
Cash in hand	**42**	-
	1,817	5

Non-cash transactions	2021 USD'000	2020 USD'000
Provision for the end of service benefits charged to ASR Operations (note 13)	**12,263**	13,293
Accrual for purchase of property, plant and equipment	**21,079**	15,237

Notes to the financial statements (continued)
For the year ended 31 December 2021

9 Inventories

	2021 USD'000	2020 USD'000
Items for disposal	**-**	844
Spare parts and consumables	**37,190**	38,318
	37,190	39,162
Less: Provision for obsolete and slow-moving items	**(20,935)**	(21,207)
	16,255	17,955

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

	2021 USD'000	2020 USD'000
At 1 January	**21,207**	23,274
Reversal of provision for obsolete and slow-moving inventories	**(272)**	(2,167)
At 31 December	**20,935**	21,207

10 Balances and transactions with the related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties comprise of major Shareholder, associated companies, directors and key management personnel of the JV Operations. Related party transactions are conducted on terms agreed by management.

Due from related parties	2021 USD'000	2020 USD'000
ADNOC Gas Processing - Sole Risk (ASR)	**54,727**	-
ADNOC affiliates	**53**	1,334
Others *(Shareholders)*	**489**	217
	55,269	1,551

Receivable from the Shareholders (note i)	2021 USD'000	2020 USD'000
Abu Dhabi National Oil Company (ADNOC)	**55,290**	31,260
TOTAL S.A.	**12,196**	6,896
Shell Abu Dhabi B.V.	**12,196**	6,896
PTT Exploration and Production (PTTEP) Gas Corporation (Partex)	**1,627**	919
	81,309	45,971

Notes to the financial statements (continued)
For the year ended 31 December 2021

10 Balances and transactions with the related parties (continued)

Due to related parties	**2021 USD'000**	2020 USD'000
Non-current		
Abu Dhabi National Oil Company *(Shareholder)*	**25,267**	-
Current		
Abu Dhabi National Oil Company *(Shareholder)*	**22,129**	28,342
ADNOC affiliates	**5,916**	5,116
ADNOC Gas Processing - Sole Risk (ASR)	**-**	4,228
Others *(Shareholders)*	**926**	351
	28,971	38,037

(i) In accordance with the Amended and Restated Joint Venture Agreement, the Shareholders are required to pay advances to the JV Operations in the form of a processing fee based on the net processing costs for the year. The Shareholders are required to fund the JV Operations by way of weekly advance for processing fee. The advance for processing fees can be called from the Shareholders at 30 days' notice.

The processing fees due from the Shareholders, amounting to USD 81,309 thousand at 31 December 2021 (2020: USD 45,971 thousand), represent interest-free receivable amounts due from the Shareholders for the JV Operations' medium and long-term capital requirements.

Receivables from Shareholders are receivables representing the charges to the Shareholders yet to be received by the JV Operations.

Balances due from related parties at each reporting date include some amounts that are past due. However, such balances are usually recovered within a period of less than 12 months.

No interest is charged on balances due from related parties. The JV Operations does not have any past history of significant defaults of balances due from related parties since the majority of the counter-parties comprise of the Shareholders. The provision for impairment on balances due from related parties at 31 December 2021 is USD Nil thousand (31 December 2020: USD Nil thousand).

The JV Operations considers these balances to be fully recoverable and does not consider any significant exposure on these balances.

Notes to the financial statements (continued)
For the year ended 31 December 2021

10 Balances and transactions with the related parties (continued)

Transactions with related parties	2021 USD'000	2020 USD'000
Charge to ASR for share of common costs (Note 18)	**242,614**	244,534
Charge from ASR of the product processing charge	**76,345**	74,398
Pension cost charged by ADNOC	**43,046**	-
Fuel costs*	**33,241**	29,037
Provision for employees' end of service benefits recharged to ADNOC Gas Processing ASR (Note 13)	**12,263**	13,293
Training and scholarship costs in respect of UAE Nationals charged by ADNOC	**15,100**	12,864
Building rent charged by ADNOC	**10,410**	7,047
Personnel and related costs charged by the Shareholders	**5,713**	5,139
Billing to ADNOC for use of the JV Operations' facilities (Note 19)	**1,112**	1,028

*In accordance with Annex E Article 5.2 of the Amended and Restated Joint Venture Agreement dated 31 March 2009, fuel costs are recharged by ADNOC at the rate USD 1.35 per million BTU (lower heating value) and subsequently escalated at a rate of 3% per annum on a yearly basis.

The above ADNOC transactions represent the significant transactions with ADNOC. The JV Operations has other transactions with ADNOC relating to the common facilities of ADNOC Group which are shared by the JV Operations.

Processing fee proceeds from the Shareholders

	2021 USD'000	2020 USD'000
Abu Dhabi National Oil Company (ADNOC)	**262,480**	242,760
TOTAL S.A.	**57,900**	53,550
Shell Abu Dhabi B.V.	**57,900**	53,550
PTT Exploration and Production (PTTEP) Gas Corporation (Partex)	**7,720**	7,140
	386,000	357,000

10 Balances and transactions with the related parties (continued)

The movement in respect to processing fee due from the Shareholders is as follows:

	Abu Dhabi National Oil Company (ADNOC) USD'000	TOTAL S.A. USD'000	Shell Abu Dhabi B.V. USD'000	PTTEP Gas Corporation (Partex) USD'000	Total USD'000
At 1 January 2020	10,991	2,425	2,425	320	16,161
Processing fee charged for the year	263,029	58,021	58,021	7,739	386,810
Processing fee proceeds received during the year	(242,760)	(53,550)	(53,550)	(7,140)	(357,000)
At 31 December 2020	31,260	6,896	6,896	919	45,971
At 1 January 2021	31,260	6,896	6,896	919	45,971
Processing fee charged for the year	286,510	63,200	63,200	8,428	421,338
Processing fee proceeds received during the year	(262,480)	(57,900)	(57,900)	(7,720)	(386,000)
At 31 December 2021	**55,290**	**12,196**	**12,196**	**1,627**	**81,309**

Compensation of key management personnel

The remuneration of directors and other members of key management during the years were as follows:

	2021 USD'000	2020 USD'000
Short-term benefits	**4,278**	3,942
Directors remuneration paid	**58**	63

Pension cost

Abu Dhabi Government issued law 15 of 2020 amending Abu Dhabi pension law. Among other provisions, the amendment included higher pension deductions via increasing the pensionable portion from the overall salary, thus increasing the retirement benefits for the pension scheme participants. ADNOC has formalized an agreement with the Abu Dhabi Pension Fund with regards to the new pension scheme that is aligned with law 15 of 2020. In accordance with the agreement with Abu Dhabi Pension Fund ("ADPF"), ADNOC has agreed to cover the full pension contributions of ADNOC Group. During the year, an amount of USD 43,046 thousand was recharged by ADNOC relating to pension obligation payable in five annual installments commencing from 30 September 2021.

Management has calculated the present value of the pension obligation using a discount rate of 2.25% and accordingly recognized USD 43,046 thousand in the statement of profit and loss. The JV Operations has classified the pension obligation into current and non-current liability as follows:

Notes to the financial statements (continued)
For the year ended 31 December 2021

10 Balances and transactions with the related parties (continued)

Pension cost (continued)

	2021 **USD**	2020 USD
Total liability (Gross amount)	**35,810**	-
Total liability at present value	**34,071**	-
Less: current portion	**(8,804)**	-
Non-current liability	**25,267**	-

11 Prepayment and other receivables

Current	**2021** **USD'000**	2020 USD'000
Prepayments	**5,942**	8,112
Loans to employees	**22,165**	25,759
Other receivable	**3,232**	8,478
	31,339	42,349
Non-current		
Loans to employees	**28,687**	27,944

At 31 December 2021, loans to ADNOC Gas Processing employees working in ASR facilities amounted to USD 31,489 thousand (2020: USD 31,700 thousand).

12 Share capital

	2021 & 2020 **USD'000**
Authorised	
425,000 ordinary shares of US$ 1,000 each	**425,000**
Issued and fully paid	
422,400 ordinary shares of US$ 1,000 each	**422,400**

Notes to the financial statements (continued)
For the year ended 31 December 2021

13 Provision for employees' end of service benefits

The Company operates a defined benefit plan in line with the labour law requirement in the United Arab Emirates. The payments under the plan are based on the employees' final salaries and allowances and their cumulative years of service at the date of their termination of employment, as defined by the conditions stated in the labour laws of United Arab Emirates.

Provision for end of service benefits are unfunded plans where the company meets the benefit payment obligations as it falls due.

The amounts recognised in the statement of financial position and the movements in the net defined benefit obligation over the years are as follows:

	2021 USD'000	2020 USD'000
Provision for employees' end of service benefits as of 1 January	**179,825**	179,151
Current Service Cost – Joint Venture	**4,588**	4,781
Interest expense – Joint Venture	**919**	1,517
Total amount recognised in statement of profit or loss (Note 15)	**5,507**	6,298
Current Service Cost – ADNOC Sole Risk	**10,217**	10,092
Interest expense – ADNOC Sole Risk	**2,046**	3,201
Expense portion allocated to ADNOC Sole Risk (Note 10)	**12,263**	13,293
Re-measurements:		
(Gain)/Loss from change in financial assumptions	**(5,987)**	11,688
Experience gains	**(3,771)**	(6,333)
Total amount recognised in other comprehensive income	**(9,758)**	5,355
Benefits paid during the year	**(15,540)**	(24,272)
Provision for end of service benefits balance as at 31 December	**172,297**	179,825

Employees' end of service benefit obligations pertaining to ADNOC Gas Processing employees working in ASR facilities are recorded in the books of the JV Operations and the related expenses are recharged to ADNOC Gas Processing ASR. At 31 December 2021, the provision for end of service benefits for ADNOC Gas Processing employees working in ASR facilities amounted to USD 101,947 thousand (31 December 2020: USD 96,717 thousand)

13 Provision for end of service benefits (continued)

13.1 Significant actuarial assumptions

The significant actuarial assumptions were as follows:

	2021 USD'000	2020 USD'000
Discount rate	**2.25%**	1.75%
Salary increase rate for the first five years	**4%**	4%
Mortality rates	**AM92**	AM92
Retirement assumption (age in years)	**60**	60
Average service in future years (in years)	**11.4**	11
Number of individuals	**1,997**	2,227

13.2 Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is as follows:

	2021 USD'000	2020 USD'000
Discount rate + 1%	**152,396**	167,463
Discount rate - 1%	**175,716**	192,420
Salary increase + 1%	**175,890**	192,430
Salary decrease – 1%	**152,051**	167,196

14 Trade and other payables

	2021 USD'000	2020 USD'000
Trade payables	**6,673**	20,802
Accrued expenses and other payables	**150,405**	96,251
	157,078	117,053

The average credit period on purchases is sixty days. The JV Operations has financial risk management policies in place to ensure that all payables are paid within the credit timeframe. No interest is charged on trade and other payables.

15 Personnel costs

	2021 USD'000	2020 USD'000
Salaries and wages	**233,377**	252,511
Employees' end of service benefit charge (Note 13)	**5,507**	6,298
Other benefits	**77,484**	73,690
	316,368	332,499

Notes to the financial statements (continued)
For the year ended 31 December 2021

16 Administrative expenses

	2021 USD'000	2020 USD'000
Sponsored students expenses	**15,100**	12,864
Office rentals	**10,410**	7,047
Insurance	**2,253**	4,119
Telecommunications	**1,671**	2,048
Others	**2,246**	3,197
	31,680	29,275

17 Other income/expenses

Other income

	2021 USD'000	2020 USD'000
Power Sharing - Bab to Habshan	**5,368**	3,740
Backcharges to Elixier	**180**	387
Write-off of accruals	**-**	2,878
Health insurance scheme	**-**	2,802
Reversal of car loan provision	**-**	1,000
Others	**1,931**	291
	7,479	11,098

Other expenses

	2021 USD'000	2020 USD'000
Write-off of capital work in progress	**-**	1,692
Reversal of obsolete and slow-moving inventories (note 9)	**(272)**	(2,167)
Exchange differences	**1,533**	426
BeAAT adjustment	**-**	106
Gains on disposal of obsolete inventories	**(33)**	(2)
Loss on disposal of property, plant and equipment	**473**	12
Others	**180**	24
	1,881	91

18 ADNOC Sole Risk (ASR) – Share of common charges

In year 2010, following the transfer of the ADNOC Ruwais NGL Facilities from ADNOC Gas Processing JV in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2009 and Annex G – Ruwais Asset Transfer Agreement dated 31 March 2009 deemed effective 30 September 2008, a simplified method to establish the joint and common cost percentage has been implemented with CEO confirmation letter dated 30 October 2012. The percentages on the joint and common costs had been revised retrospectively effective from 1 October 2009.

Since the prior years, the Shareholders resolved to implement a simplified cost allocation basis for the allocation of Headquarter Common Costs from the JV Operations to ASR. With retrospective effect from 1 January 2009 and at the end of each reporting period, the allocation is computed on a pro rata basis of the actual Operations and Maintenance costs of the JV Operations and ASR facilities after adjusting for the product processing charge and the nitrogen injection costs relating to the ADNOC Ruwais NGL Facilities and the Habshan Complex, respectively.

Common costs and certain other costs recorded initially in either the ASR or Joint Venture books are required to be re-allocated to the respective operations.

The revised rates for the common and joint costs allocation to and from ADNOC Gas Processing and ASR Account are as follows:

Common charges from ASR to Joint Venture	**Effective date**	**JV share**
Pipeline Division	1 January 2019	8%
Habshan Division	1 January 2016	2%
Projects and Technical Projects Division	1 January 2019	11%

Common charges from Joint Venture to ASR	**Effective date**	**JV direct costs**
Headquarter Common Costs	1 January 2019	83%
Technical Support	1 January 2019	71%
Production, Planning & Shipping Department	1 January 2019	79%
Asab Plant Division	1 January 2019	66%

Costs directly attributable to ASR reallocated by JV	**Effective date**	**Reallocation**
Headquarter Common Costs directly attributable to ASR	1 August 2001	100%
Technical Support attributable to ASR	1 June 2002	100%

18 ADNOC Sole Risk (ASR) – Share of common charges (continued)

Common costs reallocated during the year in accordance with the above bases are as follows:

	2021 USD'000	2020 USD'000
Common charges from ASR to the JV Operations	**(7,460)**	(6,585)
Common charges from the JV Operations to ASR	**248,379**	250,107
Lean gas processing fee – Asab and Buhasa	**1,695**	1,012
Charge to ASR for share of common costs (Note 10)	**242,614**	244,534

Product processing charge

With effect from 30 September 2008, the ADNOC Ruwais NGL Facilities were transferred from ADNOC Gas Processing JV, in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2008 and Annex G – Ruwais Asset Transfer Agreement dated 31 March 2009 and deemed effective as of 30 September 2008. As a result of the transfer, a product processing charge is charged to the JV Operations to cover the costs of operations of the ADNOC Ruwais NGL Facilities in processing NGL based on actual production attributable to the JV Operations over total production of all trains, in accordance with Annexure F – NGL Processing and Products Offtake Agreement Article 6 of the Amended and Restated Joint Venture Agreement. The product processing charge for the year amounted to USD 76,345 thousand *(2020: USD 74,398 thousand).*

19 ADNOC back charges

Recoveries representing ADNOC back charges represent amounts billed to ADNOC for use of the JV Operations' plant facilities, in accordance with the related agreements as follows:

	2021 USD'000	2020 USD'000
Billing to ADNOC for use of the JV Operations' facilities (Note 10)	**1,112**	1,028

20 Financial instruments

Categories of financial instruments

	2021 USD'000	2020 USD'000
Financial assets		
At amortised cost:		
Loans to employees	**50,852**	53,703
Receivable from Shareholders	**81,309**	45,971
Other receivables	**3,232**	8,478
Cash and bank balances	**1,817**	5
	137,210	108,157

20 Financial instruments (continued)

	2021 USD'000	2020 USD'000
Financial liabilities		
At amortised cost:		
Due to related parties	**54,238**	38,037
Trade and other payables (excluding capital and operating accruals)	**6,673**	20,802
	60,911	58,839

20.1 Financial risk management

Financial instruments carried on the statement of financial position comprise cash and bank balances, due from related parties, receivables from Shareholders, other receivables, trade and other payables and due to related parties.

Financial assets are assessed for indicators of impairment at each reporting date. Financial assets are impaired where there is objective evidence that as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been impacted.

The classification of financial assets depends on the purpose for which the financial assets were acquired. management determines the classification of its financial assets at initial recognition.

The JV Operations' activities expose it to a variety of financial risks: market risk including currency risk and cash flow and fair value interest rate risk, credit risk and liquidity risk. The JV Operations' overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the JV Operations' financial performance. The Shareholders actively monitor and manage the financial risks relating to the JV Operations. The JV Operations does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes. The JV Operations reviews and agrees policies for managing each of these risks and these policies are summarised below:

20.1.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks i.e. currency risk and cash flow and fair value interest risk. Management believes that the JV Operations does not have significant exposure to market risk.

20 Financial instruments (continued)

20.1 Financial risk management (continued)

20.1.2 Interest risk

Fair value and cash flow interest rate risks are the exposures to various risks associated with the effect of fluctuations in the prevailing interest rates on the JV Operations' financial positions and cash flows. The JV Operations is subject to interest rate risk on its interest-bearing assets and liabilities when applicable. Management monitors the changes in interest rates and believes that the cash flow and fair value interest rate risk to the JV Operations is not significant.

The JV Operations' receivables and payables carried at amortised cost are not subject to interest rate risk as defined in IFRS 7, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates. Hence, the JV Operations is not exposed to interest rate risk.

20.1.3 Liquidity risk

Liquidity requirements are monitored on a regular basis and management ensures that sufficient funds are available to meet any commitments as they arise since the Shareholders of the JV Operations are the major source of funding. The JV Operations' financial current liabilities consist of trade and other payables, and due to related parties. All the financial liabilities are expected to be settled as and when due and the JV Operations expect to have adequate funds available to do so.

The contractual maturities of the financial instruments have been determined on the basis of the remaining period at the reporting date to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The table below summarises the maturity profile of the JV Operations' financial liabilities based on contractual undiscounted payments:

Financial liabilities USD'000	**Less than 3 months**	**3 to 12 months**	**1 to 5 years**	**Over 5 years**	**Total**
As at 31 December 2021					
Pension liability		**8,952**	**26,858**	**-**	**35,810**
Trade and other payables	**157,078**	**-**	**-**	**-**	**157,078**
Due to related parties	**-**	**20,167**		**-**	**20,167**
Total undiscounted financial liabilities	**157,078**	**29,119**	**26,858**	**-**	**213,055**
As at 31 December 2020					
Trade and other payables	117,053	-	-	-	117,053
Due to related parties	-	38,037	-	-	38,037
Total undiscounted financial liabilities	117,053	38,037	-	-	155,090

20 Financial instruments (continued)

20.1 Financial risk management (continued)

20.1.4 Currency risk

Currency risk is the risk that value of financial instrument will fluctuate due to change in foreign exchange rates. The JV Operations is not exposed to fluctuations in foreign exchange rates during its ordinary course of operations, since all significant transactions of the JV Operations during the year are in UAE Dirham and US Dollars. There is no significant risk related to activity conducted and balances stated in USD Dollars since it is pegged to the UAE Dirham.

20.1.5 Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation.

Credit risk usually arises from cash and bank balances, contractual cash flows of debt investments carried at amortised cost, at fair value through other comprehensive income (FVOCI) and at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to various types of customers, including outstanding receivables.

The following financial assets of the JV Operations are subject to expected credit loss model:

- Bank balances
- Due from related parties
- Other receivables

The JV Operations has policies in place to minimise its exposure to credit risk. The JV Operations' receivable balances primarily relate to balances due from the Shareholders and affiliated companies. Banking transactions are limited to branches of reputed local banks. Receivables are classified as past due if they are outstanding for more than sixty days.

While cash and bank balances, due from related parties and other receivables are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

20.2 Fair values

Management considers that the fair values of financial assets and financial liabilities approximate their carrying amounts at the reporting date.

20.3 Capital risk management

The JV Operations manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The JV Operations' overall strategy remains unchanged from 2020. The capital of the JV Operations consists of total equity.

21 Commitments and contingencies

(i) Capital expenditure commitments

Capital commitment are the future capital expenditures that a JV Operations has committed to spend on property, plant and equipment which are mainly for retirement of power generation units at Asab, Bab and Buhasa. Total capital expenditure commitments amounted to USD 19,929 thousand (2020: 181,972 thousand).

(ii) Operating lease commitments

The JV Operations does not have any significant non-cancellable operating lease commitments as most of the leases are only for one year. Leases mainly comprise of the one-year rental agreement with ADNOC related to the JV Operations' HQ building.

(iii) Contingent liabilities

During the year, the JV Operations has received various claims from contractors/suppliers totalling USD Nil (2020: USD 1,060 thousand). These amounts provided for represent those which are more than 50% probable in terms of settlement.

22 Events after the reporting date

No events have arisen subsequent to 31 December 2021 and before the date of signing the audit report that could have a significant effect on the financial statements as at 31 December 2021.

23 Approval of financial statements

The financial statements were approved by Board of Directors and authorized for issue on 30 June 2022.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Review report and interim condensed financial information for the ten-month period ended 31 October 2022 (unaudited)

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Review report and interim condensed financial information
for the ten-month period ended 31 October 2022 (unaudited)

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REPORT ON REVIEW OF
INTERIM CONDENSED FINANCIAL INFORMATION

To: Abu Dhabi National Oil Company (ADNOC)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Abu Dhabi Gas Industries Limited – Joint Venture Operations (referred to as the "JV Operations") as defined in note 1, as at 31 October 2022 and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the ten-month period then ended and explanatory notes (referred to as "Interim Condensed Financial Information").

Management is responsible for the preparation and presentation of this Interim Condensed Financial Information in accordance with International Accounting Standard 34 – *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Condensed Financial Information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of Interim Condensed 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 Financial Information is not prepared, in all material respects, in accordance with International Accounting Standard 34 - Interim Financial Reporting.

For RAI Audit and Tax Services,



Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 23 December 2022
Abu Dhabi
United Arab Emirates

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Interim condensed statement of financial position
As at 31 October 2022

	Notes	31 October 2022 (unaudited) USD'000	31 December 2021 (audited) USD'000
ASSETS			
Non-current assets			
Property, plant and equipment	3	**516,397**	560,309
Intangible assets		**35,014**	21,549
Advances to contractors		**832**	2,191
Loans to employees		**29,209**	28,687
Total non-current assets		**581,452**	612,736
Current assets			
Inventories		**11,610**	16,255
Due from related parties	4	**99,918**	55,269
Receivable from shareholders	4	**29,392**	81,309
Prepayments and other receivables		**42,435**	31,339
Cash and cash equivalents		**8,793**	1,817
Total current assets		**192,148**	185,989
Total assets		**773,600**	798,725
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**422,400**	422,400
Actuarial loss on defined benefit obligation		**(7,288)**	(7,288)
Total equity		**415,112**	415,112
LIABILITIES			
Non-current liabilities			
Provision for employees' end of service benefits		**175,460**	172,297
Due to a related party	4	**16,990**	25,267
Total non-current liabilities		**192,450**	197,564
Current liabilities			
Trade and other payables	5	**105,532**	157,078
Due to related parties	4	**60,506**	28,971
Total current liabilities		**166,038**	186,049
Total liabilities		**358,488**	383,613
Total equity and liabilities		**773,600**	798,725

Wafa Al Hammadi
Chief Financial Officer

Ahmed Mohamed Alebri
Acting Chief Executive Officer

The accompanying notes form an integral part of this interim condensed financial information.

All parties consent to this document being signed electronically -CFGF/INT/2022/15812

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Interim condensed statement of profit or loss and other comprehensive income for the ten-month period ended 31 October 2022

	Notes	For the ten-month period ended 31 October	
		2022 (unaudited) USD'000	2021 (unaudited) USD'000
Operating expenses			
Personnel costs		**265,306**	273,665
Maintenance, supplies and services costs		**60,833**	54,509
Depreciation and amortisation		**45,249**	67,921
General and administrative expenses		**26,569**	26,372
Product processing charge	**4**	**64,651**	63,471
Material costs		**6,096**	4,988
Fuel costs	**4**	**28,387**	28,419
Other expenses		**6,316**	2,816
Total operating expenses		**503,407**	522,161
Other income		**(6,428)**	(6,744)
Net operating expenses		**496,979**	515,417
Recoverables			
Recoverable back charge from ADNOC sole risk (ASR)	**4**	**(199,182)**	(201,675)
Recoveries representing ADNOC back charges		**(1,214)**	(927)
Net processing fees for the period - charged to shareholders	**4**	**(296,583)**	(312,815)
Profit for the period		**-**	-
Other comprehensive income		**-**	-
Total comprehensive income for the period		**-**	-

The accompanying notes form an integral part of this interim condensed financial information.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Interim condensed statement of changes in equity
for the ten-month period ended 31 October 2022

	Share capital USD'000	Actuarial loss on defined benefit obligation USD'000	Total equity USD'000
At 1 January 2021	422,400	(17,046)	405,354
Total comprehensive income for the period	-	-	-
At 31 October 2021 (unaudited)	422,400	(17,046)	405,354
At 1 January 2022	422,400	(7,288)	415,112
Total comprehensive income for the period	-	-	-
At 31 October 2022 (unaudited)	**422,400**	**(7,288)**	**415,112**

The accompanying notes form an integral part of this interim condensed financial information.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Interim condensed statement of cash flows
for the ten-month period ended 31 October 2022

	Notes	For the ten-month period ended 31 October	
		2022 (unaudited) USD'000	2021 (unaudited) USD'000
Cash flows from operating activities			
Net operating expenses incurred on behalf of shareholders		**(296,583)**	(312,815)
Adjustments for:			
Depreciation and amortisation		**45,249**	67,921
Provision for employees' end of service benefits		**3,855**	4,869
Provision for slow-moving and obsolete inventories		**4,222**	471
Accretion of interest		**621**	-
(Gain)/loss on disposal of property, plant and equipment		**(56)**	1,138
		(242,692)	(238,416)
Working capital changes			
Decrease in inventories		**423**	2,212
Increase in due from related parties		**(35,729)**	8,352
(Increase)/decrease in prepayments and other assets		**(10,259)**	9,405
Decrease in trade and other payables		**(42,404)**	(14,532)
Increase/(decrease) in due to related parties		**22,637**	(28,102)
		(308,024)	(261,081)
Employees' end of service benefits paid		**(9,612)**	(11,212)
Net cash used in operating activities		**(317,636)**	(272,293)
Cash flows from investing activities			
Proceeds from disposal of property, plant and equipment		**56**	-
Payments for purchase of property, plant and equipment and intangible assets		**(23,944)**	(34,975)
Net cash used in investing activities		**(23,888)**	(34,975)
Cash flows from a financing activity			
Processing fee received from shareholders	**4**	**348,500**	321,000
Cash generated from financing activity		**348,500**	321,000
Net increase in cash and cash equivalents		**6,976**	13,732
Cash and cash equivalents at the beginning of the period		**1,817**	5
Cash and cash equivalents at the end of the period		**8,793**	13,737
Significant non-cash transactions			
Provision for employee end of service benefits charged to ASR operations (note 4)		**8,920**	10,705
Transfer from property, plant and equipment to intangible assets (note 3)		**11,510**	-
Additions to property, plant and equipment		**3,357**	7,306
Disposals/write off property, plant and equipment		**12,499**	-

The accompanying notes form an integral part of this interim condensed financial information.

ABU DHABI GAS INDUSTRIES LIMITED – JOINT VENTURE OPERATIONS

Notes to the interim condensed financial information
for the ten-month period ended 31 October 2022

1 General information

Abu Dhabi Gas Industries Limited ("ADNOC Gas Processing" or the "Company") is a limited liability company established by Abu Dhabi Law No. 11 of 1978, as amended by circular No. 12 of 1978.

The Company's registered address is P.O. Box 665, Abu Dhabi, United Arab Emirates.

The shareholders of the Company, in accordance with the Amended and Restated Joint Venture Agreement, including their respective shareholdings, are as follows (the "Shareholders"):

	% Share
Abu Dhabi National Oil Company (ADNOC)	68%
TOTAL Energies	15%
Shell Abu Dhabi B.V.	15%
PTTEP Gas Corporation	2%

The Company was formed to undertake a joint venture for the processing of associated gas produced from various onshore oil fields in the Emirate of Abu Dhabi. Initial processing is performed at the onshore plants and gas is pumped into the ADNOC Sole Risk (ASR) plant in Ruwais. The processed products consisting of propane, butane and paraffinic naphtha are delivered to the Shareholders at Ruwais in accordance with their participation shares. Purchase of the associated gas and sales of the processed products are accounted for between the Shareholders and do not form part of the Company's operations. This interim financial information represents the financial performance and position from activities of Abu Dhabi Gas Industries Limited – Joint Venture Operations (referred to as "ADNOC Gas Processing – Joint Venture" or the "JV Operations"). A separate set of financial statements is prepared for the ASR activities conducted by the Company.

On 31 March 2009, the Shareholders agreed to amend and restate the Original Joint Venture Agreement, in accordance with the Law No. 11 of 1978, the Original Articles of Association and articles 20 of the Original Joint Venture Agreement for the purposes of operating the NGL Complex and producing products, in accordance with the Amended and Restated Joint Venture Agreement dated 31 March 2009 deemed effective as of 1 October 2008. In accordance with the Amended and Restated Joint Venture Agreement, the agreement is effective for a period of 20 years from the effective date of 1 October 2008.

2 Basis of preparation and other significant accounting policies

2.1 Basis of preparation

This interim condensed financial information comprises of the interim condensed financial information of the Abu Dhabi Gas Industries Limited – Joint Venture Operations (the "JV Operations") and are not interim condensed financial information of the Company as a whole. Accordingly, this interim condensed financial information records the expenditure, assets and liabilities of the JV Operations only and excludes all other expenditure, assets and liabilities of Abu Dhabi Gas Industries Limited (e.g. ASR Operations expenditure, assets and liabilities are not part of this interim condensed financial information).

This interim condensed financial information has been prepared in accordance with the requirements of IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2021('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the JV Operations' financial position and performance since the last annual financial statements.

2 Basis of preparation and other significant accounting policies (continued)

2.1 Basis of preparation (continued)

The interim condensed financial information is prepared in United Stated Dollars (USD), which is the JV Operations' functional and presentation currency.

2.2 New standards, interpretations and amendments adopted by the JV Operations

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the JV Operations' annual financial statements for the year ended 31 December 2021, except for the adoption of new standards, interpretations and amendments effective as of 1 January 2022. The JV Operations have not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the interim condensed financial information of the Operations.

Reference to the Conceptual Framework - Amendments to IFRS 3
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - Amendments to IAS 16
The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37
The amendment specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to IFRS Standards 2018–2020
The 2018-2020 annual improvements include amendments to the following:

- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
- IAS 41 Agriculture – Taxation in fair value measurements

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the JV Operations' interim condensed financial information requires management to make judgements, estimates and assumptions that affect the reported amounts of expenses, assets and liabilities, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future. The critical judgements and estimates used in the preparation of this interim condensed financial information are consistent with those used in the preparation of the JV Operations' annual financial statements for the year ended 31 December 2021.

3 Property, plant and equipment

Cost	**USD'000**
At 1 January 2021	2,535,756
Additions during the year	58,142
Disposals/write off	(12,047)
At 31 December 2021	2,581,851
Additions during the period	20,558
Transfers to intangible assets	(11,510)
Disposals/write off	(52,461)
At 31 October 2022	**2,538,438**
Accumulated depreciation	
At 1 January 2021	1,960,638
Charge for the year	72,478
Disposals/write off	(11,574)
At 31 December 2021	2,021,542
Charge for the period	40,461
Disposals/write off	(39,962)
At 31 October 2022	**2,022,041**
Net book value	
At 31 December 2021 (audited)	560,309
At 31 October 2022 (unaudited)	**516,397**

4 Balances and transactions with the related parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. Related parties comprise of major Shareholders, associated companies, directors and key management personnel of the Company. Related party transactions are conducted on terms agreed by management.

Balances with related parties at the end of reporting period comprise the following:

	31 October 2022 (unaudited) USD'000	31 December 2021 (audited) USD'000
Due from:		
ADNOC Gas Processing – Sole Risk Operation (ASR)	**96,465**	54,727
ADNOC affiliates	**3,192**	53
Others *(Shareholder)*	**261**	489
	99,918	55,269

	31 October 2022 (unaudited) USD'000	31 December 2021 (audited) USD'000
Receivable from shareholders:		
Abu Dhabi National Oil Company (ADNOC)	**19,986**	55,290
TOTAL Energies	**4,408**	12,196
Shell Abu Dhabi B.V.	**4,408**	12,196
PTTEP Gas Corporation	**590**	1,627
	29,392	81,309

	31 October 2022 (unaudited) USD'000	31 December 2021 (audited) USD'000
Due to a related party		
Non-current		
Abu Dhabi National Oil Company (ADNOC) *(Shareholder)*	**16,990**	25,267
Current		
Abu Dhabi National Oil Company (ADNOC) *(Shareholder)*	**49,580**	22,129
ADNOC affiliates	**10,926**	5,916
Others *(Shareholder)*	**-**	926
	60,506	28,971

4 Balances and transactions with the related parties (continued)

In accordance with the Amended and Restated Joint Venture Agreement, the Shareholders are required to pay advances to the JV Operations in the form of a processing fee based on the net processing costs for the period. The Shareholders are required to fund the JV Operations by way of weekly cash calls. The advance for processing fees can be called from the Shareholders at 30 days' notice.

The processing fees due from the shareholders, amounting to USD 29,392 thousand at 31 October 2022 (31 December 2021: USD 81,309 thousand), represent interest-free receivable amounts due from the Shareholders for the JV Operations' medium and long-term capital requirements.

Balances due from related parties at each reporting date include some amounts that are past due. However, such balances are usually recovered within a period of less than 12 months and expected credit losses thereon deemed to be insignificant.

No interest is charged on balances due from related parties. The JV Operations does not have any history of significant defaults of balances due from related parties since the majority of the counterparties comprise of the Shareholders.

The JV Operations consider these balances to be fully recoverable and does not consider any significant exposure on these balances.

Details of significant transactions with related parties recorded in interim condensed statement of profit and loss and other comprehensive income are as follows:

	For the ten-month period ended 31 October	
	2022 (unaudited) USD'000	2021 (unaudited) USD'000
Recovery		
Recoverable common costs back charge from ADNOC Sole Risk Operations (ASR)	**199,182**	201,675
Costs		
Product processing charges from ADNOC Sole Risk Operations (ASR)	**64,651**	63,471
Fuel costs from ADNOC	**28,387**	28,419
Training and scholarship costs in respect of UAE Nationals charged by ADNOC	**11,187**	8,727

4 Balances and transactions with the related parties (continued)

	For the ten-month period ended 31 October	
	2022 (unaudited) USD'000	2021 (unaudited) USD'000
Provision for employees end of service benefits recharged to ADNOC Sole Risk Operations (ASR)	**8,920**	10,705
Building rent charged by ADNOC	**8,772**	8,830
Personnel and related costs charged by the shareholders	**3,120**	3,724
BeAAT charges by ADNOC Refining	**2,186**	1,453
Key management compensation		
Short term benefits	**1,866**	3,143
Long term benefits	**251**	422
	2,117	3,565

Other transactions

	For the ten-month period ended 31 October	
	2022 (unaudited) USD'000	2021 (unaudited) USD'000
Processing fee proceeds from the shareholders		
Abu Dhabi National Oil Company (ADNOC)	**236,980**	218,280
TOTAL Energies	**52,275**	48,150
Shell Abu Dhabi B.V.	**52,275**	48,150
PTTEP Gas Corporation	**6,970**	6,420
	348,500	321,000

4 Balances and transactions with the related parties (continued)

The movement in respect to processing fee due from the shareholders is as follows:

	Abu Dhabi National Oil Company (ADNOC)	TOTAL Energies	Shell Abu Dhabi B.V.	PTTEP Gas Corporation	Total
	USD'000	USD'000	USD'000	USD'000	USD'000
At 1 January 2021	31,260	6,896	6,896	919	45,971
Processing fee charged for the year	286,510	63,200	63,200	8,428	421,338
Processing fee proceeds received during the year	(262,480)	(57,900)	(57,900)	(7,720)	(386,000)
At 31 December 2021 – audited	55,290	12,196	12,196	1,627	81,309
Processing fee charged for the period	201,676	44,487	44,487	5,933	296,583
Processing fee proceeds received during the period	(236,980)	(52,275)	(52,275)	(6,970)	(348,500)
At 31 October 2022 – unaudited	**19,986**	**4,408**	**4,408**	**590**	**29,392**

5 Trade and other payables

	31 October 2022 (unaudited) USD'000	31 December 2021 (audited) USD'000
Trade payables	**3,910**	6,673
Operating accruals	**68,859**	110,425
Capital accruals	**16,495**	35,069
Other payables	**16,268**	4,911
	105,532	157,078

6 Commitments

At 31 October 2022, capital expenditure commitments amounting to USD 17,507 thousand (31 December 2021: USD 19,929 thousand) have been contracted for.

7 Approval of interim financial information

This interim condensed financial information for the ten-month period ended 31 October 2022 were approved by the management of ADNOC Gas Processing and authorised for issue on 23 December 2022.

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Reports and financial statements
for the year ended
31 December 2020

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Reports and financial statements
for the year ended 31 December 2020

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Directors' report
for the year ended 31 December 2020

The Directors present their report, together with the audited financial statements of Abu Dhabi Gas Liquefaction Company Limited ("the Company") for the year ended 31 December 2020.

Status and activities

The Company was incorporated with limited liability in the Emirates of Abu Dhabi under the Emiri Decree Number 2 of 1977.

The Company's principal activity is the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

Directors

The Directors of the Company at 31 December 2020 were:

H.E. Dr. Sultan Ahmed Al Jaber (Chairman)	Abu Dhabi National Oil Company (ADNOC)
Mr. Abdulaziz Abdulla Alhajri	Abu Dhabi National Oil Company (ADNOC)
Mr. Ahmad Saqer Al Suwaidi	Abu Dhabi National Oil Company (ADNOC)
Ms. Noora Ibrahim Al Marzooqi	Abu Dhabi National Oil Company (ADNOC)
Mr. Ryoichi Sekijima	Mitsui & Co., Limited
Mr. So Yamano	Mitsui & Co., Middle East Limited
Mr. Salem Abdulla Bin Ashoor	BP Global Investments Limited
Mr. Christophe Sassolas	TOTAL E&P

None of the Directors had any beneficial interest in the shares of the Company as at 31 December 2020.

Ms. Noora Ibrahim Al Marzooqi and Mr. So Yamano were appointed as Directors of the Company on 3 February 2020 and 21 May 2020 respectively in place of their predecessors Mr. Bader Al Mohamadi and Mr. Satoshi Kuroda.

Key highlights

- Total production during the year amounted to 7.7 million tonnes against a target of 7.1 million tonnes.
- Total sales volume amounted to 7.46 million tonnes against a budget of 7.14 million tonnes. Total sales value amounted to USD 1,984 million against a budget of USD 1,358 million.
- 103 U.A.E. nationals were recruited and 56 developees were confirmed. The net increase of U.A.E. nationals for the year 2020 was 81, and now totals 1,184 representing 69.3% of the approved manpower establishment.

Directors' report (continued)
for the year ended 31 December 2020 (continued)

Financial results

The Company earned revenue of USD 1,983,586,876 for the year ended 31 December 2020 (31 December 2019: USD 3,144,149,358). The Company reported net profit for the year amounting to USD 161,912,590 (31 December 2019: USD 415,628,205).

The proposed appropriation of profit is as follows:

	USD
Retained earnings at the beginning of the year	1,322,656,629
Profit for the year	161,912,590
Dividend distribution	(439,194,401)
Retained earnings at the end of the year	**1,045,374,818**

Deloitte.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) ("the Company"), which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Akbar Ahmad (1141), Cynthia Corby (995), Georges Najem (809), Mohammad Jallad (1164), Mohammad Khamees Al Tah (717), Musa Ramahi (872), Mutasem M. Dajani (726), Obada Alkowatly (1056), Rama Padmanabha Acharya (701) and Samir Madbak (386) are registered practicing auditors with the UAE Ministry of Economy.

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the Articles of Association of the Company, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omission, 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 internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 Company'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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Deloitte.

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

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.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

As required by the Decree 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 2020:

- Law No. (2) of 1977 concerning the Establishment of the Company which would materially affect its activities or its financial position; and
- Relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations.

Deloitte & Touche (M.E.)

Mohammad Khamees Al Tah
Registration No. 717
30 May 2021
Abu Dhabi
United Arab Emirates

Statement of financial position as at 31 December 2020

	Notes	2020 USD	2019 USD
ASSETS			
Non-current assets			
Property, plant and equipment	5	**1,469,220,019**	1,468,962,435
Intangible assets	6	**5,672,120**	7,351,015
Total non-current assets		**1,474,892,139**	1,476,313,450
Current assets			
Inventories	7	**93,602,295**	100,527,904
Trade receivables	8	**113,685,290**	53,423,558
Due from related parties	9	**193,477,862**	252,200,022
Contract assets	10	**-**	43,274,309
Prepayments and other assets		**20,467,437**	14,443,790
Cash and bank balances	11	**169,244,941**	342,204,232
Total current assets		**590,477,825**	806,073,815
Total assets		**2,065,369,964**	2,282,387,265
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**105,000,000**	105,000,000
Statutory reserve	13	**10,500,000**	10,500,000
Retained earnings		**1,045,374,818**	1,322,656,629
Dividends	14	**(67,701,000)**	(268,719,845)
Total equity		**1,093,173,818**	1,169,436,784
Non-current liabilities			
Provision for employees' end of service benefit	15	**23,614,149**	26,373,289
Deferred tax liabilities	20	**537,316,272**	527,741,524
Total non-current liabilities		**560,930,421**	554,114,813
Current liabilities			
Trade and other liabilities	16	**182,267,336**	146,368,438
Due to related parties	9	**205,682,813**	352,615,759
Current tax liabilities	20	**23,315,576**	59,851,471
Total current liabilities		**411,265,725**	558,835,668
Total liabilities		**972,196,146**	1,112,950,481
Total equity and liabilities		**2,065,369,964**	2,282,387,265

Chief Executive Officer **Chief Financial Officer** **Director** **Director**

The accompanying notes form an integral part of these financial statements.

Statement of profit or loss and other comprehensive income for the year ended 31 December 2020

	Notes	2020 USD	2019 USD
Revenue	**17**	**1,983,586,876**	3,144,149,358
Cost of sales	**18**	**(1,182,636,334)**	(1,741,763,124)
Gross profit		**800,950,542**	1,402,386,234
Operating costs and general and administrative expenses	**19**	**(362,383,472)**	(382,149,460)
Depreciation and amortisation	**5, 6**	**(86,657,165)**	(94,537,763)
Gain on sale of assets		**-**	1,361
Provision for slow moving inventories	**7**	**(928,328)**	(260,172)
Finance income - interest income		**2,250,866**	7,685,624
Profit before tax		**353,232,443**	933,125,824
Current income tax	**20**	**(181,745,105)**	(501,981,471)
Deferred tax charge	**20**	**(9,574,748)**	(15,516,148)
Profit for the year		**161,912,590**	415,628,205
Other comprehensive income for the year, net of income tax		**-**	-
Total comprehensive income for the year		**161,912,590**	415,628,205

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2020

	Share capital USD	Statutory reserve USD	Retained earnings USD	Dividends USD	Total equity USD
At 1 January 2019	105,000,000	10,500,000	1,536,228,522	(390,453,000)	1,261,275,522
Profit for the year	-	-	415,628,205	-	415,628,205
Dividend distribution (Note 14)	-	-	(629,200,098)	390,453,000	(238,747,098)
Advance dividends paid to shareholders	-	-	-	(268,719,845)	(268,719,845)
At 1 January 2020	105,000,000	10,500,000	1,322,656,629	(268,719,845)	1,169,436,784
Profit for the year	-	-	161,912,590	-	161,912,590
Dividend distribution (Note 14)	-	-	(439,194,401)	268,719,845	(170,474,556)
Advance dividends paid to shareholders	-	-	-	(67,701,000)	(67,701,000)
At 31 December 2020	**105,000,000**	**10,500,000**	**1,045,374,818**	**(67,701,000)**	**1,093,173,818**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2020

	2020 USD	2019 USD
Profit for the year	**161,912,590**	415,628,205
Adjustments for:		
Depreciation and amortisation	**86,657,165**	94,537,763
Allowance for slow moving and obsolete inventories	**928,328**	260,172
Provision for employees' end of service benefit	**1,661,849**	5,264,508
Income tax expense	**191,319,853**	517,497,619
Gain on sale of assets	**-**	(1,361)
Finance income - interest income	**(2,250,866)**	(7,685,624)
Operating cash flows before movements in working capital	**440,228,919**	1,025,501,282
Decrease in inventories	**5,997,281**	47,583,189
(Increase)/decrease in trade receivables	**(60,261,732)**	109,122,147
Decrease/(increase) in due from related parties	**58,722,160**	(118,384,737)
Decrease/(increase) in contract assets	**43,274,309**	(43,274,309)
(Increase)/decrease in prepayments and other assets	**(9,346,414)**	5,785,353
Increase in trade and other liabilities	**18,573,715**	119,448,118
Decrease in due to related parties	**(146,932,946)**	(73,339,318)
Cash generated by operations	**350,255,292**	1,072,441,725
Employees' end of service benefit paid	**(4,420,989)**	(4,571,563)
Income taxes paid	**(218,281,000)**	(501,253,000)
Net cash generated from operating activities	**127,553,303**	566,617,162
Investing activities		
Payments for purchase of property, plant & equipment	**(64,158,219)**	(117,344,920)
Payments for purchase of intangible assets	**(429,685)**	(6,422,425)
Proceeds on disposal of property, plant & equipment	**-**	7,515
Finance income received	**2,250,866**	7,685,624
Net cash used in investing activities	**(62,337,038)**	(116,074,206)
Financing activity		
Dividends paid	**(238,175,556)**	(507,466,943)
Net decrease in cash and cash equivalents	**(172,959,291)**	(56,923,987)
Cash and cash equivalents at the beginning of the year	**342,204,232**	399,128,219
Cash and cash equivalents at the end of the year (Note 11)	**169,244,941**	342,204,232

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements
for the year ended 31 December 2020

1 General information

Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) ("the Company") was incorporated under the Emiri Decree Number 2 of 1977, with limited liability in the Emirate of Abu Dhabi.

The Company's principal activities are fuel oil and refinery gases production, natural gas liquefaction and chemical elements manufacturing. The Company is engaged in the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

The Company's registered office is P.O. Box 3500, Abu Dhabi, United Arab Emirates.

At 31 December 2020, the Shareholders were:

	Equity Held
Abu Dhabi National Oil Company (ADNOC)	70%
Mitsui & Co., Limited	15%
BP Global Investments Limited	10%
TOTAL E&P	5%

The Company has not purchased or invested in any shares during the year ended 31 December 2020.

The Company is exempted from the provisions of Federal Law No. 8 of 1984 and its amendment Federal Law No. 2 of 2015.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and amended IFRSs applied with no material effect on the financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2020, have been adopted in these financial statements.

New and revised FRSs	**Effective for annual periods beginning on or after**
Definition of Material - Amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	1 January 2020
Definition of a Business - Amendments to IFRS 3 *Business Combinations* The amendments clarify that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. IASB also clarify that a business can exist without including all of the inputs and processes needed to create outputs. That is, the inputs and processes applied to those inputs must have 'the ability to contribute to the creation of outputs' rather than 'the ability to create outputs'.	1 January 2020

Notes to the financial statements
for the year ended 31 December 2020 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRSs applied with no material effect on the financial statements (continued)

New and revised FRSs	Effective for annual periods beginning on or after
Amendments to *References to the Conceptual Framework in IFRS Standards*	1 January 2020
Amendments to References to the Conceptual Framework in IFRS Standards related IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.	
Amendments to IFRS 7 *Financial Instruments: Disclosures and* IFRS 9 *Financial Instruments*	1 January 2020
Amendments regarding pre-replacement issues in the context of the IBOR reform	
Amendments to IFRS 16 Leases: COVID-19 Related Rent Concessions	1 June 2020

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.

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 16, *Property, Plant and Equipment* on proceeds before intended use	1 January 2022
Amendments to IAS 37 *Provisions, Contingent Liabilities and Contingent Assets* on Onerous Contracts - Cost of Fulfilling a Contract	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022
Annual Improvements to IFRSs 2018-2020 - Amendments to *IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IFRS 16 Leases,* and *IAS 41 Agriculture*	1 January 2022
Amendments to IAS 1 *Presentation of Financial Statements*: on classification of liabilities as current or non-current	1 January 2023

Notes to the financial statements
for the year ended 31 December 2020 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS 17 *Insurance Contracts* 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 1 January 2023.	1 January 2023
Amendments to IFRS 10 *Consolidated Financial Statements* and IAS 28 *Investments in Associates and Joint Ventures (2011)* relating to the treatment of the sale or contribution of assets from and investor to its associate or joint venture.	Effective date deferred indefinitely. Adoption is still permitted.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements of the Company in the period of initial application.

3 Summary of significant accounting policies

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRSs").

For the purpose of these financial statements, the US Dollars (USD) is the functional and the presentation currency of the Company.

Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies adopted are set out below:

Revenue recognition

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of a product or service to a customer.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Revenue recognition (continued)

Revenue from sale of goods

Revenue from sale of goods comprises of liquefied natural gas (LNG), liquefied petroleum gas (LPG), paraffinic naphtha and sulphur, net of provision for pricing and other adjustments. Revenue from sale of goods is recognised at a point in time.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate 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 on initial recognition.

Leases

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Operating costs and general and administrative expenses' in the statement of profit or loss.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment is their purchase cost, together with any incidental expenses of acquisition. Such cost also includes the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met.

Depreciation is charged so as to write-off the cost less estimated residual values of property, plant and equipment, other than capital work in progress, over their estimated useful lives, using the straight-line method, on the following basis:

	Years
Refining and processing	4-65
Transportation, storage and terminal	5-63
Infrastructure and housing	10-30
Other facilities and equipment	5

The estimated useful lives 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 statement of comprehensive income.

Capital work in progress is stated at cost, which represents costs for the design, development, procurement, construction and commissioning of the asset under development. When the asset is in the location and condition necessary to operate in the manner intended by management (e.g. producing the specification grade product), capital work in progress is transferred to the appropriate property, plant and equipment category and depreciated in accordance with the Company's policies. Sales and costs incurred during the phase of commissioning are capitalised as part of capital work in progress.

The Company performs regular major overhauls of its plants. When each major overhaul is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment if the recognition criteria are satisfied. The cost recognised is depreciated over the period till the next planned major overhaul.

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the statement of comprehensive income as the expense is incurred.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Intangible assets

Intangible assets represents computer software. On initial recognition intangible assets acquired separately are recognised at cost when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Subsequent to initial recognition, intangible assets with definite lives are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit or loss in the period in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss.

Intangible assets are amortised over the estimated useful life of 5 years.

Impairment of tangible and intangible assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate 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.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Inventories

Inventories of liquefied gas are stated at the lower of cost and net realisable value. Cost includes the acquisition cost of natural gas and related production costs which are calculated by apportioning the total attributable costs of production in the current financial year over the total production of liquefied natural gas, liquefied petroleum gas and paraffinic naphtha in that year.

Stores including maintenance spares are stated at the lower of weighted average cost and net realisable value. Stores are stated at net of provision for obsolete or slow moving items.

Goods in transit are stated at cost.

Provision is made for obsolete / slow moving items where necessary and is recognised in statement of profit and loss.

Employee benefits

The Company operates an un-funded post-employment benefit plan for its non-UAE national employees in accordance with Personnel Policy Manual of ADNOC Group of Companies. 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 on an actual basis. Had the obligation for post-employment benefit plan were to be determined using the projected unit credit method, the amount of obligation would not be materially different from that currently provided by the Company based on an actual basis.

The Company makes contributions to a pension fund administered by Abu Dhabi Retirement Pensions & Benefits Funds in respect of national employees who are covered by the Pension & Leaving Benefits Law No. 2/2002, and accordingly no provision for end of service benefits is made in respect of national employees. With respect to GCC national employees, the Company makes contributions to the pension funds of their respective countries. The Company provides for severance pay for contract hired staff. The severance pay is calculated based on one month basic remuneration for each year of services. The severance pay is calculated on the basis of the remuneration last due to the contract hired staff in line with ADNOC Agreement for the provision of manpower services for the contract hired personnel.

Income taxes

Income tax expense/benefit comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

The annual charge for income tax is calculated in accordance with the 1965 Abu Dhabi Tax Decree, as amended and other agreements between the Company and the Tax Authorities. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Income taxes (continued)

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax laws that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The provisions are reviewed and adjusted at each reporting date and any excess provision is reversed to income.

Contingencies

Contingent liabilities are not recognised because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Foreign currencies

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. 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.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The financial assets of the Company consist of trade receivables, due from related parties and cash and bank balances.

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Amortised cost and effective interest method (continued)

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. The gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired. The Company does not have any purchased or originated credit-impaired financial assets (2019: Nil).

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and balances with banks in current accounts or deposits which mature within three months of the date of placement and bank overdraft.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables, including trade receivable (excluding advances to contractors and prepayments) and due from related parties, are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments that are measured at amortised cost or at FVTOCI, lease receivables, trade receivables and contract assets, as well as on financial guarantee contracts. 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. The Company always recognises lifetime ECL for trade receivables, contract assets and lease receivables. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

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.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of financial liability and equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

Financial liabilities and equity instruments (continued)

Financial liabilities

Trade and other liabilities and due to related parties are classified as 'other financial liabilities' and are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method or fair value through profit and loss with interest expense recognised on an effective yield basis, except for short-term payables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting of financial assets and liabilities

A financial asset and a financial liability are off set and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

4 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities 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 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.

4.1 Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Contingencies

By nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgment regarding the outcome of future events (Note 3).

Notes to the financial statements
for the year ended 31 December 2020 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.1 Critical judgments in applying accounting policies (continued)

Significant increase in credit risk

As explained in Note 3, ECL are measured as an allowance equal to 12-month ECL for stage 1 assets, or lifetime ECL for stage 2 or stage 3 assets. An asset moves to stage 2 when its credit risk has increased significantly since initial recognition. IFRS 9 does not define what constitutes a significant increase in credit risk. In assessing whether the credit risk of an asset has significantly increased the Company takes into account qualitative and quantitative reasonable and supportable forward looking information.

Decommissioning and other environmental liabilities

Management periodically assesses the numerous uncertainties inherent in estimating the decommissioning and other environmental liabilities, including judgments relating to cost estimation and the timing of these costs. The Shareholders of the Company have the liability to fund the decommissioning costs. Based on the management's assessment and the advice received by the Company from its legal team, there is no existing obligation on the Company, whether legal or constructive, regarding the decommissioning costs. Accordingly, no provision has been made in the financial statements.

Impairment of non-financial assets

Management determines at each reporting date whether there are any indicators of impairment relating to the Company's property, plant and equipment. A broad range of internal and external factors are considered as part of the indicator review process. If there are any indicators of impairment, the Company conducts a full impairment calculation.

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

The Company determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. 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 current estimates.

Allowance for slow moving and obsolete inventories

When inventories become old or obsolete, an estimate is made of their net realisable value. Inventory items are categorised based on their movements during the year and accordingly different proportions of the value of each category is recognised as a provision for slow moving and obsolete inventories. Allowance for slow moving and obsolete inventories amounting to USD 31,064,281 was recognised for the year ended 31 December 2020 (2019: USD 30,135,953) (Note 7).

Notes to the financial statements
for the year ended 31 December 2020 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Impairment of property, plant and equipment

Property, plant and equipment are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment.

Taxation provisions

The Company's current tax provision of USD 181,745,105 (Note 20) relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with the Tax Authority.

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

For trade receivables, the Company applies the simplified approach and recognises lifetime ECL for these assets. Dues from related parties are assessed to have low credit risk at each reporting date. All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking and financial institutions. Accordingly, no provision is made for the current year.

Deferred tax asset

In calculating income taxes, consideration is given to factors such as tax rates based on the tax legislation in force at the end of the reporting period, non-deductible expenses, valuation allowances, changes in tax law and management's expectations of future operating results.

The Company estimates deferred income taxes based on temporary differences between the income reported in its financial statements and its taxable income as determined under the applicable tax laws. Deferred taxes are determined using tax rates approved or about to be approved at the end of the reporting period and expected to apply when the corresponding deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that they can be used. Various factors must be considered to assess the likelihood that assets will be used in the future, such as, past earnings, operational plans and tax planning strategies. Any difference between actual results and these estimates or any need to adjust these estimates in future periods could have negative effects on the Company's assets, liabilities, cash flows and profit or loss.

Notes to the financial statements for the year ended 31 December 2020 (continued)

5 Property, plant and equipment

	Refining and processing USD	Transportation, storage and terminal USD	Infrastructure and housing USD	Other facilities and equipment USD	Capital work in progress USD	Total USD
Cost						
At 1 January 2019	2,409,443,527	979,206,711	354,444,339	87,952,482	195,614,123	4,026,661,182
Additions	-	-	-	-	80,091,136	80,091,136
Transfers	42,669,180	4,074,575	2,751,250	727,916	(50,222,921)	-
Disposals	-	-	-	(72,030)	-	(72,030)
At 1 January 2020	2,452,112,707	983,281,286	357,195,589	88,608,368	225,482,338	4,106,680,288
Additions	-	-	-	-	84,806,169	84,806,169
Transfers	10,731,303	2,217,688	6,046,918	4,665,266	(23,661,175)	-
At 31 December 2020	**2,462,844,010**	**985,498,974**	**363,242,507**	**93,273,634**	**286,627,332**	**4,191,486,457**

Notes to the financial statements for the year ended 31 December 2020 (continued)

5 Property, plant and equipment (continued)

	Refining and processing USD	Transportation, storage and terminal USD	Infrastructure and housing USD	Other facilities and equipment USD	Capital work in progress USD	Total USD
Accumulated Depreciation						
At 1 January 2019	1,620,482,214	649,973,735	195,100,257	79,423,482	-	2,544,979,688
Charge for the year	60,322,316	15,078,459	12,436,499	4,966,767	-	92,804,041
Disposals	-	-	-	(65,876)	-	(65,876)
At 1 January 2020	1,680,804,530	665,052,194	207,536,756	84,324,373	-	2,637,717,853
Charge for the year	54,274,118	15,276,210	12,376,749	2,621,508	-	84,548,585
At 31 December 2020	**1,735,078,648**	**680,328,404**	**219,913,505**	**86,945,881**	-	**2,722,266,438**
Carrying amount						
At 31 December 2020	**727,765,362**	**305,170,570**	**143,329,002**	**6,327,753**	**286,627,332**	**1,469,220,019**
At 31 December 2019	771,308,177	318,229,092	149,658,833	4,283,995	225,482,338	1,468,962,435

Property, plant and equipment include fully depreciated assets amounting to USD 389,870,331 (2019: USD 343,285,844).

Notes to the financial statements
for the year ended 31 December 2020 (continued)

6 Intangible assets

	Software USD
Cost	
At 1 January 2019	19,616,221
Addition	6,422,425
At 1 January 2020	26,038,646
Addition	429,685
At 31 December 2020	**26,468,330**
Accumulated amortisation	
At 1 January 2019	16,953,909
Charge for the year	1,733,722
At 1 January 2020	18,687,631
Charge for the year	2,108,580
At 31 December 2020	**20,796,211**
Carrying amount	
At 31 December 2020	**5,672,120**
At 31 December 2019	7,351,015

Intangible assets include fully depreciated assets amounting to USD 15,926,621 (2019: USD 14,949,765).

Notes to the financial statements
for the year ended 31 December 2020 (continued)

7 Inventories

	2020 USD	2019 USD
Product stock	**29,243,818**	37,891,315
Stock-in transit for sale	**40,263,596**	34,536,077
Stores	**55,159,162**	58,236,465
	124,666,576	130,663,857
Allowance for slow moving and obsolete inventories	**(31,064,281)**	(30,135,953)
	93,602,295	100,527,904

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

	2020 USD	2019 USD
At 1 January	**30,135,953**	29,875,781
Provision	**928,328**	260,172
At 31 December	**31,064,281**	30,135,953

8 Trade receivables

	2020 USD	2019 USD
Trade receivables	**113,685,290**	53,423,558

The average credit period on receivables is 8-30 days (2019: 8-30 days). No interest is charged on trade receivables.

The Company has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before accepting an order for sale of goods or rendering of services from any counterparty. Of the trade receivables at the end of the reporting period, an amount of USD 108,564,907 representing 95% of the trade receivables is due from six customers (31 December 2019: USD 53,423,558 representing 100%, which is due from one customer). The Company's exposure to credit risk related to trade receivables is further discussed in Note 22.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

8 Trade receivables (continued)

Ageing of trade receivables is as follows:

	2020 USD	2019 USD
Not past due	**111,160,791**	53,423,558
Past due but not impaired (0-30 days)	**2,524,499**	-
Past due and impaired	-	-
	113,685,290	53,423,558

In determining the recoverability of a trade receivable, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting period. Accordingly, management believes that there is no allowance for doubtful debts required against trade receivables.

9 Relates parties

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosures*, comprise the Shareholders, directors and key management personnel of the Company and entities in which they have the ability to control or exercise significant influence. Balances with related parties generally arise from commercial transactions in the normal course of business at agreed terms. The Company maintains significant balances and transactions with these related parties as follows:

	2020 USD	2019 USD
Due from related parties:		
Abu Dhabi National Oil Company (ADNOC)	**145,694,552**	188,619,112
ADNOC Offshore (ADMA)	**30,241,223**	38,670,299
BP Exploration Operating Co. Ltd.	**12,543,088**	-
National Gas Shipping Company Ltd. (NGSCO)	**3,994,098**	264,001
ADNOC Gas Processing (GASCO)	**744,714**	738,143
ADNOC Sour Gas (ADGD)	**144,835**	144,973
Borouge ADP	**68,210**	25,065
ADNOC Onshore (ADCO)	**18,514**	49,144
ADNOC Drilling (NDC)	**15,911**	15,911
ADNOC Distribution Co. (ADDC)	**12,717**	-
Mitsui & Co. Ltd.	-	23,670,082
ADNOC Refining (Takreer)	-	3,292
	193,477,862	252,200,022

Notes to the financial statements
for the year ended 31 December 2020 (continued)

9 Relates parties (continued)

	2020 USD	2019 USD
Due to related parties:		
Abu Dhabi National Oil Company (ADNOC)	**205,245,227**	303,939,179
TOTAL SA	**260,619**	260,619
Mitsui & Co. Ltd.	**114,348**	187,154
BP Exploration Operating Co. Ltd.	**62,619**	62,619
ADNOC Gas Processing (GASCO)	-	17,543,098
ADNOC Offshore (ADMA)	-	16,620,411
National Gas Shipping Company Ltd. (NGSCO)	-	13,520,049
ADNOC Logistics & Services (ESNAAD)	-	482,630
	205,682,813	352,615,759

Significant transactions with related parties during the year are as follows:

	2020 USD	2019 USD
Key management compensation	**748,738**	601,074

The Company's significant transactions with the related parties are disclosed below:

	2020 USD	2019 USD
Revenue	**288,155,592**	156,906,951
Gas costs	**984,706,338**	1,457,162,418
Shipping costs	**172,075,232**	266,020,879
Das support costs	**43,844,817**	52,648,688
Sulphur processing cost	**27,216,764**	17,679,999
Environment protection cost	**3,108,260**	5,829,402
Other operating and administration expenses	**4,588,839**	5,098,861

Notes to the financial statements
for the year ended 31 December 2020 (continued)

10 Contract assets

Contract assets primary relates to the Company's right on consideration for goods and services provided but not billed at the reporting date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

	2020 USD	2019 USD
Contract assets - current	-	43,274,309

The average credit period on sales of goods is 8-30 days (2019: 8-30 days). No interest is charged on outstanding trade receivables.

11 Cash and bank balances

	2020 USD	2019 USD
Cash on hand	**79,887**	58,898
Cash in banks	**169,165,054**	107,145,334
Short-term deposits with maturity less than 90 days	-	235,000,000
Cash and cash equivalents	**169,244,941**	342,204,232

Term deposits are placed with a commercial bank and a financial institution. Such deposits earn interest at prevailing market rates. As at 31 December 2019, these deposits were denominated in US Dollars, maturing within one month of the financial position date, with an average annual interest rate of 1.61%. Cash in banks include balances held with a shareholder under a cash pooling arrangement.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12 month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that there is no impairment, and hence have not recorded any loss allowances on these balances.

12 Share capital

Share capital comprises 105,000,000 authorised, issued and fully paid shares of USD 1 each.

	2020 USD	2019 USD
105,000,000 ordinary shares of USD 1 each *(31 December 2019: 105,000,000)*	**105,000,000**	105,000,000

Notes to the financial statements
for the year ended 31 December 2020 (continued)

12 Share capital (continued)

The shareholding of the Company is distributed as follows:

	2020	2019
Abu Dhabi National Oil Company (ADNOC)	**70%**	70%
Mitsui & Co, Middle East Limited	**15%**	15%
BP Global Investments Limited	**10%**	10%
TOTAL E&P	**5%**	5%
	100%	100%

13 Statutory reserve

In accordance with the requirements of the Company's Articles of Association, transfers were made from the retained earnings to a reserve until the reserve was equal to 10% of the authorised common shares of the Company.

14 Dividends

The Shareholders agreed on advance dividend payments, which will be approved at the Annual General Meeting. Advance dividends paid to shareholders have been presented with the equity statement.

	2020 USD	2019 USD
At 1 January	**268,719,845**	390,453,000
Dividend distribution	**(439,194,401)**	(629,200,098)
Dividends paid	**238,175,556**	507,466,943
At 31 December	**67,701,000**	268,719,845

The proposed final dividend is subject to approval by the shareholders at the Annual General Meeting and accordingly unpaid proposed final dividend has not been included as a liability in these financial statements. The dividend for 2019 amounting to USD 439,194,556 was approved by the Shareholders during 2020.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

15 Provision for employees' end of service benefit

Movements in provision for employees' end of service benefit are as follows:

	2020 USD	2019 USD
At 1 January	**26,373,289**	25,680,344
Charge for the year	**1,661,849**	5,264,508
Paid during the year	**(4,420,989)**	(4,571,563)
At 31 December	**23,614,149**	26,373,289

16 Trade and other liabilities

	2020 USD	2019 USD
Trade payables	**5,362,078**	28,198,304
Accrued expenses and other liabilities	**176,905,258**	118,170,134
	182,267,336	146,368,438

The average credit period on purchase of goods and services is 30 days (2019: 30 days). No interest is charged on trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The Company's exposure to liquidity risk related to trade and other payables is disclosed in Note 22.

17 Revenue

	2020 USD	2019 USD
Sales to third parties	**1,695,431,284**	2,987,242,407
Sales to related parties	**288,155,592**	156,906,951
	1,983,586,876	3,144,149,358

Sales to third parties include sales to the Company's principal customers amounting to USD 1,461,671,142 (2019: USD 2,468,150,440).

Notes to the financial statements
for the year ended 31 December 2020 (continued)

18 Cost of sales

	2020 USD	2019 USD
Gas cost - minimum price	**431,589,191**	401,972,879
Gas cost - profit sharing	**403,906,000**	954,261,000
Other gas purchase	**149,211,147**	100,928,539
Shipping costs	**170,713,232**	266,920,707
Sulphur processing cost	**27,216,764**	17,679,999
	1,182,636,334	1,741,763,124

Gas supply is made to the Company in accordance with an agreement with Abu Dhabi National Oil Company (ADNOC) ("a shareholder"). Shipping capacity is provided to the Company through an agreement with National Gas Shipping Company Limited (NGSCO) ("a related party").

19 Operating costs and general and administrative expenses

	2020 USD	2019 USD
Inventory consumption	**43,941,630**	90,671,617
Contractors	**56,175,958**	33,689,436
Plant shutdown and maintenance	**18,105,038**	20,951,360
Employee Costs	**281,787,605**	279,562,442
Das support costs	**57,242,618**	52,648,688
Other operating and administrative expenses	**17,344,128**	15,536,577
Cost allocation and settlement to capital expenditure	**(112,213,505)**	(110,910,660)
	362,383,472	382,149,460

20 Income tax

The Company is subject to income tax at the rate of 55% (2019: 55%) on its taxable profits in accordance with the Tax Payment and Settlement Agreement and Abu Dhabi Income Tax Decree 1965, as amended.

	2020 USD	2019 USD
Current income tax	**181,745,105**	501,981,471
Deferred tax charge	**9,574,748**	15,516,148
	191,319,853	517,497,619

Notes to the financial statements
for the year ended 31 December 2020 (continued)

20 Income tax (continued)

Recognised deferred taxes of the Company relate to the tax effects of the following:

	2020 USD	2019 USD
Carrying value of property, plant and equipment in excess of its tax base	**(1,031,615,977)**	(1,016,039,128)
Provision for end of service benefits	**23,614,149**	26,373,289
Provision for stocks and spares	**31,063,151**	30,135,796
Total temporary differences	**(976,938,677)**	(959,530,043)
Deferred tax liability (55%) (net)	**537,316,272**	527,741,524

The reconciliation of the statutory income tax rate to the effective income tax rate of the Company is as follows:

	2020 USD	2019 USD
Statutory income tax	**55.00%**	55.00%
Tax effects of:		
Non-deductible expenses and income	**(3.55%)**	(1.20%)
Effect of deferred taxes	**2.71%**	1.66%
Effective tax rate	**54.16%**	55.46%

Movement of current tax liabilities is as follows:

	2020 USD	2019 USD
At 1 January	**59,851,471**	59,123,000
Charge for the year	**181,745,105**	501,981,471
Paid during the year	**(218,281,000)**	(501,253,000)
At 31 December	**23,315,576**	59,851,471

21 Commitments and contingencies

During the year, the Company has received various claims amounting to USD 8.5 million including claims related to Covid-19 impact on its ongoing capital projects. The Company is in the process of assessing these claims and concluded that though an outflow of resources embodying economic benefits is probable, no reliable estimate can be made currently.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

21 Commitments and contingencies (continued)

Commitments for capital expenditures at 31 December are estimated as follows:

	2020 USD	2019 USD
Contracted for but not provided in the financial statements	**61,913,000**	58,937,000
Authorised but not contracted	**98,298,000**	167,498,000

In addition to the above, the Company had capital commitments 'Contracted for but not Provided' and 'Authorised but not Contracted' amounting to USD 534,738,718 (2019: USD 757,891,000) and USD 100,792,000 (2019: USD 133,484,000) respectively, related to ADNOC Sole Risk Projects.

The shipping capacity is provided through Transportation Agreements with National Gas Shipping Company Limited (NGSCO) ("a related party"). The annual charter hires charges in respect of the Transportation Agreements are estimated at an amount of USD 108,974,000 for 2021 (2019: USD 120,000,000 for 2020).

22 Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 3 to the financial statements.

Categories of financial instruments

	2020 USD	2019 USD
Financial assets		
Cash and bank balances	**169,244,941**	342,204,232
Contract assets	**-**	43,274,309
Trade receivables	**113,685,290**	53,423,558
Due from related parties	**193,477,862**	252,200,022
	476,408,093	691,102,121
Financial liabilities		
Trade and other liabilities	**182,267,336**	146,368,438
Due to related parties	**205,682,813**	352,615,759
	387,950,149	498,984,197

Notes to the financial statements
for the year ended 31 December 2020 (continued)

22 Financial instruments (continued)

Financial risk management

The Company is exposed to the following risks related to financial instruments - credit risk, foreign currency risk, liquidity risk, and price risk. The Company does not enter into or trade in financial instruments including derivative financial instruments, for speculative or risk management purposes.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company, and arises principally from the Company's trade receivables and other current assets (excluding prepaid expenses and advances to suppliers) and bank balances. The Company has adopted a policy of only dealing with creditworthy counterparties, however significant revenue is generated by dealing with high profile well known customers for whom the credit risk is assessed to be low. The Company 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 counterparties. The balances with banks are assessed to have low credit risk of default since the banks are among the major banks operating in the UAE and are highly regulated by the central bank.

Concentration of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location.

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counterparties failing to perform their obligations generally approximates their carrying value. Trade receivables and other current assets (excluding prepaid expenses and advances to suppliers) and balances with banks are not secured by any collateral.

Foreign currency risk

The Company is exposed to currency risk on its transactions that are denominated in a currency other than the functional currency of the Company, primarily the Euro (EUR), British Pound (GBP) and Japanese Yen (JPY). There is no significant impact on the UAE Dirham as it is pegged to the USD.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of the reporting period and sensitivity analysis to 10% increase/decrease in the USD against the relevant currencies are as follows:

	Assets		**Liabilities**		**Impact on equity***	
	31 December 2020 USD	31 December 2019 USD	**31 December 2020 USD**	31 December 2019 USD	**31 December 2020 USD**	31 December 2019 USD
EUR	-	-	**33,554**	876,720	**3,355**	79,702
GBP	-	-	**11,844**	78,630	**1,184**	7,148
JPY	**1,102,211**	-	**27,110**	77,797	**(110,211)**	7,072
	1,102,211	-	**72,508**	1,033,147	**(105,672)**	93,922

Notes to the financial statements for the year ended 31 December 2020 (continued)

22 Financial instruments (continued)

Foreign currency risk (continued)

*The analysis above indicates an increase/(decrease) in profit and equity where USD strengthened by 10% against the relevant currency. For a 10% weakening of USD against the relevant currency, there would be a comparable impact on profit and equity, and the balances would be (negative)/positive, as applicable.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the shareholders, which have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities. The contractual maturities of the Company's financial liabilities have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The maturity profile of the financial liabilities at the end of the reporting period based on contractual repayment arrangements is as follows:

	Less than one year USD	More than one year USD	Total USD
31 December 2020			
Trade and other liabilities	**182,267,336**	-	**182,267,336**
Due to related parties	**205,682,813**	-	**205,682,813**
	387,950,149	-	**387,950,149**
31 December 2019			
Trade and other liabilities	146,368,438	-	146,368,438
Due to related parties	352,615,759	-	352,615,759
	498,984,197	-	498,984,197

Commodity price risk

The Company is exposed to commodity price risk as the Company has entered into sales agreements with certain customers, in which the price is linked to the benchmark oil price.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

22 Financial instruments (continued)

Fair value of financial assets and liabilities

The Company's management considers that the carrying amount of financial assets and financial liabilities approximate their fair value.

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The Company's overall strategy remains unchanged from 2019. The capital structure of the Company consists of cash and cash equivalents and equity comprising share capital and retained earnings.

23 ADNOC sole risk projects

The Company manages sole risk projects on behalf of Abu Dhabi National Oil Company (ADNOC) ("a shareholder"). The sole risk projects are fully owned and funded by ADNOC. The fixed assets of the Company do not include the cumulative expenditure (net of depreciation) incurred by the Company as at 31 December 2020 amounting to USD 3,020,816,082 (2019: USD 2,772,151,975) and stores amounting to USD 27,178,605 (2019: USD 32,322,335). However, as the Company has entered into contracts on behalf of ADNOC in relation to these sole risk projects, the following balances are included in the financial statements:

	2020 USD	2019 USD
Due from related parties	**40,407,983**	94,079,707
Cash and bank balances	**1,714,180**	773,270
Trade and other liabilities	**39,839,672**	72,634,323

24 Comparative figures

In accordance with the requirements of IAS 1 "Presentation of Financial Statements", the following figures of the prior year have been reclassified to conform with current year presentation:

Notes to the financial statements
for the year ended 31 December 2020 (continued)

24 Comparative figures (continued)

	As previously reported USD	Reclassification USD	As reclassified USD
For the year ended 31 December 2019			
Statement of profit or loss and other comprehensive income			
Inventory consumption	120,206,282	(29,534,665)	90,671,617
Contractors	222,828,044	(189,138,608)	33,689,436
Plant shutdown and maintenance	24,441,439	(3,490,079)	20,951,360
Employee Costs	284,065,089	(4,502,647)	279,562,442
Das support costs	34,221,605	18,427,083	52,648,688
Other operating and administrative expenses	23,702,858	(8,166,281)	15,536,577
Cost allocation and settlement to capital expenditure	(327,315,857)	216,405,197	(110,910,660)

The above reclassifications had no effect on the profit as reported in the statement of profit or loss and other comprehensive income and statement of changes in equity for the year ended 31 December 2019. Therefore, the statement of financial position as of the beginning of year ended 31 December 2019 was not presented in these financial statements.

25 COVID-19 impact

During the year ended 31 December 2020, macro-economic uncertainty has arisen with regards to prices and demand for oil, gas and products (along with the large associated volatility in commodity markets) caused by the COVID-19 outbreak. Management considers this outbreak could impact the Company's cash flow. As the situation is fluid and rapidly evolving, management does not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company.

26 Approval of financial statements

The financial statements were approved by the Board and authorised for issue on 30 MAR 2021.

ADNOC Classification: Internal

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Reports and financial statements
31 December 2021

All parties consent to this document being signed electronically -CEOO/INT/2022/1793

ADNOC Classification: Internal

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Report and financial statements
for the year ended 31 December 2021

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ADNOC Classification: Internal

Directors' report
for the year ended 31 December 2021

The Directors present their report, together with the audited financial statements of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) ("the Company") for the year ended 31 December 2021.

Status and activities

The Company was incorporated with limited liability in the Emirates of Abu Dhabi under the Emiri Decree Number 2 of 1977.

The Company's principal activity is the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

Directors

The Directors of the Company at 31 December 2021 were:

H.E. Dr. Sultan Ahmed Al Jaber (Chairman)	Abu Dhabi National Oil Company (ADNOC)
Mr. Khaled Salmeen	Abu Dhabi National Oil Company (ADNOC)
Mr. Ahmad Saqer Al Suwaidi	Abu Dhabi National Oil Company (ADNOC)
Ms. Noora Ibrahim Al Marzooqi	Abu Dhabi National Oil Company (ADNOC)
Mr. Ryoichi Sekijima	Mitsui & Co., Limited
Mr. So Yamano	Mitsui & Co., Middle East Limited
Mr. Salem Abdulla Bin Ashoor	BP Global Investments Limited
Mr. Elias Kassis	TotalEnergies SE

None of the Directors had any beneficial interest in the shares of the Company as at 31 December 2021.

Mr. Khaled Salmeen and Mr. Elias Kassis were appointed as Directors of the Company on 9 March 2021 and 7 May 2021, respectively, in place of their predecessors Mr. Abdulaziz Abdulla Alhajri and Mr. Christophe Sassolas.

Key highlights

- Total production during the year amounted to 7.9 million tonnes against a target of 7.4 million tonnes.
- Total sales volume amounted to 7.9 million tonnes against a budget of 7.2 million tonnes. Total sales value amounted to US$ 3,450 million against a budget of US$ 1,609 million.
- 68 U.A.E. nationals were recruited and 58 developees were confirmed. The net increase of U.A.E nationals for the year 2021 was 53, and now totals 1,237 representing 71.75% of the approved manpower establishment.

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ADNOC Classification: Internal

Directors' report (continued)
for the year ended 31 December 2021 (continued)

Financial results

The Company earned revenue of USD 3,449,995,915 for the year ended 31 December 2021 (31 December 2020: USD 1,983,586,876). The Company reported net profit for the year amounting to USD 453,699,263 (31 December 2020: USD 161,912,590).

The proposed appropriation of profit is as follows:

	USD
Retained earnings at the beginning of the year	1,045,374,818
Profit for the year	453,699,263
Dividend distribution	(172,958,129)
Retained earnings at the end of the year	**1,326,115,952**

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INDEPENDENT AUDITOR'S REPORT
ON THE FINANCIAL STATEMENTS

To: The Shareholders of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG)

Opinion

We have audited the financial statements of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) (the "Company"), which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (referred to as "IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (referred to as the "ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International code of Ethics for Professional Accountants (including Independence Standards)* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the year ended 31 December 2020 were audited by another auditor who expressed an unmodified opinion on those statements on 30 May 2021.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance of conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA 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 financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Company'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 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 Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

Further, as required by the Decree 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 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 provisions of its Law of Establishment and relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations, as applicable, which would materially affect its activities or the financial statements as at 31 December 2021.

For RAI Audit and Tax Services,



Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 20 June 2022
Abu Dhabi
United Arab Emirates

ADNOC Classification: Internal

Statement of financial position
As at 31 December 2021

	Notes	2021 USD	2020 USD
ASSETS			
Non-current assets			
Property, plant and equipment	5	**1,398,412,477**	1,469,220,019
Intangible assets	6	**17,990,718**	5,672,120
Due from a related party	9.1	**22,473,759**	-
		1,438,876,954	1,474,892,139
Current assets			
Inventories	7	**97,979,571**	93,602,295
Trade receivables	8	**142,788,634**	100,581,071
Due from related parties	9.1	**293,988,467**	193,477,862
Contract assets	10	**50,181,548**	13,104,219
Prepayments and other assets		**27,435,099**	20,467,437
Cash and cash equivalents	11	**299,014,845**	169,244,941
		911,388,164	590,477,825
Total assets		**2,350,265,118**	2,065,369,964
EQUITY AND LIABILITIES			
Equity			
Share capital	12	**105,000,000**	105,000,000
Statutory reserve	13	**10,500,000**	10,500,000
Retained earnings		**1,326,115,952**	1,045,374,818
Dividends	14	**(403,393,000)**	(67,701,000)
Total equity		**1,038,222,952**	1,093,173,818
Non-current liabilities			
Provision for employees' end of service benefits	15	**15,873,612**	23,614,149
Deferred tax liabilities	20	**442,531,515**	537,316,272
Due to a related party	9.4	**113,668,391**	-
		572,073,518	560,930,421
Current liabilities			
Trade and other payables	16	**131,935,368**	182,267,336
Due to related parties	9.2	**480,889,280**	205,682,813
Current tax liability	20	**127,144,000**	23,315,576
		739,968,648	411,265,725
Total liabilities		**1,312,042,166**	972,196,146
Total equity and liabilities		**2,350,265,118**	2,065,369,964

Chief Executive Officer | **Chief Financial Officer**

Director | **Director**

The accompanying notes form an integral part of these financial statements.

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ADNOC Classification: Internal

Statement of profit or loss and other comprehensive income
For the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Revenue	**17**	**3,449,995,915**	1,983,586,876
Operating Costs			
Gas costs	**18**	**(1,689,601,565)**	(984,706,338)
Shipping costs	**9**	**(161,080,520)**	(170,713,232)
Sulphur processing costs	**9**	**(12,867,508)**	(27,216,764)
		1,586,446,322	800,950,542
Other operating costs and general & administrative expenses	**19**	**(337,439,007)**	(362,383,472)
Pension cost recharge	**9**	**(157,190,424)**	-
Depreciation and amortisation	**5, 6**	**(87,249,178)**	(86,657,165)
Provision for slow moving and obsolete inventories	**7**	**(3,955,012)**	(928,328)
Gain on sale of property, plant and equipment		**42,995**	-
Finance income		**387,234**	2,250,866
Profit before tax		**1,001,042,930**	353,232,443
Current tax charge	**20**	**(642,128,424)**	(181,745,105)
Deferred tax credit / (charge)	**20**	**94,784,757**	(9,574,748)
Profit after tax for the year		**453,699,263**	161,912,590
Other comprehensive income for the year		-	-
Total comprehensive income for the year		**453,699,263**	161,912,590

The accompanying notes form an integral part of these financial statements.

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ADNOC Classification: Internal

Statement of changes in equity
For the year ended 31 December 2021

	Share capital USD	Statutory reserve USD	Retained earnings USD	Dividends USD	Total equity USD
At 1 January 2020	105,000,000	10,500,000	1,322,656,629	(268,719,845)	1,169,436,784
Profit for the year	-	-	161,912,590	-	161,912,590
Dividend declared (note 14)	-	-	(439,194,401)	439,194,401	-
Dividends paid to shareholders	-	-	-	(238,175,556)	(238,175,556)
At 1 January 2021	105,000,000	10,500,000	1,045,374,818	(67,701,000)	1,093,173,818
Profit for the year	-	-	453,699,263	-	453,699,263
Dividend declared (note 14)	-	-	(172,958,129)	172,958,129	-
Dividends paid to shareholders	-	-	-	(508,650,129)	(508,650,129)
At 31 December 2021	**105,000,000**	**10,500,000**	**1,326,115,952**	**(403,393,000)**	**1,038,222,952**

The accompanying notes form an integral part of these financial statements.

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ADNOC Classification: Internal

Statement of cash flows
For the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Profit after tax for the year		**453,699,263**	161,912,590
Adjustments for:			
Depreciation and amortization	**5, 6**	**87,249,178**	86,657,165
Provision for slow moving and obsolete inventories	**7.1**	**3,955,012**	928,328
Provision for employees' end of service benefits	**15**	**1,182,139**	1,661,849
Income tax expense, net	**20**	**547,343,667**	191,319,853
Gain on sale of property, plant and equipment		**(42,995)**	-
Finance income		**(387,234)**	(2,250,866)
Pension cost recharge	**9**	**157,190,424**	-
Operating cash flows before movements in working capital		**1,250,189,454**	440,228,919
(Increase)/decrease in inventories		**(8,332,288)**	5,997,281
Increase in trade receivables		**(42,207,563)**	(60,261,732)
(Increase)/decrease in due from related parties		**(84,246,781)**	58,722,160
Decrease in contract assets		**(37,077,329)**	43,274,309
Increase in prepayments and other assets		**(6,967,662)**	(9,346,414)
(Decrease)/increase in trade and other payables		**(50,331,968)**	18,573,715
Increase/(decrease) in due to related parties		**192,946,851**	(146,932,946)
Cash generated by operations		**1,213,972,714**	350,255,292
Employees' end of service benefits paid	**15**	**(8,922,676)**	(4,420,989)
Income taxes paid	**20**	**(538,300,000)**	(218,281,000)
Net cash generated from operating activities		**666,750,038**	127,553,303
Investing activities			
Additions to property, plant and equipment	**5**	**(28,760,234)**	(64,158,219)
Additions to intangible assets		-	(429,685)
Proceeds on disposal of property, plant and equipment		**42,995**	-
Finance income received		**387,234**	2,250,866
Net cash used in investing activities		**(28,330,005)**	(62,337,038)
Financing activity			
Dividends paid	**14**	**(508,650,129)**	(238,175,556)
Net increase/(decrease) in cash and cash equivalents		**129,769,904**	(172,959,291)
Cash and cash equivalents at the beginning of the year		**169,244,941**	342,204,232
Cash and cash equivalents at the end of the year	**11**	**299,014,845**	169,244,941

The accompanying notes form an integral part of these financial statements.

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ADNOC Classification: Internal

Notes to the financial statements for the year ended 31 December 2021

1 Corporate information

Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) ("the Company") was incorporated under the Emiri Decree Number 2 of 1977, with limited liability in the Emirate of Abu Dhabi.

The Shareholders of the Company, in accordance with the Amended and Restated Participants Agreement, including their respective shareholdings, are as follows ("the Shareholders"):

	% Share
Abu Dhabi National Oil Company ("ADNOC")	70%
Mitsui & Co., Limited	15%
BP Global Investments Limited	10%
TotalEnergies SE	5%

The Company's principal activities are fuel oil and refinery gases production, natural gas liquefaction and chemical elements manufacturing. The Company is engaged in the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

On 31 March 2019, ADNOC and ADNOC LNG entered into a new Gas Supply and Payment Agreement ("Agreement"). Subject to the provision of the Agreement, ADNOC will deliver natural gas to ADNOC LNG for the manufacture of LNG, LPG, Paraffinic Naphtha and Liquid Sulphur and to make payments hereinafter. The Agreement will expire on 31 March 2040.

On 31 March 2019, the Shareholders agreed to amend and restate the Original Participants Agreement dated 13 December 1997 in contemplation of the new Gas Supply and Payment Agreement entered between ADNOC and ADNOC LNG. The object of the Amended and Restated Participants Agreement is to record the relationship between the Shareholders in the ownership and continued operation of ADNOC LNG.

The Company's registered office address is P.O. Box 3500, Abu Dhabi, United Arab Emirates.

2 New standards, interpretations and amendments

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2021, have been adopted in these financial statements:

a) New and revised IFRSs applied with no material effect on the financial statements

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021 (unless otherwise stated). The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

2 New standards, interpretations and amendments (continued)

a) New and revised IFRSs applied with no material effect on the financial statements (continued)

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (continued)

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the financial statements of the Company.

Covid-19-Related Rent Concessions – amendments to IFRS 16 (effective 1 April 2021)
On 28 May 2020, the IASB issued *Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases* The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 1 April 2021. However, the Company has not received Covid-19-related rent concessions, but plans to apply the practical expedient if it becomes applicable within allowed period of application.

b) New and revised IFRSs in issue but not yet effective and not early adopted

Classification of Liabilities as Current or Non-Current - amendments to IAS 1 (effective from 1 January 2023)
The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Reference to the Conceptual Framework - Amendments to IFRS 3 (effective from 1 January 2022)
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - amendments to IAS 16 (effective from 1 January 2022)
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

2 New standards, interpretations and amendments (continued)

b) New and revised IFRSs in issue but not yet effective and not early adopted (continued)

Onerous Contracts - Cost of Fulfilling a Contract - amendments to IAS 37 (effective from 1 January 2022)
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

IFRS 17: Insurance Contracts (effective from 1 January 2023)
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 1 January 2023.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) (Effective date deferred indefinitely, and adoption is still permitted)
Relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective from 1 January 2023)
The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Definition of Accounting Estimates - Amendments to IAS 8 (effective from 1 January 2023)
The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022)
The Annual Improvements include amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective from 1 January 2022), IFRS 9 Financial Instruments (effective from 1 January 2022), IFRS 16 Leases (effective date not yet decided) and IAS 41 Agriculture (effective from 1 January 2022).

- **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities**
  As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

2 New standards, interpretations and amendments (continued)

b) New and revised IFRSs in issue but not yet effective and not early adopted (continued)

- **IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities (continued)**
  The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Company will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

- **IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter**
  As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS. This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.

  The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

- **IAS 41 Agriculture – Taxation in fair value measurements**
  As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

  An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

  The amendments are not expected to have a material impact on the Company.

3 Summary of significant accounting policies

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

For the purpose of these financial statements, the US Dollars (USD) is the functional and the presentation currency of the Company.

Basis of preparation

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

The principal accounting policies adopted are set out as follows:

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Revenue from contracts with customers

Revenue from contracts with customers is recognised when or as the Company satisfies a performance obligation by transferring control of a promised good or service to a customer.

Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes amounts collected on behalf of third parties.

Revenue from sale of goods

Revenue from sale of goods comprises of liquefied natural gas (LNG), liquefied petroleum gas (LPG), paraffinic naphtha and sulphur, net of provision for pricing and other adjustments.

The transfer of control of goods usually coincides with title passing to the customer and the customer taking physical possession. For sales on Free on Board (FOB) basis, this generally occurs when the product is physically transferred into a vessel, pipe or other delivery mechanism; for sales on Delivered Ex Ship (DES) basis, it is when the product is placed onboard a vessel and delivered to the customer's designated location. Revenue from sale of goods is recognised at a point in time.

When, or as, a performance obligation is satisfied, the Company recognises as revenue the amount of the transaction price that is allocated to that performance obligation. The transaction price is the amount of consideration to which the Company expects to be entitled. The transaction price is allocated to the performance obligations in the contract based on standalone selling prices of the goods or services promised.

Interest income

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate 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 on initial recognition.

Leases

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company recognises a right-of-use asset at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which is located, less any lease incentive received.

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Leases (continued)

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line 'Operating costs and general and administrative expenses' in the statement of profit or loss.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The cost of property, plant and equipment is their purchase cost, together with any incidental expenses of acquisition. Such cost also includes the cost of replacing part of the property, plant and equipment when that cost is incurred, if the recognition criteria are met.

Depreciation is charged so as to write-off the cost less estimated residual values of property, plant and equipment, other than capital work in progress, over their estimated useful lives, using the straight-line method, on the following basis:

	Years
Refining and processing	4-65
Transportation, storage and terminal	5-63
Infrastructure and housing	10-30
Other facilities and equipment	5

The estimated useful lives 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 statement of profit or loss and other comprehensive income.

Capital work in progress is stated at cost, which represents costs for the design, development, procurement, construction and commissioning of the asset under development. When the asset is in the location and condition necessary to operate in the manner intended by management (e.g. producing the specification grade product), capital work in progress is transferred to the appropriate property, plant and equipment category and depreciated in accordance with the Company's policies. Sales and costs incurred during the phase of commissioning are capitalised as part of capital work in progress.

The Company performs regular major overhauls of its plants. When each major overhaul is performed, its cost is recognised in the carrying amount of the item of property, plant and equipment if the recognition criteria are satisfied. The cost recognised is depreciated over the period till the next planned major overhaul.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Property, plant and equipment (continued)

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognised in the statement of profit or loss and other comprehensive income as the expense is incurred.

Intangible assets

Intangible assets represents computer software. On initial recognition intangible assets acquired separately are recognised at cost when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Subsequent to initial recognition, intangible assets with definite lives are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit or loss and other comprehensive income in the period in which the expenditure is incurred.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in the statement of profit or loss and other comprehensive income.

Intangible assets are amortised over the estimated useful life of 5 years.

Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its tangible and intangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate 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.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Impairment of non-financial assets (continued)

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Inventories

Inventories of liquefied gas are stated at the lower of cost and net realisable value. Cost includes the acquisition cost of natural gas and related production costs which are calculated by apportioning the total attributable costs of production in the current financial year over the total production of liquefied natural gas, liquefied petroleum gas and paraffinic naphtha in that year.

Inventory in stores including maintenance spares are stated at the lower of weighted average cost and net realisable value. Inventory in stores are stated at net of provision for obsolete or slow moving items.

Goods in transit are stated at cost.

Provision is made for obsolete / slow moving items where necessary and is recognised in statement of profit and loss and other comprehensive income.

Employee benefits

The Company operates an un-funded post-employment benefit plan for its non-UAE national employees in accordance with Personnel Policy Manual of ADNOC Group of Companies. 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 on an actual basis. Had the obligation for post-employment benefit plan were to be determined using the projected unit credit method, the amount of obligation would not be materially different from that currently provided by the Company based on an actual basis.

The Company makes contributions to a pension fund administered by Abu Dhabi Retirement Pensions & Benefits Funds in respect of national employees who are covered by the Pension & Leaving Benefits Law No. 2/2002, and accordingly no provision for end of service benefits is made in respect of national employees. With respect to GCC national employees, the Company makes contributions to the pension funds of their respective countries. The Company provides for severance pay for contract hired staff. The severance pay is calculated based on one month basic remuneration for each year of services. The severance pay is calculated on the basis of the remuneration last due to the contract hired staff in line with ADNOC Agreement for the provision of manpower services for the contract hired personnel.

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Income taxes

Income tax expense/benefit comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity or in other comprehensive income.

The annual charge for income tax is calculated in accordance with the 1965 Abu Dhabi Tax Decree, as amended and other agreements between the Company and the Tax Authorities. The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax laws that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The provisions are reviewed and adjusted at each reporting date and any excess provision is reversed to income.

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Contingencies

Contingent liabilities are not recognised because their existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities are disclosed, unless the possibility of an outflow of resources embodying economic benefits is remote.

Foreign currencies

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. 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.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Initial recognition and measurement
Financial assets at initial recognition are classified, at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company 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 or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date at which the Company commits to purchase or sell the asset.

The financial assets of the Company consist of trade receivables, due from related parties and cash and cash equivalents.

Subsequent measurement
For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments)

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit or loss.

Financial assets at amortised cost
These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in statement of profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss.

Derecognition
A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Company 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 Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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ADNOC Classification: Internal

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss considering its credit risk profile. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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 and other receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company 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.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Cash and cash equivalents

Cash and cash equivalents are comprised of cash and balances with banks and cash held with ADNOC in current accounts or deposits which mature within three months of the date of placement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables, including trade receivable (excluding advances to contractors and prepayments) and due from related parties, are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

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ADNOC Classification: Internal

Notes to the financial statements for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement and the definitions of financial liability and equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recorded at the proceeds received, net of direct issue costs.

Financial liabilities

Trade and other liabilities and due to related parties are classified and are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method or fair value through profit and loss with interest expense recognised on an effective yield basis, except for short-term payables when the recognition of interest would be immaterial.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or, where appropriate, a shorter period.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Offsetting of financial assets and liabilities

A financial asset and a financial liability are off set and the net amount is reported in the statement of financial position if the Company has a legally enforceable right to set-off the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Fair value measurement

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 Company 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.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

Fair value measurement (continued)

All assets and liabilities, for which fair value is measured or disclosed in the financial statements, are categorised 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 financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by reassessing 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.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Accruals

Liabilities are recognised for amounts to be paid in the future for goods or services received, whether billed by the supplier or not. For lump sum contracts, project related accruals should be based on percentage of completion basis.

For contracts based on performance milestones, project related accruals are recognised to the extent of contractual performance milestone achieved up to the reporting date.

Current versus non-current classification

The Company presents assets and liabilities in the 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.

The Company classifies all other assets 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 Company classifies all other liabilities as non-current.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Company's accounting policies, which are described in Note 3, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities 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 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.

4.1 Critical judgments in applying accounting policies

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Contingencies

By nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence and potential quantum of contingencies inherently involves the exercise of significant judgment regarding the outcome of future events (note 3).

Decommissioning and other environmental liabilities

Management periodically assesses the numerous uncertainties inherent in estimating the decommissioning and other environmental liabilities, including judgments relating to cost estimation and the timing of these costs. The Shareholders of the Company have the liability to fund the decommissioning costs. Based on the management's assessment and the advice received by the Company from its legal team, there is no existing obligation on the Company, whether legal or constructive, regarding the decommissioning costs. Accordingly, no provision has been made in these financial statements.

Lease of shipping vessels

The Company leases vessels from a related party which is used in the transportation of LNG products. Although the leases typically include renewal options, the Company has assessed that it is not reasonably certain that they will exercise these options. The Company elects to apply the recognition exemption for short-term leases to these leases in line with IFRS 16 - Leases.

Classification of balances held by ADNOC under cash pooling arrangement

In making an assessment whether cash held with ADNOC is subject to an insignificant change in value and can be classified as a cash equivalent, the Company has considered factors such as ADNOC group treasury function's ability to maintain sufficient cash and liquid resources along with access to credit lines to meet all intercompany obligations simultaneously, continuous monitoring and management of liquidity position of the ADNOC group's treasury function as a whole and review of the group treasury controls and procedures by those charged with governance including, but not limited to review of the group's credit risk.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Useful lives of property, plant and equipment

The Company determines the estimated useful lives of its property, plant and equipment for calculating depreciation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. 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 current estimates.

Provision for slow moving and obsolete inventories

When inventories become old or obsolete, an estimate is made of their net realisable value. Inventory items are categorised based on their movements during the year and accordingly different proportions of the value of each category is recognised as a provision for slow moving and obsolete inventories. Provision for slow moving and obsolete inventories amounting to USD 35,019,293 was recognised as at year end 31 December 2021 (2020: USD 31,064,281) (note 7).

Impairment of non-financial assets

Company determines at each reporting date whether there are any indicators of impairment relating to the Company's property, plant and equipment and intangible assets. A broad range of internal and external factors are considered as part of the indicator review process. If there are any indicators of impairment, the Company conducts a full impairment calculation.

Property, plant and equipment are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment.

Taxation provisions

The Company's current tax provision of USD 642,128,424 (2020: USD 181,745,105) (note 20) relates to management's assessment of the amount of tax payable on open tax positions where the liabilities remain to be agreed with the Tax Authority.

Discount rate for long-term liability

In assessing present value of the long-term pension liability, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money. The rate used to discount the long-term pension liability is determined by reference to market yields at the balance sheet date on high quality corporate bonds at ADNOC Group level. Accordingly, the Company has calculated the present value of the long-term pension liability using a discount rate of 2.25%.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

4 Critical accounting judgments and key sources of estimation uncertainty (continued)

4.2 Key sources of estimation uncertainty (continued)

Calculation of loss allowance

When measuring ECL the Company uses reasonable and supportable forward-looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

For trade receivables, the Company applies the simplified approach and recognises lifetime ECL for these assets. Dues from related parties are assessed to have low credit risk at each reporting date. All bank balances are assessed to have low credit risk at each reporting date as they are held with reputable banking and financial institutions. Accordingly, no provision is made for the current year.

Deferred tax asset

In calculating income taxes, consideration is given to factors such as tax rates based on the tax legislation in force at the end of the reporting period, non-deductible expenses, valuation allowances, changes in tax law and management's expectations of future operating results.

The Company estimates deferred income taxes based on temporary differences between the income reported in its financial statements and its taxable income as determined under the applicable tax laws. Deferred taxes are determined using tax rates approved or about to be approved at the end of the reporting period and expected to apply when the corresponding deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that they can be used. Various factors must be considered to assess the likelihood that assets will be used in the future, such as, past earnings, operational plans and tax planning strategies. Any difference between actual results and these estimates or any need to adjust these estimates in future periods could have negative effects on the Company's assets, liabilities, cash flows and profit or loss.

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Notes to the financial statements for the year ended 31 December 2021 (continued)

5 Property, plant and equipment

	Refining and processing USD	Transportation, storage and terminal USD	Infrastructure and housing USD	Other facilities and equipment USD	Capital work-in- progress USD	Total USD
Cost						
At 1 January 2020	2,452,112,707	983,281,286	357,195,589	88,608,368	225,482,338	4,106,680,288
Additions	-	-	-	-	84,806,169	84,806,169
Transfers	10,731,303	2,217,688	6,046,918	4,665,266	(23,661,175)	-
At 1 January 2021	2,462,844,010	985,498,974	363,242,507	93,273,634	286,627,332	4,191,486,457
Additions	-	-	-	-	28,760,234	28,760,234
Transfers	94,956,665	-	1,590,920	13,881,957	(110,429,542)	-
Transfers to intangible assets (note 6)	-	-	-	-	(17,679,326)	(17,679,326)
Disposals	-	(137,168)	-	-	-	(137,168)
At 31 December 2021	**2,557,800,675**	**985,361,806**	**364,833,427**	**107,155,591**	**187,278,698**	**4,202,430,197**

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Notes to the financial statements for the year ended 31 December 2021 (continued)

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5 Property, plant and equipment (continued)

	Refining and processing USD	Transportation, storage and terminal USD	Infrastructure and housing USD	Other facilities and equipment USD	Capital work-in- progress USD	Total USD
Accumulated Depreciation						
At 1 January 2020	1,680,804,530	665,052,194	207,536,756	84,324,373	-	2,637,717,853
Charge for the year	54,274,118	15,276,210	12,376,749	2,621,508	-	84,548,585
At 1 January 2021	1,735,078,648	680,328,404	219,913,505	86,945,881	-	2,722,266,438
Charge for the year	44,064,947	15,327,880	13,087,674	9,407,949	-	81,888,450
Disposals	-	(137,168)	-	-	-	(137,168)
At 31 December 2021	**1,779,143,595**	**695,519,116**	**233,001,179**	**96,353,830**	-	**2,804,017,720**
Carrying amount						
At 31 December 2021	**778,657,080**	**289,842,690**	**131,832,248**	**10,801,761**	**187,278,698**	**1,398,412,477**
At 31 December 2020	727,765,362	305,170,570	143,329,002	6,327,753	286,627,332	1,469,220,019

Property, plant and equipment include fully depreciated assets amounting to USD 399,482,087 (2020: USD 389,870,331).

Additions to capital work-in-progress relate to certain ongoing projects such as plant refurbishment, trains 1 & 2 rejuvenation, and implementation of total sulphur reduction.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

6 Intangible assets

	Software USD
Cost	
At 1 January 2020	26,038,646
Addition	429,685
At 1 January 2021	26,468,331
Transfers from property, plant and equipment *(note 5)*	17,679,326
At 31 December 2021	**44,147,657**
Accumulated amortisation	
At 1 January 2020	18,687,631
Charge for the year	2,108,580
At 1 January 2021	20,796,211
Charge for the year	5,360,728
At 31 December 2021	**26,156,939**
Carrying amount	
At 31 December 2021	**17,990,718**
At 31 December 2020	5,672,120

Intangible assets include fully depreciated assets amounting to USD 19,606,482 (2020: USD 15,926,621).

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

7 Inventories

	2021 USD	2020 USD
Product stock	**26,822,777**	29,243,818
Stock-in transit for sale	**50,014,364**	40,263,596
Stores	**56,161,723**	55,159,162
	132,998,864	124,666,576
Provision for slow moving and obsolete inventories *(note 7.1)*	**(35,019,293)**	(31,064,281)
	97,979,571	93,602,295

7.1 Provision for slow moving and obsolete inventories

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

	2021 USD	2020 USD
At 1 January	**31,064,281**	30,135,953
Charge for the year	**3,955,012**	928,328
At 31 December	**35,019,293**	31,064,281

8 Trade receivables

	2021 USD	2020 USD
Trade receivables	**142,788,634**	100,581,071

The average credit period on receivables is 8-30 days (2020: 8-30 days). No interest is charged on trade receivables.

The Company has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before accepting an order for sale of goods or rendering of services from any counterparty. Of the trade receivables at the end of the reporting period, an amount of USD 142,788,634 representing 100% of the trade receivables is due from four customers (31 December 2020: USD 108,564,907 representing 95%, which is due from six customers). The Company's exposure to credit risk related to trade receivables is further discussed in note 22.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

8 Trade receivables (continued)

Ageing of trade receivables is as follows:

	2021 USD	2020 USD
Not past due	**116,488,470**	98,056,572
Past due but not impaired (0-30 days)	**26,300,164**	2,524,499
Past due and impaired	-	-
	142,788,634	100,581,071

In determining the recoverability of a trade receivables, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting period. Accordingly, management believes that no provision for expected credit losses is required against trade receivables.

9 Transactions and balances with related parties

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosures*, comprise the Shareholders, directors and key management personnel of the Company and entities in which they have the ability to control or exercise significant influence. Balances with related parties generally arise from commercial transactions in the normal course of business at agreed terms. Following are the significant balances and transactions with these related parties:

	2021 USD	2020 USD
9.1 Due from related parties:		
Non-current receivable:		
ADNOC – LNG Sole Risk Operations *(note 9.4)*	**22,473,759**	-
Current receivables:		
Abu Dhabi National Oil Company (ADNOC)	**171,889,323**	105,286,569
ADNOC – LNG Sole Risk Operations	**57,927,194**	40,407,983
TotalEnergies SE	**33,958,102**	-
National Gas Shipping Company Ltd. (NGSCO)	**11,924,826**	3,994,098
ADNOC Offshore	**13,337,949**	30,241,223
ADNOC Logistics & Services	**4,944,104**	-
ADNOC Gas Processing	**6,586**	744,714
ADNOC Onshore (ADCO)	**383**	18,514
BP Exploration Operating Co. Ltd.	-	12,543,088
ADNOC Sour Gas	-	144,835
Borouge ADP	-	68,210
ADNOC Drilling PJSC (NDC)	-	15,911
Abu Dhabi National Oil Company for Distribution PJSC	-	12,717
	293,988,467	193,477,862

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

9 Transactions and balances with related parties (continued)

	2021 USD	2020 USD
9.2 Due to related parties:		
Non-current payable:		
Abu Dhabi National Oil Company (ADNOC) *(note 9.4)*	**113,668,391**	-
Current payables:		
Abu Dhabi National Oil Company (ADNOC)	**465,167,306**	205,245,227
ADNOC Offshore	**9,013,931**	-
ADNOC Gas Processing	**3,957,756**	-
ADNOC Logistics & Services	**1,182,773**	-
ADNOC Refining (Takreer)	**1,129,928**	-
TotalEnergies SE	**260,619**	260,619
Mitsui & Co., Limited	**114,348**	114,348
BP Exploration Operating Co. Ltd.	**62,619**	62,619
	480,889,280	205,682,813

9.3 Transactions with related parties

Significant transactions with related parties during the year are as follows:

	2021 USD	2020 USD
Key management compensation	**713,220**	748,738
Revenue – (Shareholders) *(note 17)*	**778,567,215**	288,155,592
Gas costs - ADNOC (Majority shareholder) *(note 18)*	**1,689,601,565**	984,706,338
Shipping costs – NGSCO* (subsidiary of majority shareholder)	**161,080,520**	170,713,232
Das support costs – ADNOC Offshore (Associated Group Company) *(note 19)*	**47,533,171**	57,242,618
Sulphur processing cost – ADNOC Gas Industries Limited (Associated Group Company)	**12,867,508**	27,216,764
Environment protection cost (Government related entity)	**2,370,272**	3,108,260
Other operating and administration expenses	**4,480,615**	4,588,839
Pension cost recharge (Majority shareholder) *(note 9.4)*	**157,190,424**	-

*Shipping capacity is provided to the Company through an agreement with National Gas Shipping Company Limited (NGSCO) ("a related party")

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

9 Transactions and balances with related parties (continued)

9.4 Pension Cost recharge

Abu Dhabi Government issued law 15 of 2020 amending Abu Dhabi pension law. Among other provisions, the amendment included higher pension deductions via increasing the pensionable portion from the overall salary, thus increasing the retirement benefits for the pension scheme participants. ADNOC has formalized an agreement with the Abu Dhabi Pension Fund with regards to the new pension scheme that is aligned with law 15 of 2020. In accordance with the agreement with Abu Dhabi Pension Fund ("ADPF"), ADNOC has agreed to cover the full pension contributions of ADNOC Group. During the year, an amount of USD 205.7 million was recharged by ADNOC relating to pension obligation payable in five annual installments commencing from 30 September 2021. The Company has determined that USD 40.7 million out of USD 205.7 million relates to ADNOC Sole Risk Project which has been recharged to the ADNOC Sole Risk Project and a corresponding recoverable at present value has been recognised in the statement of financial position of the Company. The settlement terms of recoverable from ADNOC Sole Risk Project are similar to that of the pension obligation.

Management has calculated the present value of the pension obligation using a discount rate of 2.25% and accordingly recognized USD 157.2 million in the statement of profit and loss (note 9.3). The Company has classified the pension obligation into current and non-current liability as follows:

	2021 USD	2020 USD
Total liability	**205,689,248**	-
Total liability at present value	**195,928,007**	-
Less: current portion	**(82,259,616)**	-
Non-current liability	**113,668,391**	-

Included in the amount recharged to the Company is the pension cost chargeable to ADNOC sole risk projects amounting to USD 38,737,583.

	2021 USD	2020 USD
Total recoverable	**40,667,511**	-
Total recoverable at present value	**38,737,583**	-
Less: current portion	**(16,263,824)**	-
Non-current recoverable	**22,473,759**	-

The current portion of the pension liability and pension recoverable is included as part of amounts due to related parties and amounts due from related parties, respectively.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

10 Contract assets

Contract assets primarily relates to the Company's right on consideration for goods and services provided but not billed at the reporting date. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer.

	2021 USD	2020 USD
Contract assets	**50,181,548**	13,104,219

11 Cash and cash equivalents

	2021 USD	2020 USD
Cash on hand	**268,733**	79,887
Cash at banks	**6,004,761**	45,768,909
Cash held with ADNOC*	**292,741,351**	123,396,145
Cash and cash equivalents	**299,014,845**	169,244,941

*On 19 October 2020, the Company entered into a Cash Pooling and Virtual Accounts Agreement (referred to as the "cash pooling arrangement") with ADNOC. Under the cash pooling arrangement, surplus cash is transferred to and held by ADNOC in a designated bank account on which interest is earned. The surplus cash is available on demand to the Company to meet its obligations.

Balances with banks and ADNOC are assessed to have low credit risk of default since these counterparties are assessed to be reputable and have good credit ratings. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Company have assessed that no significant provision for ECL is required on these balances.

12 Share capital

Share capital comprises 105,000,000 authorised, issued and fully paid shares of USD 1 each.

	2021 USD	2020 USD
105,000,000 ordinary shares of USD 1 each *(31 December 2020: 105,000,000 shares)*	**105,000,000**	105,000,000

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

12 Share capital (continued)

The shareholding of the Company is distributed as follows:

	2021	2020
Abu Dhabi National Oil Company (ADNOC)	**70%**	70%
Mitsui & Co., Limited	**15%**	15%
BP Global Investments Limited	**10%**	10%
TotalEnergies SE	**5%**	5%
	100%	100%

13 Statutory reserve

In accordance with the requirements of the Company's Articles of Association, transfers were made from the retained earnings to a reserve until the reserve was equal to 10% of the authorised share capital of the Company.

14 Dividends

The Shareholders agreed on advance dividend payments, which will be approved at the Annual General Meeting. Advance dividends paid to shareholders have been presented with the statement of changes in equity as they represent transactions with shareholders in their capacity as owners.

	2021 USD	2020 USD
At 1 January	**67,701,000**	**268,719,845**
Dividend declared	**(172,958,129)**	**(439,194,401)**
Dividends paid	**508,650,129**	**238,175,556**
At 31 December	**403,393,000**	**67,701,000**

The proposed final dividend is subject to approval by the shareholders at the Annual General Meeting and accordingly unpaid proposed final dividend has not been included as a liability in these financial statements. The dividend for 2020 amounting to USD 172,958,129 was approved by the Shareholders on 31 March 2021.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

15 Provision for employees' end of service benefits

Movements in provision for employees' end of service benefits are as follows:

	2021 USD	2020 USD
At 1 January	**23,614,149**	26,373,289
Charge for the year	**1,182,139**	1,661,849
Paid during the year	**(8,922,676)**	(4,420,989)
At 31 December	**15,873,612**	23,614,149

16 Trade and other payables

	2021 USD	2020 USD
Trade payables	**30,129,888**	5,362,078
Accrued expenses and other liabilities	**101,805,480**	176,905,258
	131,935,368	182,267,336

The average credit period on purchase of goods and services is 30 days (2020: 30 days). No interest is charged on trade and other payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms. The Company's exposure to liquidity risk related to trade and other payables is disclosed in note 22.

17 Revenue from contracts with customers

	2021 USD	2020 USD
Sales to third parties	**2,671,428,700**	1,695,431,284
Sales to related parties *(note 9)*	**778,567,215**	288,155,592
	3,449,995,915	1,983,586,876

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

17 Revenue from contracts with customers (continued)

Set out below is the disaggregation of the Company's revenue by product type from contracts with customers:

	2021 USD		2020 USD	
Product type	**Third parties**	**Related Parties**	Third parties	Related Parties
Liquified Natural Gas	**1,848,415,634**	**558,738,639**	1,152,278,507	235,325,380
Liquified Petroleum Gas	**534,574,996**	**179,251,157**	388,732,563	39,586,537
Paraffinic Naphtha	**267,912,039**	**5,122,651**	138,009,860	10,918,696
Sulphur	**20,526,031**	**35,454,768**	16,410,354	2,324,979
	2,671,428,700	**778,567,215**	1,695,431,284	288,155,592

Sales to third parties include sales to the Company's principal customers amounting to USD 1,865,911,100 (2020: USD 1,461,671,142).

18 Gas costs

	2021 USD	2020 USD
Gas cost - minimum price	**455,585,662**	431,589,191
Gas cost - profit sharing	**1,079,597,000**	403,906,000
Other gas purchase	**154,418,903**	149,211,147
Total *(note 9)*	**1,689,601,565**	984,706,338

Gas supply is made to the Company in accordance with an agreement with Abu Dhabi National Oil Company (ADNOC) ("a shareholder").

19 Other operating costs and general and administrative expenses

	2021 USD	2020 USD
Inventory consumption	**14,848,114**	43,941,630
Contractors	**48,061,330**	56,175,958
Plant shutdown and maintenance	**2,606,452**	18,105,038
Employee costs	**308,235,174**	281,787,605
Das support costs	**47,533,171**	57,242,618
Other operating and administrative expenses	**35,327,800**	17,344,128
Cost allocation and settlement to capital expenditure	**(119,173,034)**	(112,213,505)
	337,439,007	362,383,472

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

20 Income tax

The Company is subject to income tax at the rate of 55% (2020: 55%) on its taxable profits in accordance with the Tax Payment and Settlement Agreement and Abu Dhabi Income Tax Decree 1965, as amended.

	2021 USD	2020 USD
Current income tax	**642,128,424**	181,745,105
Deferred tax (credit) / charge	**(94,784,757)**	9,574,748
	547,343,667	191,319,853

Recognised deferred taxes of the Company relate to the tax effects of the following:

	2021 USD	2020 USD
Carrying value of property, plant and equipment in excess of its tax base	**(1,012,684,791)**	(1,031,615,977)
Provision for employees' end of service benefits	**15,873,612**	23,614,149
Provision for slow moving and obsolete inventories	**35,018,000**	31,063,151
Provision for pension cost recharge	**157,190,424**	-
Total temporary differences	**(804,602,755)**	(976,938,677)
Deferred tax liability (55%) (net)	**(442,531,515)**	(537,316,272)

The reconciliation of the statutory income tax rate to the effective income tax rate of the Company is as follows:

	2021 USD	2020 USD
Statutory income tax	**55.00%**	55.00%
Tax effects of:		
Non-deductible expenses and income	**9.15%**	(3.55%)
Effect of deferred taxes	**(9.47%)**	2.71%
Effective tax rate	**54.68%**	54.16%

Movement of current tax liability is as follows:

	2021 USD	2020 USD
At 1 January	**23,315,576**	59,851,471
Charge for the year	**642,128,424**	181,745,105
Paid during the year	**(538,300,000)**	(218,281,000)
At 31 December	**127,144,000**	23,315,576

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

21 Commitments and contingencies

During the year, the Company has received various claims including claims relating to Covid-19 impact on its on-going capital projects. The Company is in the process of assessing these claims due to lack of information and substantiation, and one such claim is currently disputed. Management concluded that though an outflow of resources embodying economic benefits is probable, no reliable estimate can be made currently.

Commitments for capital expenditures at 31 December are estimated as follows:

	2021 USD	2020 USD
Contracted for but not provided in the financial statements	**93,779,460**	61,913,000
Authorised but not contracted	**440,844,724**	98,298,000
	534,624,184	160,211,000

In addition to the above, the Company had capital commitments 'Contracted for but not Provided' and 'Authorised but not Contracted' amounting to USD 325,443,043 (2020: USD 534,738,718) and USD 59,162,148 (2020: USD 100,792,000) respectively, related to ADNOC Sole Risk Projects.

The shipping capacity is provided through Transportation Agreements with National Gas Shipping Company Limited (NGSCO) ("a related party"). The annual charter hires charges in respect of the Transportation Agreements are estimated at an amount of USD 93,936,000 for 2022 (2020: USD 108,974,000 for 2021), treated as short term lease expenses in the statement of profit or loss and other comprehensive income.

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Notes to the financial statements for the year ended 31 December 2021 (continued)

22 Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in note 3 to the financial statements.

Categories of financial instruments

	2021 USD	2020 USD
Financial assets		
Non-current asset		
Due from a related party	**22,473,759**	-
Current assets		
Cash and cash equivalents	**299,014,845**	169,244,941
Trade receivables	**142,788,634**	100,581,071
Due from related parties	**293,988,467**	193,477,862
	735,791,946	463,303,874
Financial liabilities		
Non-current liability		
Due to a related party	**113,668,391**	-
Current liabilities		
Trade and other liabilities	**131,935,278**	182,267,336
Due to related parties	**480,889,280**	205,682,813
	612,824,558	387,950,149

Financial risk management

The Company is exposed to the following risks related to financial instruments - credit risk, foreign currency risk, liquidity risk, and commodity price risk. The Company does not enter into or trade in financial instruments including derivative financial instruments, for speculative or risk management purposes.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

22 Financial instruments (continued)

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company and arises principally from the Company's trade receivables and other current assets (excluding prepaid expenses and advances to suppliers) and bank balances. The Company has adopted a policy of only dealing with creditworthy counterparties, however significant revenue is generated by dealing with high-profile well-known customers for whom the credit risk is assessed to be low. The Company 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 counterparties. The balances with banks are assessed to have low credit risk of default since the banks are among the major banks operating in the UAE and are highly regulated by the central bank.

Concentration of credit risk arise when a number of counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would cause their ability to meet contractual obligations to be similarly affected by changes in economic, political or other conditions. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular industry or geographic location.

The amount that best represents maximum credit risk exposure on financial assets at the end of the reporting period, in the event counterparties failing to perform their obligations generally approximates their carrying value. Trade receivables and other current assets (excluding prepaid expenses and advances to suppliers) and balances with banks are not secured by any collateral.

Foreign currency risk

The Company is exposed to currency risk on its transactions that are denominated in a currency other than the functional currency of the Company, primarily the Euro (EUR), British Pound (GBP) and Japanese Yen (JPY). There is no significant impact on the UAE Dirham as it is pegged to the USD.

The carrying amounts of the Company's foreign currency denominated monetary assets and liabilities at the end of the reporting period and sensitivity analysis to 10% increase/(decrease) in the USD against the relevant currencies are as follows:

	Assets		**Liabilities**		**Impact on equity***	
	31 December 2021 USD	31 December 2020 USD	**31 December 2021 USD**	31 December 2020 USD	**31 December 2021 USD**	31 December 2020 USD
EUR	**-**	-	**14,473**	33,554	**1,316**	3,355
GBP	-	-	**17,511**	11,844	**1,592**	1,184
JPY	**725,718**	1,102,211	**714,020**	27,110	**(1,063)**	(110,211)
	725,718	1,102,211	**746,004**	72,508	**1,845**	(105,672)

*The analysis above indicates an increase/(decrease) in profit and equity where USD strengthened by 10% against the relevant currency. For a 10% weakening of USD against the relevant currency, there would be a comparable impact on profit and equity, and the balances would be (negative)/positive, as applicable.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

22 Financial instruments (continued)

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the shareholders, which have built an appropriate liquidity risk management framework for the management of the Company's short, medium and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarises the maturity profile of the Company's financial liabilities. The contractual maturities of the Company's financial liabilities have been determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date. The maturity profile is monitored by management to ensure adequate liquidity is maintained.

The maturity profile of the financial liabilities at the end of the reporting period based on contractual repayment arrangements is as follows:

	Less than one year USD	More than one year USD	Total USD
31 December 2021			
Trade and other payables	**131,935,368**	-	**131,935,278**
Due to related parties	**480,889,280**	**123,429,632**	**604,318,912**
	612,824,648	**123,429,632**	**736,254,280**
31 December 2020			
Trade and other payables	182,267,336	-	182,267,336
Due to related parties	205,682,813	-	205,682,813
	387,950,149	-	387,950,149

Commodity price risk

The Company is exposed to commodity price risk as the Company has entered into sales agreements with certain customers, in which the price is linked to the benchmark oil price.

Fair value of financial assets and liabilities

The Company's management considers that the carrying amount of financial assets and financial liabilities approximate their fair value at the balance sheet date.

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Notes to the financial statements
for the year ended 31 December 2021 (continued)

22 Financial instruments (continued)

Capital risk management

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders. The Company's overall strategy remains unchanged from 2020. The capital of the Company consists of equity comprising share capital, statutory reserve and retained earnings and advance dividends.

23 ADNOC sole risk projects

The Company manages sole risk projects on behalf of Abu Dhabi National Oil Company (ADNOC) ("a shareholder"). The sole risk projects are fully owned and funded by ADNOC. The fixed assets of the Company do not include the cumulative expenditure (net of depreciation) incurred by the Company as at 31 December 2021 amounting to USD 3,246,093,721 (2020: USD 3,020,816,082) and inventory in stores amounting to USD 26,486,476 (2020: USD 27,178,605). However, as the Company has entered into contracts on behalf of ADNOC in relation to these sole risk projects, the following balances are included in the statement of financial position of the Company:

	2021 USD	2020 USD
Due from related parties	**80,400,952**	40,407,983
Cash and bank balances	**267,212**	1,714,180
Trade and other payables	**48,400,887**	39,839,672

24 COVID-19 impact

COVID-19 has significantly impacted the world economy and may continue to do so in the years to come. It has also resulted in significant volatility in the financial and commodities markets worldwide. The emergence of new variants of the virus emphasizes the ongoing challenges and uncertainty surrounding economic activity, which continues to be significantly impacted by Covid-19.

The Company undertook measures to minimize the impact of Covid-19 pandemic, in line with the recommendations of WHO and National Health Ministries. The Company continues to regularly assess the impact of COVID-19 on its business and although the financial year 2021 is the second annual reporting period impacted by the Covid 19 pandemic, the economic and financial impacts are still evolving.

The Company continues to incur additional direct and indirect costs of ongoing pandemic; however, the Company has implemented active prevention programs at its sites and contingency plans in order to minimize the risks related to COVID-19 and to safeguard the continuity of business operations.

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Notes to the financial statements for the year ended 31 December 2021 (continued)

25 Comparative figures

Certain comparative figures in the statement of financial position and statement of profit and loss and other comprehensive income have been reclassified in order to conform to the current presentation and improve the quality of information presented. However, there was no effect on previously reported total assets, total equity, total liability, and profit for the year.

26 Approval of financial statements

The financial statements were approved by the Board of Directors and authorised for issue on 25 March 2022.

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Review report and interim condensed financial information for the ten-month period ended 31 October 2022 (unaudited)

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Review report and interim condensed financial information for the ten-month period ended 31 October 2022

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REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To: Abu Dhabi National Oil Company ("ADNOC")

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Abu Dhabi Gas Liquefaction Company Limited ("ADNOC LNG" or "the Company") as at 31 October 2022 and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the ten-month period then ended and explanatory notes (referred to as "Interim Condensed Financial Information").

Management is responsible for the preparation and presentation of this Interim Condensed Financial Information in accordance with International Accounting Standard 34 – *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Condensed Financial Information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of Interim Condensed 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 Financial Information is not prepared, in all material respects, in accordance with International Accounting Standard 34 – Interim Financial Reporting.

For RAI Audit and Tax Services,

Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 26 December 2022
Abu Dhabi
United Arab Emirates

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Interim condensed statement of financial position as at 31 October 2022

	Notes	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
ASSETS			
Non-current assets			
Property, plant and equipment	**5**	**1,342,653,370**	1,398,412,477
Intangible assets	**6**	**14,413,331**	17,990,718
Due from a related party	**9.1**	**15,210,792**	22,473,759
		1,372,277,493	1,438,876,954
Current assets			
Inventories	**7**	**132,218,308**	97,979,571
Trade receivables	**8**	**161,101,155**	142,788,634
Due from related parties	**9.1**	**355,019,022**	293,988,467
Unbilled trade receivables	**10**	**-**	50,181,548
Prepayments and other assets		**33,791,916**	27,435,099
Cash and cash equivalents	**11**	**175,942,222**	299,014,845
		858,072,623	911,388,164
Total assets		**2,230,350,116**	2,350,265,118
EQUITY AND LIABILITIES			
Equity			
Share capital		**105,000,000**	105,000,000
Statutory reserve		**10,500,000**	10,500,000
Retained earnings		**1,691,975,519**	1,326,115,952
Dividends	**12**	**(734,988,000)**	(403,393,000)
Total equity		**1,072,487,519**	1,038,222,952
Non-current liabilities			
Provision for employees' end of service benefits	**13**	**18,530,424**	15,873,612
Deferred tax liability		**471,887,514**	442,531,515
Due to a related party	**9.2**	**76,933,562**	113,668,391
		567,351,500	572,073,518
Current liabilities			
Trade and other payables	**14**	**154,748,065**	131,935,368
Due to related parties	**9.2**	**246,804,014**	480,889,280
Current tax liability	**18**	**188,959,018**	127,144,000
		590,511,097	739,968,648
Total liabilities		**1,157,862,597**	1,312,042,166
Total equity and liabilities		**2,230,350,116**	2,350,265,118

Acting Chief Executive Officer **Chief Financial Officer**

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Interim condensed statement of profit or loss and other comprehensive income for the ten-month period ended 31 October 2022

	Notes	Ten-month period ended 31 October 2022 USD (unaudited)	2021 USD (unaudited)
Revenue	**15**	**4,665,167,302**	2,674,888,227
Operating Costs			
Gas costs	**16**	**(2,392,139,410)**	(1,393,770,993)
Shipping costs	**9**	**(114,626,451)**	(136,169,984)
Sulphur processing costs	**9**	**(12,614,172)**	(14,821,736)
		2,145,787,269	1,130,125,514
Other operating costs, general and administrative expenses	**17**	**(276,650,932)**	(232,393,397)
Depreciation and amortisation	**5, 6**	**(93,783,527)**	(70,163,864)
Provision for slow moving and obsolete inventories	**7**	**(4,571,145)**	(4,405,473)
Finance income - net		**837,122**	329,797
Profit before tax		**1,771,618,787**	823,492,577
Current income tax	**18**	**(958,561,018)**	(452,965,152)
Deferred tax charge	**18**	**(29,355,999)**	(7,978,957)
Profit after tax for the period		**783,701,770**	362,548,468
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		**783,701,770**	362,548,468

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Interim condensed statement of changes in equity for the ten-month period ended 31 October 2022

	Share capital USD	Statutory reserve USD	Retained earnings USD	Dividends USD	Total equity USD
At 1 January 2021	105,000,000	10,500,000	1,045,374,818	(67,701,000)	1,093,173,818
Profit for the period	-	-	362,548,468	-	362,548,468
Dividend declared (note 12)	-	-	(172,958,129)	172,958,129	-
Dividend paid to shareholders (note 12)	-	-	-	(344,764,129)	(344,764,129)
At 31 October 2021 (unaudited)	105,000,000	10,500,000	1,234,965,157	(239,507,000)	1,110,958,157
At 1 January 2022	105,000,000	10,500,000	1,326,115,952	(403,393,000)	1,038,222,952
Profit for the period	-	-	783,701,770	-	783,701,770
Dividend declared (note 12)	-	-	(417,842,203)	417,842,203	-
Dividend paid to shareholders (note 12)	-	-	-	(749,437,203)	(749,437,203)
At 31 October 2022 (unaudited)	**105,000,000**	**10,500,000**	**1,691,975,519**	**(734,988,000)**	**1,072,487,519**

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Interim condensed statement of cash flows
for the ten-month period ended 31 October 2022

	Notes	Ten-month period ended 31 October 2022 USD (unaudited)	2021 USD (unaudited)
Profit after tax for the period		**783,701,770**	362,548,468
Adjustments for:			
Depreciation and amortisation	**5, 6**	**93,783,527**	70,163,864
Provision for slow moving and obsolete inventories	**7**	**4,571,145**	4,405,473
Income and deferred tax expense	**18**	**987,917,017**	460,944,109
Finance income - net		**(837,122)**	(329,797)
Operating cash flows before movements in working capital		**1,869,136,337**	897,732,117
Increase in inventories		**(38,809,882)**	(53,791,482)
Increase in trade receivables		**(18,312,521)**	(111,799,602)
Increase in due from related parties		**(37,503,764)**	(3,072,189)
Decrease in unbilled trade receivables		**50,181,548**	-
Increase in prepayments and other assets		**(6,356,817)**	(6,603,165)
Increase/(decrease) in trade and other payables		**22,812,697**	(21,849,444)
Decrease in due to related parties		**(208,361,087)**	(21,183,466)
Cash generated from operations		**1,632,786,511**	679,432,769
Net movement in employees' end of service benefits	**13**	**2,656,812**	(5,645,953)
Income taxes paid	**18**	**(896,746,000)**	(337,534,000)
Payment of pension liability	**9.4**	**(82,259,616)**	-
Net cash generated from operating activities		**656,437,707**	336,252,816
Investing activities			
Payments for purchase of property, plant and equipment	**5**	**(34,447,033)**	(21,218,207)
Finance income received		**4,373,906**	329,797
Net cash used in investing activities		**(30,073,127)**	(20,888,410)
Financing activity			
Dividend paid	**12**	**(749,437,203)**	(344,764,129)
Net cash used in financing activity		**(749,437,203)**	(344,764,129)
Net decrease in cash and cash equivalents		**(123,072,623)**	(29,399,723)
Cash and cash equivalents at the beginning of the period		**299,014,845**	169,244,941
Cash and cash equivalents at the end of the period	**11**	**175,942,222**	139,845,218

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG)

Notes to the interim condensed financial information for the ten-month period ended 31 October 2022

1 Corporate information

Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) ("the Company") was incorporated under the Emiri Decree Number 2 of 1977, with limited liability in the Emirate of Abu Dhabi.

The shareholders of the Company, in accordance with the Amended and Restated Participants Agreement, including their respective shareholdings, are as follows ("the Shareholders"):

	% Share
Abu Dhabi National Oil Company ("ADNOC")	70%
Mitsui & Co., Limited	15%
BP Global Investments Limited	10%
TotalEnergies SE	5%

The Company's principal activities are fuel oil and refinery gases production, natural gas liquefaction and chemical elements manufacturing. The Company is engaged in the processing of natural gas in order to produce and sell liquefied natural gas (LNG), liquefied petroleum gas (LPG) and other associated products.

On 31 March 2019, the Shareholders agreed to amend and restate the Original Participants Agreement dated 13 December 1997 in contemplation of the new Gas Supply and Payment Agreement entered between ADNOC and ADNOC LNG ("the Agreement"). The object of the Amended and Restated Participants Agreement is to record the relationship between the Shareholders in the ownership and continued operations of ADNOC LNG.

The Company's registered office is P.O. Box 3500, Abu Dhabi, United Arab Emirates.

2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2021, except for the adoption of new standards, interpretations and amendments effective as of 1 January 2022. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the interim condensed financial information of the Company.

Reference to the Conceptual Framework - Amendments to IFRS 3
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - Amendments to IAS 16
The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

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2 New standards, interpretations and amendments adopted by the Company *(continued)*

Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37

The amendment specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to IFRS Standards 2018–2020

The 2018-2020 annual improvements include amendments to the following:

- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
- IAS 41 Agriculture – Taxation in fair value measurements

3 Summary of significant accounting policies

Basis of preparation

This interim condensed financial information has been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2021 ('last annual financial statements'). This interim condensed financial information does not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Company's financial position and performance since the last annual financial statements.

This interim condensed financial information has been prepared in United States Dollars, which is the Company's functional and presentation currency.

Basis of measurement

This interim condensed financial information has been prepared on historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets.

4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the interim condensed financial information in compliance with IFRS requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates 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.

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4 Critical accounting judgments and key sources of estimation uncertainty *(continued)*

The critical judgments and estimates used in the preparation of this interim condensed financial information are consistent with those used in the preparation of the Company's annual financial statements for the year ended 31 December 2021 except for the following new judgment:

Lease of shipping vessels

The Company leases vessels from a related party which is used in the transportation of LNG products. Although the contract defines the underlying assets/vessels, the lessor has substantive contractual rights to substitute the asset, hence, management concluded that the contract does not have an identified asset and does not meet the criteria for recognition of lease in line with IFRS 16 - Leases.

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5 Property, plant and equipment

	Refining and processing USD	Transportation, storage and terminal USD	Infrastructure and housing USD	Other facilities and equipment USD	Capital work-in-progress USD	Total USD
Cost						
At 1 January 2021 (audited)	2,462,844,010	985,498,974	363,242,507	93,273,634	286,627,332	4,191,486,457
Additions during the year	-	-	-	-	28,760,234	28,760,234
Transfers during the year	94,956,665	-	1,590,920	13,881,957	(110,429,542)	-
Transfers to intangible assets (note 6)	-	-	-	-	(17,679,326)	(17,679,326)
Disposals	-	(137,168)	-	-	-	(137,168)
At 1 January 2022 (audited)	2,557,800,675	985,361,806	364,833,427	107,155,591	187,278,698	4,202,430,197
Additions during the period	-	-	-	-	34,447,033	34,447,033
Transfer during the period	-	-	-	31,000	(31,000)	-
Transfer to intangible assets (note 6)	-	-	-	-	(550,050)	(550,050)
At 31 October 2022 (unaudited)	**2,557,800,675**	**985,361,806**	**364,833,427**	**107,186,591**	**221,144,681**	**4,236,327,180**
Accumulated depreciation						
At 1 January 2021 (audited)	1,735,078,648	680,328,404	219,913,505	86,945,881	-	2,722,266,438
Charge for the year	44,064,947	15,327,880	13,087,674	9,407,949	-	81,888,450
Disposals	-	(137,168)	-	-	-	(137,168)
At 1 January 2022 (audited)	1,779,143,595	695,519,116	233,001,179	96,353,830	-	2,804,017,720
Charge for the period	63,277,141	12,721,946	10,949,924	2,707,079	-	89,656,090
At 31 October 2022 (unaudited)	**1,842,420,736**	**708,241,062**	**243,951,103**	**99,060,909**	**-**	**2,893,673,810**
Carrying amount						
At 31 October 2022 (unaudited)	**715,379,939**	**277,120,744**	**120,882,324**	**8,125,682**	**221,144,681**	**1,342,653,370**
At 31 December 2021 (audited)	778,657,080	289,842,690	131,832,248	10,801,761	187,278,698	1,398,412,477

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6 Intangible assets

	Software USD
Cost	
At 1 January 2021 (audited)	26,468,331
Transfers from property, plant and equipment *(note 5)*	17,679,326
At 1 January 2022 (audited)	44,147,657
Transfers from property, plant and equipment *(note 5)*	550,050
At 31 October 2022 (unaudited)	**44,697,707**
Accumulated amortisation	
At 1 January 2021 (audited)	20,796,211
Charge for the year	5,360,728
At 1 January 2022 (audited)	26,156,939
Charge for the period	4,127,437
At 31 October 2022 (unaudited)	**30,284,376**
Carrying amount	
At 31 October 2022 (unaudited)	**14,413,331**
At 31 December 2021 (audited)	17,990,718

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7 Inventories

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Product stock	**65,996,526**	26,822,777
Stock-in transit for sale	**53,380,910**	50,014,364
Stores	**52,431,310**	56,161,723
	171,808,746	132,998,864
Provision for slow moving and obsolete inventories	**(39,590,438)**	(35,019,293)
	132,218,308	97,979,571

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

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
At 1 January	**35,019,293**	31,064,281
Provision for the period/year	**4,571,145**	3,955,012
At period/year end	**39,590,438**	35,019,293

8 Trade receivables

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Trade receivables	**161,101,155**	142,788,634

The average credit period on receivables is 8-30 days (2021: 8-30 days). No interest is charged on trade receivables.

The Company has adopted a policy of dealing with only creditworthy counterparties. Adequate credit assessment is made before accepting an order for sale of goods or rendering of services from any counterparty. Of the trade receivables at the end of the reporting period, an amount of USD 161,101,155 representing 100% of the trade receivables is due from four customers (31 December 2021: USD 142,788,634 representing 100%, was due from four customers).

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8 Trade receivables *(continued)*

Ageing of trade receivables is as follows:

	31 October 2022	31 December 2021
	USD	USD
	(unaudited)	(audited)
Not past due	**161,101,155**	116,488,470
Past due but not impaired (0-30 days)	**-**	26,300,164
Past due and impaired	-	-
	161,101,155	142,788,634

In determining the recoverability of a trade receivables, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the reporting period. Accordingly, management believes that there is no significant provision for expected credit loss (ECL) required against trade receivables.

9 Transactions and balances with related parties

Related parties, as defined in International Accounting Standard 24: *Related Party Disclosures*, comprise the Shareholders, directors and key management personnel of the Company and entities in which they have the ability to control or exercise significant influence. Balances with related parties generally arise from commercial transactions in the normal course of business at management agreed terms. The Company maintains significant balances and transactions with these related parties as follows:

	31 October 2022	31 December 2021
	USD	USD
	(unaudited)	(audited)
9.1 Due from related parties:		
Non-current receivable:		
ADNOC (LNG Sole Risk Operations) *(note 9.4)*	**15,210,792**	22,473,759

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9 Transactions and balances with related parties *(continued)*

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
9.1 Due from related parties *(continued)*:		
Current receivables:		
Abu Dhabi National Oil Company (ADNOC)	**90,483,882**	171,889,323
ADNOC (LNG Sole Risk Operations)	**65,723,704**	57,927,194
TotalEnergies SE	**171,074,057**	33,958,102
National Gas Shipping Company Ltd. (NGSCO)	**21,039,770**	11,924,826
Abu Dhabi Company for Offshore Petroleum Operations Ltd. (ADNOC Offshore)	**6,565,800**	13,337,949
Abu Dhabi Company for Onshore Petroleum Operations Limited (ADNOC Onshore)	**92,963**	383
ADNOC Drilling Company PJSC	**38,846**	-
ADNOC Logistics and Services	-	4,944,104
Abu Dhabi Gas Industries Limited	-	6,586
	355,019,022	293,988,467

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
9.2 Due to related parties:		
Non-current payable:		
Abu Dhabi National Oil Company (ADNOC) *(note 9.4)*	**76,933,562**	113,668,391
Current payables:		
Abu Dhabi National Oil Company (ADNOC)	**225,300,910**	465,167,306
Abu Dhabi Company for Offshore Petroleum Operations Ltd. (ADNOC Offshore)	**9,502,149**	9,013,931
Abu Dhabi Gas Industries Limited	**10,772,306**	3,957,756
Abu Dhabi Oil Refining Company (ADNOC Refining)	**763,175**	1,129,928
TotalEnergies SE	**260,619**	260,619
Mitsui & Co., Limited	**114,348**	114,348
BP Exploration Operating Co. Ltd.	**62,619**	62,619
Abu Dhabi National Oil Company for Distribution PJSC (ADNOC Distribution)	**27,888**	-
ADNOC Logistics and Services	-	1,182,773
	246,804,014	480,889,280

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9 Transactions and balances with related parties *(continued)*

9.3 Transactions with related parties

The Company's significant transactions with the related parties are disclosed below:

	Ten-month period ended 31 October	
	2022	2021
	USD	USD
	(unaudited)	(unaudited)
Key management compensation	**594,350**	623,948
Revenue (Shareholders) *(note 15)*	**1,163,941,761**	587,164,315
Gas costs – ADNOC (Majority shareholder) *(note 16)*	**2,392,139,410**	1,393,770,993
Shipping costs – NGSCO* (associate of majority shareholder)	**113,832,182**	135,037,793
Das support costs – ADNOC Offshore (Associated Group Company)	**47,370,602**	47,690,753
Sulphur processing cost – Abu Dhabi Gas Industries Limited (Associated Group Company)	**12,614,172**	14,821,736
Environment protection costs (Government related entity)	**3,100,244**	1,141,669
Other operating and administration expenses	**3,733,846**	3,824,033

*Shipping capacity is mainly provided to the Company through an agreement with National Gas Shipping Company Limited (NGSCO) ("a related party").

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9 Transactions and balances with related parties *(continued)*

9.4 Pension Cost recharge

During 2020, ADNOC signed an agreement with Abu Dhabi Pension Fund ("ADPF") to improve the pension offering of ADNOC's UAE national employees that is aligned with law 15 of 2020. As part of the agreement, ADNOC will cover the cost of the pension contributions from previous years and has agreed to cover the full pension contributions of ADNOC Group. During the year 2021, an amount of USD 205.7 million was recharged by ADNOC relating to pension obligation payable in five annual installments. The Company has determined that USD 40.7 million out of USD 205.7 million relates to ADNOC Sole Risk Project which has been recharged to the ADNOC Sole Risk Project and a corresponding recoverable at present value has been recognised in the statement of financial position of the Company. The settlement terms of recoverable from ADNOC Sole Risk Project are similar to that of the pension obligation.

Management has calculated the present value of the pension obligation using a discount rate of 2.25% and accordingly recognized USD 157.2 million in the statement of profit and loss in December 2021. The Company has classified the pension obligation into current and non-current liability as follows:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Total liability	**123,429,632**	205,689,248
Total liability at present value	**118,076,773**	195,928,007
Less: current portion	**(41,143,211)**	(82,259,616)
Non-current liability (note 9.2)	**76,933,562**	113,668,391

During the period, an amount of USD 82,259,616 has been paid to ADNOC in respect of the pension obligation. Out of this, USD 16,263,824 relates to settlement made on behalf of ADNOC Sole Risk Project.

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9 Transactions and balances with related parties *(continued)*

9.4 Pension Cost recharge *(continued)*

Included in the amount recharged to the Company is the pension cost chargeable to ADNOC sole risk projects amounting to USD 23,345,354 (2021: USD 38,737,583).

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Total recoverable	**24,403,686**	40,667,511
Total recoverable at present value	**23,345,354**	38,737,583
Less: current portion	**(8,134,562)**	(16,263,824)
Non-current recoverable (note 9.1)	**15,210,792**	22,473,759

The current portion of the pension liability and pension recoverable is included as part of amounts due to related parties and amounts due from related parties, respectively.

10 Unbilled trade receivables

Unbilled trade receivables primarily relate to the Company's right on consideration for goods and services provided but not billed at the reporting date. Any amount previously recognised as unbilled trade receivables is reclassified to trade receivables at the point at which it is invoiced to the customer.

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Unbilled trade receivables	**-**	50,181,548

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11 Cash and cash equivalents

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Cash in hand	**79,288**	268,733
Cash at banks	**1,126,687**	6,004,761
Cash held with ADNOC*	**174,736,247**	292,741,351
Cash and cash equivalents	**175,942,222**	299,014,845

*On 19 October 2020, the Company entered into a Cash Pooling and Virtual Accounts Agreement (referred to as the "cash pooling arrangement") with ADNOC. Under the cash pooling arrangement, surplus cash is transferred to and held by ADNOC in a designated bank account on which interest is earned. The surplus cash is available on demand to the Company to meet its obligations.

Balances with banks are assessed to have low credit risk of default since these banks are highly regulated by the central bank. Accordingly, management of the Company estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks and ADNOC at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the counter-parties, management of the Company have assessed that there is no impairment, and hence have not recorded any significant expected credit loss allowances on these balances.

12 Dividends

The Shareholders agreed on advance dividend payments, which will be approved at the Annual General Meeting. Advance dividend paid to shareholders have been presented within the interim condensed statement of changes in equity.

	Ten-month period ended 31 October	
	2022 USD (unaudited)	2021 USD (unaudited)
At 1 January	**403,393,000**	67,701,000
Dividend declared	**(417,842,203)**	(172,958,129)
Dividend paid	**749,437,203**	344,764,129
At period end	**734,988,000**	239,507,000

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12 Dividends *(continued)*

The proposed final dividend is subject to approval by the shareholders at the Annual General Meeting and accordingly unpaid proposed final dividend has not been included as a liability in these interim condensed financial information. The dividend for 2021 amounting to USD 417,842,203 was approved by the Shareholders on 25 March 2022.

13 Provision for employees' end of service benefits

Movements in provision for employees' end of service benefits are as follows:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
At 1 January	**15,873,612**	23,614,149
Net movement in provision for employees' end of service benefits	**2,656,812**	(7,740,537)
At period/year end	**18,530,424**	15,873,612

14 Trade and other payables

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Trade payables	**23,632,298**	30,129,888
Accrued expenses and other payables	**131,115,767**	101,805,480
	154,748,065	131,935,368

The average credit period on purchase of goods and services is 30 days (2021: 30 days). No interest is charged on trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

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15 Revenue

	Ten-month period ended 31 October	
	2022 USD (unaudited)	2021 USD (unaudited)
Sales to third parties	**3,501,225,541**	2,087,723,912
Sales to related parties (note 9.3)	**1,163,941,761**	587,164,315
	4,665,167,302	2,674,888,227

Revenue for the period includes revenue from sales of liquefied natural gas (LNG), liquefied petroleum gas (LPG), paraffinic naphtha and sulphur. Revenue is recognised at a point in time.

16 Gas costs

	Ten-month period ended 31 October	
	2022 USD (unaudited)	2021 USD (unaudited)
Gas cost - minimum price	**374,833,785**	367,298,978
Gas cost - profit sharing	**1,854,542,000**	897,560,000
Other gas purchases	**162,763,625**	128,912,015
	2,392,139,410	1,393,770,993

Gas supply is made to the Company in accordance with the Agreement with Abu Dhabi National Oil Company (ADNOC).

17 Other operating costs, general and administrative expenses

Other operating costs, general and administrative expenses include costs pertaining to inventory consumption, contractors, plant shutdown and maintenance, employees, Das support and other operating and administrative expenses netted off by costs allocation to ADNOC LNG Sole Risk Operations and allocation to capital expenditure.

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18 Income tax

The Company is subject to income tax at the rate of 55% (2021: 55%) on its taxable profits in accordance with the Tax Payment and Settlement Agreement and Abu Dhabi Income Tax Decree 1965, as amended.

	Ten-month period ended 31 October	
	2022	2021
	USD	USD
Income tax charge	**(unaudited)**	(unaudited)
Current income tax	**958,561,018**	452,965,152
Deferred tax	**29,355,999**	7,978,957
	987,917,017	460,944,109

Movement in current tax liability is as follows:

	31 October 2022	31 December 2021
	USD	USD
	(unaudited)	(audited)
At 1 January	**127,144,000**	23,315,576
Charge for the period/year	**958,561,018**	642,128,424
Paid during the period/year	**(896,746,000)**	(538,300,000)
At period/year end	**188,959,018**	127,144,000

19 Commitments and contingencies

The Company has received various claims during prior years, including claims relating to Covid-19 impact, on its on-going capital projects. The Company is in the process of assessing these claims due to lack of information and substantiation, and one such claim is currently disputed. Management concluded that though an outflow of resources embodying economic benefits is probable, no reliable estimate can be made currently.

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19 Commitments and contingencies *(continued)*

Commitments for capital expenditure are estimated as follows:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Contracted for but not provided for	**41,885,330**	93,779,460
Authorised but not contracted	**293,094,333**	440,844,724
	334,979,663	534,624,184

In addition to the above, the Company had capital commitments 'Contracted for but not provided' and 'Authorised but not contracted' amounting to USD 194,341,291 (2021: USD 325,443,043) and USD 39,920,396 (2021: USD 59,162,148) respectively, related to major ADNOC Sole Risk Projects.

The shipping capacity is provided through Agreements with NGSCO. The annual charter hires charges in respect of the Transportation Agreements are estimated at an amount of USD 105,266,000 (2021: USD 108,974,000).

20 Financial instruments

Fair valuation risk

The management consider that the carrying amounts of financial assets and financial liabilities recognised in this interim condensed financial information approximate their fair values.

21 ADNOC sole risk projects

The Company manages sole risk projects on behalf of ADNOC. The sole risk projects are fully owned and funded by ADNOC. The fixed assets of the Company do not include the cumulative expenditure incurred by the Company as at 31 October 2022 amounting to USD 3,413,569,766 (31 December 2021: USD 3,246,093,721) and stores amounting to USD 3,467,359 (31 December 2021: USD 8,960,029) relating to sole risk projects. The following balances are included in this interim condensed financial information:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Due from related parties	**80,949,854**	80,400,952
Cash and bank balances	**262,125**	267,212
Trade and other payables	**48,934,431**	48,400,887

All parties consent to this document being signed electronically -FAD/INT/2022/6051

22 COVID-19 update

COVID-19 has significantly impacted the world economy and may continue to do so in the years to come. It has also resulted in significant volatility in the financial and commodities markets worldwide. The emergence of new variants of the virus emphasizes the ongoing challenges and uncertainty surrounding economic activity, which continues to be significantly impacted by Covid-19.

The Company undertook measures to minimize the impact of Covid-19 pandemic, in line with the recommendations of WHO and National Health Ministries. The Company continues to regularly assess the impact of COVID-19 on its business and although the financial year 2022 is the third annual reporting period impacted by the Covid 19 pandemic, the economic and financial impacts are still evolving.

The Company continues to incur additional direct and indirect costs of ongoing pandemic; however, the Company has implemented active prevention programs at its sites and contingency plans in order to minimize the risks related to COVID-19 and to safeguard the continuity of business operations.

23 Seasonality of results

There is no material impact of seasonality on the Company`s operating results.

24 Approval of interim condensed financial information

The interim condensed financial information was authorised for issue by management on 23 December 2022.

All parties consent to this document being signed electronically -FAD/INT/2022/6051

RAI
AUDIT. TAX. ADVISORY

ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) – SOLE RISK OPERATIONS

Special Purpose Audited Financial Statements
For the Year Ended 31 December 2020

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INDEPENDENT AUDITOR'S REPORT
ON SPECIAL PURPOSE FINANCIAL STATEMENTS

To: Abu Dhabi National Oil Company (ADNOC)

Opinion

We have audited the financial statements of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations (referred to as the "Operations"), which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Operations as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (referred to as "IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (referred to as "ISA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Operations in accordance with the International Code of Ethics for Professional Accountants (including Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Basis of Accounting and Restriction on Distribution

We draw attention to note 3.2 to the financial statements, which states that these financial statements are special purpose financial statements of the Operations and not the general-purpose financial statements of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) (referred to as the "Company"). As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for ADNOC and should not be distributed to parties other than ADNOC. Our opinion is not modified in respect of this matter.

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Other Matter

The Operations financial statements for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on those statements on 11 March 2020.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Operations' 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 Operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Operations' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA 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 financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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.

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- 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 Operations' internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

For RAI Audit and Tax Services,



Auditor Name: Riyad Abdulrahman Ali Al Mubarak
Entry Number: 391
Date: 13 April 2021
Abu Dhabi
United Arab Emirates

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ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) - SOLE RISK OPERATIONS

Report and financial statements for the year ended 31 December 2020

ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) – SOLE RISK OPERATIONS

Report and financial statements for the year ended 31 December 2020

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ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) – SOLE RISK OPERATIONS

Statement of financial position as at 31 December 2020

	Notes	31 December 2020 USD	31 December 2019 USD (restated)	1 January 2019 USD (restated)
ASSETS				
Non-current assets				
Recoverable from shareholder		-	20,084,830	49,279,234
Advances and other receivables	6	**4,898,720**	6,531,741	-
		4,898,720	26,616,571	49,279,234
Current assets				
Inventories	5	**142,716,918**	123,864,047	144,558,577
Recoverable from shareholder	10	**20,084,830**	29,194,404	27,884,400
Advances and other receivables	6	**46,871,991**	27,173,734	19,314,395
Prepayments		**15,560,304**	15,925,597	16,067,562
Due from related parties	7	**79,083,085**	289,967,376	151,741,906
Cash and cash equivalents		**5,191,926**	7,041,247	19,719,892
Total current assets		**309,509,054**	493,166,405	379,286,732
Total assets		**314,407,774**	519,782,976	428,565,966
EQUITY AND LIABILITIES				
Equity				
ADNOC account	8	**(118,733,881)**	145,905,524	(546,009,647)
LIABILITIES				
Non-current liabilities				
Lease liability	10	**-**	20,084,830	49,279,234
Current liabilities				
Trade and other payables	9	**353,729,853**	306,949,938	307,792,735
Due to related parties	7	**59,326,972**	17,648,280	589,619,244
Lease liability	10	**20,084,830**	29,194,404	27,884,400
Total current liabilities		**433,141,655**	353,792,622	925,296,379
Total liabilities		**433,141,655**	373,877,452	974,575,613
Total equity and liabilities		**314,407,774**	519,782,976	428,565,966

Wafa Al Hammadi
Chief Financial Officer

Dr. Saif Sultan Al Nasseri
Chief Executive Officer

Khaled Salmeen
Executive Director,
Downstream Industry, Marketing & Trading Directorate

The accompanying notes form an integral part of these financial statements.

All parties consent to this document being signed electronically -CFO/INT/2021/2956

Statement of profit or loss and other comprehensive income for the year ended 31 December 2020

	Notes	2020 USD	2019 USD (restated)
Operating expenses			
Manpower charges		**571,791,745**	566,945,708
Material consumption		**38,824,713**	40,849,464
Routine works, services and others		**210,312,007**	220,695,519
General expenses		**35,824,563**	20,927,006
Gaseous nitrogen (GAN) purchased from ADNOC Industrial Gases	**7**	**37,363,950**	36,611,767
Purchase of electricity from ADNOC Refining	**7**	**65,950,514**	79,043,886
Share of common costs from ADNOC Gas Processing(JV)	**7**	**250,107,239**	254,275,225
Reallocated costs from ADNOC Gas Processing (JV)	**7**	**-**	2,703,215
Lean gas costs back charges from ADNOC Gas Processing (JV)	**7**	**1,012,507**	1,190,261
(Reversal)/provision for slow moving and obsolete inventories	**5**	**(4,613,121)**	24,708,037
Miscellaneous expenses/income		**5,326,439**	(12,745,685)
Other income		**(8,500,249)**	(14,123,683)
Net operating expenses		**1,203,400,307**	1,221,080,720
Recoverable			
Recoverable back charge from related parties	**8**	**(202,645,716)**	(220,183,773)
Recovery joint/common costs from ADNOC Gas Processing (JV)	**8**	**(6,584,929)**	(7,197,746)
Recoverable from ADNOC	**8**	**(994,169,662)**	(993,699,201)
Profit for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		-	-

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2020

	ADNOC account USD
At 1 January 2019	(546,009,647)
Cash calls received during the year	2,042,577,343
Operating expenditure incurred during the year, net of other receipts	(993,699,201)
Capital expenditure incurred during the year on behalf of ADNOC, net of reversals	(356,962,971)
At 1 January 2020	145,905,524
Cash calls received during the year	1,399,800,000
Adjustment against due from ADNOC	(311,852,837)
Operating expenditure incurred during the year, net of other receipts	(994,169,662)
Capital expenditure incurred during the year on behalf of ADNOC	(358,416,906)
At 31 December 2020	**(118,733,881)**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2020

	2020 USD	2019 USD (restated)
Cash flows from operating activities		
Expenditures incurred on behalf of shareholder	**(1,352,586,568)**	(1,353,502,280)
Adjustment for:		
(Reversal)/provision for slow moving and obsolete inventories	**(4,613,121)**	24,708,037
Rebate from ADDC	**1,632,935**	(8,164,676)
Finance cost on lease liability	**1,549,596**	2,775,600
	(1,354,017,158)	(1,334,183,319)
Working capital changes		
Increase in inventories	**(14,239,751)**	(4,013,507)
Increase in advances and other receivables	**(21,331,192)**	(6,226,404)
Decrease in prepayments	**365,293**	141,965
Decrease/(increase) in due from related parties	**(100,968,546)**	(138,225,470)
Increase/(decrease) in trade and other payables	**46,779,915**	(46,808,964)
Increase/(decrease) in due to related parties	**41,678,692**	(842,797)
Net cash used in operating activities	**(1,401,732,747)**	(1,530,158,496)
Cash flows from investing activities		
Bank interest received	**83,426**	64,508
Cash flows from financing activities		
Cash calls received from ADNOC	**1,399,800,000**	1,517,415,343
Net cash generated from financing activities	**1,399,800,000**	1,517,415,343
Net decrease in cash and cash equivalents	**(1,849,321)**	(12,678,645)
Cash and cash equivalent at the beginning of the year	**7,041,247**	19,719,892
Cash and cash equivalents at the end of the year	**5,191,926**	7,041,247
Non-cash transaction:		
Adjustment against due from ADNOC	**311,852,837**	-
Capex accruals relating to Sulphur transportation and handling	-	525,162,000

Notes to the financial statements for the year ended 31 December 2020

1 General information

An operating agreement was signed between Abu Dhabi National Oil Company (ADNOC) and Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) ("the Company") in August 2001, to establish the rights and obligations between the two parties and to provide the terms and conditions pursuant to which ADNOC Gas Processing will operate the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations ("the Operations"). The agreement also provided the basis of allocation of joint costs and common costs between ADNOC and ADNOC Gas Processing. The Operations of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) are recorded in separate books of account and all funds advanced for these operations are maintained in separate bank accounts.

In accordance with a decision by ADNOC, the Operations shall make available its services for the sole risk operations of ADNOC, a shareholder of ADNOC Gas Processing. These services are billed by ADNOC Gas Processing to ADNOC and the expenditure is fully recovered. These accounts are maintained in respect of services provided by ADNOC Gas Processing to ADNOC in accordance with the above decision.

The principal activities of the Operations include the processing of associated and non-associated gas from onshore oil and gas productions and transmission of related products. The Operations also include the operation and maintenance of a pipeline network for the products transmission and gas reinjection operations.

In accordance with a decision by the Supreme Petroleum Council in their letter dated 19 November 2002, the accompanying financial statements include balances transferred from Abu Dhabi Gas Company (ATHEER) to the Operations effective 1 January 2002.

Effective 1 March 2004, Asab Gas Plant (AGP) and gas reinjection operations previously operated by ADNOC Onshore were integrated into the Operations in accordance with a decision made by ADNOC. Accordingly, working capital balances of AGP were transferred to the Operations account on 1 March 2004.

The ADNOC Ruwais NGL Facilities were transferred from Abu Dhabi Gas Industries Limited – Joint Venture (ADNOC Gas Processing Joint Venture) to the Operations, in accordance with the Amended and Restated Joint Venture Agreement between the Shareholders of ADNOC Gas Processing, dated 31 March 2009 deemed effective as of 1 October 2008. Accordingly, certain assets of the ADNOC Ruwais NGL Facilities were transferred to the Operations account on 1 October 2008.

During 2014, the Operations entered into an Agreement dated 1 June 2014 with ADNOC Sour Gas to provide certain services in respect of granulated Sulphur produced at the ADNOC Sour Gas Sulphur Granulation Plant.

The Operations is currently operating based on the approved budget from ADNOC. The Operations does not have an ownership interest in the assets and liabilities and does not generate profits nor incur losses as all its costs are recoverable from ADNOC as per the agreement and annual approved budget.

The Operations' registered office is at P O Box 665, Abu Dhabi, United Arab Emirates.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and amended IFRS applied during 2020

A number of new standards are effective from 1 January 2020, but they do not have a material effect on the Operations' financial statements.

- *The Conceptual Framework for Financial Reporting*
- *Definition of a Business (Amendments to IFRS 3)*
- *Definition of Material (Amendments to IAS 1 and IAS 8)*
- *Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)*

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted. However, the Operations have not early adopted any of the forthcoming new or amended standards in preparing these financial statements.

Management anticipates that the application of the following standards will not have material impact on the Operations' financial statements in the period of initial application.

2.2 New and revised IFRSs	Effective date
COVID-19-related rent concessions (Amendment to IFRS 16)	1 June 2020
Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)	1 January 2021
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Reference to the Conceptual Framework (Amendments to IFRS 3)	1 January 2022
IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts	1 January 2023
Classification of Liabilities as Current or Non-current (Amendments to IAS 1)	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)	Available for optional adoption/effective date deferred indefinitely
Annual Improvements to IFRS Standards (2018-2020)	1 January 2022
– *IFRS 1 first time adoption of IFRS (Subsidiary as a first time adopter)*	
– *IFRS 9 Financial Instruments – fees in the 10% test for derecognition of financial liabilities*	
– *IAS 41 Agriculture (Taxation in fair value measurements)*	

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies

3.1 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

3.2 Basis of preparation

These financial statements are special purpose financial statements of the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations ("the Operations") and not general-purpose financial statements of the Company. Therefore, these financial statements record the expenditure, assets and liabilities of the Operations only and exclude all other expenditure, assets and liabilities of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) (e.g. JV Operations expenditure, assets and liabilities are not part of these special purpose financial statements).

The financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial statements excludes property, plant and equipment and petroleum products since the Operations have no right, title or interest in the petroleum properties or in any of the facilities associated therewith and only acts as the custodian of properties, which ADNOC has put at their disposal for operations purposes.

The principal accounting policies are set out below:

3.3 Capital expenditure

All direct cost of capital works including consultants' services and direct supervision costs are capitalised. Capital expenditure is charged to ADNOC.

A memorandum assets register is maintained on behalf of ADNOC. The property, plant and equipment are valued on a historical cost basis. When an asset becomes unserviceable or obsolete, that asset is eliminated from the books in the same year, at historical cost, and any amount realised by disposal is credited to the ADNOC account.

3.4 Operating expenditure

Operating expenditure consists of direct operating costs, general and administrative costs and sulphur transportation and handling costs. Operating expenditure is charged to ADNOC.

3.5 Interest income

Interest income is accrued on time basis, by reference to the principal outstanding and the effective interest rate applicable.

3.6 Inventories

Inventories including operating spares, drilling materials, chemicals and catalysts are stated at the lower of cost and net realisable value after taking an allowance for any slow moving or obsolete items. Cost comprises the purchase price, import duties, transportation handling and other direct costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.7 Foreign currencies

For the purpose of these financial statements, United Stated Dollars (USD) is the functional and the presentation currency of the Operations.

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period. 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 the statement of comprehensive income in the period in which they arise.

Assets and liabilities in UAE Dirham (AED) at the end of each reporting date are translated at the rate of USD1 = AED 3.6725.

3.8 Provisions

Provisions are recognised when the Operations have a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the Operations' share of obligation and a reliable estimate can be made of the amount of the obligation. Where the Operations expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when reimbursement is virtually certain.

The expense relating to any provision is presented in ADNOC account net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specifics to the liability. The unwinding of the discount is recognised as finance costs.

The provisions are reviewed and adjusted at each reporting date, and if outflow is no longer probable, the provision is reversed.

3.9 Onerous contract

An onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

3.10 Accounts payable and accruals

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

For lump sum contracts, project accruals are based on percentage of completion basis.

For contracts based on performance milestones, project related accruals are recognised to the extent of contractual performance milestone achieved up to the reporting date.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.11 Financial instruments

Financial assets and financial liabilities are recognised in the Operations' statement of financial position when the Operations becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.11.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is 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.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

Classification of financial assets (continued)

(iii) Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

(iv) Amortised cost and effective interest rate method

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Operations recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the profit or loss.

Impairment of financial assets

The Operations recognises a loss allowance for expected credit losses (ECL) on due from related parties, and cash and bank balances. 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.

For all other financial instruments, the Operations recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Operations measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

4 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

Impairment of financial assets (continued)

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.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Operations compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Operations considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Operations becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Operations considers the changes in the risk that the specified debtor will default on the contract.

The Operations regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Operations assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Operations considers the following as a constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtors; or
- information developed internally or obtained from external sources indicates that debtor is unlikely to pay its creditors, including the Operations, in full (without taking into account any collateral held by the Operations).

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default (continued)

Irrespective of the above analysis, the Operations considers a financial asset in default when contractual payments are 90 days past due unless the Operations has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;
b. a breach of contract, such as a default or past due event (see (ii) above);
c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Operations writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Operations understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Operations in accordance with the contract and all the cash flows that the Operations expects to receive, discounted at the original effective interest rate.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

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 primarily derecognised (i.e., removed from the Operations' statement of financial position when:

- The rights to receive cash flows from the asset have expired; or
- The Operations 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 Operations has transferred substantially all the risks and rewards of the asset, or the Operations has neither transferred nor retained substantially all the risks and rewards of the asset; and
- but has transferred control of the asset.

When the Operations has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Operations continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Operations also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Operations has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Operations could be required to repay.

3.11.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in the statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the statement of other comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.2 Financial liabilities (continued)

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Operations derecognises financial liabilities when, and only when, the Operations' obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

3.12 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Items of income and expense shall not be offset except when it reflects the substance of the transaction or when it does not detract, from the ability of users, both to understand the transactions and conditions that have occurred.

3.13 Leases

The Operations 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.

Operations as a lessee

The Operations applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Operations recognises lease liabilities to make lease payments and recoverable from shareholder representing related costs to be incurred on behalf of shareholder on the underlying assets.

Recoverable from Shareholder

The Operations recognises recoverable from shareholder at the commencement date of the lease (i.e., the date the underlying asset is available for use). The asset includes the amount of lease liabilities recognised. After the commencement date, the amount of recoverable from shareholder is increased to reflect the accretion of interest and reduced by the cash calls received from shareholders.

Notes to the financial statements for the year ended 31 December 2020 (continued)

3 Summary of significant accounting policies (continued)

3.14 Leases (continued)

Lease liabilities

At the commencement date of the lease, the Operations recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include 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 Operations and payments of penalties for terminating the lease, if the lease term reflects the Operations exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Operations uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. 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.

Short-term leases and leases of low-value assets

The Operations applies the short-term lease recognition exemption to its short-term leases (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). It also applies the lease of low-value assets recognition exemption lo leases that are considered of low value (i.e., below USD 5,000, when new). 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.

4 Critical accounting judgements and key sources of estimation uncertainty

Critical judgements and estimates

The preparation of the financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgements and estimates 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.

Critical judgements

In the process of applying the Operations' accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Notes to the financial statements
for the year ended 31 December 2020 (continued)

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgments and estimates (continued)

Critical judgements (continued)

Decommissioning liability

Decommission provision is not recognised in the financial statements as the decommissioning provision is being held directly in the books of ADNOC based on its methodologies.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Operations determine the business model at a level that reflects how Operations' financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Operations monitor financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Operations' continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Accounting for pension costs

Revisions to pension obligations relating to the Operations are accounted for as and when charged by the Company as the employees are contractually employed by the Company.

Classification of leased assets

The Operations operates on behalf of the shareholder and all the operating decision making and budgets are finalized only after approval from the shareholder and related cost are funded through cash calls from shareholder. Furthermore, the Operations acts as the custodian of all tangible and intangible assets and shall not own any right, title or interest in such assets as per the operating agreement. The Operations has determined that the shareholder have an implicit right to direct the use of the leased assets considering that all relevant decisions are made by the shareholder as per the operating agreement and technical committee decisions, which are then executed by the Operations. Further, the shareholder has the right to substantially all of the economic benefits from the use of the assets. Accordingly, the Operations has determined that the right to use the assets are attributed to the shareholder and accordingly accounts for the related costs as a recoverable asset from shareholder (i.e. the Operations has a reimbursement asset from the shareholder) against the recognized lease liabilities.

Notes to the financial statements for the year ended 31 December 2020 (continued)

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgments and estimates (continued)

Critical judgements (continued)

Determining the lease term of contracts with renewal and termination options - the Operations as lessee

The Operations determine 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 Operations has several lease contracts that include extension and termination options. The Operations applied 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 Operations reassess 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.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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 historical selling prices and volumes. Management assessed the allowance for slow moving and obsolete inventories at 31 December 2020 to be USD 162,601,410 *(2019: USD 167,214,531)* (note 5).

Leases - estimating the incremental borrowing rate

Leases in which the Operations cannot readily determine the interest rate implicit in the lease, it uses incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Operations would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the assets in a similar economic environment. The IBR therefore reflects what the Operations 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Operations estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates.

In calculating the present value of lease payments, the Operations used the incremental borrowing rate at 4.3% per annum.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

5 Inventories

	2020 USD	2019 USD
Materials, spares and chemicals	**305,318,328**	291,078,578
Less: Allowance for slow moving and obsolete inventories	**(162,601,410)**	(167,214,531)
	142,716,918	123,864,047

The movement in the allowance for slow moving and obsolete inventories is as follows:

	2020 USD	2019 USD
Balance at the beginning of the year	**167,214,531**	142,506,494
(Reversal)/charge for the year	**(4,613,121)**	24,708,037
Balance at the end of the year	**162,601,410**	167,214,531

6 Advances and other receivables

	2020 USD	2019 USD
Tariff rebates receivable*	**6,531,741**	8,164,676
Other receivables**	**7,045,985**	13,786,422
Less: impairment loss	**(5,077,052)**	(5,077,052)
	8,500,674	16,874,046
Advances paid to contractors	**43,270,037**	16,831,429
	51,770,711	33,705,475
Disclosed as follows:		
Current assets	**46,871,991**	27,173,734
Non-current assets	**4,898,720**	6,531,741
	51,770,711	33,705,475

* During the previous year, ADNOC successfully finalised its negotiations with Abu Dhabi Distribution Company (ADDC), the water and electricity provider of Abu Dhabi, for a reduced tariff rate effective from 2018. The reduction in the consumption rates resulted in a receivable balance of USD 8.1 million which will be adjusted in the subsequent billings from ADDC, proportionately for five years starting from 2020. During the year, USD 1.6 million has been utilized and adjusted against the current year billing.

** Other receivables include USD 0.8 million *(2019: USD 2.8 million)* from ADNOC in respect of insurance claim.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

7 Related parties

Related parties represents the Government of Abu Dhabi and related departments and institutions, ADNOC, its subsidiaries, joint ventures and associated companies and the directors, and key management personnel of the Operations and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions.

Balances with related parties at the end of reporting period comprise the following:

	2020 USD	2019 USD
Due from:		
Abu Dhabi National Oil Company (note 8)	-	239,944,231
ADNOC Refining	**30,982,518**	-
ADNOC Gas Processing (JV)	**21,627,922**	25,986,459
ADNOC Sour Gas	**11,811,974**	10,301,900
ADNOC Onshore	**9,847,571**	5,513,151
Abu Dhabi Polymers Company Ltd. (BOROUGE)	**3,717,663**	2,860,728
ADNOC LNG	**608,283**	5,079,735
Fertiglobe	**487,154**	281,172
	79,083,085	289,967,376

As at 31 December, the age analysis of unimpaired amounts due from related parties is as follows:

	Total USD'000	**Neither past due nor impaired USD'000**	**0-30 days USD'000**	**31-60 days USD'000**	**61-120 days USD'000**	**> 120 days USD'000**
2020	**79,083**	**22,913**	**14**	**4,521**	**6,441**	**45,194**
2019	289,967	27,572	-	24,451	5,079	232,865

Notes to the financial statements
for the year ended 31 December 2020 (continued)

7 Related parties (continued)

	2020 USD	2019 USD
Due to:		
Abu Dhabi National Oil Company	**50,717,934**	-
ADNOC Industrial Gases	**6,544,272**	12,198,473
ADNOC Refining	**-**	3,898,614
ADNOC Distribution	**260,276**	351,193
ADNOC Offshore	**584,000**	1,200,000
ADNOC Logistics & Services	**1,215,930**	-
ADNOC Drilling	**4,560**	-
	59,326,972	17,648,280

Details of significant transactions with related parties during the year are as follows:

	2020 USD	2019 USD
Costs		
Back charges from ADNOC Industrial Gases for gaseous nitrogen	**37,363,950**	36,611,767
Common costs from ADNOC Gas Processing (JV)	**250,107,239**	254,275,225
Reallocated costs from ADNOC Gas Processing (JV)	**-**	2,703,215
Lean gas costs back charged from ADNOC Gas Processing (JV)	**1,012,507**	1,190,261
Employees' end of service benefits recharged from ADNOC Gas Processing (JV)	**14,153,683**	15,473,556
Purchase of electricity from ADNOC Refining	**65,950,514**	79,043,886
Recoveries		
Back charges to ADNOC Refining for Sulphur	**(14,474,042)**	(13,928,756)
Back charges to ADNOC Sour Gas for Sulphur handling	**(36,763,908)**	(28,294,742)
Back charges to ADNOC LNG for Sulphur	**(23,194,654)**	(27,790,354)
Back charges to ADNOC Refining	**(6,384,109)**	(3,892,427)

Notes to the financial statements
for the year ended 31 December 2020 (continued)

7 Related parties (continued)

	2020 USD	2019 USD
Recoveries (continued)		
Back charges to ADNOC Gas Processing JV	**(74,397,592)**	(86,129,526)
Back charges to BOROUGE	**(19,741,527)**	(18,978,130)
Back charges to Fertiglobe	**(1,549,955)**	(1,638,337)
Back charges to ADNOC Refining	**(9,441,112)**	(8,826,077)
Back charges to ADNOC	-	(14,009,425)
Back charges to ADNOC Industrial Gases	**(2,662,976)**	(1,805,603)
Back charges for sale of electricity to ADNOC Onshore	**(14,035,841)**	(14,890,396)
Recovery joint/common costs from ADNOC Gas Processing (JV)	**(6,584,929)**	(7,197,746)

Key management compensation	2020 USD	2019 USD
Short term benefits	**2,496,711**	3,643,015
Long term benefits	**225,504**	229,470
	2,722,215	3,872,485

With effect from 30 September 2018, certain assets located at the ADNOC Ruwais NGL facilities were transferred from ADNOC Gas Processing (Joint Venture), in accordance with the amended and restated Joint Venture agreement date 31 March 2009 deemed effective as of 1 October 2008 and Annex G – Ruwais asset transfer agreement dated 31 March 2009 and deemed effective as of 30 September 2008. As a result of transfer, a product processing charge is charged by the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations to cover the cost of the ADNOC Ruwais NGL facilities incurred in processing NGL based on actual production attributable to ADNOC Gas Processing Join Venture over total production of all trains, in accordance with annexure F- NGL processing and production offtake agreement, article 6 of the amended and restated Joint Venture Agreement.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

7 Related parties (continued)

The Operations back charged ADNOC Gas Processing (Joint Venture) Product processing charge amounting to USD 74,397,592 *(2019: USD 86,129,526)*.

The rates for joint and common costs allocation to and from ADNOC Gas Processing (Joint Venture) and ADNOC Gas Processing - Sole Risk Operations for the year ended 31 December 2020 are as follows;

Common charges from ADNOC Gas Processing – Sole Risk Operations

	Effective date	ADNOC Gas Processing (Joint Venture share)
Pipelines Division	1 January 2009	8%
Habshan Division	1 January 2019	2.4%
Project Division	1 January 2019	11%

Common charges from ADNOC Gas Processing (Joint Venture) to ADNOC Gas Processing – Sole Risk Operations.

	Effective date	Joint Venture direct cost
Head Office Costs (see note below)	1 January 2019	83.05%
Engineering and Technical Support Division	1 January 2019	71%
Production, Planning and Shipping Department	1 January 2009	79%
ASAB Plant Division	1 January 2015	66%

Costs directly attributable to ADNOC Gas processing – Sole Risk Operations

	Effective Date	Reallocation
Head Office Costs	1 August 2001	100%
Engineering and Technical Support Division	1 June 2002	100%

Head office costs are allocated at the end of each reporting period on a pro-rata ratio on the basis of the Operations and maintenance costs of the Joint Venture and ADNOC Account facilities after adjusting for the Product processing charges and nitrogen injection costs relating to the ADNOC Ruwais NGL Facilities.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

8 ADNOC account

Movement in ADNOC account during the year is as follows:

	2020 USD	2019 USD (restated)
Balance at the beginning of the year	**145,905,524**	(546,009,647)
Receipts during the year		
Cash calls	**1,399,800,000**	2,042,577,343
Adjustment against due from ADNOC*	**(311,852,837)**	-
Total receipts	**1,087,947,163**	2,042,577,343
Expenditure during the year		
Capital expenditure (property, plant & equipment) (note 8.1)	**(358,416,906)**	(356,962,971)
Operating expenditure (note 8.2)	**(994,169,662)**	(993,699,201)
Total expenditure	**(1,352,586,568)**	(1,350,662,172)
Balance at the end of the year	**(118,733,881)**	145,905,524

*Adjustment against due from ADNOC represents receivable balances from ADNOC with respect to back charges for gas recycling. During the year, these balances have been adjusted against ADNOC account.

8.1 Property, plant and equipment

	2020 USD	2019 USD
Capital expenditure incurred during the year		
Production enhancement/others	**35,445,756**	36,335,521
Plant reliability	**260,142,012**	247,215,017
Building projects	**10,496,614**	10,455,986
Moveable items	**769,373**	789,939
Plant safety	**22,570,560**	23,371,253
IT projects	**23,080,059**	22,984,765
Others	**5,912,532**	15,810,490
Recoverable from ADNOC	**358,416,906**	356,962,971

Capital expenditure is stated net of the costs of two years' operating spare parts amounting to USD 6.9 *(2019: USD 0.6 million)* which have been transferred to inventories.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

8.2 Operating expenditure

	2020 USD	2019 USD (restated)
Manpower charges	**571,791,745**	566,945,708
Material consumption	**38,824,713**	40,849,464
Routine works, services and others	**210,312,007**	220,695,519
Purchase of electricity from ADNOC Refinery	**65,950,514**	79,043,886
Gaseous nitrogen (GAN) purchased from ADNOC Industrial Gases	**37,363,950**	36,611,767
General expenses	**35,824,563**	20,927,006
Other income	**(8,500,249)**	(14,123,683)
Share of common costs from ADNOC Gas Processing (JV)	**250,107,239**	254,275,225
Reallocated costs from ADNOC Gas Processing (JV)	**-**	2,703,215
Lean gas costs back charges by ADNOC Gas Processing (JV)	**1,012,507**	1,190,261
Reversal/provision for slow-moving and obsolete inventories	**(4,613,120)**	24,708,037
Miscellaneous expenses/income	**5,326,438**	(12,745,685)
	1,203,400,307	1,221,080,720
Operating recoveries		
Sulphur Handling and Processing		
Back charges to ADNOC Refining for Sulphur	**(14,474,042)**	(13,928,756)
Back charges to ADNOC Sour Gas for Sulphur handling	**(36,763,908)**	(28,294,742)
Back charges to ADNOC LNG for Sulphur	**(23,194,654)**	(27,790,354)
	(74,432,604)	(70,013,852)
Product Processing Charges		
Back charges to ADNOC Refining	**(6,384,109)**	(3,892,427)
Back charges to ADNOC Gas Processing JV	**(74,397,592)**	(86,129,526)
	(80,781,701)	(90,021,953)
Sale of Gaseous Nitrogen		
Back charges to BOROUGE	**(19,741,527)**	(18,978,130)
Back charges to Fertiglobe	**(1,549,955)**	(1,638,337)
Back charges to ADNOC Refining	**(9,441,112)**	(8,826,077)
	(30,732,594)	(29,442,544)
Other Support Services		
Back charges to ADNOC	**-**	(14,009,425)
Back charges to ADNOC Industrial Gases	**(2,662,976)**	(1,805,603)
Back charges for sale of electricity to ADNOC Onshore	**(14,035,841)**	(14,890,396)
	(16,698,817)	(30,705,424)
	(202,645,716)	(220,183,773)
Recovery joint/common costs from ADNOC Gas Processing (JV) (note 7)	**(6,584,929)**	(7,197,746)
Operating expenditure recoverable from ADNOC	**994,169,662**	993,699,201

Notes to the financial statements
for the year ended 31 December 2020 (continued)

9 Trade and other payables

	2020 USD	2019 USD
Trade payables	**49,662,741**	36,056,370
Contract liabilities (capital accruals)	**150,338,957**	100,451,502
Operating accruals	**146,977,560**	166,239,533
Other payables	**6,750,595**	4,202,533
	353,729,853	306,949,938

10 Leases

In 2016, the Company entered into an agreement with Excelerate Energy Regas UAE, LLC to provide LNG Storage and Regasification Vessel to support Gas activities on behalf of the Operations. The lease term for the vessel rental is for five years from 1st September 2016 till 31st August 2021. The incremental borrowing rate used is at 4.3%. The Operations recognised recoverable from shareholder from 1 January 2019 for leases previously classified as operating lease applying IAS 17 *Leases* at an amount equal to the lease liability.

Recoverable from shareholder

	2020 USD	2019 USD (restated)
As at 1 January	**49,279,234**	77,163,634
Interest income on recoverable from shareholder	**1,549,596**	2,775,600
Recovered during the year	**(30,744,000)**	(30,660,000)
As at 31 December	**20,084,830**	49,279,234

Analysed in the statement of financial position as follows:

	2020 USD	2019 USD (restated)
Analysed as follows		
Current	**20,084,830**	29,194,404
Non-current	**-**	20,084,830
	20,084,830	49,279,234

Notes to the financial statements
for the year ended 31 December 2020 (continued)

10 Leases (continued)

	2020 USD	2019 USD (restated)
As at 1 January	**49,279,234**	77,163,634
Interest expense charged to the Shareholder	**1,549,596**	2,775,600
Payments	**(30,744,000)**	(30,660,000)
As at 31 December	**20,084,830**	49,279,234

Analysed in the statement of financial position as follows:

	2020 USD	2019 USD (restated)
Analysed as follows:		
Current	**20,084,830**	29,194,404
Non-current	**-**	20,084,830
	20,084,830	49,279,234

11 Employee benefits

Employees' end of service benefits obligation pertaining to employees working for ADNOC Gas Processing – Sole Risk Operations is recorded in the books of accounts of ADNOC Gas Processing (Joint Venture). The related expenses are allocated to profit or loss.

With respect to its UAE National employees, ADNOC Gas Processing makes contribution to Abu Dhabi Retirement Pension and Benefits Funds in accordance with the Abu Dhabi Retirement Pension and Benefits Fund's regulations. With respect to its GCC national employees, ADNOC Gas Processing makes contribution to the pension funds or agencies of their respective countries. Such contributions are charged to the statement of profit or loss and other comprehensive income during the employees' period of service.

12 Commitments

At 31 December 2020, capital expenditure commitments amounting to USD 1,530 million *(2019: USD 1,826 million)* have been contracted for.

13 Contingencies

Contingent liabilities for projects based on their claims is estimated to be USD 20.6 *million (2019: USD 45.9 million)* for change in scope of work which is currently being undertaken and is expected to be completed in for the foreseeable future.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

14 Financial instruments

Categories of financial instruments

	2020 USD	2019 USD
Financial assets		
At amortised cost:		
Due from related parties	**79,083,085**	289,967,376
Other receivables	**8,500,674**	16,874,046
Cash at bank	**5,001,176**	6,850,497
	92,584,935	313,691,919
Financial liabilities		
At amortised cost:		
Due to related parties	**59,326,972**	17,648,280
Trade and other payables (excluding capital and operating accruals)	**56,413,336**	40,258,903
	115,740,308	57,907,183

Financial risk management objectives

The Operations' activities expose it to a variety of financial risks: market risk (including foreign exchange risk and fair value interest rate risk), credit risk and liquidity risk. The Operations' overall risk management program focuses on the unpredictability of financial market and seeks to minimise potential adverse effects on the Operations' financial performance. The Operations do not enter into or trade in financial instruments, including derivative financial instruments, for speculative or risk management purposes.

(a) Market risk

(i) Foreign exchange risk

The Operations have no significant currency risk exposure from its operations as majority of the Operations' transactions are in UAE Dirham or US Dollars. The UAE Dirham is pegged to the US Dollar, hence, balances in UAE Dirham are not considered to present a significant risk.

(ii) Interest rate risk

The Operations have no significant exposure to interest rate risk.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Operations, and arises principally from the Operations' account receivable.

The Operations have adopted a policy of only dealing with creditworthy counterparties, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Operations annually.

The Operations attempt to control credit risk by monitoring credit exposures, limiting transactions with specific non- related counterparties, and continually assessing the creditworthiness of such non-related parties.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

14 Financial Instruments (continued)

Financial risk management objectives (continued)

(b) Credit risk

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of reporting period was:

	2020	2019
	USD	USD
Due from related parties (note 7)	**79,083,085**	289,967,376
Other receivables (note 6)	**8,500,674**	16,874,046
Cash at bank	**5,001,176**	6,850,497
	92,584,935	313,691,919

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Operations' short, medium and long term funding and liquidity management requirements. The Operations manage liquidity risk mainly through cash calls received from ADNOC based on the budgeted expenditures and by maintaining adequate reserves, banking facilities and support from ADNOC, by continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities.

The Operations ensure that it has sufficient cash on demand to meet expected operational expenses.

The contractual maturities of the financial instruments, determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date, are as follows:

	Less than 3 months	**3 months to one year**	**More than one year**	**Total**
	USD	**USD**	**USD**	**USD**
As at 31 December 2020				
Trade and other payables	**353,729,853**	**-**	**-**	**353,729,853**
Due to related parties	**-**	**59,326,972**	-	**59,326,972**
Lease liability	**7,560,000**	**12,852,000**	-	**20,412,000**
	361,289,853	**72,178,972**	-	**433,468,825**
As at 31 December 2019				
Trade and other payables	306,949,938	-	-	306,949,938
Due to related parties	-	17,648,280	-	17,648,280
Lease liability	7,644,000	23,100,000	20,412,000	51,156,000
Total	314,593,938	40,748,280	20,412,000	375,754,218

Notes to the financial statements
for the year ended 31 December 2020 (continued)

14 Financial Instruments (continued)

Fair value measurements

Management considers that the fair values of financial assets and financial liabilities approximate their carrying amounts as stated in the financial statement.

15 Comparative figures

In accordance with the requirements of IAS 1, "Presentation of Financial Statements" and IAS 8 "Accounting Policies, changes in Accounting Estimates and Errors", the below items have been corrected retrospectively and accordingly balances in the statement of comprehensive income for the year 2019 have been restated/reclassified as follows:

1) Recoverable from Shareholder, lease liability, finance cost and finance income have been adjusted to recognize the impact of IFRS 16 Leases as explained in note 10; and

2) Product processing charges, sale of gaseous nitrogen and bank interest have been reclassified from the ADNOC account to recoverable from related parties.

	As previously reported USD	Adjustments USD	As restated USD
Statement of comprehensive income for the year ended 31 December 2019			
Finance cost	-	2,775,600	2,775,600
Finance income	-	(2,775,600)	(2,775,600)
Recoverable back charges from related parties	(104,547,195)	(115,636,578)	(220,183,773)
Recoverable from ADNOC	(1,109,335,779)	115,636,578	(993,699,201)

	As previously reported USD	Adjustments USD	As restated USD
Statement of financial position as at 1 January 2019			
Recoverable from shareholder	-	77,163,634	77,163,634
Lease liability	-	(77,163,634)	(77,163,634)

	As previously reported USD	Adjustments USD	As restated USD
Statement of financial position at 31 December 2019			
Recoverable from shareholder	-	49,279,234	49,279,234
Lease liability	-	(49,279,234)	(49,279,234)

Notes to the financial statements
for the year ended 31 December 2020 (continued)

16 ADNOC group central fund for risk financing

ADNOC Gas Processing - Sole Risk Operations is a participant in a centralised fund, administered by ADNOC, to finance certain self-insured risks. The fund is made up of a premium discount, investment income and contributions from participants, as agreed upon from time to time. Under the scheme, the ADNOC Gas Processing - Sole Risk Operations is obliged to provide additional funding if required.

At 31 December 2020, ADNOC Gas Processing - Sole Risk Operations' share in the fund held by ADNOC amounted to USD 1,439,493 *(2019: USD 1,855,732)*.

17 Approval of financial statements

The financial statements for the year ended 31 December 2020 were approved by the management of ADNOC and ADNOC Gas Processing and authorised for issue on 13 April 2021.

RAI
AUDIT. TAX. ADVISORY

Contact

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ABU DHABI GAS INDUSTRIES LIMITED
(ADNOC GAS PROCESSING) –
SOLE RISK OPERATIONS

Report and Financial Statements
for the year ended 31 December 2021

ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) – SOLE RISK OPERATIONS

Report and Financial Statements
for the year ended 31 December 2021

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To: **Abu Dhabi National Oil Company (ADNOC)**

Opinion

We have audited the financial statements of Abu Dhabi Gas Industries Limited – Sole Risk Operations (referred to as the "Operations") as defined in note 1, which comprise the statement of financial position as at 31 December 2021, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Operations as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (referred to as "IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (referred to as "ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Operations in accordance with the International Ethics Standards Board for Accountants' International code of Ethics for Professional Accountants (including Independence Standards) (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 3.2 to the financial statements, which states that these financial statements represent the financial information of the Operations and not the financial statements of Abu Dhabi Gas Industries Limited as a whole. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Operations' 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 Operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Operations' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

a. Identify and assess the risks of material misstatement of the 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.
b. 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 Operations' internal control.
c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
d. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

For RAI Audit and Tax Services,



Auditor Name: Riyad Abdulrahman Ali Al Mubarak

Entry Number: 391

Date: 30 June 2022

Abu Dhabi

United Arab Emirates

Statement of financial position as at 31 December 2021

	Notes	31 December 2021 USD	31 December 2020 USD
ASSETS			
Non-current assets			
Recoverable from shareholder	11	**39,125,310**	-
Advances and other receivables	6	**3,265,871**	4,898,720
Total non-current assets		**42,391,181**	4,898,720
Current assets			
Inventories	5	**123,256,897**	142,716,918
Recoverable from shareholder	11	**28,011,114**	20,084,830
Advances and other receivables	6	**37,207,916**	46,871,991
Prepayments		**17,125,435**	15,560,304
Due from related parties	7	**38,571,650**	79,083,085
Cash and cash equivalents	8	**11,202,544**	5,191,926
Total current assets		**255,375,556**	309,509,054
Total assets		**297,766,737**	314,407,774
EQUITY AND LIABILITIES			
EQUITY			
ADNOC account	9	**(216,992,178)**	(118,733,881)
LIABILITIES			
Non-current liability			
Lease liabilities	11	**39,125,310**	-
Current liabilities			
Trade and other payables	10	**386,701,175**	353,729,853
Due to related parties	7	**60,921,316**	59,326,972
Lease liabilities	11	**28,011,114**	20,084,830
Total current liabilities		**475,633,605**	433,141,655
Total liabilities		**514,758,915**	433,141,655
Total equity and liabilities		**297,766,737**	314,407,774

Wafa Al Hammadi
Chief Financial Officer

Ahmed Mohamed Alebri
Acting Chief Executive Officer

Khaled Salmeen
Executive Director

The accompanying notes form an integral part of these financial statements.

All parties consent to this document being signed electronically -CFO/INT/2022/3865

ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) – SOLE RISK OPERATIONS

Statement of profit or loss and other comprehensive income for the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Operating expenses			
Manpower charges		**562,146,109**	571,791,745
Material consumption		**39,487,343**	38,824,713
Routine works, services and others		**206,329,237**	210,312,007
General expenses		**36,157,372**	35,824,563
Gaseous nitrogen (GAN) purchased from ADNOC Industrial Gases	**7**	**37,444,545**	37,363,950
Purchase of electricity from ADNOC Refining	**7**	**66,275,102**	65,950,514
Share of common costs from ADNOC Gas Processing (JV)	**7**	**246,133,626**	250,107,239
Lean gas costs back charges from ADNOC Gas Processing (JV)	**7**	**1,694,628**	1,012,507
Provision/(reversal) for slow moving and obsolete inventories	**5**	**2,460,861**	(4,613,121)
Provision for doubtful debts – due from related parties	**7**	**9,839,846**	**-**
Miscellaneous expenses		**2,874,630**	5,326,439
Other income		**(13,388,314)**	(8,500,249)
Net operating expenses		**1,197,454,985**	1,203,400,307
Recoverable			
Recoverable back charge from related parties		**(197,270,533)**	(202,645,716)
Recovery joint/common costs from ADNOC Gas Processing (JV)		**(7,459,788)**	(6,584,929)
Recoverable from ADNOC		**(992,724,664)**	(994,169,662)
Profit for the year		-	-
Other comprehensive income		-	-
Total comprehensive income for the year		**-**	**-**

The accompanying notes form an integral part of these financial statements.

ABU DHABI GAS INDUSTRIES LIMITED (ADNOC GAS PROCESSING) – SOLE RISK OPERATIONS

Statement of changes in equity for the year ended 31 December 2021

	ADNOC account USD
At 1 January 2020	145,905,524
Cash calls received during the year	1,399,800,000
Adjustment against due from ADNOC	(311,852,837)
Operating expenditure incurred during the year, net of other receipts	(994,169,662)
Capital expenditure incurred during the year on behalf of ADNOC (note 9.1)	(358,416,906)
At 31 December 2020	(118,733,881)
At 1 January 2021	(118,733,881)
Cash calls received during the year	1,479,000,000
Operating expenditure incurred during the year, net of other receipts	(992,724,664)
Capital expenditure incurred during the year on behalf of ADNOC (note 9.1)	(584,533,633)
At 31 December 2021	**(216,992,178)**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Cash flows from operating activities			
Expenditures incurred on behalf of shareholder		**(1,577,260,207)**	(1,352,669,994)
Adjustment for:			
Provision/(reversal) for slow moving and obsolete inventories	**5**	**2,460,861**	(4,613,121)
Provision for doubtful debt on due from related parties	**7**	**9,839,846**	-
Rebate from ADDC		**1,632,849**	1,632,935
		(1,563,326,651)	(1,355,650,180)
Working capital changes			
Decrease/(increase) in inventories		**16,999,160**	(14,239,751)
Decrease/(increase) in advances and other receivables		**9,664,075**	(19,698,170)
(Increase)/decrease in prepayments		**(1,565,131)**	365,293
Decrease/(increase) in due from related parties		**30,671,589**	(100,968,546)
Increase in trade and other payables		**32,971,322**	46,779,915
Increase in due to related parties		**1,594,344**	41,678,692
Net cash used in operating activities		**(1,472,991,292)**	(1,401,732,747)
Cash flows from investing activity			
Bank interest received		**1,910**	83,426
Net cash generated from investing activity		**1,910**	83,426
Cash flows from financing activity			
Cash calls received from ADNOC		**1,479,000,000**	1,399,800,000
Net cash generated from financing activity		**1,479,000,000**	1,399,800,000
Net increase/(decrease) in cash and cash equivalents		**6,010,618**	(1,849,321)
Cash and cash equivalent at the beginning of the year	**8**	**5,191,926**	7,041,247
Cash and cash equivalents at the end of the year	**8**	**11,202,544**	5,191,926
Non-cash transaction:			
Adjustment against due from ADNOC		-	311,852,837
Interest income on recoverable from Shareholder		**2,643,747**	1,549,596
Interest expense charged to the Shareholder		**2,643,747**	1,549,596

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements for the year ended 31 December 2021

1 General information

An operating agreement was signed between Abu Dhabi National Oil Company (ADNOC) and Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) ("the Company") in August 2001, to establish the rights and obligations between the two parties and to provide the terms and conditions pursuant to which ADNOC Gas Processing will operate the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations ("the Operations"). The agreement also provided the basis of allocation of joint costs and common costs between ADNOC and ADNOC Gas Processing. The Operations of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) are recorded in separate books of account and all funds advanced for these operations are maintained in separate bank accounts.

In accordance with a decision by ADNOC, the Operations shall make available its services for the sole risk operations of ADNOC, a shareholder of ADNOC Gas Processing. These services are billed by ADNOC Gas Processing to ADNOC and the expenditure is fully recovered. These accounts are maintained in respect of services provided by ADNOC Gas Processing to ADNOC in accordance with the above decision.

The principal activities of the Operations include the processing of associated and non-associated gas from onshore oil and gas productions and transmission of related products. The Operations also include the operation and maintenance of a pipeline network for the products transmission and gas reinjection operations.

In accordance with a decision by the Supreme Petroleum Council in their letter dated 19 November 2002, the accompanying financial statements include balances transferred from Abu Dhabi Gas Company (ATHEER) to the Operations effective 1 January 2002.

Effective 1 March 2004, Asab Gas Plant (AGP) and gas reinjection operations previously operated by ADNOC Onshore were integrated into the Operations in accordance with a decision made by ADNOC. Accordingly, working capital balances of AGP were transferred to the Operations account on 1 March 2004.

The ADNOC Ruwais NGL Facilities were transferred from Abu Dhabi Gas Industries Limited – Joint Venture (ADNOC Gas Processing Joint Venture) to the Operations, in accordance with the Amended and Restated Joint Venture Agreement between the Shareholders of ADNOC Gas Processing, dated 31 March 2009 deemed effective as of 1 October 2008. Accordingly, certain assets of the ADNOC Ruwais NGL Facilities were transferred to the Operations account on 1 October 2008.

During 2014, the Operations entered into an Agreement dated 1 June 2014 with ADNOC Sour Gas to provide certain services in respect of granulated Sulphur produced at the ADNOC Sour Gas Sulphur Granulation Plant.

The Operations is currently operating based on the approved budget from ADNOC. The Operations does not have an ownership interest in the assets and liabilities and does not generate profits nor incur losses as all its costs are recoverable from ADNOC as per the agreement and annual approved budget.

The Operations' registered office is at P O Box 665, Abu Dhabi, United Arab Emirates.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and revised IFRSs applied in 2021

In the current year, the Operations has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2021.

Interest Rate Benchmark Reform – Phase 2

The amendments in Interest Rate Benchmark Reform - Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) 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 entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

Covid-19-Related Rent Concessions – amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

These amendments had no impact on the financial statements of the Operations.

2.2 New and revised IFRSs in issue but not yet effective and not early adopted

These amendments are not expected to have a material impact on the Operations.

Classification of Liabilities as Current or Non-Current - amendments to IAS 1 (effective from 1 January 2023)
The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

Reference to the Conceptual Framework - Amendments to IFRS 3 (effective from 1 January 2022)
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - amendments to IAS 16 (effective from 1 January 2022)
The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and revised IFRSs in issue but not yet effective and not early adopted (continued)

Onerous Contracts - Cost of Fulfilling a Contract - amendments to IAS 37 (effective from 1 January 2022)
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

IFRS 17: Insurance Contracts (effective from 1 January 2023)
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 1 January 2023.

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011) (Effective date deferred indefinitely, and adoption is still permitted).
Relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture.

Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022)
The Annual Improvements include amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective from 1 January 2022), IFRS 9 Financial Instruments (effective from 1 January 2022), IFRS 16 Leases (effective date not yet decided) and IAS 41 Agriculture (effective from 1 January 2022).

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective from 1 January 2023)
The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

Definition of Accounting Estimates - Amendments to IAS 8 (effective from 1 January 2023)
The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12 (effective 1 January 2023)
The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies

3.1 Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

3.2 Basis of preparation

These financial statements present the financial information of the Abu Dhabi Gas Industries Limited - (ADNOC Gas Processing) – Sole Risk Operations ("the Operations" or "ADNOC Gas Processing – Sole Risk Operations") and are not the financial statements of the Company as a whole. Accordingly, these financial statements record the income, expenditure, assets and liabilities of the Operations only and exclude all other income, expenditure, assets and liabilities of the Company.

These financial statements have been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets. These financial statements excludes property, plant and equipment and petroleum products since the Operations have no right, title or interest in the petroleum properties or in any of the facilities associated therewith and only acts as the custodian of properties, which ADNOC has put at their disposal for operations purposes.

The principal accounting policies are set out below:

3.3 Capital expenditure

All direct cost of capital works including consultants' services and direct supervision costs are capitalised. Capital expenditure is charged to ADNOC.

A memorandum assets register is maintained on behalf of ADNOC. The property, plant and equipment are valued on a historical cost basis. When an asset becomes unserviceable or obsolete, that asset is eliminated from the books in the same year, at historical cost, and any amount realised by disposal is credited to the ADNOC account.

3.4 Operating expenditure

Operating expenditure consists of direct operating costs, general and administrative costs and sulphur transportation and handling costs. Operating expenditure is charged to ADNOC.

3.5 Interest income

Interest income is accrued on time basis, by reference to the principal outstanding and the effective interest rate applicable.

3.6 Inventories

Inventories including operating spares, drilling materials, chemicals and catalysts are stated at the lower of cost and net realisable value after taking an allowance for any slow moving or obsolete items. Cost comprises the purchase price, import duties, transportation handling and other direct costs incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

3.7 Foreign currencies

For the purpose of these financial statements, United Stated Dollars (USD) is the functional and the presentation currency of the Operations.

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of each reporting period. 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 the statement of comprehensive income in the period in which they arise.

Assets and liabilities in UAE Dirham (AED) at the end of each reporting date are translated at the rate of USD1 = AED 3.6725.

3.8 Provisions

Provisions are recognised when the Operations have a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the Operations' share of obligation and a reliable estimate can be made of the amount of the obligation. Where the Operations expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when reimbursement is virtually certain.

The expense relating to any provision is presented in ADNOC account net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specifics to the liability. The unwinding of the discount is recognised as finance costs.

The provisions are reviewed and adjusted at each reporting date, and if outflow is no longer probable, the provision is reversed.

3.9 Onerous contract

An onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

3.10 Accounts payable and accruals

Liabilities are recognised for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

For lump sum contracts, project accruals are based on percentage of completion basis.

For contracts based on performance milestones, project related accruals are recognised to the extent of contractual performance milestone achieved up to the reporting date.

3 Summary of significant accounting policies (continued)

3.11 Financial instruments

Financial assets and financial liabilities are recognised in the Operations' statement of financial position when the Operations becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

3.11.1 Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is 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.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

For financial instruments other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

Classification of financial assets (continued)

(iii) Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired. For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Operations recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the profit or loss.

Impairment of financial assets

The Operations recognises a loss allowance for expected credit losses (ECL) on due from related parties, and cash and bank balances. 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.

For all other financial instruments, the Operations recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Operations measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

Impairment of financial assets (continued)

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.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Operations compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Operations considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Operations becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Operations considers the changes in the risk that the specified debtor will default on the contract.

The Operations regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Operations assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Operations considers the following as a constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtors; or
- information developed internally or obtained from external sources indicates that debtor is unlikely to pay its creditors, including the Operations, in full (without taking into account any collateral held by the Operations).

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

Impairment of financial assets (continued)

(ii) Definition of default (continued)

Irrespective of the above analysis, the Operations considers a financial asset in default when contractual payments are 90 days past due unless the Operations has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit- impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event (see (ii) above);
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Operations writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Operations understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Operations in accordance with the contract and all the cash flows that the Operations expects to receive, discounted at the original effective interest rate.

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.1 Financial assets (continued)

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 primarily derecognised (i.e., removed from the Operations' statement of financial position when:

- The rights to receive cash flows from the asset have expired; or
- The Operations 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 Operations has transferred substantially all the risks and rewards of the asset, or the Operations has neither transferred nor retained substantially all the risks and rewards of the asset; and
- but has transferred control of the asset.

When the Operations has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Operations continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Operations also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Operations has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Operations could be required to repay.

3.11.2 Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in the statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the statement of other comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

3 Summary of significant accounting policies (continued)

3.11 Financial instruments (continued)

3.11.2 Financial liabilities (continued)

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Operations derecognises financial liabilities when, and only when, the Operations' obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Interest rate benchmark reform

When the basis for determining the contractual cash flows of a financial asset or financial liability measured at amortised cost changed as a result of interest rate benchmark reform, the Operations updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by the reform. A change in the basis for determining the contractual cash flows is required by interest rate benchmark if the following conditions are met:

- The change is necessary as a direct consequence of the reform; and
- The new basis for determining the contractual cash flows is economically equivalent to the previous basis – i.e. the basis immediately before the change.

When changes were made to a financial asset or financial liability in addition to changes to the basis for determining the contractual cash flows required by interest rate benchmark reform, the Operations first updated the effective interest rate of the financial asset or financial liability to reflect the change that is required by interest rate benchmark reform. After that, the Operations applied the policies on accounting for modifications to the additional changes.

3.12 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Items of income and expense shall not be offset except when it reflects the substance of the transaction or when it does not detract, from the ability of users, both to understand the transactions and conditions that have occurred.

3 Summary of significant accounting policies (continued)

3.13 Leases

The Operations 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.

Operations as a lessee

The Operations applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Operations recognises lease liabilities to make lease payments and recoverable from shareholder representing related costs to be incurred on behalf of shareholder on the underlying assets.

Recoverable from Shareholder

The Operations recognises recoverable from shareholder at the commencement date of the lease (i.e., the date the underlying asset is available for use). The asset includes the amount of lease liabilities recognised. After the commencement date, the amount of recoverable from shareholder is increased to reflect the accretion of interest and reduced by the cash calls received from shareholders.

Lease liabilities

At the commencement date of the lease, the Operations recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include 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 Operations and payments of penalties for terminating the lease, if the lease term reflects the Operations exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Operations uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. 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.

From 1 January 2021, where the basis for determining future lease payments changes as required by interest rate benchmark reform (see 3.11.2), the Operations remeasures the lease liability by discounting the revised lease payments using the revised discount rate that reflects the change to an alternative benchmark interest rate.

Short-term leases and leases of low-value assets

The Operations applies the short-term lease recognition exemption to its short-term leases (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). It also applies the lease of low-value assets recognition exemption lo leases that are considered of low value (i.e., below USD 5,000, when new). 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.

4 Critical accounting judgements and key sources of estimation uncertainty

Critical judgements and estimates

The preparation of the financial statements in compliance with IFRS requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgements and estimates 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.

Critical judgements

In the process of applying the Operations' accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Decommissioning liability

Decommission provision is not recognised in the financial statements as the decommissioning provision is being held directly in the books of ADNOC based on its methodologies.

Business model assessment

Classification and measurement of financial assets depends on the results of the SPPI and the business model test. The Operations determine the business model at a level that reflects how Operations' financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Operations monitor financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Operations' continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

Accounting for pension costs

Revisions to pension obligations relating to the Operations are accounted for as and when charged by the Company as the employees are contractually employed by the Company.

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgments and estimates (continued)

Critical judgements (continued)

Classification of leased assets

The Operations operates on behalf of the shareholder and all the operating decision making and budgets are finalized only after approval from the shareholder and related cost are funded through cash calls from shareholder. Furthermore, the Operations acts as the custodian of all tangible and intangible assets and shall not own any right, title or interest in such assets as per the operating agreement. The Operations has determined that the shareholder have an implicit right to direct the use of the leased assets considering that all relevant decisions are made by the shareholder as per the operating agreement and technical committee decisions, which are then executed by the Operations. Further, the shareholder has the right to substantially all of the economic benefits from the use of the assets. Accordingly, the Operations has determined that the right to use the assets are attributed to the shareholder and accordingly accounts for the related costs as a recoverable asset from shareholder (i.e. the Operations has a reimbursement asset from the shareholder) against the recognized lease liabilities.

Determining the lease term of contracts with renewal and termination options - the Operations as lessee

The Operations determine 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 Operations has several lease contracts that include extension and termination options. The Operations applied 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 Operations reassess 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.

Estimates

The key assumptions concerning the future and other sources of estimation uncertainty at the financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

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 historical selling prices and volumes. Management assessed the allowance for slow moving and obsolete inventories at 31 December 2021 to be USD 165,062,271 *(2020: USD 162,601,410)* (note 5).

4 Critical accounting judgements and key sources of estimation uncertainty (continued)

Critical judgments and estimates (continued)

Estimates (continued)

Leases - estimating the incremental borrowing rate

Leases in which the Operations cannot readily determine the interest rate implicit in the lease, it uses incremental borrowing rate ("IBR") to measure lease liabilities. The IBR is the rate of interest that the Operations would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the assets in a similar economic environment. The IBR therefore reflects what the Operations 'would have to pay', which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease. The Operations estimates the IBR using observable inputs such as market interest rates when available and is required to make certain entity-specific estimates.

In calculating the present value of lease payments, the Operations used the incremental borrowing rate at 4.3% per annum.

5 Inventories

	2021 USD	2020 USD
Materials, spares and chemicals	**288,319,168**	305,318,328
Less: Allowance for slow moving and obsolete inventories	**(165,062,271)**	(162,601,410)
	123,256,897	142,716,918

The movement in the allowance for slow moving and obsolete inventories is as follows:

	2021 USD	2020 USD
Balance at the beginning of the year	**162,601,410**	167,214,531
Charge/(reversal) for the year	**2,460,861**	(4,613,121)
Balance at the end of the year	**165,062,271**	162,601,410

6 Advances and other receivables

	2021 USD	2020 USD
Tariff rebates receivable*	**17,394,218**	6,531,741
Other receivables	**5,556,827**	7,045,985
Less: impairment loss	**(5,077,052)**	(5,077,052)
	17,873,993	8,500,674
Advances paid to contractors	**22,599,794**	43,270,037
	40,473,787	51,770,711
Disclosed as follows:		
Current assets	**37,207,916**	46,871,991
Non-current assets	**3,265,871**	4,898,720
	40,473,787	51,770,711

* During 2019, ADNOC successfully finalised its negotiations with Abu Dhabi Distribution Company (ADDC), the water and electricity provider of Abu Dhabi, for a reduced tariff rate effective from 2018. The reduction in the consumption rates resulted in a receivable balance of USD 8.1 million which will be adjusted in the subsequent billings from ADDC, proportionately for five years starting from 2020. During the year, USD 1.6 million *(2020: USD 1.6 million)* has been utilized and adjusted against the current year billing.

During 2021, the Operations received an additional reduced tariff rebate of USD 12.4 million for the pipeline division which will be adjusted in the subsequent monthly billings from ADDC.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

7 Related parties

Related parties represents the Government of Abu Dhabi and related departments and institutions, ADNOC, its subsidiaries, joint ventures and associated companies and the directors, and key management personnel of the Operations and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions.

Balances with related parties at the end of reporting period comprise the following:

	2021 USD	2020 USD
Due from:		
ADNOC Refining	**8,919,343**	30,982,518
ADNOC Gas Processing (JV)	**-**	21,627,922
ADNOC Sour Gas	**29,974,394**	11,811,974
ADNOC Onshore	**3,208,194**	9,847,571
Abu Dhabi Polymers Company Ltd. (BOROUGE)	**1,565,963**	3,717,663
ADNOC LNG	**3,853,731**	608,283
Fertiglobe	**117,791**	487,154
ADNOC Industrial Gases	**772,080**	-
	48,411,496	79,083,085
Less: Provision for doubtful debt	**(9,839,846)**	-
	38,571,650	79,083,085

The movement in the provision for doubtful debt is as follows:

	2021 USD	2020 USD
Balance at the beginning of the year	**-**	-
Charge for the year	**9,839,846**	-
Balance at the end of the year	**9,839,846**	-

As at 31 December, the age analysis of unimpaired amounts due from related parties is as follows:

	Total USD'000	**Neither past due nor impaired USD'000**	**0-30 days USD'000**	**31-60 days USD'000**	**61-120 days USD'000**	**> 120 days USD'000**
2021	**38,572**	**20,003**	**1,225**	**5,083**	**7,873**	**4,388**
2020	79,083	22,913	14	4,521	6,441	45,194

Notes to the financial statements
for the year ended 31 December 2021 (continued)

7 Related parties (continued)

	2021 USD	2020 USD
Due to:		
ADNOC Gas Processing (JV)	**54,726,541**	-
Abu Dhabi National Oil Company	**4,433,182**	50,717,934
ADNOC Logistics & Services	**1,261,540**	1,215,930
ADNOC Distribution	**500,053**	260,276
ADNOC Industrial Gases	**-**	6,544,272
ADNOC Offshore	**-**	584,000
ADNOC Drilling	**-**	4,560
	60,921,316	59,326,972

Details of significant transactions with related parties during the year are as follows:

	2021 USD	2020 USD
Costs		
Gaseous nitrogen (GAN) purchased from ADNOC Industrial Gases	**37,444,545**	37,363,950
Share of common costs from ADNOC Gas Processing (JV)	**246,133,626**	250,107,239
Lean gas costs back charges from ADNOC Gas Processing (JV)	**1,694,628**	1,012,507
Employees' end of service benefits recharged from ADNOC Gas Processing (JV)	**12,263,000**	14,153,683
Purchase of electricity from ADNOC Refining	**66,275,102**	65,950,514
Provision for doubtful debt – Due from ADNOC Sour Gas	**9,839,846**	-
Recoveries		
Back charges to ADNOC Refining for Sulphur	**(14,574,313)**	(14,474,042)
Back charges to ADNOC Sour Gas for Sulphur handling	**(36,408,953)**	(36,763,908)
Back charges to ADNOC LNG for Sulphur	**(18,675,920)**	(23,194,654)
Back charges to ADNOC Refining for product processing charges	**(4,175,782)**	(6,384,109)
Back charges to ADNOC Gas Processing JV for product processing charges	**(76,345,014)**	(74,397,592)

Notes to the financial statements for the year ended 31 December 2021 (continued)

7 Related parties (continued)

	2021 USD	2020 USD
Recoveries (continued)		
Back charges to BOROUGE for gaseous nitrogen	**(20,724,302)**	(19,741,527)
Back charges to Fertiglobe for gaseous nitrogen	**(1,648,344)**	(1,549,955)
Back charges to ADNOC Refining for gaseous nitrogen	**(8,877,199)**	(9,441,112)
Back charges to ADNOC Industrial Gases for support services	**(1,718,150)**	(2,662,976)
Back charges for sale of electricity to ADNOC Onshore	**(14,122,556)**	(14,035,841)
Recovery joint/common costs from ADNOC Gas Processing (JV)	**(7,459,788)**	(6,584,929)

	2021 USD	2020 USD
Key management compensation		
Short term benefits	**4,857,353**	2,496,711
Long term benefits	**305,960**	255,504
	5,163,313	2,722,215

On 7 January 2020, ADNOC signed an agreement with the Abu Dhabi Pension Fund to improve the pension offering of ADNOC's UAE national employees. As part of the agreement, ADNOC will cover the cost of the pension contributions from previous years and the amount will be paid over a period of 4 years. The amount of USD 516 million (AED 1,893 million) has been directly recorded by ADNOC based on the approval from ADNOC's management.

With effect from 30 September 2018, certain assets located at the ADNOC Ruwais NGL facilities were transferred from ADNOC Gas Processing (Joint Venture), in accordance with the amended and restated Joint Venture agreement date 31 March 2009 deemed effective as of 1 October 2008 and Annex G – Ruwais asset transfer agreement dated 31 March 2009 and deemed effective as of 30 September 2008. As a result of transfer, a product processing charge is charged by the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations to cover the cost of the ADNOC Ruwais NGL facilities incurred in processing NGL based on actual production attributable to ADNOC Gas Processing Join Venture over total production of all trains, in accordance with annexure F- NGL processing and production offtake agreement, article 6 of the amended and restated Joint Venture Agreement.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

7 Related parties (continued)

The Operations back charged ADNOC Gas Processing (Joint Venture) Product processing charge amounting to USD 76,345,014 *(2020: USD 74,397,592)*.

The rates for joint and common costs allocation to and from ADNOC Gas Processing (Joint Venture) and ADNOC Gas Processing - Sole Risk Operations for the year ended 31 December 2021 are as follows;

Common charges from ADNOC Gas Processing – Sole Risk Operations

	Effective date	ADNOC Gas Processing (Joint Venture share)
Pipelines Division	1 January 2009	8%
Habshan Division	1 January 2019	2.4%
Project Division	1 January 2019	11%

Common charges from ADNOC Gas Processing (Joint Venture) to ADNOC Gas Processing – Sole Risk Operations

	Effective date	Joint Venture direct cost
Head Office Costs (see note below)	1 January 2019	82.17%
Engineering and Technical Support Division	1 January 2019	71%
Production, Planning and Shipping Department	1 January 2009	79%
ASAB Plant Division	1 January 2015	66%

Costs directly attributable to ADNOC Gas processing – Sole Risk Operations

	Effective Date	Reallocation
Head Office Costs	1 August 2001	100%
Engineering and Technical Support Division	1 June 2002	100%

Head office costs are allocated at the end of each reporting period *(2020: 83.09%)* on a pro-rata ratio on the basis of the Operations and maintenance costs of the Joint Venture and ADNOC Account facilities after adjusting for the Product processing charges and nitrogen injection costs relating to the ADNOC Ruwais NGL Facilities.

8 Cash and cash equivalents

	2021 USD	2020 USD
Cash on hand	**52,333**	190,750
Cash at banks	**7,126,784**	5,000,176
Cash held with ADNOC*	**4,023,427**	-
Cash and cash equivalents	**11,202,544**	5,191,926

*On 19 October 2020, the Operations entered into a Cash Pooling and Virtual Accounts Agreement (referred to as the "Cash Pooling Arrangement") with ADNOC. Under the cash pooling arrangement, surplus cash is transferred to and held by ADNOC in a designated bank account on which interest is earned. The surplus cash is available on demand to the Operations to meet its obligations, accordingly the arrangement has been classified under as cash and cash equivalents.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

9 ADNOC account

Movement in ADNOC account during the year is as follows:

	2021 USD	2020 USD
Balance at the beginning of the year	**(118,733,881)**	145,905,524
Receipts during the year		
Cash calls	**1,479,000,000**	1,399,800,000
Adjustment against due from ADNOC*	**-**	(311,852,837)
Total receipts	**1,479,000,000**	1,087,947,163
Expenditure during the year		
Capital expenditure (property, plant & equipment) (note 9.1)	**(584,533,633)**	(358,416,906)
Operating expenditure	**(992,724,664)**	(994,169,662)
Total expenditure	**(1,577,258,297)**	(1,352,586,568)
Balance at the end of the year	**(216,992,178)**	(118,733,881)

*Adjustment against due from ADNOC represents receivable balances from ADNOC with respect to back charges of gas recycling. These balances have been adjusted against ADNOC account.

9.1 Property, plant and equipment

	2021 USD	2020 USD
Capital expenditure incurred during the year		
Production enhancement/others	**58,082,775**	35,445,756
Plant reliability	**423,496,624**	260,142,012
Building projects	**17,200,154**	10,496,614
Moveable items	**1,260,724**	769,373
Plant safety	**36,984,985**	22,570,560
IT projects	**37,819,870**	23,080,059
Others	**9,688,501**	5,912,532
Recoverable from ADNOC	**584,533,633**	358,416,906

Capital expenditure is stated net of the costs of two years' operating spares parts amounting to USD 6 million *(2020: USD 6.9 million)* which have been transferred to inventories.

10 Trade and other payables

	2021 USD	2020 USD
Trade payables	**38,314,483**	49,662,741
Contract liabilities (capital accruals)	**192,872,104**	150,338,957
Operating accruals	**141,873,908**	146,977,560
Other payables	**13,640,680**	6,750,595
	386,701,175	353,729,853

11 Leases

In 2016, the Company entered into an agreement with Excelerate Energy Regas UAE, LLC to provide LNG Storage and Regasification Vessel to support Gas activities on behalf of the Operations. The lease term for the vessel rental was for five years from 1st September 2016 till 31st August 2021. The incremental borrowing rate used was 4.3%. The Operations recognised recoverable from shareholder from 1 January 2019 for leases previously classified as operating lease applying IAS 17 *Leases* at an amount equal to the lease liability. During the year, the Company also extended the lease agreement with Exceleratae Energy Regas UAE, LLC for one year commencing from 1 September 2021.

During the year, the Company entered into an agreement with ADNOC to lease various lands located in Abu Dhabi and Ruwais. The lease term for the land rental is for seven years commencing from 1st January 2021 till 31st December 2027. The incremental borrowing rate used is at 4.3%. The Operations recognised recoverable from shareholder from 1 January 2021 at an amount equal to the lease liability.

Recoverable from shareholder

	2021 USD	2020 USD
As at 1 January	**20,084,830**	49,279,234
Interest income on recoverable from Shareholder	**2,643,747**	1,549,596
Additions	**82,717,924**	-
Recovered during the year	**(38,310,077)**	(30,744,000)
As at 31 December	**67,136,424**	20,084,830

Analysed in the statement of financial position as follows:

	2021 USD	2020 USD
Analysed as follows		
Non-current	**39,125,310**	-
Current	**28,011,114**	20,084,830
	67,136,424	20,084,830

Notes to the financial statements
for the year ended 31 December 2021 (continued)

11 Leases (continued)

Lease liabilities

	2021	2020
	USD	USD
As at 1 January	**20,084,830**	49,279,234
Interest expense charged to the Shareholder	**2,643,747**	1,549,596
Additions	**82,717,924**	-
Payments	**(38,310,077)**	(30,744,000)
As at 31 December	**67,136,424**	20,084,830

Analysed in the statement of financial position as follows:

	2021	2020
	USD	USD
Analysed as follows:		
Non-current	**39,125,310**	-
Current	**28,011,114**	20,084,830
	67,136,424	20,084,830

12 Employee benefits

Employees' end of service benefits obligation pertaining to employees working for ADNOC Gas Processing – Sole Risk Operations is recorded in the books of accounts of ADNOC Gas Processing (Joint Venture). The related expenses are allocated to profit or loss (see note 7).

With respect to its UAE National employees, ADNOC Gas Processing makes contribution to Abu Dhabi Retirement Pension and Benefits Funds in accordance with the Abu Dhabi Retirement Pension and Benefits Fund's regulations. With respect to its GCC national employees, ADNOC Gas Processing makes contribution to the pension funds or agencies of their respective countries. Such contributions are charged to the statement of profit or loss and other comprehensive income during the employees' period of service.

13 Commitments

At 31 December 2021, capital expenditure commitments amounting to USD 400.5 million *(2020: USD 1,530 million)* have been contracted for.

14 Contingencies

Contingent liabilities for projects based on their claims is estimated to be USD 17.6 million *(2020: USD 20.6 million)* for change in scope of work which is currently being undertaken and is expected to be completed in for the foreseeable future.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

15 Financial instruments

Categories of financial instruments

	2021 USD	2020 USD
Financial assets		
At amortised cost:		
Due from related parties, net	**38,571,650**	79,083,085
Other receivables, net	**17,873,993**	8,500,674
Cash and cash equivalents	**11,202,544**	5,191,926
	67,648,187	92,775,685
Financial liabilities		
At amortised cost:		
Due to related parties	**60,921,316**	59,326,972
Trade and other payables	**386,701,175**	353,729,853
	447,622,491	413,056,825

Financial risk management objectives

The Operations' activities expose it to a variety of financial risks: market risk (including foreign exchange risk and fair value interest rate risk), credit risk and liquidity risk. The Operations' overall risk management program focuses on the unpredictability of financial market and seeks to minimise potential adverse effects on the Operations' financial performance. The Operations do not enter into or trade in financial instruments, including derivative financial instruments, for speculative or risk management purposes.

(a) Market risk

(i) Foreign exchange risk

The Operations have no significant currency risk exposure from its operations as majority of the Operations' transactions are in UAE Dirham or US Dollars. The UAE Dirham is pegged to the US Dollar, hence, balances in UAE Dirham are not considered to present a significant risk.

(ii) Interest rate risk

The Operations have no significant exposure to interest rate risk.

(b) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Operations, and arises principally from the Operations' account receivable.

The Operations have adopted a policy of only dealing with creditworthy counterparties, where appropriate, as a means of mitigating the risk of financial loss from defaults. Credit exposure is controlled by counterparty limits that are reviewed and approved by the Operations annually.

Notes to the financial statements
for the year ended 31 December 2021 (continued)

15 Financial Instruments (continued)

Financial risk management objectives (continued)

(b) Credit risk (continued)

The Operations attempt to control credit risk by monitoring credit exposures, limiting transactions with specific non- related counterparties, and continually assessing the creditworthiness of such non-related parties.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the end of reporting period was:

	2021 USD	2020 USD
Due from related parties (note 7)	**38,571,650**	79,083,085
Other receivables (note 6)	**17,873,993**	8,500,674
Cash at bank (note 8)	**11,150,211**	5,001,176
	67,595,854	92,584,935

(c) Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Operations' short, medium and long term funding and liquidity management requirements. The Operations manage liquidity risk mainly through cash calls received from ADNOC based on the budgeted expenditures and by maintaining adequate reserves, banking facilities and support from ADNOC, by continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities.

The Operations ensure that it has sufficient cash on demand to meet expected operational expenses.

The contractual maturities of the financial instruments, determined on the basis of the remaining period at the end of the reporting period to the contractual maturity date, are as follows:

	Less than 3 months USD	**3 months to one year USD**	**More than one year USD**	**Total USD**
As at 31 December 2021				
Trade and other payables	**386,701,175**	**-**	**-**	**386,701,175**
Due to related parties	**-**	**60,921,316**	**-**	**60,921,316**
Lease liability	**15,486,284**	**12,852,000**	**44,459,674**	**72,797,958**
Total undiscounted financial liabilities	**402,187,459**	**73,773,316**	**44,459,674**	**520,420,499**
As at 31 December 2020				
Trade and other payables	353,729,853	-	-	353,729,853
Due to related parties	-	59,326,972	-	59,326,972
Lease liability	7,560,000	12,852,000	-	20,412,000
Total undiscounted financial liabilities	361,289,853	72,178,972	-	433,468,825

Notes to the financial statements for the year ended 31 December 2021 (continued)

15 Financial Instruments (continued)

Financial risk management objectives (continued)

Fair value measurements

Management considers that the fair values of financial assets and financial liabilities approximate their carrying amounts as stated in the financial statements.

16 Events after the reporting period

Subsequent to year end, claims pertaining to IGD-E Onshore Pipeline and Hab-5 Modification Works amounting to USD 54.5 million was settled for USD 45 million resulting in an additional provision being recognised in 2021 of USD 24.2 million as an adjusting post balance sheet event.

17 Approval of financial statements

The financial statements for the year ended 31 December 2021 were approved by the management of ADNOC and ADNOC Gas Processing and authorised for issue on 30 June 2022.

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Review report and interim condensed financial information for the ten-month period ended 31 October 2022 (unaudited)

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Review report and interim condensed financial information
for the ten-month period ended 31 October 2022 (unaudited)

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REPORT ON REVIEW OF
INTERIM CONDENSED FINANCIAL INFORMATION

To: Abu Dhabi National Oil Company (ADNOC)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Abu Dhabi Gas Industries Limited – Sole Risk Operations (referred to as the "Operations") as defined in note 1, as at 31 October 2022 and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the ten-month period then ended and explanatory notes (referred to as "Interim Condensed Financial Information").

Management is responsible for the preparation and presentation of this Interim Condensed Financial Information in accordance with International Accounting Standard 34 – *Interim Financial Reporting*. Our responsibility is to express a conclusion on this Interim Condensed 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 Condensed 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 Financial Information is not prepared, in all material respects, in accordance with International Accounting Standard 34 - *Interim Financial Reporting*.

For RAI Audit and Tax Services,



Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 23 December 2022
Abu Dhabi
United Arab Emirates

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Interim condensed statement of financial position as at 31 October 2022

	Notes	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
ASSETS			
Non-current assets			
Recoverable from shareholder	**10**	**32,586,895**	39,125,310
Advances and other receivables	**4**	**1,905,164**	3,265,871
Total non-current assets		**34,492,059**	42,391,181
Current assets			
Inventories		**116,293,783**	123,256,897
Recoverable from shareholder	**10**	**7,940,405**	28,011,114
Advances and other receivables	**4**	**49,060,595**	37,207,916
Prepayments	**5**	**25,448,242**	17,125,435
Due from related parties	**6**	**51,159,145**	38,571,650
Bank balances and cash	**7**	**5,920,028**	11,202,544
Total current assets		**255,822,198**	255,375,556
Total assets		**290,314,257**	297,766,737
EQUITY AND LIABILITIES			
ADNOC account		**(195,545,072)**	(216,992,178)
LIABILITIES			
Non-current liability			
Lease liability	**10**	**32,586,895**	39,125,310
Current liabilities			
Bank overdraft	**7**	**2,330,577**	-
Trade and other payables	**8**	**333,468,742**	386,701,175
Lease liability	**10**	**7,940,405**	28,011,114
Due to related parties	**6**	**109,532,710**	60,921,316
Total current liabilities		**453,272,434**	475,633,605
Total liabilities		**485,859,329**	514,758,915
Total equity and liabilities		**290,314,257**	297,766,737

Wafa Al Hammadi
Chief Financial Officer

Ahmed Mohamed Alebri
Acting Chief Executive Officer

The accompanying notes form an integral part of this interim condensed financial information.

All parties consent to this document being signed electronically -CFGF/INT/2022/15812

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Interim condensed statement of profit or loss and other comprehensive income for the ten-month period ended 31 October 2022

	Notes	For the ten-month period ended 31 October	
		2022 USD (unaudited)	2021 USD (unaudited)
Operating expenses			
Manpower charges		**450,933,975**	456,654,490
Material consumption		**32,386,606**	32,344,554
Routine works, services and others		**173,896,019**	168,581,889
General expenses		**36,273,631**	35,832,988
Gaseous nitrogen (GAN) back charged by ADNOC Industrial Gases	**6**	**31,708,118**	31,344,497
Purchase of electricity from ADNOC Refining	**6**	**70,517,959**	55,080,682
Share of common costs from ADNOC Gas Processing(JV)	**6**	**205,431,655**	205,355,193
Lean gas costs back charges from ADNOC Gas Processing (JV)	**6**	**990,000**	990,000
Provision for doubtful debt – due from related parties	**6**	**-**	9,839,846
Provision for slow-moving and obsolete inventories		**13,540,479**	4,085,062
Miscellaneous expenses		**23,571,239**	7,001,046
Other income		**(18,232,418)**	(9,883,742)
Net operating expenses		**1,021,017,263**	997,226,505
Recoverable			
Recoverable back charge from related parties	**6**	**(155,764,586)**	(161,834,618)
Recovery joint/common costs from ADNOC Gas Processing (JV)	**6**	**(8,310,993)**	(5,777,535)
Recoverable from ADNOC		**(856,941,684)**	(829,614,352)
Profit for the period		**-**	**-**
Other comprehensive income		**-**	**-**
Total comprehensive income for the period		**-**	**-**

The accompanying notes form an integral part of this interim condensed financial information.

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Interim condensed statement of changes in equity
for the ten-month period ended 31 October 2022

	ADNOC account USD
At 1 January 2021	(118,733,881)
Cash calls received during the period	1,281,000,000
Operating expenditure incurred during the period, net of other receipts	(829,614,352)
Capital expenditure incurred during the period on behalf of ADNOC (note 9)	(408,189,147)
At 31 October 2021 (unaudited)	(75,537,380)
At 1 January 2022	(216,992,178)
Cash calls received during the period	1,241,700,000
Operating expenditure incurred during the period, net of other receipts	(856,941,684)
Capital expenditure incurred during the period on behalf of ADNOC (note 9)	(363,311,210)
At 31 October 2022 (unaudited)	**(195,545,072)**

The accompanying notes form an integral part of this interim condensed financial information.

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Interim condensed statement of cash flows for the ten-month period ended 31 October 2022

	Note	For the ten-month period ended 31 October	
		2022 USD (unaudited)	2021 USD (unaudited)
Cash flows from operating activities			
Expenditure incurred on behalf of ADNOC		**(1,220,252,894)**	(1,237,803,499)
Adjustments for:			
Provision for slow-moving and obsolete inventories		**13,540,479**	4,085,062
Provision for doubtful debt on due from related parties		**-**	9,839,846
Amortisation of Abu Dhabi Distribution Company (ADDC) rebate receivable		**1,360,708**	1,360,779
		(1,205,351,707)	(1,222,517,812)
Changes in working capital			
(Increase)/decrease in inventories		**(6,577,365)**	8,230,927
(Increase)/decrease in advances and other receivables		**(11,852,680)**	19,517,088
Increase in prepayments		**(8,322,807)**	(4,227,692)
Increase in due from related parties		**(12,587,495)**	(83,877,981)
(Decrease)/increase in trade and other payables		**(53,232,433)**	60,919,750
Increase/(decrease) in due to related parties		**48,611,394**	(52,792,654)
Net cash used in operating activities		**(1,249,313,093)**	(1,274,748,374)
Cash flows from a financing activity			
Cash calls received from ADNOC		**1,241,700,000**	1,281,000,000
Net cash generated from a financing activity		**1,241,700,000**	1,281,000,000
Net (decrease)/increase in cash and cash equivalents		**(7,613,093)**	6,251,626
Cash and cash equivalents at the beginning of the period		**11,202,544**	5,191,926
Cash and cash equivalents at the end of the period	**7**	**3,589,451**	11,443,552
Significant non-cash transactions:			
Interest income on recoverable from Shareholder		**1,729,160**	1,269,213
Interest expense charged to Shareholder		**1,729,160**	1,269,213

The accompanying notes form an integral part of this interim condensed financial information.

ABU DHABI GAS INDUSTRIES LIMITED – SOLE RISK OPERATIONS

Notes to the interim condensed financial information for the ten-month period ended 31 October 2022

1 General information

An operating agreement was signed between Abu Dhabi National Oil Company (ADNOC) and Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) ("the Company") in August 2001, to establish the rights and obligations between the two parties and to provide the terms and conditions pursuant to which ADNOC Gas Processing will operate the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations ("the Operations"). The agreement also provided the basis of allocation of joint costs and common costs between ADNOC and ADNOC Gas Processing. The Operations of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) are recorded in separate books of account and all funds advanced for these operations are maintained in separate bank accounts.

In accordance with a decision by ADNOC, the Company shall make available its services for the sole risk operations of ADNOC, a shareholder of ADNOC Gas Processing. These services are billed by ADNOC Gas Processing to ADNOC and the expenditure is fully recovered. These accounts are maintained in respect of services provided by ADNOC Gas Processing to ADNOC in accordance with the above decision.

The principal activities of the Operations include the processing of associated and non-associated gas from onshore oil and gas productions and transmission of related products. The Operations also include the operation and maintenance of a pipeline network for the products transmission and gas reinjection operations.

In accordance with a decision by the Supreme Petroleum Council in their letter dated 19 November 2002, the accompanying interim condensed financial information include balances transferred from Abu Dhabi Gas Company (ATHEER) to the Operations effective 1 January 2002.

Effective 1 March 2004, Asab Gas Plant (AGP) and gas reinjection operations previously operated by ADNOC Onshore were integrated into the Operations in accordance with a decision made by ADNOC. Accordingly, working capital balances of AGP were transferred to the Operations account on 1 March 2004.

The ADNOC Ruwais NGL Facilities were transferred from Abu Dhabi Gas Industries Limited – Joint Venture (ADNOC Gas Processing Joint Venture) to the Operations, in accordance with the Amended and Restated Joint Venture Agreement between the Shareholders of ADNOC Gas Processing, dated 30 June 2009 deemed effective as of 1 October 2008. Accordingly, certain assets of the ADNOC Ruwais NGL Facilities were transferred to the Operations account on 1 October 2008.

During 2014, the Operations entered into an Agreement dated 1 June 2014 with ADNOC Sour Gas to provide certain services in respect of granulated Sulphur produced at the ADNOC Sour Gas Sulphur Granulation Plant.

The Operations is currently operating based on the approved budget from ADNOC. The Operations does not have an ownership interest in the assets and liabilities and does not generate profits nor incur losses as all its costs are recoverable from ADNOC as per the agreement and annual approved budget.

The Operations' registered office is at P O Box 665, Abu Dhabi, United Arab Emirates.

2 Basis of preparation and other significant accounting policies

Basis of preparation

This interim condensed financial information comprises of the interim condensed financial information of the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations ("the Operations") and not general-purpose interim condensed financial information of the Company. Therefore, this interim condensed financial information records the expenditure, assets and liabilities of the Operations only and exclude all other expenditure, assets and liabilities of Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) (e.g. JV Operations expenditure, assets and liabilities are not part of this interim condensed financial information).

2 Basis of preparation and other significant accounting policies (continued)

Basis of preparation (continued)

This interim condensed financial information for the ten-month period ended 31 October 2022 has been prepared in accordance with IAS 34, Interim Financial Reporting.

The interim condensed financial information is prepared in United Stated Dollars (USD), which is the Operations' functional and presentation currency.

The interim condensed financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Operations' annual financial statements for the year ended 31 December 2021. In addition, results for the ten-month period ended 31 October 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

Basis of measurement

This interim condensed financial information have been prepared under the historical cost basis.

Judgments, estimates and risk management

The preparation of the interim condensed financial information in compliance with IFRS requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates 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.

The critical judgements and estimates used in the preparation of this interim condensed financial information are consistent with those used in the preparation of the Operations' annual financial statements for the year ended 31 December 2021.

3 New standards, interpretations and amendments adopted by the Operations

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Operations' annual financial statements for the year ended 31 December 2021, except for the adoption of new standards, interpretations and amendments effective as of 1 January 2022. The Operations have not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the interim condensed financial information of the Operations.

Reference to the Conceptual Framework - Amendments to IFRS 3

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

3 New standards, interpretations and amendments adopted by the Operations (continued)

Property, Plant and Equipment - Proceeds before Intended Use - Amendments to IAS 16

The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37

The amendment specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to IFRS Standards 2018–2020

The 2018-2020 annual improvements include amendments to the following:

- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
- IAS 41 Agriculture – Taxation in fair value measurements

4 Advances and other receivables

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Tariff rebates receivable	**14,881,328**	17,394,218
Other receivables	**7,770,502**	5,556,827
Less: impairment loss	**(5,077,052)**	(5,077,052)
	17,574,778	17,873,993
Advances paid to contractors	**33,390,981**	22,599,794
	50,965,759	40,473,787
Disclosed as follows:		
Current assets	**49,060,595**	37,207,916
Non-current assets	**1,905,164**	3,265,871
	50,965,759	40,473,787

5 Prepayments

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Prepaid rent	**19,388,941**	16,961,697
Prepaid property risk insurance	**3,219,828**	-
Others	**2,839,473**	163,738
	25,448,242	17,125,435

6 Balances and transaction with related parties

Related parties represents the Government of Abu Dhabi and related departments and institutions, ADNOC, its subsidiaries, joint ventures and associated companies and the directors, and key management personnel of the Operations and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions.

Balances with related parties at the end of reporting period comprise the following:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Due from:		
Abu Dhabi National Oil Company (ADNOC)	**17,219,188**	-
Abu Dhabi Gas Development Company Limited (ADNOC Sour Gas)	**23,449,199**	29,974,394
Abu Dhabi Liquification Company Limited (ADNOC LNG)	**11,195,948**	3,853,731
Abu Dhabi Polymers Company Limited (Borouge)	**3,576,807**	1,565,963
Abu Dhabi Company for Onshore Petroleum Operation Limited (ADNOC Onshore)	**5,447,663**	3,208,194
Fertiglobe PLC	**110,186**	117,791
Abu Dhabi Oil Refining Company (ADNOC Refining)	**-**	8,919,343
ADNOC Industrial Gases Company Limited – Sole Risk Operations	**-**	772,080
	60,998,991	48,411,496
Less: provision for expected credit losses	**(9,839,846)**	(9,839,846)
	51,159,145	38,571,650

6 Balances and transaction with related parties (continued)

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Due to:		
Abu Dhabi Gas Industries Limited – Joint Venture Operations	**96,464,484**	54,726,541
Abu Dhabi Oil Refining Company (ADNOC Refining)	**6,499,851**	-
ADNOC Industrial Gases Company Limited – Sole Risk Operations	**3,007,444**	-
Abu Dhabi Marine Operations and Services Company LLC (ADNOC Logistics & Services)	**2,835,961**	1,261,540
Abu Dhabi National Oil Company for Distribution PJSC (ADNOC Distribution)	**724,970**	500,053
Abu Dhabi National Oil Company (ADNOC)	**-**	4,433,182
	109,532,710	60,921,316

Details of significant transactions with related parties during the period are as follows:

	For the ten-month period ended 31 October	
Costs	**2022 USD (unaudited)**	2021 USD (unaudited)
Gaseous nitrogen (GAN) back charged by ADNOC Industrial Gases	**31,708,118**	31,344,497
Purchase of electricity from ADNOC Refining	**70,517,959**	55,080,682
Share of common costs from ADNOC Gas Processing (JV)	**205,431,655**	205,355,193
Lean gas costs back charged from ADNOC Gas Processing (JV)	**990,000**	990,000
Provision for expected credit loss – due from related parties	-	9,839,846
Employees' end of service benefits recharged from ADNOC Gas Processing (JV)	**8,920,000**	10,705,000
Interest expense charged to Shareholder	**1,729,160**	1,269,213

6 Balances and transaction with related parties (continued)

	For the ten-month period ended 31 October	
Recoveries	**2022 USD (unaudited)**	2021 USD (unaudited)
Back charges to Borouge for gaseous nitrogen	**16,903,975**	17,494,106
Back charges to Fertiglobe for gaseous nitrogen	**1,324,323**	1,388,671
Back charges to ADNOC Refining for gaseous nitrogen	**8,274,568**	7,311,428
Back charges to ADNOC Refining for Sulphur processing	**10,728,832**	12,341,513
Back charges to ADNOC Sour Gas for Sulphur handling	**23,360,517**	28,831,722
Back charges to ADNOC LNG for Sulphur processing	**15,388,751**	15,254,866
Back charges to ADNOC Industrial Gases for pipelines	**856,766**	1,245,000
Back charges for sale of electricity to ADNOC Onshore	**12,383,402**	11,461,298
Back charges to ADNOC Refining for LPG	**1,892,597**	3,034,098
Back charges to ADNOC Gas Processing (JV) for product processing charge	**64,650,855**	63,471,916
Recovery joint/common costs from ADNOC Gas Processing (JV)	**8,310,993**	5,777,535
Interest income on recoverable from Shareholder	**1,729,160**	1,269,213
Key management compensation		
Short term benefits	**1,532,368**	3,926,361
Long term benefits	**206,098**	247,318
	1,738,466	4,173,679

6 Balances and transaction with related parties (continued)

With effect from 30 September 2018, certain assets located at the ADNOC Ruwais NGL facilities were transferred from ADNOC Gas Processing (Joint Venture), in accordance with the amended and restated Joint Venture agreement date 31 March 2009 deemed effective as of 1 October 2008 and Annex G – Ruwais asset transfer agreement dated 31 March 2009 and deemed effective as of 30 September 2008. As a result of transfer, a product processing charge is charged by the Abu Dhabi Gas Industries Limited (ADNOC Gas Processing) – Sole Risk Operations to cover the cost of the ADNOC Ruwais NGL facilities incurred in processing NGL based on actual production attributable to ADNOC Gas Processing Joint Venture over total production of all trains, in accordance with annexure F- NGL processing and production offtake agreement, article 6 of the amended and restated Joint Venture Agreement.

The rates for joint and common costs allocation to and from ADNOC Gas Processing (Joint Venture) and ADNOC Gas Processing - Sole Risk Operations for the period ended 31 Oct 2022 are as follows;

Common charges from ADNOC Gas Processing – Sole Risk Operations

	Effective date	ADNOC Gas Processing (Joint venture share)
Pipelines Division	1 January 2009	8%
Habshan Division	1 January 2019	2%
Project Division	1 January 2019	11%

Common charges from ADNOC Gas Processing (Joint Venture) to ADNOC Gas Processing – Sole Risk Operations

	Effective date	Joint venture direct cost
Head Office Costs (see note below)	1 January 2019	82.17%
Engineering and Technical Support Division	1 January 2019	71%
Production, Planning and Shipping Department	1 January 2009	79%
ASAB Plant Division	1 January 2015	66%

Costs directly attributable to ADNOC Gas processing – Sole Risk Operations

	Effective Date	Reallocation
Head Office Costs	1 August 2001	100%
Engineering and Technical Support Division	1 June 2002	100%

Head office costs are allocated at the end of each reporting period *(2021: 82.17%)* on a pro-rata ratio on the basis of the Operations and maintenance costs of the Joint Venture and ADNOC Account facilities after adjusting for the product processing charges and nitrogen injection costs relating to the ADNOC Ruwais NGL Facilities.

7 Cash and cash equivalents

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Cash in hand	**39,655**	52,333
Cash at bank	**-**	7,126,784
Cash held with ADNOC*	**5,880,373**	4,023,427
Bank balances and cash	**5,920,028**	11,202,544
Bank overdraft	**(2,330,577)**	-
Cash and cash equivalents for the statement of cash flows	**3,589,451**	11,202,544

*On 19 October 2020, the Operations entered into a Cash Pooling and Virtual Accounts Agreement (referred to as the "Cash Pooling Arrangement") with ADNOC. Under the cash pooling arrangement, surplus cash is transferred to and held by ADNOC in a designated bank account on which interest is earned. The surplus cash is available on demand to the Operations to meet its obligations, accordingly the arrangement has been classified under as cash and cash equivalents.

8 Trade and other payables

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Trade payables	**47,183,252**	38,314,483
Contract liabilities (capital accruals)	**148,428,403**	192,872,104
Operating accruals	**126,250,128**	141,873,908
Others	**11,606,959**	13,640,680
	333,468,742	386,701,175

9 Capital expenditure

	For the ten-month period ended 31 October	
	2022 USD (unaudited)	2021 USD (unaudited)
Plant reliability	**263,220,217**	302,403,869
Production enhancements	**36,100,787**	38,154,599
Plant safety	**22,987,657**	24,295,449
IT projects	**23,506,574**	24,843,888
Building projects	**10,690,590**	11,298,789
Moveable items	**783,592**	828,171
Others	**6,021,793**	6,364,382
	363,311,210	408,189,147

10 Recoverable from Shareholder and lease liabilities

	Recoverable from Shareholder USD	**Lease liabilities USD**
At 31 December 2021 (audited)	67,136,424	67,136,424
Interest income on recoverable from Shareholder	1,729,160	-
Accretion of interest on lease liability	-	1,729,160
Recovered/paid during the period	(28,338,284)	(28,338,284)
As at 31 October 2022 (unaudited)	**40,527,300**	**40,527,300**

Analysed in the statement of interim condensed financial position as follows:

Current	**7,940,405**	**7,940,405**
Non-current	**32,586,895**	**32,586,895**
	40,527,300	**40,527,300**

During 2021, the Company entered into an agreement with ADNOC to lease various lands located in Abu Dhabi and Ruwais. The lease term for the land rental is for seven years commencing from 1st January 2021 till 31st December 2027. The incremental borrowing rate used is at 4.3%. The Operations recognised recoverable from shareholder from 1 January 2021 at an amount equal to the lease liability and accordingly the lease liability is paid through the amount which is recovered from the shareholder.

11 Employee benefits

Employees' end of service benefits obligation pertaining to employees working for ADNOC Gas Processing – Sole Risk Operations is recorded in the books of accounts of ADNOC Gas Processing (Joint Venture). The related expenses are allocated to ADNOC account.

With respect to its UAE National employees, ADNOC Gas Processing makes contribution to Abu Dhabi Retirement Pension and Benefits Funds in accordance with the Abu Dhabi Retirement Pension and Benefits Fund's regulations. With respect to its GCC national employees, ADNOC Gas Processing makes contribution to the pension funds or agencies of their respective countries. Such contributions are charged to the statement of profit or loss and other comprehensive income during the employees' period of service.

12 Commitments

At 31 October 2022, capital expenditure commitments amounting to USD 369 million (31 December 2021: USD 400.5 million) have been contracted for.

13 Contingencies

At 31 October 2022, contingent liabilities for projects based on their claims is estimated to be USD 9.48 million (31 December 2021: USD 17.6 million) for change in scope of work which is currently being undertaken and is expected to be completed in for the foreseeable future.

14 Approval of financial statements

This interim condensed financial information for the ten-month period ended 31 October 2022 were approved by the management of ADNOC Gas Processing and authorised for issue on 23 December 2022.

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED
(ADNOC LNG) - SOLE RISK OPERATIONS

Report and financial statements for the year ended 31 December 2020

All parties consent to this document being signed electronically. H&PDXGFHYTV 20220812 0517

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Report and Financial Statements
for the year ended 31 December 2020

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All parties sent this document for signature electronically via PDFfiller, 17/02/2021

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To: Abu Dhabi National Oil Company (ADNOC)

Opinion

We have audited the financial statements of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) – Sole Risk Operations (referred to as the "Operations") as defined in note 1, which comprise the statement of financial position as at 31 December 2020, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Operations as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (referred to as "IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (referred to as "ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Operations in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 2.1, which states that these financial statements represent the financial information of the Operations and not the financial statements of Abu Dhabi Gas Liquefaction Company Limited as a whole. Our opinion is not modified in respect of this matter.

Other Matter

The Operations financial statements for the year ended 31 December 2019 were audited by another auditor who expressed an unmodified opinion on those statements on 19 January 2023.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Operations' 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 Operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Operations' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA 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 financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Operations' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 Operations' 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 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 Operations to cease to continue as a going concern.

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.

For RAI Audit and Tax Services,



Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 19 January 2023
Abu Dhabi
United Arab Emirates

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of financial position as at 31 December 2020

	Notes	2020 USD	2019 USD
ASSETS			
Current assets			
Inventories	**5**	**7,707,116**	13,117,839
Cash and cash equivalents	**7**	**1,714,180**	773,270
Total assets		**9,421,296**	13,891,109
EQUITY AND LIABILITY			
Equity			
ADNOC account		**(47,925,687)**	(80,188,598)
Current liability			
Due to a related party	**6**	**57,346,983**	94,079,707
Total equity and liability		**9,421,296**	13,891,109

Mr. Khaled Salmeen
Executive Director
Downstream Industry
Marketing and Trading

Ms. Fatema Al Nuaimi
Chief Executive Officer

Mr. Mohamed Al Hashimi
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of profit or loss and other comprehensive income for the year ended 31 December 2020

	Notes	2020 USD	2019 USD
OPERATING EXPENDITURE	**8**		
Manpower charges		**51,076,795**	48,136,346
Material consumption		**4,843,923**	2,292,543
Das support costs allocated from ADNOC Offshore		**6,327,738**	10,778,567
Insurance and other costs		**1,541,645**	1,109,053
Repair and maintenance costs		**4,576,988**	7,786,176
Das overheads		**14,540,380**	14,283,685
Abu Dhabi overheads		**11,021,899**	10,616,178
Provision for slow-moving and obsolete inventories	**5**	**266,993**	4,452,503
Net operating expenditure		**94,196,361**	99,455,051
Recoverable from ADNOC		**(94,196,361)**	(99,455,051)
Profit for the year		**-**	-
Other comprehensive income		**-**	-
Total comprehensive income for the year		**-**	-

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of changes in equity
for the year ended 31 December 2020

	ADNOC account USD
At 1 January 2019	(1,015,468)
Cash calls received during the year (note 6)	264,922,676
Operating expenditure incurred during the year (note 8)	(99,455,051)
Capital expenditure incurred during the year on behalf of ADNOC (note 8)	(244,640,755)
At 31 December 2019	(80,188,598)
At 1 January 2020	(80,188,598)
Cash calls received during the year (note 6)	378,911,701
Operating expenditure incurred during the year (note 8)	(94,196,361)
Capital expenditure incurred during the year on behalf of ADNOC (note 8)	(252,452,429)
At 31 December 2020	**(47,925,687)**

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of cash flows
for the year ended 31 December 2020

	Notes	2020 USD	2019 USD
Cash flows from operating activities			
Expenditure incurred on behalf of the Shareholder	**6, 8**	**(346,648,790)**	(344,095,806)
Adjustment for:			
Provision for slow-moving and obsolete inventories	**5**	**266,993**	4,452,503
		(346,381,797)	(339,643,303)
Working capital changes			
Decrease in inventories		**5,143,730**	1,153,178
(Decrease) / increase in amounts due to a related party		**(36,732,724)**	74,304,560
Net cash used in operating activities		**(377,970,791)**	(264,185,565)
Cash flows from financing activity			
Cash calls received from ADNOC	**6**	**378,911,701**	264,922,676
Cash generated from financing activity		**378,911,701**	264,922,676
Net increase in cash and cash equivalents		**940,910**	737,111
Cash and cash equivalents at the beginning of the year		**773,270**	36,159
Cash and cash equivalents at the end of the year	**7**	**1,714,180**	773,270

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Notes to the financial statements
for the year ended 31 December 2020

1 General information

Abu Dhabi Gas Liquefaction Company Limited ("ADNOC LNG JV" or the "Company") was established as a Limited Liability Company, owned 70% by Abu Dhabi National Oil Company ("ADNOC"), 15% by Mitsui & Co. Middle East Limited, 10% by BP Global Investments Limited and 5% by TOTAL E&P. The Company is a gas processing and LNG production company based in Abu Dhabi and operating at Das Island, an oil and gas industrial operations facilities hub located 160 kilometers off the coast of Abu Dhabi.

An operating agreement ("the Agreement") was signed between ADNOC and ADNOC LNG JV on 5 November 2008 with effect 24 January 2007 to establish the rights and obligations between the two parties and to provide the terms and conditions pursuant thereto, which the Company will operate the ADNOC sole risk operations ("ADNOC LNG ASR" or the "Operations"). The Agreement also provided the basis of allocation of joint costs and common costs between ADNOC LNG ASR and ADNOC LNG JV.

During the year, the Operations performed the following activities on behalf of ADNOC in accordance with the Agreement:

i. Management of the Offshore Associated Gases (OAG) Project – Package 1 "Das island facilities"
ii. Operation and maintenance of OAG and the offshore part of the pipeline
iii. Management of the Integrated Gas Development (IGD) Project
iv. Operation and maintenance of IGD

The Operations has no rights, title or interest in the petroleum product, petroleum properties or in any of the facilities associated therewith. Consequently, the financial statements of the Operations exclude all petroleum activities (revenue and operating costs), properties and associated facilities and related depreciation expense. However, the Operations is responsible to ADNOC for the custodianship of all their assets.

The Operations is currently operating based on the approved budget from ADNOC. The Operations does not have an ownership interest in the assets and liabilities and does not generate profits nor incur losses as all its costs are recoverable from ADNOC as per the agreement and annual approved budget.

2.1 Basis of preparation

These financial statements present the financial information of Abu Dhabi Gas Liquefaction Company Limited – Sole Risk Operations ("ADNOC LNG ASR" or "the Operations") as defined by management, and are not the financial statements of the Company as a whole. Accordingly, these financial statements record the expenditure, assets and liabilities of the Operations only and exclude all other expenditure, assets and liabilities of the Company.

The financial statements have been prepared on historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial statements exclude property, plant and equipment and petroleum products since the Operations have no right, title or interest in the petroleum properties or in any of the facilities associated therewith and only acts as the custodian of properties, which ADNOC has put at their disposal for operations purposes.

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2.2 Functional and presentation currency

The functional currency for the Operations is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgements to identify the primary economic environment and the Operations reconsiders the functional currency if there is a change in events and conditions which determined the primary economic environment.

For the purpose of these financial statements, US Dollars (USD) is the functional and presentation currency of the Operations.

2.3 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

2.4 New and amended IFRS applied during 2020

A number of new standards are effective from 1 January 2020, but they do not have a material effect on the Operations' financial statements.

- *The Conceptual Framework for Financial Reporting*
- *Definition of a Business (Amendments to IFRS 3)*
- *Definition of Material (Amendments to IAS 1 and IAS 8)*
- *Interest Rate Benchmark Reform (Amendments to IFRS 9, IAS 39 and IFRS 7)*

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2020 and earlier application is permitted. However, the Operations have not early adopted any of the forthcoming new or amended standards in preparing these financial statements.

Management anticipates that the application of the following standards will not have material impact on the Operations' financial statements in the period of initial application.

2.5 New and revised IFRSs

	Effective date
• *COVID-19-related rent concessions (Amendment to IFRS 16)*	1 June 2020
• *Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)*	1 January 2021
• *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*	1 January 2022
• *Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)*	1 January 2022
• *Reference to the Conceptual Framework (Amendments to IFRS 3)*	1 January 2022
• *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)*	Available for optional adoption/effective date deferred indefinitely

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2.5 New and revised IFRSs *(continued)*

• *Annual Improvements to IFRS Standards (2018-2020)* ▪ *IFRS 1 first time adoption of IFRS (Subsidiary as a first time adopter)* ▪ *IFRS 9 Financial Instruments – fees in the 10% test for derecognition of financial liabilities* ▪ *IAS 41 Agriculture (Taxation in fair value measurements)*	1 January 2022
• *IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts*	1 January 2023
• *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*	1 January 2023
• *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*	1 January 2023
• *Definition of Accounting Estimates (Amendments to IAS 8)*	1 January 2023
• *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)*	1 January 2023

3 Summary of significant accounting policies

The principal accounting policies are set out below:

Capital expenditure incurred on behalf of ADNOC

The Operations acts as the custodian of all assets and shall not own any right, title or interest in any installation, equipment or materials erected or used for operations or the facilities, provided that certain assets may be registered in the name of ADNOC and held by ADNOC as custodian of such assets on behalf of ADNOC. All direct costs of capital works including consultants' services and direct supervision costs are capitalised. Capital expenditure is charged to ADNOC.

Operating expenditure

Operating expenditure consists of direct operating costs, general and administrative costs, repairs and maintenance expenditure, and provision for slow-moving and obsolete inventories. Operating expenditure is recoverable from ADNOC.

Inventories

Inventories of liquefied gas are stated at the lower of cost and net realisable value. Cost includes the acquisition cost of natural gas and related production costs which are calculated by apportioning the total attributable costs of production in the current financial year over the total production of liquefied natural gas, liquefied petroleum gas and paraffinic naphtha in that year.

Stores including maintenance spares are stated at the lower of weighted average cost and net realisable value. Stores are stated at net of allowance for obsolete or slow-moving items.

Goods in transit are stated at cost.

Provision is made for obsolete / slow-moving items where necessary and is recognised in statement of profit and loss.

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3 Summary of significant accounting policies *(continued)*

Foreign currencies

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. 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.

Employee benefits

The Company operates an un-funded post-employment benefit plan for its non-UAE national employees in accordance with Personnel Policy Manual of ADNOC Group of Companies. 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 on an actual basis. Had the obligation for post-employment benefit plan were to be determined using the projected unit credit method, the amount of obligation would not be materially different from that currently provided by the Company based on an actual basis.

The Company makes contributions to a pension fund administered by Abu Dhabi Retirement Pensions & Benefits Funds in respect of national employees who are covered by the Pension & Leaving Benefits Law No. 2/2002, and accordingly no provision for end of service benefits is made in respect of national employees. With respect to GCC national employees, the Company makes contributions to the pension funds of their respective countries. The Company provides for severance pay for contract hired staff. The severance pay is calculated based on one month basic remuneration for each year of services. The severance pay is calculated on the basis of the remuneration last due to the contract hired staff in line with ADNOC Agreement for the provision of manpower services for the contract hired personnel.

Provisions

Provisions are recognised when the Operations has a present obligation (legal or constructive) as a result of a past event, it is probable that the Operations will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The provisions are reviewed and adjusted at each reporting date and any excess provision is reversed to income.

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3 Summary of significant accounting policies *(continued)*

Onerous contract

An onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Financial instruments

Financial assets and financial liabilities are recognised in the Operations' statement of financial position when the Operations becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The financial assets of the Operations consist of bank balances.

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:
- the financial asset is held within a business model whose objective is 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.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):
- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

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3 Summary of significant accounting policies *(continued)*

Financial assets (continued)

Classification of financial assets (continued)

(ii) Debt instrument designated at other comprehensive income (continued)

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

(iii) Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Operations recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the profit or loss.

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Impairment of financial assets

The Operations recognises a loss allowance for expected credit losses on bank balances. 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.

For all other financial instruments, the Operations recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Operations measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

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.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Operations compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Operations considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Operations becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Operations considers the changes in the risk that the specified debtor will default on the contract.

The Operations regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Operations assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Impairment of financial assets *(continued)*

(ii) Definition of default

The Operations considers the following as a constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtors; or
- information developed internally or obtained from external sources indicates that debtor is unlikely to pay its creditors, including the Operations, in full (without taking into account any collateral held by the Operations).

Irrespective of the above analysis, the Operations considers a financial asset in default when contractual payments are 90 days past due unless the Operations has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit- impaired includes observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;
b. a breach of contract, such as a default or past due event (see (ii) above);
c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Operations writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Operations understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Impairment of financial assets *(continued)*

(v) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Operations in accordance with the contract and all the cash flows that the Operations expects to receive, discounted at the original effective interest rate.

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 primarily derecognised (i.e., removed from the Operations' statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Operations 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 Operations has transferred substantially all the risks and rewards of the asset, or (b) the Operations has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Operations has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Operations continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Operations also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Operations has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Operations could be required to repay.

Classification as debt or equity
Debt and equity instruments issued by the Operations are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Operations are recognised at the cash calls received, net of expenditure.

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3 Summary of significant accounting policies *(continued)*

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in the statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the statement of other comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Operations derecognises financial liabilities when, and only when, the Operations' obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Items of income and expense shall not be offset except when it reflects the substance of the transaction or when it does not detract, from the ability of users, both to understand the transactions and conditions that have occurred.

Accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

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4 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Operations' accounting policies as described in note 3, management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period 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.

Critical judgments

In the process of applying the Operations' accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Decommissioning liability

Decommission provision is not recognised in the financial statements as the decommissioning provision is being held directly in the books of ADNOC based on its methodology.

Business model assessment

Classification and measurement of financial assets depends on the results of solely payments of principal and interest (SPPI) and the business model test. The Operations determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Operations monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Operations' continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

ADNOC account

In assessing the classification of the ADNOC account, management has carefully considered the criteria in the Framework for Preparation and Presentation of Financial Statements, IAS 32 Financial Instruments-Presentation in that it represents a residual interest in the asets of the Operatons after deducting all its liabilities. Management has considered the underlying substance and economic reality of the balance, and have concluded that the balance be classified as ADNOC account and not classified as liability.

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4 Critical accounting judgments and key sources of estimation uncertainty *(continued)*

Estimates

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for slow-moving and obsolete 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 historical selling prices and volumes. Management assessed the allowance for slow moving and obsolete inventories at 31 December 2020 to be USD 19,471,489 (2019: USD 19,204,496) (note 5).

5 Inventories

	2020 USD	2019 USD
Materials, spares and chemicals	**27,178,605**	32,322,335
Less: allowance for slow-moving and obsolete inventories	**(19,471,489)**	(19,204,496)
	7,707,116	13,117,839

The movement in the allowance for slow-moving and obsolete inventories during the year was as follows:

	2020 USD	2019 USD
Balance at the beginning of the year	**19,204,496**	14,751,993
Charge for the year	**266,993**	4,452,503
Balance at the end of the year	**19,471,489**	19,204,496

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6 Related parties

Related parties represent the Government of Abu Dhabi and related departments and institutions, ADNOC, its subsidiaries, joint ventures and associated companies and the directors, and key management personnel of the Operations and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions. The terms of these transactions are approved by the Operations' management and are made on terms agreed by management.

Balance with a related party at the end of reporting period comprises the following:

	2020 USD	2019 USD
Due to a related party		
Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG JV)	**57,346,983**	94,079,707

Details of significant related party transactions for the year are as follows:

	2020 USD	2019 USD
Cash calls received from ADNOC	**378,911,701**	264,922,676
Common costs recharged by ADNOC LNG JV	**133,252,520**	147,110,000
Total expenditure incurred on behalf of ADNOC (note 8)	**346,648,790**	344,095,806

In accordance with article 5 of the Agreement, ADNOC LNG JV shall allocate to ADNOC all direct and support costs incurred with respect to ADNOC Sole Risk Operations and shall pay and discharge all such costs and expenses in accordance with accounting procedures as defined in the Agreement.

7 Cash and cash equivalents

	2020 USD	2019 USD
Cash at bank	**1,714,180**	773,270

Balances with banks are assessed to have low credit risk of default since these counterparties are assessed to be reputable and have good credit ratings. Accordingly, management of the Operations estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Operations have assessed that no significant provision for ECL is required on these balances.

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8 Expenditure during the year

	2020 USD	2019 USD
Capital expenditure	**252,452,429**	244,640,755
Operating expenditure	**94,196,361**	99,455,051
	346,648,790	344,095,806

Capital expenditure

Capital expenditure incurred for Offshore Associated Gases (OAG), Integrated Gas Development (IGD) projects and Integrated Gas Development Extension (IGD-E) projects are distributed as follows:

	2020				2019			
	OAG USD	**IGD USD**	**IGD-E2 USD**	**Total USD**	OAG USD	IGD USD	IGD-E2 USD	Total USD
EPC cost	**-**	**-**	**204,755,170**	**204,755,170**	-	-	161,335,116	161,335,116
PMC Cost	**-**	**-**	**5,580,100**	**5,580,100**	-	-	5,564,850	5,564,850
ADNOC LNG cost:								
Personnel, charter and harbour	**-**	**-**	**21,671,016**	**21,671,016**	-	-	17,317,320	17,317,320
Ongoing capex	**8,958,647**	**10,722,093**	**-**	**19,680,740**	19,480,915	40,324,127	-	59,805,042
Others	**-**	**-**	**765,403**	**765,403**	-	-	618,427	618,427
	8,958,647	**10,722,093**	**232,771,689**	**252,452,429**	19,480,915	40,324,127	184,835,713	244,640,755

The expenditures (operating and capital) are incurred on behalf of ADNOC and charged to the respective account in statement of changes in equity.

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9 Financial instruments

The Operations' principal financial liabilities comprise of due to a related party. The main purpose of these financial liabilities is to finance the Operations. The Operations' financial assets comprise bank balances which arise mainly from cash calls.

Financial risk management objectives

The Operations' activities expose it to a variety of financial risks: market risk (including foreign exchange risk and fair value interest rate risk), credit risk and liquidity risk. The Operations' overall risk management program focuses on the unpredictability of financial market and seeks to minimise potential adverse effects on the Operations' financial performance. The Operations do not enter into or trade in financial instruments, including derivative financial instruments, for speculative or risk management purposes.

Market risk

Market price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise the following types of risk: interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Operations is not exposed to interest rate risk as the Operations does not have interest bearing financial asset or lability.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Operations' exposure to risk of changes in foreign exchange rates relates primarily to the operating activities and assets and liabilities denominated in a different currency from the functional currencies.

Foreign currency risk is limited since a significant proportion of the Operations' transactions, monetary assets and liabilities are in UAE Dirhams and US Dollars. As the UAE Dirhams is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

Credit risk

Credit risk refers to the risk that a counterparty will not meet its obligations under a financial instrument leading to a financial loss to the Operations.

Credit risk from balances with banks is managed by the Operations' treasury department in accordance with the Operations' policy.

The carrying amount of financial asset represents the maximum credit exposure.

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9 Financial instruments *(continued)*

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Operations' short, medium and long term funding and liquidity management requirements. The Operations manage liquidity risk mainly through cash calls received from ADNOC based on the budgeted expenditures and by maintaining adequate reserves, banking facilities and support from ADNOC, by continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities.

The Operations ensure that it has sufficient cash on demand to meet expected operational expenses.

Financial liability of Operations as at 31 December 2020 and 2019 are payable within three months from statement of financial position date.

Fair value of financial assets and liabilities

Management considers that the fair values of financial asset and financial liability in the financial statements approximate their carrying amounts.

10 Commitments

The Company have capital commitments 'Contracted for but not Provided' and 'Authorised but not Contracted' amounting to USD 534,738,718 (2019: USD 757,891,000) and USD 100,792,000 (2019: USD 133,484,000) respectively, related to the Operations.

11 COVID-19 impact

In January 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak"). Subsequently (March 2020), the WHO classified COVID-19 outbreak as a pandemic based on the rapid increase in exposure and infections across the world. The pandemic nature of this disease has necessitated global travel restrictions and total lockdown in most countries of the world, with negative implications on the global economy and social life.

The Operations undertook measures to minimize the impact of COVID-19 pandemic, in line with the recommendations of WHO and National Health Ministries. The Operations continues to incur additional direct and indirect costs of ongoing pandemic; however, the Operations has implemented active prevention programs at its sites and contingency plans in order to minimize the risks related to COVID-19 and to safeguard the continuity of business operations.

12 Approval of financial statements

The financial statements for the year ended 31 December 2020 were approved by the management of ADNOC and ADNOC LNG and authorised for issue on 19 January 2023

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED
(ADNOC LNG) - SOLE RISK OPERATIONS

Report and financial statements for the year ended 31 December 2021

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Report and Financial Statements
for the year ended 31 December 2021

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To: Abu Dhabi National Oil Company (ADNOC)

Opinion

We have audited the financial statements of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) – Sole Risk Operations (referred to as the "Operations") as defined in note 1, which comprise the statement of financial position as at 31 December 2021, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Operations as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (referred to as "IFRS").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (referred to as the "ISA"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Operations in accordance with the International Ethics Standards Board for Accountants' *International code of Ethics for Professional Accountants (including Independence Standards)* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to note 2.1, which states that these financial statements represent the financial information of the Operations and not the financial statements of Abu Dhabi Gas Liquefaction Company Limited as a whole. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Operations' 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 Operations or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Operations' financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISA 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 financial statements.

As part of an audit in accordance with ISA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 Operations' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 Operations' 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 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 Operations to cease to continue as a going concern.

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.

For RAI Audit and Tax Services,



Auditor Name: **Riyad Abdulrahman Al Mubarak**
Entry Number: 391
Date: 19 January 2023
Abu Dhabi
United Arab Emirates

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of financial position as at 31 December 2021

	Notes	2021 USD	2020 USD
ASSETS			
Current assets			
Inventories	**5**	**7,014,987**	7,707,116
Cash and cash equivalents	**7**	**267,212**	1,714,180
Total assets		**7,282,199**	9,421,296
EQUITY AND LIABILITY			
Equity			
ADNOC account		**(73,124,188)**	(47,925,687)
Non-current liability			
Due to a related party	**6**	**22,473,759**	-
Current liability			
Due to a related party	**6**	**57,932,628**	57,346,983
Total liabilities		**80,406,387**	57,346,983
Total equity and liabilities		**7,282,199**	9,421,296

15/12/2022

Mr. Khaled Salmeen
Executive Director
Downstream Industry
Marketing and Trading

Ms. Fatema Al Nuaimi
Chief Executive Officer

Mr. Mohamed Al Hashimi
Chief Financial Officer

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of profit or loss and other comprehensive income for the year ended 31 December 2021

	Notes	2021 USD	2020 USD
OPERATING EXPENDITURE	**8**		
Manpower charges		**50,317,514**	51,076,795
Material consumption		**4,299,055**	4,843,923
Das support costs allocated from ADNOC Offshore		**8,176,660**	6,327,738
Insurance and other costs		**1,828,814**	1,541,645
Repair and maintenance costs		**6,021,400**	4,576,988
Das overheads		**13,102,219**	14,540,380
Abu Dhabi overheads		**9,968,617**	11,021,899
Provision for slow-moving and obsolete inventories	**5**	**-**	266,993
Pension cost recharge	**6**	**38,737,583**	-
Net operating expenditure		**132,451,862**	94,196,361
Recoverable from ADNOC		**(132,451,862)**	(94,196,361)
Profit for the year		**-**	-
Other comprehensive income		**-**	-
Total comprehensive income for the year		**-**	-

The accompanying notes form an integral part of these financial statements

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of changes in equity
for the year ended 31 December 2021

	ADNOC account USD
At 1 January 2020	(80,188,598)
Cash calls received during the year (note 6)	378,911,701
Operating expenditure incurred during the year (note 8)	(94,196,361)
Capital expenditure incurred during the year on behalf of ADNOC (note 8)	(252,452,429)
At 31 December 2020	(47,925,687)
At 1 January 2021	(47,925,687)
Cash calls received during the year (note 6)	315,592,000
Operating expenditure incurred during the year (note 8)	(132,451,862)
Capital expenditure incurred during the year on behalf of ADNOC (note 8)	(208,338,639)
At 31 December 2021	**(73,124,188)**

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Statement of cash flows
for the year ended 31 December 2021

	Notes	2021 USD	2020 USD
Cash flows from operating activities			
Expenditure incurred on behalf of the Shareholder	**6, 8**	**(340,790,501)**	(346,648,790)
Adjustment for:			
Provision for slow-moving and obsolete inventories	**5**	**-**	266,993
		(340,790,501)	(346,381,797)
Working capital changes			
Decrease in inventories		**692,129**	5,143,730
Increase / (decrease) in amounts due to a related party		**23,059,404**	(36,732,724)
Net cash used in operating activities		**(317,038,968)**	(377,970,791)
Cash flows from financing activity			
Cash calls received from ADNOC	**6**	**315,592,000**	378,911,701
Net (decrease) / increase in cash and cash equivalents		**(1,446,968)**	940,910
Cash and cash equivalents at the beginning of the year		**1,714,180**	773,270
Cash and cash equivalents at the end of the year	**7**	**267,212**	1,714,180

The accompanying notes form an integral part of these financial statements.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Notes to the financial statements
for the year ended 31 December 2021

1 General information

Abu Dhabi Gas Liquefaction Company Limited ("ADNOC LNG JV" or the "Company") was established as a Limited Liability Company, owned 70% by Abu Dhabi National Oil Company ("ADNOC"), 15% by Mitsui & Co. Middle East Limited, 10% by BP Global Investments Limited and 5% by TOTAL E&P. The Company is a gas processing and LNG production company based in Abu Dhabi and operating at Das Island, an oil and gas industrial operations facilities hub located 160 kilometers off the coast of Abu Dhabi.

An operating agreement ("the Agreement") was signed between ADNOC and ADNOC LNG JV on 5 November 2008 with effect 24 January 2007 to establish the rights and obligations between the two parties and to provide the terms and conditions pursuant thereto, which the Company will operate the ADNOC sole risk operations ("ADNOC LNG ASR" or the "Operations"). The Agreement also provided the basis of allocation of joint costs and common costs between ADNOC LNG ASR and ADNOC LNG JV.

During the year, the Operations performed the following activities on behalf of ADNOC in accordance with the Agreement:

i. Management of the Offshore Associated Gases (OAG) Project – Package 1 "Das island facilities"
ii. Operation and maintenance of OAG and the offshore part of the pipeline
iii. Management of the Integrated Gas Development (IGD) Project
iv. Operation and maintenance of IGD

The Operations has no rights, title or interest in the petroleum product, petroleum properties or in any of the facilities associated therewith. Consequently, the financial statements of the Operations exclude all petroleum activities (revenue and operating costs), properties and associated facilities and related depreciation expense. However, the Operations is responsible to ADNOC for the custodianship of all their assets.

The Operations is currently operating based on the approved budget from ADNOC. The Operations does not have an ownership interest in the assets and liabilities and does not generate profits nor incur losses as all its costs are recoverable from ADNOC as per the agreement and annual approved budget.

2.1 Basis of preparation

These financial statements present the financial information of Abu Dhabi Gas Liquefaction Company Limited – Sole Risk Operations ("ADNOC LNG ASR" or "the Operations") as defined by management, and are not the financial statements of the Company as a whole. Accordingly, these financial statements record the expenditure, assets and liabilities of the Operations only and exclude all other expenditure, assets and liabilities of the Company.

The financial statements have been prepared on historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The financial statements exclude property, plant and equipment and petroleum products since the Operations have no right, title or interest in the petroleum properties or in any of the facilities associated therewith and only acts as the custodian of properties, which ADNOC has put at their disposal for operations purposes.

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2.2 Functional and presentation currency

The functional currency for the Operations is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgements to identify the primary economic environment and the Operations reconsiders the functional currency if there is a change in events and conditions which determined the primary economic environment.

For the purpose of these financial statements, US Dollars (USD) is the functional and presentation currency of the Operations.

2.3 Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs).

2.4 New and amended IFRS applied during 2021

A number of new standards are effective from 1 January 2021, but they do not have a material effect on the Operations' financial statements.

- *Interest Rate Benchmark Reform – Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16)*
- *COVID-19-related rent concessions (Amendment to IFRS 16)*

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2021 and earlier application is permitted. However, the Operations have not early adopted any of the forthcoming new or amended standards in preparing these financial statements.

Management anticipates that the application of the following standards will not have material impact on the Operations' financial statements in the period of initial application.

2.5 New and revised IFRSs

	Effective date
• *Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)*	1 January 2022
• *Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)*	1 January 2022
• *Reference to the Conceptual Framework (Amendments to IFRS 3)*	1 January 2022
• *Annual Improvements to IFRS Standards (2018-2020)*	1 January 2022
▪ *IFRS 1 first time adoption of IFRS (Subsidiary as a first time adopter)*	
▪ *IFRS 9 Financial Instruments – fees in the 10% test for derecognition of financial liabilities*	
▪ *IAS 41 Agriculture (Taxation in fair value measurements)*	

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2.5 New and revised IFRSs *(continued)*

• *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to IFRS 10 and IAS 28)*	Available for optional adoption/effective date deferred indefinitely
• *IFRS 17 Insurance Contracts and amendments to IFRS 17 Insurance Contracts*	1 January 2023
• *Classification of Liabilities as Current or Non-current (Amendments to IAS 1)*	1 January 2023
• *Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)*	1 January 2023
• *Definition of Accounting Estimates (Amendments to IAS 8)*	1 January 2023
• *Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)*	1 January 2023

3 Summary of significant accounting policies

The principal accounting policies are set out below:

Capital expenditure incurred on behalf of ADNOC

The Operations acts as the custodian of all assets and shall not own any right, title or interest in any installation, equipment or materials erected or used for operations or the facilities, provided that certain assets may be registered in the name of ADNOC and held by ADNOC as custodian of such assets on behalf of ADNOC. All direct costs of capital works including consultants' services and direct supervision costs are capitalised. Capital expenditure is charged to ADNOC.

Operating expenditure

Operating expenditure consists of direct operating costs, general and administrative costs, repairs and maintenance expenditure, and provision for slow-moving and obsolete inventories. Operating expenditure is recoverable from ADNOC.

Inventories

Inventories of liquefied gas are stated at the lower of cost and net realisable value. Cost includes the acquisition cost of natural gas and related production costs which are calculated by apportioning the total attributable costs of production in the current financial year over the total production of liquefied natural gas, liquefied petroleum gas and paraffinic naphtha in that year.

Stores including maintenance spares are stated at the lower of weighted average cost and net realisable value. Stores are stated at net of allowance for obsolete or slow-moving items.

Goods in transit are stated at cost.

Provision is made for obsolete / slow-moving items where necessary and is recognised in statement of profit and loss.

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3 Summary of significant accounting policies *(continued)*

Foreign currencies

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. 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.

Employee benefits

The Company operates an un-funded post-employment benefit plan for its non-UAE national employees in accordance with Personnel Policy Manual of ADNOC Group of Companies. 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 on an actual basis. Had the obligation for post-employment benefit plan were to be determined using the projected unit credit method, the amount of obligation would not be materially different from that currently provided by the Company based on an actual basis.

The Company makes contributions to a pension fund administered by Abu Dhabi Retirement Pensions & Benefits Funds in respect of national employees who are covered by the Pension & Leaving Benefits Law No. 2/2002, and accordingly no provision for end of service benefits is made in respect of national employees. With respect to GCC national employees, the Company makes contributions to the pension funds of their respective countries. The Company provides for severance pay for contract hired staff. The severance pay is calculated based on one month basic remuneration for each year of services. The severance pay is calculated on the basis of the remuneration last due to the contract hired staff in line with ADNOC Agreement for the provision of manpower services for the contract hired personnel.

Provisions

Provisions are recognised when the Operations has a present obligation (legal or constructive) as a result of a past event, it is probable that the Operations will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the statement of financial position date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

The provisions are reviewed and adjusted at each reporting date and any excess provision is reversed to income.

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3 Summary of significant accounting policies *(continued)*

Onerous contract

An onerous contract as a contract in which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it.

Financial instruments

Financial assets and financial liabilities are recognised in the Operations' statement of financial position when the Operations becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

The financial assets of the Operations consist of bank balances.

(i) Debt instruments designated at amortised cost

Debt instruments that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is 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.

(ii) Debt instrument designated at other comprehensive income

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income (FVTOCI):

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; 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.

By default, all other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Classification of financial assets (continued)

For financial assets other than purchased or originated credit-impaired financial assets (i.e. assets that are credit-impaired on initial recognition), the effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) excluding expected credit losses, through the expected life of the debt instrument, or, where appropriate, a shorter period, to the gross carrying amount of the debt instrument on initial recognition. For purchased or originated credit-impaired financial assets, a credit-adjusted effective interest rate is calculated by discounting the estimated future cash flows, including expected credit losses, to the amortised cost of the debt instrument on initial recognition.

(iii) Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost and at FVTOCI. For financial assets other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Operations recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the profit or loss.

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Impairment of financial assets

The Operations recognises a loss allowance for expected credit losses on bank balances. 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.

For all other financial instruments, the Operations recognises lifetime expected credit losses (ECL) when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Operations measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

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.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Operations compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Operations considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

For financial guarantee contracts, the date that the Operations becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contracts, the Operations considers the changes in the risk that the specified debtor will default on the contract.

The Operations regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Operations assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

- The financial instrument has a low risk of default,
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Impairment of financial assets *(continued)*

(ii) Definition of default

The Operations considers the following as a constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtors; or
- information developed internally or obtained from external sources indicates that debtor is unlikely to pay its creditors, including the Operations, in full (without taking into account any collateral held by the Operations).

Irrespective of the above analysis, the Operations considers a financial asset in default when contractual payments are 90 days past due unless the Operations has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit- impaired includes observable data about the following events:

a. significant financial difficulty of the issuer or the borrower;
b. a breach of contract, such as a default or past due event (see (ii) above);
c. the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d. it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
e. the disappearance of an active market for that financial asset because of financial difficulties.

(iv) Write-off policy

The Operations writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

(v) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Operations understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

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3 Summary of significant accounting policies *(continued)*

Financial assets *(continued)*

Impairment of financial assets *(continued)*

(v) Measurement and recognition of expected credit losses (continued)

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Operations in accordance with the contract and all the cash flows that the Operations expects to receive, discounted at the original effective interest rate.

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 primarily derecognised (i.e., removed from the Operations' statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Operations 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 Operations has transferred substantially all the risks and rewards of the asset, or (b) the Operations has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

When the Operations has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Operations continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Operations also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Operations has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Operations could be required to repay.

Classification as debt or equity
Debt and equity instruments issued by the Operations are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Operations are recognised at the cash calls received, net of expenditure.

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3 Summary of significant accounting policies *(continued)*

Financial liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on changes in fair value recognised in the statement of profit or loss to the extent that they are not part of a designated hedging relationship. The net gain or loss recognised in the statement profit or loss incorporates any interest paid on the financial liability.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in the statement of other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in the statement of profit or loss. The remaining amount of change in the fair value of liability is recognised in the statement of profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in the statement of other comprehensive income are not subsequently reclassified to the statement of profit or loss; instead, they are transferred to retained earnings upon derecognition of the financial liability.

Financial liabilities measured subsequently at amortised cost

Financial liabilities that are not designated as FVTPL, are measured subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Operations derecognises financial liabilities when, and only when, the Operations' obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

Items of income and expense shall not be offset except when it reflects the substance of the transaction or when it does not detract, from the ability of users, both to understand the transactions and conditions that have occurred.

Accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

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4 Critical accounting judgments and key sources of estimation uncertainty

In the application of the Operations' accounting policies as described in note 3, management is required to make judgments, estimates and assumptions about the carrying amount of assets and liabilities 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.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period 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.

Critical judgments

In the process of applying the Operations' accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

Decommissioning liability

Decommission provision is not recognised in the financial statements as the decommissioning provision is being held directly in the books of ADNOC based on its methodology.

Business model assessment

Classification and measurement of financial assets depends on the results of solely payments of principal and interest (SPPI) and the business model test. The Operations determines the business model at a level that reflects how groups of financial assets are managed together to achieve a particular business objective. This assessment includes judgement reflecting all relevant evidence including how the performance of the assets is evaluated and their performance measured, the risks that affect the performance of the assets and how these are managed and how the managers of the assets are compensated. The Operations monitors financial assets measured at amortised cost or fair value through other comprehensive income that are derecognised prior to their maturity to understand the reason for their disposal and whether the reasons are consistent with the objective of the business for which the asset was held. Monitoring is part of the Operations' continuous assessment of whether the business model for which the remaining financial assets are held continues to be appropriate and if it is not appropriate whether there has been a change in business model and so a prospective change to the classification of those assets. No such changes were required during the periods presented.

ADNOC account

In assessing the classification of the ADNOC account, management has carefully considered the criteria in the Framework for Preparation and Presentation of Financial Statements, IAS 32 Financial Instruments-Presentation in that it represents a residual interest in the asets of the Operatons after deducting all its liabilities. Management has considered the underlying substance and economic reality of the balance, and have concluded that the balance be classified as ADNOC account and not classified as liability.

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4 Critical accounting judgments and key sources of estimation uncertainty *(continued)*

Critical judgments *(continued)*

Estimates

The key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for slow-moving and obsolete 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 historical selling prices and volumes. Management assessed the allowance for slow moving and obsolete inventories at 31 December 2021 to be USD 19,471,489 (2020: USD 19,471,489) (note 5).

5 Inventories

	2021 USD	2020 USD
Materials, spares and chemicals	**26,486,476**	27,178,605
Less: allowance for slow-moving and obsolete inventories	**(19,471,489)**	(19,471,489)
	7,014,987	7,707,116

The movement in the allowance for slow-moving and obsolete inventories during the year was as follows:

	2021 USD	2020 USD
Balance at the beginning of the year	**19,471,489**	19,204,496
Charge for the year	**-**	266,993
Balance at the end of the year	**19,471,489**	19,471,489

6 Related parties

Related parties represent the Government of Abu Dhabi and related departments and institutions, ADNOC, its subsidiaries, joint ventures and associated companies and the directors, and key management personnel of the Operations and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions. The terms of these transactions are approved by the Operations' management and are made on terms agreed by management.

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6 Related parties *(continued)*

Balances with a related party at the end of reporting period comprise the following:

Due to a related party

	2021 USD	2020 USD
Non-current portion		
Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG JV) (*Note i*)	**22,473,759**	-
Current portion		
Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG JV) (*Note i*)	**57,932,628**	57,346,983

Note i

Abu Dhabi issued law 15 of 2020 amending Abu Dhabi pension law. Among other provisions, the amendment included higher pension deductions via increasing the pensionable portion from the overall salary, thus increasing the retirement benefits for the pension scheme participants. ADNOC has formalized an agreement with the Abu Dhabi Pension Fund with regards to the new pension scheme that is aligned with law 15 of 2020. In accordance with the agreement with Abu Dhabi Pension Fund ("ADPF"), ADNOC has agreed to cover the full pension contributions of ADNOC Group. During the year, an amount of USD 205.7 million was recharged by ADNOC to ADNOC LNG JV relating to pension obligation payable in five annual installments commencing from 30 September 2021. ADNOC LNG JV has determined that USD 40.7 million out of USD 205.7 million relates to the Operations which has been recharged to the Operations and a corresponding payable at present value has been recognised in the statement of financial position of the Operations. The settlement terms of are similar to that of the pension obligation of ADNOC LNG JV.

Management has calculated the present value of the pension obligation using a discount rate of 2.25% and accordingly recognized USD 38.7 million in the statement of profit and loss and other comprehensive income. The Operations' has classified the pension obligation into current and non-current liability as follows:

	2021 USD	2020 USD
Non-current portion	**22,473,759**	-
Current portion	**16,263,824**	-
	38,737,583	-

The pension liabilities are included as part of amounts due to related parties.

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6 Related parties *(continued)*

Details of significant related party transactions for the year are as follows:

	2021 USD	2020 USD
Cash calls received from ADNOC	**315,592,000**	378,911,701
Common costs recharged by ADNOC LNG JV	**165,403,558**	133,252,520
Total expenditure incurred on behalf of ADNOC (note 8)	**340,790,501**	346,648,790

In accordance with article 5 of the Agreement, ADNOC LNG JV shall allocate to ADNOC all direct and support costs incurred with respect to ADNOC Sole Risk Operations and shall pay and discharge all such costs and expenses in accordance with accounting procedures as defined in the Agreement.

7 Cash and cash equivalents

	2021 USD	2020 USD
Cash at banks	**207**	1,714,180
Cash held with ADNOC*	**267,005**	-
	267,212	1,714,180

*On 19 October 2020, the Company entered into a Cash Pooling and Virtual Accounts Agreement (referred to as the "cash pooling arrangement") with ADNOC. Under the cash pooling arrangement, surplus cash is transferred to and held by ADNOC in a designated bank account on which interest is earned. The surplus cash is available on demand to the Operations to meet its obligations.

Balances with banks are assessed to have low credit risk of default since these counterparties are assessed to be reputable and have good credit ratings. Accordingly, management of the Operations estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Operations have assessed that no significant provision for ECL is required on these balances.

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8 Expenditure during the year

	2021 USD	2020 USD
Capital expenditure	**208,338,639**	252,452,429
Operating expenditure	**132,451,862**	94,196,361
	340,790,501	346,648,790

Capital expenditure

Capital expenditure incurred for Offshore Associated Gases (OAG), Integrated Gas Development (IGD) projects and Integrated Gas Development Extension (IGD-E) projects are distributed as follows:

	2021				2020			
	OAG USD	**IGD USD**	**IGD-E2 USD**	**Total USD**	OAG USD	IGD USD	IGD-E2 USD	Total USD
EPC cost	**-**	**-**	**170,361,714**	**170,361,714**	-	-	204,755,170	204,755,170
PMC Cost	**-**	**-**	**5,025,229**	**5,025,229**	-	-	5,580,100	5,580,100
ADNOC LNG cost: Personnel, charter and harbour	**-**	**-**	**20,775,188**	**20,775,188**	-	-	21,671,016	21,671,016
Ongoing capex	**1,907,494**	**6,980,840**		**8,888,334**	8,958,647	10,722,093	-	19,680,740
Others	**-**	**-**	**3,288,174**	**3,288,174**	-	-	765,403	765,403
	1,907,494	**6,980,840**	**199,450,305**	**208,338,639**	8,958,647	10,722,093	232,771,689	252,452,429

The expenditure (operating and capital) is incurred on behalf of ADNOC and charged to the respective account in statement of changes in equity.

9 Financial instruments

The Operations' principal financial liabilities comprise of due to a related party. The main purpose of these financial liabilities is to finance the Operations. The Operations' financial assets comprise bank balances which arise mainly from cash calls.

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9 Financial instruments *(continued)*

Financial risk management objectives

The Operations' activities expose it to a variety of financial risks: market risk (including foreign exchange risk and fair value interest rate risk), credit risk and liquidity risk. The Operations' overall risk management program focuses on the unpredictability of financial market and seeks to minimise potential adverse effects on the Operations' financial performance. The Operations do not enter into or trade in financial instruments, including derivative financial instruments, for speculative or risk management purposes.

Market risk

Market price risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market prices comprise the following types of risk: interest rate risk and currency risk.

Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rate. The Operations is not exposed to interest rate risk as the Operations does not have interest bearing financial asset or lability.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Operations' exposure to risk of changes in foreign exchange rates relates primarily to the operating activities and assets and liabilities denominated in a different currency from the functional currencies.

Foreign currency risk is limited since a significant proportion of the Operations' transactions, monetary assets and liabilities are in UAE Dirhams and US Dollars. As the UAE Dirhams is pegged to the US Dollar, balances in US Dollars are not considered to represent significant currency risk.

Credit risk

Credit risk refers to the risk that a counterparty will not meet its obligations under a financial instrument leading to a financial loss to the Operations.

Credit risk from balances with banks is managed by the Operations' treasury department in accordance with the Operations' policy.

The carrying amount of financial asset represents the maximum credit exposure.

Liquidity risk

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Operations' short, medium and long term funding and liquidity management requirements. The Operations manage liquidity risk mainly through cash calls received from ADNOC based on the budgeted expenditures and by maintaining adequate reserves, banking facilities and support from ADNOC, by continuously monitoring forecast and actual cash flows, and matching the maturity profiles of financial assets and liabilities.

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9 Financial instruments *(continued)*

Liquidity risk *(continued)*

The Operations ensure that it has sufficient cash on demand to meet expected operational expenses.

Financial liability of Operations as at 31 December 2021 and 2020 are payable within three months from statement of financial position date.

Fair value of financial assets and liabilities

Management considers that the fair values of financial asset and financial liability in the financial statements approximate their carrying amounts.

10 Commitments and contingencies

The Operations received various claims during prior years, including claims relating to COVID-19 impact on its on-going capital projects. The Operations is in the process of assessing these claims due to lack of information and substantiation. Management concluded that though an outflow of resources embodying economic benefits is probable, no reliable estimate can be made currently.

The Company have capital commitments 'Contracted for but not Provided' and 'Authorised but not Contracted' amounting to USD 325,443,043 (2020: USD 534,738,718) and USD 59,162,148 (2020: USD 100,792,000) respectively, related to the Operations.

11 COVID-19 update

COVID-19 has significantly impacted the world economy and may continue to do so in the years to come. It has also resulted in significant volatility in the financial and commodities markets worldwide. The emergence of new variants of the virus emphasizes the ongoing challenges and uncertainty surrounding economic activity, which continues to be significantly impacted by Covid-19.

The Company undertook measures to minimize the impact of Covid-19 pandemic, in line with the recommendations of WHO and National Health Ministries. The Company continues to regularly assess the impact of COVID-19 on its business and although the financial year 2021 is the second annual reporting period impacted by the Covid 19 pandemic, the economic and financial impacts are still evolving.

The Company continues to incur additional direct and indirect costs of ongoing pandemic; however, the Company has implemented active prevention programs at its sites and contingency plans in order to minimize the risks related to COVID-19 and to safeguard the continuity of business operations.

12 Approval of financial statements

The financial statements for the year ended 31 December 2021 were approved by the management of ADNOC and ADNOC LNG and authorised for issue on 19 January 2023

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) - SOLE RISK OPERATIONS

Review report and interim condensed financial information for the ten-month period ended 31 October 2022 (unaudited)

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Review report and interim condensed financial information for the ten-month period ended 31 October 2022

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RAI AUDIT
راي للتدقيق

REPORT ON REVIEW OF INTERIM CONDENSED FINANCIAL INFORMATION

To: Abu Dhabi National Oil Company (ADNOC)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG) – Sole Risk Operations (referred to as the "Operations"), as defined in note 1), as at 31 October 2022 and the related interim condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the ten-month period then ended, and explanatory notes (referred to as "Interim Condensed Financial Information").

Management is responsible for the preparation and presentation of this Interim Condensed Financial Information in accordance with International Accounting Standard 34 – *Interim Financial Reporting (referred to as "IAS 34").* Our responsibility is to express a conclusion on this Interim Condensed Financial Information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity.* A review of Interim Condensed 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 Financial Information is not prepared, in all material respects, in accordance with IAS 34.

Emphasis of Matter

We draw attention to note 2.1, which states that these financial statements represent the financial information of the Operations and not the financial statements of Abu Dhabi Gas Liquefaction Company Limited as a whole. Our opinion is not modified in respect of this matter.

For RAI Audit and Tax Services,

Auditor Name: **Riyad Abdulrahman Ali Al Mubarak**
Entry Number: 391
Date: 19 January 2023
Abu Dhabi
United Arab Emirates

ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Interim condensed statement of financial position as at 31 October 2022

	Notes	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
ASSETS			
Current assets			
Inventories	**5**	**7,221,700**	7,014,987
Cash and cash equivalents	**7**	**262,125**	267,212
Total assets		**7,483,825**	7,282,199
EQUITY AND LIABILITY			
Equity			
ADNOC account		**(73,466,029)**	(73,124,188)
Non-current liability			
Due to a related party	**6**	**15,254,564**	22,473,759
Current liability			
Due to a related party	**6**	**65,695,290**	57,932,628
Total liabilities		**80,949,854**	80,406,387
Total equity and liabilities		**7,483,825**	7,282,199

Mr. Jasim Josham Al Ali
Acting Chief Executive Officer

Mr. Mohamed Al Hashimi
Chief Financial Officer

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Interim condensed statement of profit or loss and other comprehensive income for the ten-month period ended 31 October 2022

	Note	Ten-month period ended 31 October	
		2022 USD (unaudited)	2021 USD (unaudited)
OPERATING EXPENDITURE			
Manpower charges		**47,928,675**	44,563,701
Material consumption		**3,546,930**	3,214,330
Das support costs allocated from ADNOC Offshore		**6,700,694**	4,931,946
Insurance and other costs		**1,774,829**	1,577,497
Repair and maintenance costs		**3,565,900**	3,242,677
Das overheads		**10,918,516**	11,333,018
Abu Dhabi overheads		**8,307,181**	8,590,654
Net operating expenditure	**8**	**82,742,725**	77,453,823
Recoverable from ADNOC		**(82,742,725)**	(77,453,823)
Profit for the period		**-**	-
Other comprehensive income		**-**	-
Total comprehensive income for the period		**-**	-

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Interim condensed statement of changes in equity for the ten-month period ended 31 October 2022

	ADNOC account USD
At 1 January 2021	(47,925,687)
Cash calls received during the period (note 6)	240,871,116
Operating expenditure incurred during the period (note 8)	(77,453,823)
Capital expenditure incurred during the period on behalf of ADNOC (note 8)	(153,006,208)
At 31 October 2021 (unaudited)	(37,514,602)
At 1 January 2022	(73,124,188)
Cash calls received during the period (note 6)	249,876,929
Operating expenditure incurred during the period (note 8)	(82,742,725)
Capital expenditure incurred during the period on behalf of ADNOC (note 8)	(167,476,045)
At 31 October 2022 (unaudited)	**(73,466,029)**

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Interim condensed statement of cash flows for the ten-month period ended 31 October 2022

	Notes	Ten-month period ended 31 October 2022 USD (unaudited)	2021 USD (unaudited)
Cash flows from operating activities			
Expenditure incurred on behalf of ADNOC	**6, 8**	**(250,218,770)**	(230,460,031)
Working capital changes			
Increase in inventories		**(206,713)**	(195,825)
Increase/(decrease) in amounts due to a related party		**543,467**	(11,654,740)
Net cash used in operating activities		**(249,882,016)**	(242,310,596)
Cash flows from a financing activity			
Cash calls received from ADNOC	**6**	**249,876,929**	240,871,116
Net decrease in cash and cash equivalents		**(5,087)**	(1,439,480)
Cash and cash equivalents at the beginning of the period		**267,212**	1,714,180
Cash and cash equivalents at the end of the period	**7**	**262,125**	274,700

The accompanying notes form an integral part of this interim condensed financial information.

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ABU DHABI GAS LIQUEFACTION COMPANY LIMITED (ADNOC LNG) – SOLE RISK OPERATIONS

Notes to the interim condensed financial information for the ten-month period ended 31 October 2022

1 General information

Abu Dhabi Gas Liquefaction Company Limited ("ADNOC LNG JV" or the "Company") was established as a Limited Liability Company, owned 70% by Abu Dhabi National Oil Company ("ADNOC"), 15% by Mitsui & Co., Limited, 10% by BP Global Investments Limited and 5% by TotalEnergies SE. The Company is a gas processing and LNG production company based in Abu Dhabi and operating at Das Island, an oil and gas industrial operations facilities hub located 160 kilometers off the coast of Abu Dhabi.

An operating agreement ("the Agreement") was signed between ADNOC and ADNOC LNG JV on 5 November 2008 with effect 24 January 2007 to establish the rights and obligations between the two parties and to provide the terms and conditions pursuant thereto, which the Company will operate the ADNOC sole risk operations ("ADNOC LNG ASR" or the "Operations"). The Agreement also provided the basis of allocation of joint costs and common costs between ADNOC LNG ASR and ADNOC LNG JV.

During the year, the Operations performed the following activities on behalf of ADNOC in accordance with the Agreement:

i. Management of the Offshore Associated Gases (OAG) Project – Package 1 "Das island facilities"
ii. Operation and maintenance of OAG and the offshore part of the pipeline
iii. Management of the Integrated Gas Development (IGD) Project
iv. Operation and maintenance of IGD

The Operations has no rights, title or interest in the petroleum product, petroleum properties or in any of the facilities associated therewith. Consequently, the financial statements of the Operations exclude all petroleum activities (revenue and operating costs), properties and associated facilities and related depreciation expense. However, the Operations is responsible to ADNOC for the custodianship of all their assets.

The Operations is currently operating based on the approved budget from ADNOC. The Operations does not have an ownership interest in the assets and liabilities and does not generate profits nor incur losses as all its costs are recoverable from ADNOC as per the agreement and annual approved budget.

2 Summary of significant accounting policies

2.1 Basis of preparation

This interim condensed financial information has been prepared in accordance with IAS *34 Interim Financial Reporting*, and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2021 ('last annual financial statements'). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to the understanding of the changes in the Operations' financial position and performance since the last annual financial statements.

This interim condensed financial information presents the financial information of Abu Dhabi Gas Liquefaction Company Limited – Sole Risk Operations ("ADNOC LNG ASR" or "the Operations") as defined by management, and are not the interim condensed financial information of the Company as a whole. Accordingly, this interim condensed financial information records the expenditure, assets and liabilities of the Operations only and exclude all other expenditure, assets and liabilities of the Company.

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2 Summary of significant accounting policies *(continued)*

2.1 Basis of preparation *(continued)*

The interim condensed financial information has been prepared on the historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The interim condensed financial information excludes property, plant and equipment and petroleum products since the Operations have no right, title or interest in the petroleum properties or in any of the facilities associated therewith and only acts as the custodian of properties, which ADNOC has put at their disposal for operations purposes.

2.2 Functional and presentation currency

The functional currency for the Operations is the currency of the primary economic environment in which the entity operates. Determination of functional currency may involve certain judgements to identify the primary economic environment and the Operations reconsiders the functional currency if there is a change in events and conditions which determined the primary economic environment.

For the purpose of this interim condensed financial information, US Dollars (USD) is the functional and presentation currency of the Operations.

2.3 Statement of compliance

The interim condensed financial information have been prepared in accordance with International Financial Reporting Standards (IFRSs).

3 New standards, interpretations and amendments adopted by the Operations

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Operations' annual financial statements for the year ended 31 December 2021, except for the adoption of new standards, interpretations and amendments effective as of 1 January 2022. The Operations have not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the interim condensed financial information of the Operations.

Reference to the Conceptual Framework - Amendments to IFRS 3
The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - Amendments to IAS 16
The amendment prohibits deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

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3 New standards, interpretations and amendments adopted by the Operations *(continued)*

Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37

The amendment specifies which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a 'directly related cost approach'. The costs that relate directly to a contract to provide goods or services include both incremental costs (e.g., the costs of direct labour and materials) and an allocation of costs directly related to contract activities (e.g., depreciation of equipment used to fulfil the contract as well as costs of contract management and supervision). General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract.

Annual Improvements to IFRS Standards 2018–2020

The 2018-2020 annual improvements include amendments to the following:

- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
- IAS 41 Agriculture – Taxation in fair value measurements

4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the interim condensed financial information in compliance with IFRS requires the management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and the disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the interim condensed financial information as they become reasonably determinable

Judgments and estimates 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.

The critical judgements and estimates used in the preparation of this interim condensed financial information are consistent with those used in the preparation of the Operations' annual financial statements for the year ended 31 December 2021.

5 Inventories

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Materials, spares and chemicals	**20,993,806**	26,486,476
Less: allowance for slow-moving and obsolete inventories	**(13,772,106)**	(19,471,489)
	7,221,700	7,014,987

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5 Inventories (continued)

The movement in the allowance for slow-moving and obsolete inventories during the period was as follows:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Balance at the beginning of the period/year	**19,471,489**	19,471,489
Write-off	**(5,699,383)**	-
Balance at the end of the period/year	**13,772,106**	19,471,489

6 Related parties

Related parties represent the Government of Abu Dhabi and related departments and institutions, ADNOC, its subsidiaries, joint ventures and associated companies and the directors, and key management personnel of the Operations and those entities in which they have the ability to control and exercise significant influence in financial and operating decisions. The terms of these transactions are approved by the Operations' management and are made on terms agreed by management.

Balance with a related party at the end of reporting period comprises the following:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Due to a related party		
Non-current		
Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG JV) *(Note i)*	**15,254,564**	22,473,759
Current		
Abu Dhabi Gas Liquefaction Company Limited (ADNOC LNG JV) *(Note i)*	**65,695,290**	57,932,628

Note i

During 2020, ADNOC signed an agreement with Abu Dhabi Pension Fund ("ADPF") to improve the pension offering of ADNOC's UAE national employees that is aligned with law 15 of 2020. As part of the agreement, ADNOC will cover the cost of the pension contributions from previous years and has agreed to cover the full pension contributions of ADNOC Group. During the year 2021, an amount of USD 205.7 million was recharged by ADNOC to ADNOC LNG JV relating to pension obligation payable in five annual installments.

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6 Related parties (continued)

Note i (continued)

ADNOC LNG JV has determined that USD 40.7 million out of USD 205.7 million relates to the Operations which was recharged to the Operations in 2021 and a corresponding payable at present value was recorded in the statement of financial position of the Operations. The settlement terms of are similar to that of the pension obligation of ADNOC LNG JV.

Management has calculated the present value of the pension obligation using a discount rate of 2.25% and accordingly recognized USD 38.7 million in the statement of profit and loss and other comprehensive income during the year 2021. The Operations' has classified the pension obligation into current and non-current liability as follows:

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Non-current portion	**15,254,564**	22,473,759
Current portion	**8,134,562**	16,263,824
	23,389,126	38,737,583

The pension liabilities are included as part of amounts due to related parties.

During the period, an amount of USD 16,263,824 has been settled.

Details of significant related party transactions for the year are as follows:

	Ten-month period ended 31 October	
	2022 USD (unaudited)	2021 USD (unaudited)
Cash calls received from ADNOC	**249,876,929**	240,871,116
Common costs recharged by ADNOC LNG JV	**125,472,580**	100,989,088
Total expenditure incurred on behalf of ADNOC (note 8)	**250,218,770**	230,460,031

In accordance with article 5 of the Agreement, ADNOC LNG JV shall allocate to ADNOC all direct and support costs incurred with respect to ADNOC Sole Risk Operations and shall pay and discharge all such costs and expenses in accordance with accounting procedures as defined in the Agreement.

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7 Cash and cash equivalents

	31 October 2022 USD (unaudited)	31 December 2021 USD (audited)
Cash at banks	**-**	**207**
Cash held with ADNOC*	**262,125**	**267,005**
	262,125	**267,212**

*On 19 October 2020, the Company entered into a Cash Pooling and Virtual Accounts Agreement (referred to as the "cash pooling arrangement") with ADNOC. Under the cash pooling arrangement, surplus cash is transferred to and held by ADNOC in a designated bank account on which interest is earned. The surplus cash is available on demand to the Operations to meet its obligations.

Balances with banks are assessed to have low credit risk of default since these counterparties are assessed to be reputable and have good credit ratings. Accordingly, management of the Operations estimates the loss allowance on balances with banks at the end of the reporting period at an amount equal to 12-month ECL. None of the balances with banks at the end of the reporting period are past due, and taking into account the historical default experience and the current credit ratings of the bank, the management of the Operations have assessed that no significant provision for ECL is required on these balances.

8 Expenditure during the period

	Ten-month period ended 31 October	
	2022 USD (unaudited)	2021 USD (audited)
Capital expenditure	**167,476,045**	153,006,208
Operating expenditure	**82,742,725**	77,453,823
	250,218,770	230,460,031

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8 Expenditure during the period (continued)

Capital expenditure

Capital expenditure incurred for Offshore Associated Gases (OAG), Integrated Gas Development (IGD), Integrated Gas Development Extension (IGD-E) and LNG Growth projects are distributed as follows:

	Ten-month period ended 31 October 2022				Ten-month period ended 31 October 2021		
	OAG/IGD Ongoing	**IGD-E2**	**LNG Growth**	**Total**	OAG/IGD Ongoing	IGD-E2	Total
	USD	**USD**	**USD**	**USD**	USD	USD	USD
EPC cost	**-**	**107,420,000**	**-**	**107,420,000**	-	125,270,714	125,270,714
PMC Cost	**-**	**4,440,000**	**6,573,232**	**11,013,232**	-	4,200,229	4,200,229
FEED Cost	**-**	**-**	**12,886,190**	**12,886,190**	-	-	-
ADNOC LNG cost: Personnel, charter and harbour	**-**	**18,956,221**	**-**	**18,956,221**	-	17,273,322	17,273,322
Ongoing capex	**15,523,427**	**-**	**-**	**15,523,427**	5,572,916	-	5,572,916
Others		**285,531**	**1,391,444**	**1,676,975**	-	689,027	689,027
	15,523,427	**131,101,752**	**20,850,866**	**167,476,045**	5,572,916	147,433,292	153,006,208

The expenditure (operating and capital) are incurred on behalf of ADNOC and charged to ADNOC account in the statement of changes in equity.

9 Financial instruments

The Operations' principal financial liabilities comprise of due to a related party. The main purpose of these financial liabilities is to finance the Operations. The Operations' financial assets comprise of cash and cash equivalents which arise mainly from cash calls.

10 Commitments and contingencies

The Operations received various claims during prior years, including claims relating to COVID-19 impact on its on-going capital projects. The Operations is in the process of assessing these claims due to lack of information and substantiation. Management concluded that though an outflow of resources embodying economic benefits is probable, no reliable estimate can be made currently.

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11 COVID-19 update

COVID-19 has significantly impacted the world economy and may continue to do so in the years to come. It has also resulted in significant volatility in the financial and commodities markets worldwide. The emergence of new variants of the virus emphasizes the ongoing challenges and uncertainty surrounding economic activity, which continues to be significantly impacted by Covid-19.

The Operations undertook measures to minimize the impact of Covid-19 pandemic, in line with the recommendations of WHO and National Health Ministries. The Operations continues to regularly assess the impact of COVID-19 on its business and although the financial year 2022 is the third annual reporting period impacted by the Covid 19 pandemic, the economic and financial impacts are still evolving.

The Operations continues to incur additional direct and indirect costs of ongoing pandemic; however, the Operations has implemented active prevention programs at its sites and contingency plans in order to minimize the risks related to COVID-19 and to safeguard the continuity of business operations.

12 Approval of interim condensed financial information

The interim condensed financial information was approved by the management of ADNOC LNG and authorised for issue on 19 January 2023

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ADNOC ASR GAS ASSETS
Carve-out Financial Statements

as at and for the years ended 31 December 2020 and 2021

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ADNOC ASR Gas Assets
Carve-out Financial Statements

as at and for the years ended 31 December 2020 and 2021

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RAI AUDIT

INDEPENDENT AUDITOR'S REPORT
ON THE AUDIT OF THE CARVE-OUT FINANCIAL STATEMENTS

To: Abu Dhabi National Oil Company ("ADNOC")

Opinion

We have audited the carve-out financial statements of ADNOC ASR Gas Assets (referred to as "ADNOC Gas ASR Operations" or the "Operations"), which comprise the carve-out statement of financial position as at 31 December 2021 and 31 December 2020, and the carve-out statements of profit or loss and other comprehensive income, changes in equity and cash flows for the years then ended, and notes to the carve-out financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying carve-out financial statements present fairly, in all material respects, the carve-out financial position of the Operations as at 31 December 2021 and 31 December 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (referred to as "IFRSs").

Basis for Opinion

We conducted our audits in accordance with International Standards on Auditing (referred to as the "ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements* section of our report. We are independent of the Operations in accordance with the International Ethics Standards Board for Accountants' *International code of Ethics for Professional Accountants (including International Independence Standards)* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the carve-out financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to note 3 to the carve out financial statements, which states that the carve-out financial statements have been prepared only for the purpose of including them in the prospectus prepared by ADNOC Gas plc (the "Company") relating to the listing of the Company's shares on the Abu Dhabi Stock Exchange. The carve-out financial statements further describe the principles for determining which assets, liabilities, income and expenses as well as cash flows are assigned to the Operations. The Operations did not form part of a separate legal group of entities during the years ended 31 December 2021 and 2020. The carve-out financial statements, are therefore, not necessarily indicative of the financial performances, financial positions and cash flows of the Operations that would have occurred if it had operated as a separate standalone group entities during the years presented. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Carve-Out Financial Statements

Management is responsible for the preparation and fair presentation of the carve-out financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of carve-out financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the carve-out financial statements, management is responsible for assessing the Operations' 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 Operations' or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Operations' financial reporting process.

Auditor's Responsibilities for the Audit of the Carve-Out Financial Statements

Our objectives are to obtain reasonable assurance about whether the carve-out 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 carve-out 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 carve-out 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 Operations' internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Operations' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the carve-out 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 auditors' report. However, future events or conditions may cause the Operations' to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the carve-out financial statements, including the disclosures, and whether the carve-out financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

For RAI Audit and Tax Services,



Auditor Name: Riyad Abdulrahman Ali Al Mubarak
Entry Number: 391
Date: 14 February 2023
Abu Dhabi
United Arab Emirates

ADNOC ASR Gas Assets

Statement of financial position
As at 31 December 2020 and 2021

ASSETS	Notes	2021 USD Million	2020 USD Million
Non-current assets			
Property, plant and equipment	6	20,859	20,760
Intangible assets	7	81	103
Right-of-use assets	8	20	19
Deferred tax assets	11	117	104
Total non-current assets		**21,077**	**20,986**
Current assets			
Loans and advances	10	5	3
Due from related parties	9	58	55
Total current assets		**63**	**58**
TOTAL ASSETS		**21,140**	**21,044**
EQUITY AND LIABILITIES			
Equity			
Invested equity		18,329	18,777
TOTAL EQUITY		**18,329**	**18,777**
Liabilities			
Non-current liability			
Provision for decommissioning	12	2,446	2,049
Total non-current liability		**2,446**	**2,049**
Current liability			
Due to related parties	9	365	218
Total current liability		**365**	**218**
TOTAL LIABILITIES		**2,811**	**2,267**
TOTAL EQUITY AND LIABILITIES		**21,140**	**21,044**

Managing Director and Group Chief Executive Officer
Dr. Sultan Ahmed Al Jaber

Acting Group Chief Financial Officer
Mr. Khaled Al Zaabi

The accompanying notes form an integral part of the carve-out financial statements.

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ADNOC ASR Gas Assets

Statement of profit or loss and other comprehensive income
For the years ended 31 December 2020 and 2021

	Notes	2021 USD Million	2020 USD Million
Operating costs			
Depreciation and amortisation	13	(1,096)	(1,273)
Other operating costs and administrative expenses	14	(1,114)	(1,079)
Operating loss		**(2,210)**	**(2,352)**
Interest income		-[1]	-
Finance costs	15	(45)	(64)
Loss on disposal of property, plant and equipment	16	(2)	(2)
Loss before tax		**(2,257)**	**(2,418)**
Deferred tax credit	17	13	15
Income tax		**13**	**15**
Loss after tax for the year		**(2,244)**	**(2,403)**
Other comprehensive income for the year		-	-
Total comprehensive loss for the year		**(2,244)**	**(2,403)**

The accompanying notes form an integral part of the carve-out financial statements.

[1] Amount is less than 0.5 USD Million

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ADNOC ASR Gas Assets

Statement of changes in equity
For the years ended 31 December 2020 and 2021

	Invested equity USD Million
Balance at 1 January 2020	**19,682**
Total comprehensive income for the year	
Loss for the year	(2,403)
Total comprehensive income for the year	(2,403)
Contribution from ADNOC	1,498
Balance at 31 December 2020	**18,777**
Balance at 1 January 2021	**18,777**
Total comprehensive income for the year	
Loss for the year	(2,244)
Total comprehensive income for the year	**(2,244)**
Contribution from ADNOC	1,796
Balance at 31 December 2021	**18,329**

The accompanying notes form an integral part of the carve-out financial statements.

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ADNOC ASR Gas Assets

Statement of cash flows
For the years ended 31 December 2020 and 2021

	Notes	2021 USD Million	2020 USD Million
Cash flows from operating activities			
Loss after tax for the year		**(2,244)**	**(2,403)**
Adjustments for:			
Depreciation and amortisation	13	1,096	1,273
Finance costs	15	45	64
Interest income		-[1]	-
Loss on disposal of property, plant and equipment	16	2	2
Deferred tax credit	17	(13)	(15)
Operating cash flows before movement in working capital		**(1,114)**	**(1,079)**
Movement in working capital:			
Increase in due from related parties		(4)	(35)
Increase in due to related parties		117	202
		113	**167**
Net cash used in operating activities		**(1,001)**	**(912)**
Cash flows from investing activities			
Additions to property, plant and equipment	6	(793)	(583)
Loans given to related party	10	(2)	(3)
Net cash used in investing activities		**(795)**	**(586)**
Cash flows from financing activities			
Investor contribution		1,796	1,498
Net cash generated from financing activities		**1,796**	**1,498**
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of financial year		-	-
Cash and cash equivalents at the end of the financial year		**-**	**-**

Significant non-cash transactions which have been excluded from the statement of cash flows are as follows:

Provision for decommissioning liabilities	12	353	141
Right-of-use assets	8	(30)	-

The accompanying notes form an integral part of the carve-out financial statements.

[1] Amount is less than 0.5 USD Million

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1. Introduction

Abu Dhabi National Oil Company ('ADNOC') is consolidating its interests in its existing gas processing and Liquefied Naturals Gases ('LNG') operations currently conducted on a sole risk basis ("ASR"), through its interests in two Joint Ventures ('JVs'), namely, Abu Dhabi Gas Industries Limited (AGP JV) and Abu Dhabi Gas Liquefactions Company Limited (ALNG JV), and through a wholly owned subsidiary, namely ADNOC Industrial Gases Company Limited (AIG) into a newly formed entity, ADNOC Gas Facilities LLC (the "Company"), a subsidiary of ADNOC Gas plc. The principal activities of the Company are to operate and maintain the gas assets, manage ADNOC's interests in its joint ventures, process and use natural, industrial and all composites of gas and all products derived from various oil fields, and the marketing and selling of the processed products.

The interests and activities of the Company comprise of the following:

- ASR assets and related liabilities that are currently reflected in within the ADNOC financial records for Gas Processing, Industrial Gases and Liquefied Naturals Gases;
- Decommissioning obligation and deferred tax assets relating to two JVs that are currently reflected within the ADNOC financial records.
- Activities carried out by joint ventures on behalf of ADNOC for the ASR assets reflected in separate special purpose ASR financial statements ("AGP ASR", "AIG ASR" and "ALNG ASR");
- JV interests in AGP JV and ALNG JV reflected in separate 'JV' financial statements; and
- AIG, a wholly owned subsidiary in Industrial Gas (which was a JV until 29 July 2021).

As a part of proposed listing on ADX and subject to ADX regulations, the historical financial statements include the following:

- the underlying audited financial statements of ASR activities;
- the underlying audited financial statements of the joint venture activities; and
- carve-out financial statements including those items that are either directly identifiable or attributable to ADNOC's gas processing, AIG and LNG operations and that are currently recognized in the financial records of ADNOC.

The principal purpose of ADNOC ASR Gas Assets Carve-out Financial Statements (the "**ASR Carve-out Accounts**") is to present the historical activities of the ASR assets that are currently reflected within the ADNOC financial records for Gas Processing, AIG and LNG (the "Operations"). Significant judgment has been used, based on the purpose for which the ASR Carve-out Accounts have been prepared, to ensure that they meet the objective of providing useful information, particularly as IFRS does not provide any specific guidance on their preparation.

2. Application of new and revised International Financial Reporting Standards (IFRSs)

In the current year, the ASR Carve-out Accounts have applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2021.

2.1 New and revised IFRSs applied with no material effect on the carve-out financial statements

The ASR Carve-out Accounts applied for the first-time, certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2021 (unless otherwise stated). Management has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective in the preparation of the carve-out financial statements.

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2 Application of new and revised International Financial Reporting Standards (IFRSs) *(continued)*

2.1 New and revised IFRSs applied with no material effect on the carve-out financial statements *(continued)*

Interest Rate Benchmark Reform – Phase 2: Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component

These amendments had no impact on the carve-out financial statements.

Covid-19-Related Rent Concessions- amendments to IFRS 16

On 28 May 2020, the IASB issued Covid-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16 if the change were not a lease modification.

The amendment was intended to apply until 30 June 2021, but as the impact of the Covid-19 pandemic is continuing, on 31 March 2021, the IASB extended the period of application of the practical expedient to 30 June 2022.The amendment applies to annual reporting periods beginning on or after 1 April 2021. However, the Operations have not received Covid-19-related rent concessions but plan to apply the practical expedient if it becomes applicable within allowed period of application.

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

The Operations has not early adopted the following new and revised IFRSs that have been issued but are not yet effective:

Reference to the Conceptual Framework-Amendments to IFRS 3 (effective from 1 January 2022)

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

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2 Application of new and revised International Financial Reporting Standards (IFRSs) *(continued)*

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

Property, Plant and Equipment - Proceeds before Intended Use - amendments to IAS 16 (effective from 1 January 2022)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Onerous Contracts Cost of Fulfilling a Contract amendments to IAS 37 (effective from 1 January 2022)

The amendments specify that the "cost of fulfilling a contract comprises the "costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022)

The Annual Improvements include amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective from 1 January 2022), IFRS 9 Financial Instruments (effective from 1 January 2022), IFRS 16 Leases (effective date not yet decided) and IAS 41 Agriculture (effective from 1 January 2022).

- **IFRS 9 Financial Instruments – Fees in the ’10 per cent’ test for derecognition of financial liabilities**

  As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IFRS 9. The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other’s behalf. An entity applies the amendment to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment

  The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The Operations will apply the amendments to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the entity first applies the amendment.

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2. Application of new and revised International Financial Reporting Standards (IFRSs) *(continued)*

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

Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022) *(continued)*

- **IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter**

As part of its 2018-2020 annual improvements to IFRS standards process, the IASB issued an amendment to IFRS 1 First-time Adoption of International Financial Reporting Standards. The amendment permits a subsidiary that elects to apply paragraph D16(a) of IFRS 1 to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to IFRS.
This amendment is also applied to an associate or joint venture that elects to apply paragraph D16(a) of IFRS 1.
The amendment is effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted.

- **IAS 41 Agriculture – Taxation in fair value measurements**

As part of its 2018-2020 annual improvements to IFRS standards process the IASB issued amendment to IAS 41 Agriculture. The amendment removes the requirement in paragraph 22 of IAS 41 that entities exclude cash flows for taxation when measuring the fair value of assets within the scope of IAS 41.

An entity applies the amendment prospectively to fair value measurements on or after the beginning of the first annual reporting period beginning on or after 1 January 2022 with earlier adoption permitted.

Classification of Liabilities as Current or Non-Current amendments to IAS 1 (effective from 1 January 2023)

The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

IFRS 17: Insurance Contracts (effective from 1 January 2023)

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 1 January 2023.

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2 Application of new and revised International Financial Reporting Standards (IFRSs) *(continued)*

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

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective from 1 January 2023)

The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four step materiality process' described in IFRS Practice Statement 2.

Definition of Accounting Estimates Amendments to IAS 8 (effective from 1 January 2023)

The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12 (effective 1 January 2023)

The amendments clarify that the initial recognition exemption does not apply to transactions in which equal amounts of deductible and taxable temporary differences arise on initial recognition.

The amendments are not expected to have a material impact on the Operations.

3 Basis of preparation

These ASR Carve-out Accounts have been prepared for the purpose of inclusion in the prospectus of ADNOC Gas plc in connection with the proposed issue of shares to be listed on the Abu Dhabi Stock Exchange. The Operations have historically been operated as part of ADNOC and not as a standalone company. The ASR Carve-out Accounts for the year ended 31 December 2020 and 2021 are thus derived from the ADNOC financial and accounting records. The carve-out financial statements present the results and financial position of the Operations as if they had operated on a standalone basis during the period and are presented in conformity with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

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3. Basis of preparation *(continued)*

As the information to be included in the ASR Carve-out Accounts are extracted from the ADNOC financial records prepared under IFRS, IFRS 1 is not applicable to the ASR Carve-out Accounts. The accounting policies applied in the ASR Carve-out Accounts are consistent with accounting policies applied in the carve-out financial statements of ADNOC as at and for the year ended 31 December 2021.

The carve-out financial statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRIC) applicable to companies reporting under IFRS.

The ASR Carve-out Accounts are prepared using the historical cost convention and are presented in millions of USD, unless otherwise stated, which is also the functional currency of the Operations. All values are rounded to the nearest million except where otherwise indicated.

Management believes that the assumptions and estimates used in the preparation of the ASR Carve-out Accounts are reasonable. However, the ASR Carve-out Accounts may not be indicative of the Operations' future performance and do not necessarily reflect what its results or financial position would have been had the Operations operated as a separate independent entity during the period presented.

4. Summary of significant accounting policies

a. Basis of allocation

This section sets out how the assets, liabilities, revenues and costs attributable to the Operations have been allocated to the ASR Carve-out Accounts. All separately identifiable assets and liabilities that are wholly attributable to the Operations and not included in the underlying carve-out financial statements of ASR activities have been included in the ASR Carve-out Accounts.

(i) Property, plant and equipment and intangible assets (including Capital work in progress)

Property, plant and equipment and intangible assets operated on sole risk basis which are specifically attributable to the Operations and included in the ADNOC financial records are carved out and included in the ASR Carve-out Accounts.

(ii) Right of use assets ("ROU" assets)

AGP JV has entered into a lease agreement with Excelerate Energy Regas UAE, LLC to provide LNG Storage and Regasification Vessel to support gas activities carried on using AGP ASR assets. The agreement meets the definition of a leases under IFRS 16 and a lease liability is recognised in the ASR financial statements together with corresponding amounts 'recoverable from shareholders'.

ROU assets with respect to the above-mentioned lease agreements are presented in the ADNOC financial records relating to ASR assets. Therefore, the ROU assets are carved out from the financial records of ADNOC and presented in the ASR Carve-out Accounts. Depreciation of the ROU assets is calculated on a straight-line basis over the lease term.

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4 Summary of significant accounting policies *(continued)*

a. Basis of allocation *(continued)*

(iii) Provision for decommissioning

Decommissioning obligations related to the property plant and equipment operated on a sole risk basis are not recognised in the financial statements of joint ventures and the ASR financial statements. These decommissioning obligations are directly recognised in the financial records of ADNOC. Therefore, the decommissioning liability recognised in the ADNOC financial records relating to ASR assets and ADNOC's share of decommissioning liabilities relating to the joint ventures are carved out from the financial records of ADNOC and presented in the ASR Carve-out Accounts.

(iv) Deferred tax

ADNOC's share of the decommissioning liabilities related to assets of AGP JV and ALNG JV are included in the financial statements of ADNOC. The deferred tax asset with respect to the decommissioning liabilities of AGP JV and ALNG JV is carved out and included in the ASR Carve-out Accounts.

(v) Revenue and cost

ADNOC has been historically recognizing revenue from the sale of gas products. However, raw gas cost has not been recognized separately in ADNOC as it has not entered arrangements for the procurement of raw gas. Therefore, the inclusion in the ASR Carve-out Accounts of the raw gas cost computed on a pro forma basis would represent a hypothetical situation and would not reflect actual transactions undertaken by the business or the activities of the management of the ASR assets. Accordingly, the ASR Carve-out Accounts do not provide information on the revenue and gas cost attributable to the Operations.

(vi) Other operating costs and administrative expenses

Operating expenses recorded in the financial statements of ASR activities (net of recoveries and back charges from other entities) are consolidated by ADNOC. Operating expenses included in the records of ADNOC are carved out and included in the ASR Carve-out Accounts.

(vii) Cash calls from ADNOC

The working capital and other liquidity requirements for the operations of ASR assets and AGP JV are managed by way of cash calls payments by ADNOC. ADNOC maintains a cash call account for recording all payments made. Further, the cash calls account is adjusted for any capital expenditure and operating expenditure incurred relating to ASR assets.

The cash call accounts included in the ADNOC financial statements are specifically attributable to the Operations and, therefore, are carved out from ADNOC financial records and included in the ASR Carve-out Accounts.

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4 Summary of significant accounting policies *(continued)*

a. Basis of allocation *(continued)*

(viii) Invested Equity

The Operations do not comprise a separate legal entity, therefore it is not meaningful to present share capital or an analysis of retained earnings or components of other comprehensive income, which are separately identifiable. Invested Equity represents a combination of the overall receivables and payables with ADNOC, funding balances with ADNOC and investment by ADNOC, which cannot be separately identified or allocated throughout the periods presented.

(ix) *Loans and advances (including interest income)*

In 2009, ADNOC and Linde GmbH had granted loan to AIG JV for financing the Elixir 1 Project in the proportions of their shareholding which is reflected as Loan to related party in ADNOC financial records. Pursuant to shareholder Loan Deed of Release dated 29 July 2021, loan outstanding in books of Linde GmbH and interest income thereof was transferred to ADNOC.

The Loan to related party and interest income post 29 July 2021 has been carved out from ADNOC financial records and included in the ASR Carve-out Accounts.

b. Significant accounting policies

The significant accounting policies applied in the preparation of these carve-out financial statements are set out below. These policies have been consistently applied to all periods presented, except if mentioned otherwise. The principal accounting policies adopted are set out as follows:

(i) ***Property, plant and equipment***

Initial recognition

Items of property, plant and equipment are stated at cost, less impairment losses, if any. Cost includes expenditures that are directly attributable to the acquisition of the assets. The cost of self-constructed assets includes the cost of materials, direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs.

Cost also may include transfer from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency for purchase of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Capital / insurance spares are those spares that are critical to the operations and kept in inventory. These insurance spares are included in property, plant and equipment and depreciated over the life of the related asset. Capital/insurance spares are stated at costs less accumulated depreciation and impairment losses, if any.

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(ii) ***Property, plant and equipment*** *(continued)*

Initial recognition (continued)

When a significant part of an item of property, plant and equipment has a different useful life, it is accounted for as a separate component of property, plant and equipment.

Gains and losses, if any, on disposal or retirement of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in profit or loss.

Subsequent recognition

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Operations and its cost can be measured reliably. The carrying amount of the replaced part is derecognised and charged to operating expenditure. The costs of the day-to day servicing of property, plant and equipment are recognised in the statement of profit and loss and other comprehensive income.

Depreciation

Items of property, plant and equipment are depreciated from the date they are available for use or, in respect of self-constructed assets, from the date that the asset is completed and ready for intended use. Significant components of individual assets are assessed and if a component has a useful life that is different from the remainder of that asset, that component is depreciated separately. Depreciation is generally recognised in the statement of profit and loss and other comprehensive income unless the amount is included in the carrying amount of another asset.

Land is not depreciated. Depreciation on assets other than land is recognised so as to write off the cost less estimated residual values on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

Plant machinery and equipment	3- 30 years;
Transportation, storage and terminals	4 - 30 years;
Buildings	3 - 30 years;
Fixture, fittings and office equipment	3 - 30 years; and
Other facilities and equipment	3 - 30 years

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(i) ***Property, plant and equipment*** *(continued)*

Major maintenance and repairs

Expenditure on major maintenance refits, inspections or repairs comprises the cost of replacement assets or parts of assets, inspection costs and overhaul costs. Where an asset, or part of an asset that was separately depreciated and is now written off, is replaced and it is probable that future economic benefits associated with the item will flow to the Operations, the expenditure is capitalised. Where part of the asset replaced was not separately considered as a component and therefore not depreciated separately, the replacement value is used to estimate the carrying amount of the replaced asset(s) and is immediately written off. Inspection costs associated with major maintenance programmes are capitalised and amortised over the period to the next inspection. All other day-to-day repairs and maintenance costs are expensed as incurred.

Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

(ii) ***Capital work in progress***

Property, plant and equipment in the course of construction for production, supply of goods or services, or for administrative purposes are carried at cost, less any recognised impairment loss. Cost also includes overheads and, for qualifying assets, borrowing costs capitalised where applicable. Upon the completion of construction, the costs are transferred to the respective class of asset. Depreciation of these assets is made on the same basis as other respective assets, commencing when the assets are ready for their intended use. No depreciation is charged on capital work in progress.

(iii) ***Intangible*** **assets**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in consolidated statement of profit or loss and other comprehensive income when the asset is derecognised.

Intangible assets are amortised over the estimated useful life of 3-10 years.

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(iv) Impairment of tangible and intangible assets

At each reporting date, the Operations reviews the carrying amounts of its tangible and intangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Operations estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate 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 of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

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 (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a 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 (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

(v) Decommissioning liabilities

Provisions for decommissioning costs are recognised when the Operations becomes legally or constructively obliged to dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reasonable estimate of that liability can be made.

The amount of the obligation 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 plant and equipment. This is subsequently depreciated or depleted as part of the capital costs of the facility or item of plant. Subsequent to initial recognition, any change, other than unwinding of discount which is recognised in profit or loss, is recognised in property, plant and equipment.

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4. Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(iv) ***Leases***

As a lessee

The Operations assesses whether contract is or contains a lease, at inception of the contract. The Operations recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Operations recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented separately in the consolidated statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Operations remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(vi) ***Leases*** *(continued)*

As a lessee (continued)

- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Operations expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the statement of financial position. The Group applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the 'Property, plant and equipment' policy.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the consolidated statement of profit or loss and other comprehensive income.

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Operations has not used this practical expedient.

Short-term leases and leases of low-value assets

The Operations applies the short-term lease recognition exemption to its short-term leases (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). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (i.e., below USD 5,000, when new). 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.

(vii) ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. The carrying amount of deferred tax assets is reviewed at the end of each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(vii) ***Deferred tax*** *(continued)*

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on the tax laws that have been enacted or substantively enacted at the reporting date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Operations expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Operations intends to settle its current tax assets and liabilities on a net basis.

(viii) ***Foreign currencies***

For the purpose of these carve-out financial statements, United Stated Dollars (USD) is the functional and the presentation currency of the Operations.

Transactions in currencies other than USD (foreign currencies) are initially recorded in the functional currency at the rate of exchange ruling 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 the end of each reporting period. All differences are taken to the statement of profit or loss and other comprehensive income.
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 at historical cost in a foreign currency are translated using the exchange rates as at the date of the initial transaction.

Assets and liabilities in UAE Dirham (AED) at the end of each reporting date are translated at the rate of USD 1 = AED 3.6725.

(ix) ***Financial Instruments***

Financial assets and financial liabilities are recognised in the Operations' statement of financial position when the Operations becomes a party to the contractual provisions of the instrument.

Financial assets

Initial recognition and measurement

Financial assets at initial recognition are classified, at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Operations' business model for managing them.

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(ix) ***Financial Instruments*** *(continued)*

Initial recognition and measurement (continued)

In order for a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level. The Operations' business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date at which the Operations commits to purchase or sell the asset.

The Operations financial assets include due from related parties.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through profit or loss
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon de-recognition (equity instruments).

Financial assets at FVTPL

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in consolidated statement of profit or loss and other comprehensive income.

Financial assets at amortised cost

These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in consolidated statement of profit or loss. Any gain or loss on derecognition is recognised in consolidated statement of profit or loss.

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(ix) ***Financial Instruments*** *(continued)*

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 primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Operations 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 Operations has transferred substantially all the risks and rewards of the asset, or (b) the Operations has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Operations has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Operations continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Operations also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Operations has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Operations could be required to repay.

Impairment of financial assets

The Operations recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss considering its credit risk profile. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Operations expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

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).

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(ix) ***Financial Instruments*** *(continued)*

Impairment of financial assets (continued)

For dues from related parties, the Operations applies a simplified approach in calculating ECLs. Therefore, the Operations does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Operations 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.

The Operations considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Operations may also consider a financial asset to be in default when internal or external information indicates that the Operations is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Operations. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, interest bearing loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Operations' financial liabilities include due to related parties.

Subsequent measurement

The measurement of financial liabilities depends on their classification. After initial recognition, due to related parties are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. The effective interest rate amortisation is included as finance costs (under net finance costs) in the consolidated statement of profit and loss and other comprehensive income. This category generally applies to interest-bearing loans and borrowings, accounts payables and other payables.

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4 Summary of significant accounting policies *(continued)*

b. Significant accounting policies *(continued)*

(ix) ***Financial Instruments*** *(continued)*

Derecognition of financial liabilities

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 the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the consolidated statement of consolidated profit or loss and other comprehensive income.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

5 Critical accounting judgments and key sources of estimation uncertainty

The preparation of these carve-out financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and expenditure. Actual results may differ from these estimates.

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.

The following are the critical judgments, apart from those involving estimations, that management has made in the process of applying the accounting policies and that have the most significant effect on the amounts recognised in the carve-out financial statements.

5.1. Useful lives of property, plant and equipment

The useful lives and residual values of the property, plant and equipment for calculating depreciation are based on the technical assessment performed by the management. This estimate is determined after considering the expected usage of the assets, major components and physical wear and tear. Management reviews the residual value and useful lives annually and change in depreciation charges, if any, are adjusted in current and future periods.

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5. Critical accounting judgments and key sources of estimation uncertainty *(continued)*

5.2. Impairment of property, plant and equipment and intangibles

Management determines at each reporting date whether there are any indicators of impairment relating to the property, plant and equipment and intangible assets. A broad range of internal and external factors are considered as part of the indicator review process. If there are any indicators of impairment, management conducts a full impairment calculation.

Non-financial assets are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Cash flows are determined based on estimations over the useful life of the assets and discounted using a range of discounting rates representing the rate of return on such cash generating units. The net present values are compared to the carrying amounts to assess any probable impairment.

Management has considered whether the non-current assets would require to be impaired in these carve-out financial statements as there is no revenue reflected for the ASR assets. Management has concluded that no impairment would be required (in addition to that reflected by ADNOC in the group, if any) as the assets' fair value less costs to sell are higher than the carrying values.

5.3. Decommissioning costs estimate

Liabilities for decommissioning costs are recognised when the Operations have an obligation (legal or constructive), with respect to its own assets or in a shareholder's capacity, to dismantle and remove a facility or an item of plant and to restore the site on which it is located, and when a reliable estimate of that liability can be made. The Operations assesses its decommissioning provision at each reporting date.

The decommissioning costs are uncertain and cost estimates can vary in response to many factors, including changes to relevant legal requirements, estimates of the extent and costs of decommissioning activities, the emergence of new restoration techniques or experience at other production sites, cost increases as compared to the inflation rates 2% (2020: 2%), and changes in discount rates which ranged from 2.02% to 2.98 % (2020: 3.13% to 4.13%) in the current year. The expected timing, extent and amount of expenditure may also change, for example, in response to changes in oil and gas reserves or changes in laws and regulations or their interpretation. The total provision for decommissioning for ADNOC is allocated to that of Operations based on the values of assets used for the Operations. Therefore, significant estimates and assumptions are made in determining the provision for decommissioning. As a result, there could be significant adjustments to the provisions established which would affect future financial results.

External valuers are used to assist with the assessment of future decomissioning costs. The involvement of external valuers is determined on a case-by-case basis, taking into account factors such as the expected gross cost or timing of abandonment, and is approved by the management. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The provision at reporting date represents management's best estimate of the present value of the future decommissioning costs required and are disclosed in note 12.

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5. Critical accounting judgments and key sources of estimation uncertainty *(continued)*

5.4. Deferred tax assets

In calculating income taxes, consideration is given to factors such as tax rates based on the tax legislation in force at the end of the reporting period, non-deductible expenses, valuation allowances, changes in tax law and management's expectations of future operating results.

The Operations estimates deferred income taxes based on temporary differences between the income reported in its carve-out financial statements and its taxable income as determined under the applicable tax laws. Deferred taxes are determined using tax rates approved or about to be approved at the end of the reporting period and expected to apply when the corresponding deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that they can be used. Various factors must be considered to assess the likelihood that assets will be used in the future, such as, past earnings, operational plans and tax planning strategies. Any difference between actual results and these estimates or any need to adjust these estimates in future periods could have negative effects on the Operation's assets, liabilities, cash flows and profit or loss

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6 Property, plant and equipment

	Buildings USD Million	Plant machinery and equipment USD Million	Transportation, storage and terminal USD Million	Fixture, fittings and office equipment USD Million	Other facilities and equipment USD Million	Capital work-in-progress USD Million	Total USD Million
Cost							
At 1 January 2020	3,119	23,223	5,574	370	147	1,658	**34,091**
Additions	-	141	-	-	-	583	**724**
Disposals	-	(2)	(5)	-	-	-	**(7)**
Transfers	2	75	-	92	-	(184)	**(15)**
At 31 December 2020	**3,121**	**23,437**	**5,569**	**462**	**147**	**2,057**	**34,793**
At 1 January 2021	3,121	23,437	5,569	462	147	2,057	34,793
Additions	-	353	-	-	-	793	1,146
Disposals	-	(79)	-	-	-	-	(79)
Transfers	41	614	242	7	-	(919)	(15)
At 31 December 2021	**3,162**	**24,325**	**5,811**	**469**	**147**	**1,931**	**35,845**

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6 Property, plant and equipment *(continued)*

	Buildings USD Million	Plant machinery and equipment USD Million	Transportation, storage and terminal USD Million	Fixture, fittings and office equipment USD Million	Other facilities and equipment USD Million	Capital work-in-progress USD Million	Total USD Million
Accumulated depreciation							
At 1 January 2020	(1,001)	(9,662)	(1,975)	(62)	(152)	-	(12,852)
Charge for the year	(119)	(676)	(223)	(175)	7	-	(1,186)
Disposals	-	2	3	-	-	-	5
At 31 December 2020	**(1,120)**	**(10,336)**	**(2,195)**	**(237)**	**(145)**	**-**	**(14,033)**
At 1 January 2021	(1,120)	(10,336)	(2,195)	(237)	(145)	-	(14,033)
Charge for the year	(117)	(696)	(204)	(14)	-	-	(1,031)
Disposals	-	78	-	-	-	-	78
At 31 December 2021	**(1,237)**	**(10,954)**	**(2,399)**	**(251)**	**(145)**	**-**	**(14,986)**
Carrying amounts (Net)							
As at 31 December 2020	**2,001**	**13,101**	**3,374**	**225**	**2**	**2,057**	**20,760**
As at 31 December 2021	**1,925**	**13,371**	**3,412**	**218**	**2**	**1,931**	**20,859**

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7 Intangible assets

	Computer software USD Million
Cost	
At 1 January 2020	**185**
Transfers	15
At 31 December 2020	**200**
At 1 January 2021	**200**
Disposals	(1)
Transfers	15
At 31 December 2021	**214**
Accumulated amortisation	
At 1 January 2020	**(39)**
Charge for the year	(58)
At 31 December 2020	**(97)**
At 1 January 2021	(97)
Disposals	-[1]
Charge for the year	(36)
At 31 December 2021	**(133)**
Carrying Amounts (Net)	
As at 31 December 2020	**103**
As at 31 December 2021	**81**

[1] Amount is less than 0.5 USD Million

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8 Right-of-use assets

2021	Vessels USD Million
Balance as at 1 January	19
Additions to right-of-use assets	30
Depreciation charge for the year	(29)
Balance as at 31 December	**20**

2020	Vessels USD Million
Balance as at 1 January	48
Depreciation charge for the year	(29)
Balance as at 31 December	**19**

9 Transactions and balances with related parties

Related parties, as defined in International Accounting Standard 24: Related Party Disclosures, comprise the Shareholders, directors and key management personnel of the Operations and entities in which they have the ability to control or exercise significant influence. Balances with related parties generally arise from commercial transactions in the normal course of business at agreed terms by the management. The Operations maintains significant balances and transactions with these related parties as follows:

9.1 Due from related parties

	2021 USD Million	2020 USD Million
Current receivables:		
Cash calls from AIG ASR	58	55
	58	**55**

9.2 Due to related parties

	2021 USD Million	2020 USD Million
Payables to AGP ASR*	20	20
Cash calls to AGP ASR	217	119
Cash calls to ALNG ASR	73	48
Cash calls to AGP JV	55	31
	365	**218**

**Payable to AGP ASR represents liability recognised in the ADNOC financial statements as against the 'recoverable from shareholders' recorded in the AGP ASR financial statements relating to lease of vessels.*

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9 Transactions and balances with related parties *(continued)*

9.3 Transactions with related parties

Significant transactions with related parties during the year are as follows:

	2021 USD Million	2020 USD Million
Cash calls to AGP ASR		
Cash calls paid during the year	1,479	1,400
Adjustments	-	(312)
Capital expenditure incurred during the year	(585)	(358)
Operating expenditure incurred during the year	(993)	(994)
	(99)	**(264)**
Cash calls to ALNG ASR		
Cash calls paid during the year	316	379
Capital expenditure incurred during the year	(208)	(252)
Operating expenditure incurred during the year	(132)	(94)
	(24)	**33**
Cash calls from AIG ASR		
Cash calls paid during the year	-	47
Capital expenditure incurred during the year	(8)	(1)
Net profit during the year	11	9
	3	**55**
Cash calls from AGP JV		
Cash calls paid during the year	(262)	(243)
Net profit during the year	287	263
	25	**20**

10. Loans and advances

	2021 USD Million	2020 USD Million
Loans to related party	5	3
	5	**3**

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11 Deferred tax assets

	2021 USD Million	2020 USD Million
At 1 January	104	89
Recognised in statement of profit or loss	13	15
At 31 December	**117**	**104**

12 Provision for decommissioning

	2021 USD Million	2020 USD Million
At 1 January	2,049	1,846
Additions during the year	15	2
Change in estimates	338	139
Accretion of interest	44	62
At 31 December	**2,446**	**2,049**

13 Depreciation and amortization

	2021 USD Million	2020 USD Million
Depreciation of property, plant and equipment (Note 6)	1,031	1,186
Depreciation of right-of-use assets (Note 8)	29	29
Amortisation of intangible assets (Note 7)	36	58
	1,096	**1,273**

14 Other operating costs and administrative expenses

	2021 USD Million	2020 USD Million
Operating expenses of AGP ASR	993	994
Operating expenses of ALNG ASR	132	94
Operating expenses of AIG ASR	(11)	(9)
	1,114	**1,079**

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15 Finance costs

	2021 USD Million	2020 USD Million
Interest expense on provision of decommissioning(Note 12)	44	62
Interest amount payable to related party	1	2
	45	**64**

16 Loss on disposal of property, plant and equipment

	2021 USD Million	2020 USD Million
Loss on disposal of property, plant and equipment	2	2
	2	**2**

17. Deferred tax

ADNOC's share of the decommissioning liabilities related to assets of AGP JV and ALNG JV are included in the books of ADNOC. Deferred tax asset with respect to the decommissioning liabilities of AGP JV and ALNG JV are carved out and included in the ASR Carve-out Accounts.

ADNOC is subject to income tax at the rate of 55% (31 December 2021: 55%) on its taxable profits in accordance with the Tax Payment and Settlement Agreement and Abu Dhabi Income Tax Decree 1965, as amended. Accordingly, rate of 55% has been used to calculate the deferred tax on decommissioning liabilities.

	2021 USD Million	2020 USD Million
Deferred tax asset:		
In relation to:		
Assets related to decommissioning obligations	74	67
Decommissioning obligations	43	37
	117	**104**

The following table shows deferred tax recorded in the statement of financial position and changes recorded in the income tax expense:

	Opening Balance USD Million	Recognised in profit or loss USD Million	Closing Balance USD Million
For the year ended 31 December 2021			
Assets related to decommissioning obligations	67	7	74
Decommissioning obligations	37	6	43
	104	**13**	**117**

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17. Deferred tax *(continued)*

	Opening Balance USD Million	Recognised in profit or loss USD Million	Closing Balance USD Million
For the year ended 31 December 2020			
Assets related to decommissioning obligations	60	7	67
Decommissioning obligations	29	8	37
	89	**15**	**104**

18. Financial instruments

Significant accounting policies

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note 4(ix) to the carve-out financial statements.

Categories of financial instruments	2021 USD Million	2020 USD Million
Financial asset		
At amortised cost		
Loans and advances	5	3
Due from related parties	58	55
	63	**58**
Financial liability		
At amortised cost		
Due to related parties	365	218
	365	**218**

Financial risk management

The Operations does not have significant exposure to various financial risks such as market risk (including foreign exchange risk and fair value interest rate risk), credit risk and liquidity risk since the financial transactions are with related parties. Further, The Operations do not enter into or trade in financial instruments, including derivative financial instruments, for speculative or risk management purposes.

a. Market risk

i) Foreign exchange risk

The Operations does not have significant currency risk exposure from its operations as majority of the Operations' transactions are in UAE Dirham or US Dollars. The UAE Dirham is pegged to the US Dollar, hence, balances in UAE Dirham are not considered to present a significant risk.

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18 Financial instruments *(continued)*

b. Market risk (continued)

(ii) Interest rate risk

The Operations has no significant exposure to interest rate risk.

c. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Operations and arises principally from the Operations' account receivable. The Operations are not subject to significant credit risk as receivables are from related parties and expected credit loss determined to be immaterial.

d. *Liquidity risk*

The Operations has no significant exposure to liquidity risk as the Operations are funded by ADNOC.

Fair value of financial assets and liabilities

The Operations' management considers that the carrying amount of financial assets and financial liabilities approximate their fair values.

19 COVID-19 impact

COVID-19 has significantly impacted the world economy and may continue to do so in the years to come. It has also resulted in significant volatility in the financial and commodities markets worldwide. The emergence of new variants of the virus emphasizes the ongoing challenged and uncertainty surrounding economic activity, which continues to be significantly impacted by Covid-19.

The Operations undertook measures to minimize the impact of Covid-19 pandemic, in line with the recommendations of WHO and National Health Ministries.

The Operations continues to incur additional direct and indirect costs of ongoing pandemic; however, the Operations has implemented active prevention programs at its sites and contingency plans in order to minimize the risks related to COVID-19 and to safeguard the continuity of business operations.

20 Subsequent event

ADNOC transferred its ownership interests in the Operations currently reflected within the ADNOC financial records to ADNOC Gas Facilities LLC, with effect from 1 January 2023, vide an ASR Asset Transfer Agreement.

21 Approval of carve-out financial statements

The carve-out financial statements were approved by the management and authorised for issue on 14 February 2023.

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ADNOC ASR GAS ASSETS
Interim Condensed Carve-Out Financial Information

as at and for the ten-month periods ended 31 October 2021 and 2022

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ADNOC ASR Gas Assets
Interim condensed carve-out financial information

as at and for the ten-month periods ended 31 October 2021 and 2022

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RAI AUDIT
راي للتدقيق

INDEPENDENT AUDITOR'S REPORT
ON REVIEW OF THE INTERIM CONDENSED CARVE-OUT FINANCIAL INFORMATION

To: Abu Dhabi National Oil Company ("ADNOC")

Introduction

We have reviewed the accompanying interim condensed carve-out statement of financial position of ADNOC ASR Gas Assets (referred to as "ADNOC Gas ASR Operations" or the "Operations"), as at 31 October 2022 and the related interim condensed carve-out statements of profit or loss and other comprehensive income, changes in equity and cash flows for the ten-month period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of this Interim Condensed Carve-out Financial Information in accordance with International Accounting Standard 34 - Interim Financial Reporting. Our responsibility is to express a conclusion on this Interim Condensed Carve-out Financial Information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of Interim Condensed Carve-out 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 Carve-out Financial Information is not prepared, in all material respects, in accordance with IAS 34 – Interim Financial Reporting.

Emphasis of matter

We draw attention to note 3 to the Interim Condensed Carve-Out Financial Information, which states that the Interim Condensed Carve-Out Financial Information have been prepared only for the purpose of including them in the prospectus prepared by ADNOC Gas plc (the "Company") relating to the listing of the Company's shares on the Abu Dhabi Stock Exchange. As a result, the Interim Condensed Carve-Out Financial Information may not be suitable for another purpose. Our conclusion is not modified in respect of this matter.

For RAI Audit and Tax Services,



Auditor Name: Riyad Abdulrahman Ali Al Mubarak
Entry Number: 391
Date: 14 February 2023
Abu Dhabi
United Arab Emirates

ADNOC ASR Gas Assets

Interim condensed carve-out statement of financial position as at 31 October 2022

	Notes	31 October 2022 (unaudited) USD Million	31 December 2021 (audited) USD Million
ASSETS			
Non-current assets			
Property, plant and equipment	5	20,033	20,859
Intangible assets		79	81
Right-of-use assets		-	20
Deferred tax assets		138	117
Total non-current assets		**20,250**	**21,077**
Current assets			
Loans and advances		-	5
Due from related parties	6	58	58
Total current assets		**58**	**63**
TOTAL ASSETS		**20,308**	**21,140**
EQUITY AND LIABILITIES			
Equity			
Invested equity		17,880	18,329
TOTAL EQUITY		**17,880**	**18,329**
Liabilities			
Non-current liability			
Provision for decommissioning	7	2,139	2,446
Total non-current liability		**2,139**	**2,446**
Current liability			
Due to related parties	6	289	365
Total current liability		**289**	**365**
TOTAL LIABILITIES		**2,428**	**2,811**
TOTAL EQUITY AND LIABILITIES		**20,308**	**21,140**

Managing Director and Group Chief Executive Officer
Dr. Sultan Ahmed Al Jaber

Acting Group Chief Financial Officer
Mr. Khaled Al Zaabi

The accompanying notes form an integral part of the interim condensed carve-out financial information.

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ADNOC ASR Gas Assets

Interim condensed carve-out statement of profit or loss and other comprehensive income for the ten-month periods ended 31 October 2021 and 2022

	Notes	For the ten-month period ended 31 October 2022 (unaudited) USD Million	2021 (unaudited) USD Million
Operating costs			
Depreciation and amortisation	8	(968)	(913)
Other operating costs and administrative expenses	9	(932)	(898)
Operating loss		**(1,900)**	**(1,811)**
Finance costs	10	(110)	(37)
Loss on disposal of property, plant and equipment		(1)	(2)
Loss before tax		**(2,011)**	**(1,850)**
Deferred tax credit	11	21	11
Income tax		**21**	**11**
Loss after tax for the period		**(1,990)**	**(1,839)**
Other comprehensive income for the period		-	-
Total comprehensive loss for the period		**(1,990)**	**(1,839)**

The accompanying notes form an integral part of the interim condensed carve-out financial information.

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ADNOC ASR Gas Assets

Interim condensed carve-out statement of changes in equity
for the ten-month periods ended 31 October 2021 and 2022

	Invested equity USD Million
Balance at 1 January 2021	18,777
Total comprehensive loss for the period:	
Loss for the period	(1,839)
Total comprehensive loss for the period	**(1,839)**
Contribution from ADNOC	1,521
Balance at 31 October 2021 (unaudited)	**18,459**
Balance at 1 January 2022	**18,329**
Total comprehensive loss for the period:	
Loss for the period	(1,990)
Total comprehensive loss for the period	(1,990)
Contribution from ADNOC	1,541
Balance at 31 October 2022 (unaudited)	**17,880**

The accompanying notes form an integral part of the interim condensed carve-out financial information.

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ADNOC ASR Gas Assets

Interim condensed carve-out statement of cash flows
for the ten-month periods ended 31 October 2021 and 2022

	Notes	Ten-month period ended 31 October 2022 (unaudited) USD Million	Ten-month period ended 31 October 2021 (unaudited) USD Million
Cash flows from operating activities			
Loss after tax for the period		**(1,990)**	**(1,839)**
Adjustments for:			
Depreciation and amortisation	8	968	913
Finance costs	10	110	37
Loss on disposal of property, plant and equipment		1	2
Deferred tax credit	11	(21)	(11)
Operating cash flows before movement in working capital		**(932)**	**(898)**
Movement in working capital:			
Decrease / (Increase) in due from related parties		-	(7)
Decrease in due to related parties		(76)	(53)
Net cash used in operating activities		**(1,008)**	**(958)**
Cash flows from investing activities			
Additions to property, plant and equipment	5	(538)	(561)
Decrease / (Increase) in due loan to related party		5	(2)
Net cash used in investing activities		**(533)**	**(563)**
Cash flows from financing activities			
Investor contribution		1,541	1,521
Net cash generated from financing activities		**1,541**	**1,521**
Net movement in cash and cash equivalents		-	-
Cash and cash equivalents at the beginning of the period		-	-
Cash and cash equivalents at the end of the period		-	-

Significant non-cash transactions which have been excluded from the interim condensed carve-out statement of cash flows are as follows:

Provision for decommissioning liabilities	(417)	338
Right of-use-assets	-	(30)

The accompanying notes form an integral part of the interim condensed carve-out financial information.

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1. Introduction

Abu Dhabi National Oil Company ('ADNOC') is consolidating its interests in its existing gas processing and Liquefied Naturals Gases ('LNG') operations currently conducted on a sole risk basis ("ASR"), through its interests in two Joint Ventures ('JVs') namely, Abu Dhabi Gas Industries Limited (AGP JV) and Abu Dhabi Gas Liquefaction Company Limited (ALNG JV), and through a wholly owned subsidiary, namely ADNOC Industrial Gases Company Limited (AIG) into a newly formed entity, ADNOC Gas Facilities LLC (the "Company"), a subsidiary of ADNOC Gas plc. The principal activities of the Company are to operate and maintain the gas assets, manage ADNOC's interests in its joint ventures, process and use natural, industrial and all composites of gas and all products derived from various oil fields, and the marketing and selling of the processed products.

The interests and activities of the Company comprise of the following:

- ASR assets and related liabilities that are currently reflected in within the ADNOC financial records for Gas Processing ('AGP'), Industrial Gases and Liquefied Naturals Gases;
- Decommissioning obligation and deferred tax assets relating to two JVs that are currently reflected within the ADNOC financial records.
- Activities carried out by joint ventures on behalf of ADNOC for the ASR assets reflected in separate special purpose ASR financial statements ("AGP ASR", "AIG ASR" and "ALNG ASR");
- JV interests in AGP JV and ALNG JV reflected in separate 'JV' financial statements; and
- AIG a wholly owned subsidiary in Industrial Gas (which was a JV until 29 July 2021).

As a part of proposed listing of the shares of ADNOC Gas plc on ADX and subject to ADX regulations, the interim condensed carve-out financial information will include the following:

- the underlying interim condensed financial information of ASR activities,
- the underlying interim condensed financial information of the joint venture activities, and
- interim condensed carve-out financial information including those items that are either directly identifiable or attributable to ADNOC's gas processing operations and that are currently recognized in the interim financial statements of ADNOC.

The principal purpose of the ADNOC ASR Gas Assets interim condensed financial information ("Interim condensed carve-out financial information") is to present the historical activities of the ASR assets that are currently reflected within the ADNOC interim financial records for Gas Processing, AIG and LNG (the "Operations"). Significant judgment has been used, based on the purpose for which the Interim condensed carve-out financial information have been prepared, to ensure that they meet the objective of providing useful information, particularly as International Financial Reporting Standards ('IFRS') does not provide any specific guidance on their preparation.

2. New standards, interpretations and amendments

The accounting policies adopted in the preparation of the Interim condensed carve-out financial information are consistent with those followed in the preparation of the ADNOC ASR Gas Assets carve-out Financial Statements for the year ended 31 December 2021, except for the adoption of new standards, interpretations and amendments effective as of 1 January 2022. The Operations have not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

Several amendments apply for the first time in 2022, but do not have an impact on the Interim condensed carve-out financial information of the Operations.

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2 New standards, interpretations and amendments *(continued)*

Reference to the Conceptual Framework-Amendments to IFRS 3 (effective from 1 January 2022)

The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

Property, Plant and Equipment - Proceeds before Intended Use - amendments to IAS 16 (effective from 1 January 2022)

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the cost of producing those items, in profit or loss.

Onerous Contracts Cost of Fulfilling a Contract amendments to IAS 37 (effective from 1 January 2022)

The amendments specify that the "cost of fulfilling a contract comprises the "costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022)

The 2018-2020 annual improvements include amendments to the following:

- IFRS 9 Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities
- IFRS 1 First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter
- IAS 41 Agriculture – Taxation in fair value measurements

3 Basis of preparation

The interim condensed carve-out financial information have been prepared for the purpose of inclusion in the prospectus of ADNOC Gas plc in connection with the proposed issue of shares to be listed on the Abu Dhabi Stock Exchange. The Operations have historically been operated as part of ADNOC and not as a standalone company. The Interim condensed carve-out financial information for the ten-month period ended 31 October 2022 *(comparatives for the ten-month period ended 31 October 2021)* are derived from the ADNOC financial records. The interim condensed carve-out financial information present the results and financial position of the Operations as if they had operated on a standalone basis during the period.

The Interim condensed carve-out financial information for the ten-months ended 31 October 2022 have been prepared in accordance with *IAS 34 Interim Financial Reporting* and should be read in conjunction with the Operations' last annual financial statements as at and for the year ended 31 December 2021 ('last annual financial statements'). They do not include all of the information required for a complete set of financial statements prepared in accordance with IFRS. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Operations' financial position and performance since the last annual financial statements. In addition, results for the ten-month period ended 31 October 2022 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2022.

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3 Basis of preparation *(continued)*

As the information to be included in the interim condensed carve-out financial information are extracted from the ADNOC financial records prepared under IFRS, IFRS 1 shall not be applicable to the interim condensed carve-out financial information.

The Interim condensed carve-out financial information are prepared using the historical cost convention and are presented in millions of USD, unless otherwise stated, which is also the functional currency of the Operations. All values are rounded to the nearest million except where otherwise indicative.

Management believes that the assumptions and estimates used in the preparation of the interim condensed carve-out financial information are reasonable and may not be indicative of the Operations' future performance and do not necessarily reflect what its results or financial position would have been had the Operations operated as a separate independent entity during the period presented.

4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of the interim condensed carve-out financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, and expenditure and the disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

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.

The critical judgments and estimates used in the preparation of the interim condensed carve-out financial information are consistent with those used in the preparation of the ADNOC ASR Gas Assets carve-out financial statements for the year ended 31 December 2021.

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5 Property, plant and equipment

	Buildings USD Million	Plant, machinery and equipment USD Million	Transportation, storage and terminal USD Million	Fixture, fittings and office equipment USD Million	Other facilities and equipment USD Million	Capital work-in-progress USD Million	Total USD Million
Cost							
At 1 January 2021	3,121	23,437	5,569	462	147	2,057	34,793
Additions	-	353	-	-	-	793	1,146
Disposals	-	(79)	-	-	-	-	(79)
Transfers	41	614	242	7	-	(919)	(15)
At 31 December 2021	**3,162**	**24,325**	**5,811**	**469**	**147**	**1,931**	**35,845**
At 1 January 2022	3,162	24,325	5,811	469	147	1,931	35,845
Additions	-	-	-	-	-	538	538
Disposals	(2)	(417)	-	-	-	-	(419)
Transfers	-	25	-	7	-	(62)	(30)
At October 31, 2022	**3,160**	**23,933**	**5,811**	**476**	**147**	**2,407**	**35,934**

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5 Property, plant and equipment *(continued)*

	Buildings USD Million	Plant, machinery and equipment USD Million	Transportation, storage and terminal USD Million	Fixture, fittings and office equipment USD Million	Other facilities and equipment USD Million	Capital work-in-progress USD Million	Total USD Million
Accumulated depreciation							
At 1 January 2021	(1,120)	(10,336)	(2,195)	(237)	(145)	-	(14,033)
Charge for the year	(117)	(696)	(204)	(14)	-	-	(1,031)
Disposals	-	78	-	-	-	-	78
At 31 December 2021	**(1,237)**	**(10,954)**	**(2,399)**	**(251)**	**(145)**	**-**	**(14,986)**
At 1 January 2022	(1,237)	(10,954)	(2,399)	(251)	(145)	-	(14,986)
Charge for the period	(98)	(620)	(184)	(13)	(1)	-	(916)
Disposals	1	-	-	-	-	-	1
At 31 October 2022	**(1,334)**	**(11,574)**	**(2,583)**	**(264)**	**(146)**	**-**	**(15,901)**
Carrying amounts (Net)							
As at 31 December 2021 (audited)	**1,925**	**13,371**	**3,412**	**218**	**2**	**1,931**	**20,859**
As at 31 October 2022 (unaudited)	**1,826**	**12,359**	**3,228**	**212**	**1**	**2,407**	**20,033**

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6 Transactions and balances with related parties

Related parties, as defined in International Accounting Standard 24: Related Party Disclosures, comprise the Shareholders, directors and key management personnel of the Operations and entities in which they have the ability to control or exercise significant influence. Balances with related parties generally arise from commercial transactions in the normal course of business at agreed terms by the management.

The Operations maintain significant balances and transactions with these related parties as follows:

6.1 Due from related parties

	As at 31 October 2022 (unaudited) USD Million	As at 31 December 2021 (audited) USD Million
Current receivables		
Cash calls from AIG ASR	58	58
	58	**58**

6.2 Due to related parties

	As at 31 October 2022 (unaudited) USD Million	As at 31 December 2021 (audited) USD Million
Current payables		
Payable to AGP ASR*	-	20
Cash calls to AGP ASR	196	217
Cash calls to ALNG ASR	73	73
Cash calls from AGP JV	20	55
	289	**365**

**Payable to AGP ASR represents liability recognised in the ADNOC financial statements as against the 'recoverable from shareholders' recorded in the AGP ASR financial statements relating to lease of vessels.*

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6 Transactions and balances with related parties *(Continued)*

6.3 Transactions with related parties

	For the ten-month period ended 31 October	
	2022 (unaudited) USD Million	**2021 (unaudited) USD Million**
Significant transactions with related parties during the periods are as follows:		
Cash calls to AGP ASR		
Cash calls paid during the period	1,242	1,281
Capital expenditure incurred during the period	(363)	(408)
Operating expenditure incurred during the period	(857)	(830)
	22	**43**
Cash calls to ALNG ASR		
Cash calls paid during the period	250	241
Capital expenditure incurred during the period	(167)	(153)
Operating expenditure incurred during the period	(83)	(77)
	-	**11**
Cash calls to AIG ASR		
Capital expenditure incurred during the period	(7)	(3)
Net profit during the period	8	9
	1	**6**
Cash calls from AGP JV		
Cash calls paid during the period	(237)	213
Net profit during the period	202	(218)
	(35)	**(5)**

7 Provision for decommissioning

	As at 31 October 2022 (unaudited) USD Million	**As at 31 December 2021 (audited) USD Million**
At the beginning of the period / year	2,446	2,049
Additions during the period	-	15
Change in estimates	(417)	338
Accretion of interest	110	44
At the end of the period / year	**2,139**	**2,446**

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8 Depreciation and amortisation

	For the ten-month period ended 31 October	
	2022 (unaudited) USD Million	**2021 (unaudited) USD Million**
Depreciation of property, plant and equipment	916	859
Depreciation of right-of-use assets	20	24
Amortisation of intangible assets	32	30
	968	**913**

9 Other operating costs and administrative expenses

	For the ten-month period ended 31 October	
	2022 (unaudited) USD Million	**2021 (unaudited) USD Million**
Operating expenses of AGP ASR	857	830
Operating expenses of ALNG ASR	83	77
Operating expenses of AIG ASR	(8)	(9)
	932	**898**

10 Finance costs

	For the ten-month period ended 31 October	
	2022 (unaudited) USD Million	**2021 (unaudited) USD Million**
Interest expense on provision of decommissioning	110	36
Interest payable to related party	-	1
	110	**37**

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11 Deferred tax

ADNOC's share of the decommissioning liabilities related to assets of AGP JV and ALNG JV are included in the books of ADNOC. Deferred tax asset with respect to the decommissioning liabilities of AGP JV and ALNG JV are carved out and included in the Interim condensed carve-out financial information.

ADNOC is subject to income tax at the rate of 55% (31 December 2021: 55%) on its taxable profits in accordance with the Tax Payment and Settlement Agreement and Abu Dhabi Income Tax Decree 1965, as amended. Accordingly, rate of 55% has been used to calculate the deferred tax on decommissioning liabilities.

	As at 31 October 2022 (unaudited) USD Million	As at 31 December 2021 (audited) USD Million
Deferred tax asset		
In relation to:		
Assets related to decommissioning obligations	83	74
Decommissioning obligations	55	43
	138	**117**

The following table shows deferred tax asset recorded in the statement of financial position and changes recorded in the statement of profit or loss:

	Opening balance USD Million	Recognised in profit or loss USD Million	Closing Balance USD Million
For the ten-month period ended 31 October 2022 (unaudited)			
Assets related to decommissioning obligations	74	9	83
Decommissioning obligations	43	12	55
	117	**21**	**138**

	Opening balance USD Million	Recognised in profit or loss USD Million	Closing Balance USD Million
For the year ended 31 December 2021 (audited)			
Assets related to decommissioning obligations	67	7	74
Decommissioning obligations	37	6	43
	104	**13**	**117**

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12 Financial instruments

Fair values

The management considers that the carrying amounts of financial assets and financial liabilities recognised in the Interim condensed carve-out financial information approximate their fair values.

13 Subsequent event

ADNOC transferred its ownership interests in the Operations currently reflected within the ADNOC interim financial records to ADNOC Gas Facilities LLC, with effect from 1 January 2023, vide an ASR Asset Transfer Agreement.

14 Approval of interim condensed carve-out financial information

The interim condensed carve-out financial information was authorised for issue by the management on 14 February 2023.

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ANNEXE 2

ARTICLES OF ASSOCIATION

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ARTICLES OF ASSOCIATION

of

ADNOC GAS PLC

ADNOC Gas 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 Gas 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 (1/10) 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.

ANNEXE 3

RECEIVING BANKS' BRANCHES

First Abu Dhabi Bank PJSC

#	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); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturda)	Khalifa Park Al Qurm, PO BOX:6316
2	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturday)	Intersection of Shaikh Khalifa street and Baniyas street,PO BOX:2993
3	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturday)	Near Spinneys Khalidya Street Abu Dhabi
4	Ruwais	Ruwais - Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturday)	Central Market, ADNOC Housung complex, Ruwaise
5	Al Batin	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturda)	Street No. 9 Next to Bateen Bus Terminal and Al Bateen Mall;PO BOX:7644
6	Sheikh Rashid Road Branch	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturda)	Airport Street - Ramy Hotel Building - Abu Dhabi
7	Salam Street	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturda)	Salam Street, Abu Dhabi
8	ADNOC HO	Abu Dhabi	08: am to 02:00 pm (Monday-Thursday); 08:00 am to 12:30 pm (Friday) 08: am to 02:00 pm (Saturday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday) 08: am to 01:00 pm (Saturday)	ADNOC HQ - ABUDHABI Corniche Street
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); 08:00 am to 12:30 pm (Friday)	8 am to 1 pm - Mon - Thurs. 08:00 am to 12:00 pm (Friday)	Al Ain New PO BOX: 17822

			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	Jumeirah Branch	Dubai	08: am to 02:00 pm (Monday-Thursday);	8 am to 1 pm - Mon - Thurs.	Link International Building, Jumeirah Beach Road Umm suqeim
			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	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)	
16	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)	
17	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)	08:00 am to 12:00 pm (Friday)	
			08: am to 02:00 pm (Saturday)	08: am to 01:00 pm (Saturday)	
18	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)	
19	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)	
20	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)	

21	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 Islamic Bank PJSC

#	Branch name	Branch Type	Branch Location-Area	Customer Timing (Monday - Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Al Bateen Branch	Normal Branch	Abu Dhabi	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	Najda Street Branch	Normal Branch	Abu Dhabi	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	Next to Al Mariah Mall (on the intersection of Al Najda street and Hamdan Street).
3	Abu Dhabi Police GHQ Branch	Normal Branch	Abu Dhabi	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 police general head quarter- Al Saada Street, opposite Sheikh Khalifah University
4	Sheikh Zayed Main Branch	Normal Branch	Abu Dhabi	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
5	Abu Dhabi Judiciary Branch	Normal Branch	Abu Dhabi	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 Khaleej Al Arabi Street - Judicial Department Building - Ground Floor Office (GR-A-051)
6	Sheikh Khalifa Energy Complex Branch	Normal Branch	Abu Dhabi	8:00 AM to 3:00 pm	8:00 AM to 12:00 PM	9:00 AM to 1:00 PM	08:00 AM to 11:00 AM	Sheikh Khalifa Eneregy complex - Corniche Street
7	Marina Mall Branch	Mall Branch	Abu Dhabi	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	Corniche Street - Marina Mall - First floor,

								next to Yas Perfumes
8	Nation Towers Branch	Mall Branch	Abu Dhabi	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
9	Baniyas Branch	Normal Branch	Abu Dhabi	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
10	Mussafah Branch	Normal Branch	Abu Dhabi	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	Industrial Area- M9
11	Khalifa A City Branch	Normal Branch	Abu Dhabi	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.
12	Shahama Branch	Normal Branch	Abu Dhabi	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	Old Shahama area near Police Station
13	Al Silaa Branch	Normal Branch	Abu Dhabi West (Gharbiya)	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	Al Sila'a Area, opposite Al Areej School
14	Madinat Zayed Branch	Normal Branch	Abu Dhabi West (Gharbiya)	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
15	Ghayathi Branch	Normal Branch	Abu Dhabi West (Gharbiya)	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	Ghayathi Area- Western Region
16	Al Marfaa Branch	Normal Branch	Abu Dhabi West (Gharbiya)	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	Al Marfaa Area - Western Region
17	Ruwais Mall Branch	Mall Branch	Abu Dhabi West (Gharbiya)	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	First Floor of Ruwais Mall, Ruwais Area
18	Bawadi Mall Branch	Mall Branch	Al Ain	10:00 am to 3:30 pm 04:00 pm to 09:00 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	Al Ain City - Al Bawadi Mall, Ground Floor, Mizyad Area
19	Al Ain Branch	Normal Branch	Al Ain	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	Al Ain City - Central District - Shaikh Zayed Bin Sultan Street - Near Clock Tower
20	Al Yahar Branch	Normal Branch	Al Ain	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	Al Ain City - Al Yahar Main Street
21	Al Qusais Branch	Normal Branch	Dubai	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

22	Second of December Branch	Normal Branch	Dubai	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
23	Sheikh Zayed Road Branch	Normal Branch	Dubai	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
24	Nad Al Sheba Branch	Normal Branch	Dubai	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
25	Dubai Internet City - Arenco Branch	Normal Branch	Dubai	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
26	Fujairah Branch	Normal Branch	East Coast	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
27	Ras Al Khaimah Branch	Normal Branch	East Coast	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
28	Dibba Branch	Normal Branch	East Coast	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
29	Kalba Branch	Normal Branch	East Coast	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
30	Al Dhaid Branch	Normal Branch	East Coast	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
31	Khorfakkan Branch	Normal Branch	East Coast	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
32	Umm Al Quwain Branch	Normal Branch	Sharjah North East Area	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
33	Sharjah Main Branch	Normal Branch	Sharjah North East Area	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
34	Al Rahmania Mall Branch	Mall Branch	Sharjah North East Area	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	Al Rahmania Mall - First Floor
35	Zawaya Walk Branch	Normal Branch	Sharjah North East Area	08: 00AM to 08:00 PM	08:00 AM to 12:00 PM	09:00 AM to 2:00 PM 03:00 PM to 07:00 PM	08:00 AM to 11:00 AM	Zawaya Walk Area

Abu Dhabi Commercial Bank PJSC

#	Branch name	Branch Type	Branch Location-Area	Customer Timing (Monday - Saturday)	Customer Timing (Friday)	IPO Subscription Timings (Monday - Saturday)	IPO Subscription Timings (Friday)	Branch Address
1	Mushrif Branch	Normal Branch	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	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: 76 122
3	Hazza Bin Zayed Stadium Branch	Normal Branch	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	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: 50 013 Zayed Town
5	Al Riggah Branch	Normal Branch	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: 55 50
6	Business Bay Branch	Normal Branch	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	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: 18 43
8	Ras Al Khaimah Branch	Normal Branch	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	Fujairah	08:00 AM - 03:00 PM	08:00 AM - 12:00 PM	08:00 AM - 01:00 PM	08:00 AM - 12:00 PM	Hamed Bin Abdulla Street, Near

				Monday to Thursday		Saturday to Thursday		ADNOC, P.O.Box: 770
10	Ruwais Branch	Normal Branch	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	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	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

Al Maryah Community Bank

#	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Al Maryah Community Bank, Innovation Hub	Abu Dhabi	Mon-Sat: 8AM to 10PM	Mon-Sat: 8AM to 2PM	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	Mon-Sat: 10AM to 10PM	Al Maryah Community Bank, Level 1, Ski Dubai Entrance, Mall of the Emirates, Dubai, UAE

ANNEXE 4

DETAILS OF THE COMPANY'S INVESTMENTS IN THE SUBSIDIARIES AND OTHER INVESTMENTS AS OF LISTING

	Name	Place of Incorporation	Legal Ownership/ Beneficial Holding	Issued Share Capital
1.	O&M Co	UAE	100%	AED 1,000,000
2.	Gas Co	UAE	100%	AED 70,468,220,000
3.	AGP	UAE	68%*	USD 422,400,000
4.	ALNG	UAE	70%*	USD 105,000,000

*Denotes direct ownership by Gas Co.

ANNEXE 5

GROUP STRUCTURE CHART

