

**Media Release:**

ADNOC Gas Reports 13% Q-o-Q Increase in Q3 2023 Net Income to \$1.1 Billion, Demonstrating Resilient Financial Performance

Company's Q-o-Q revenue grows by 8% to \$5.8 billion, underscoring its ability to capitalize on optimization and growth opportunities

Robust nine-month Net Income of \$3.4 billion is supported by growth in production and sales volumes of liquids

Board approves inaugural interim cash dividend of \$1.625 billion; free cash flow generated in first nine months is sufficient to cover full-year dividend of \$3.25 billion

Abu Dhabi, UAE – November 14, 2023: ADNOC Gas plc (together with its direct and indirect subsidiaries, "ADNOC Gas" or the "Company") (ADX symbol: "ADNOCGAS" / ISIN: "AEE01195A234"), a world-class integrated gas processing company, today announced its financial results for the three months and nine months ended September 30, 2023 ("Q3 2023" and "9M 2023"). The unaudited pro forma financial results of the Company for the comparative period (i.e., the three and nine-month period ended September 30, 2022 ("Q3 2022" and "9M 2022")) noted herein are reported on a Pro Forma Adjusted basis¹.

Robust financial performance demonstrates resiliency and ability to capitalize on opportunities

ADNOC Gas continued to deliver robust financial and operational performance in a volatile market environment marked by consumer and geo-political pressures. The Company's Q3 2023 revenue grew to \$5.807 billion, representing an 8% growth compared to Q2 2023, in line with the improving price environment and higher sales volumes. Despite market volatility, the Company maintained stable margins in line with its guidance and previous periods. Further, ADNOC Gas continued to deliver on its growth strategy, focusing on increased efficiency to enable the export of higher-margin liquids.

The Company's Q3 2023 EBITDA improved to \$1.863 billion, up 5% compared to Q2 2023, while Net Income for the quarter increased by 13% quarter-on-quarter (Q-o-Q) to \$1.116 billion. These results underscore the business' resilience and its ability to capitalize on optimization and growth opportunities. A nine-month Net Income of \$3.375 billion reflects the lower pricing environment compared to the same period of 2022.

Ahmed Alebri, Chief Executive Officer of ADNOC Gas, commented: “ADNOC Gas has delivered robust financial results for the first nine months of the year despite a lower pricing environment compared to 2022. In the third quarter, we maintained stable EBITDA and Net Income margins, demonstrating our resilience and ability to generate attractive returns despite market headwinds.

“We have made significant progress, delivering on our growth strategy through substantial investments with \$5.6 billion in contracts awarded in the first nine months of 2023. This includes the Engineering Procurement and Construction contract awarded for the construction of carbon capture units, which is a significant milestone in our decarbonization journey, helping us further decarbonize our operations in line with ADNOC’s bold Net-Zero by 2045 ambition.

“Expanding further into low carbon products, in the first nine month of the year, ADNOC Gas has concluded new LNG supply deals with a total value of \$9-12 billion. We have expanded our international customer base through newly signed agreements with very reputable counterparties, mainly from Asia.

“I’m pleased to announce that our strong free cash-flow generation during the first nine months of the year fully covers our full-year dividend for 2023. In line with our previous shareholder guidance, we will distribute our inaugural interim cash dividend in December this year.”

Continuing focus on investments and growth: \$5.6 billion in contracts awarded in 2023

So far in 2023, ADNOC Gas has awarded contracts totaling \$5.6 billion. As part of its growth strategy, the Company recently awarded a \$3.6 billion contract to commission new capacity and expand its gas processing facilities in the UAE, enabling optimized supply to the Ruwais Industrial Complex. In addition, the Company also awarded a \$615 million contract for a carbon capture project. This follows the Q2 award of \$1.34 billion in contracts for expanding its natural gas pipeline network as part of the ESTIDAMA program, aimed at enabling the supply of higher volumes of natural gas to customers in the Northern Emirates.

ADNOC Gas continues to leverage opportunities arising from ADNOC’s integrated gas masterplan which links every part of the gas value chain in the UAE, ensuring a sustainable and economic supply of natural gas to meet local and international demand.

New LNG supply deals concluded worth between \$9 billion and \$12 billion

ADNOC Gas continues to capitalize on the growing global demand for natural gas and has signed LNG supply deals valued between \$9 billion and \$12 billion this year. These agreements, signed with reputable counterparties like Japan Petroleum Exploration Company Limited, Indian Oil Corporation Limited, PetroChina International Co., Ltd and JERA Global Markets, further strengthen ADNOC Gas’ position as a global, stable and reliable LNG supplier with the capacity and capability to meet both local and international demand.

Strong growth in line with the UAE’s Net-Zero 2050 ambition

ADNOC Gas is fully aligned with the ambitions of ADNOC Group and the UAE to reduce greenhouse gas emissions. The Company is a key enabler in delivering the Group’s 25% emissions intensity reduction target by 2030, the UAE’s Net-Zero by 2050 ambition and ADNOC’s own Net-Zero by 2045 target. In line with the broader ESG strategy and as part of ADNOC’s accelerated decarbonization plan, the Company recently awarded a contract for the construction of carbon capture units, pipeline facilities and a network of wells for carbon dioxide

injection at the Habshan gas processing plant, with a carbon emission reduction capacity of 1.5 million tons per annum.

Interim dividend approved, dividend guidance maintained

For the financial year 2023, ADNOC Gas expects to pay its inaugural interim cash dividend of \$1.625 billion with payments commencing on 14 December 2023, and a further \$1.625 billion in Q2 2024. Following the annual cash dividend payment of \$3.25 billion for 2023, the Company expects an annual dividend growth of 5% per share over the next four years, underscoring the strength and visibility of ADNOC Gas' future cash flows.

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US \$ Million	9M 22 Pro Forma Adjusted results	9M 23	YoY % 9M 23 vs. 9M 22	Q3 22 Pro Forma Adjusted results	Q2 23	Q3 23	YoY % Q3 23 vs. Q3 22	QoQ % Q3 23 vs. Q2 23
Revenue	19,898	16,430	-17%	6,613	5,397	5,807	-12%	8%
COGS	-11,681	-9,481	-19%	-3,908	-3,078	-3,466	-11%	13%
Opex	-1,468	-1,546	5%	-521	-553	-479	-8%	-13%
EBITDA	6,748	5,403	-20%	2,185	1,766	1,863	-15%	5%
Net Income	3,713	3,375	-9%	1,161	984	1,116	-4%	13%
EBITDA Margin	34%	33%	-1%	33%	33%	32%	-1%	-1%
Capital Expenditure	-482	-746	55%	-193	-226	-347	80%	54%
Free Cash Flow	4,205	3,625 ²	-14%	1,324	1,599 ²	1,307 ²	-1%	-18%

ⁱ ADNOC Gas was incorporated in the Abu Dhabi Global Market, Abu Dhabi, UAE on 8 December 2022 and the relevant assets were contributed to ADNOC Gas effective 1 January 2023 as part of a reorganisation (the "Reorganisation") that included the entry into a gas supply and purchase agreement, a transitional marketing and transportation agreement, a sulphur sales and marketing agreement, a pipelines use and operation agreement, a re-injection gas sale agreement and certain lease agreements. The unaudited pro forma financial results for 9M 2022 presented in this document give effect to the impact of the Reorganisation as if the Reorganisation had taken place on 1 January 2022. The unaudited pro forma financial results for 9M 2022 have been prepared for illustrative purposes only and are 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 taken place on 1 January 2022.

2. As per the audited financial statements



About ADNOC Gas

ADNOC Gas, listed on the ADX (ADX symbol: "ADNOCGAS" / ISIN: "AEE01195A234"), 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 large, long-life operations for gas processing and fractionation to the sale of products to domestic and international customers. ADNOC Gas supplies approximately 60% of the UAE's sales gas needs and supplies end-customers in over 20 countries. To find out more, visit: www.adnocgas.ae

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