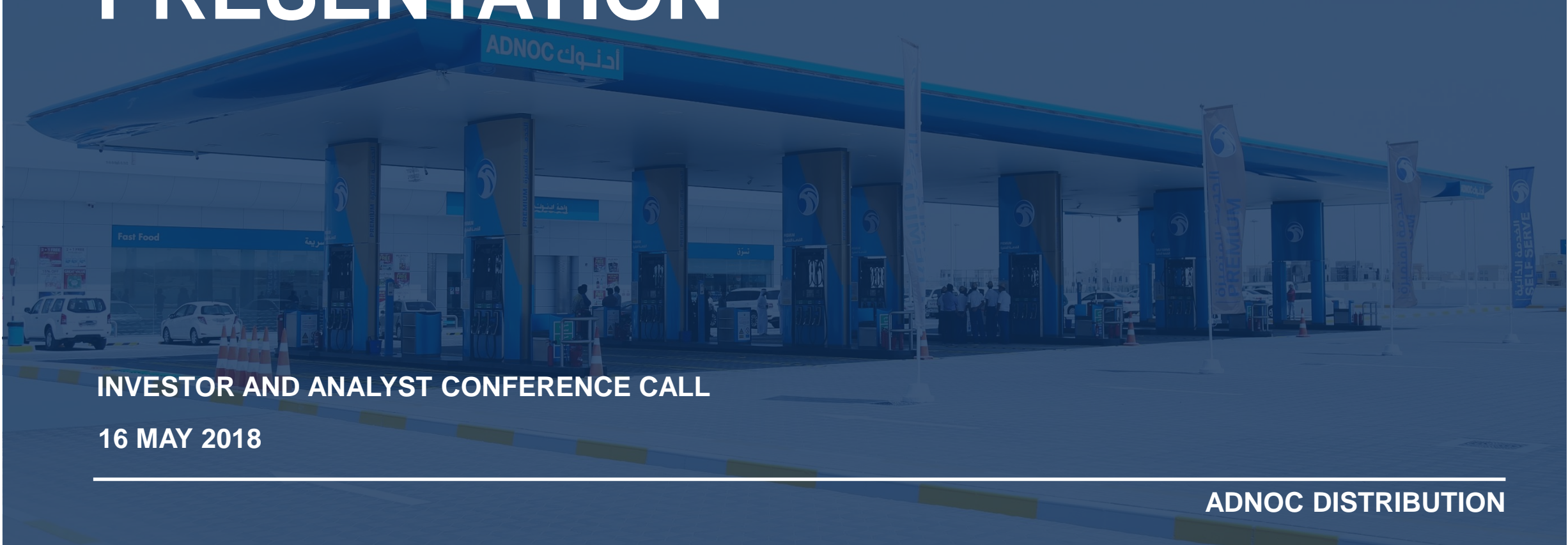




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ADNOC

ADNOC DISTRIBUTION Q1 2018 RESULTS PRESENTATION



INVESTOR AND ANALYST CONFERENCE CALL

16 MAY 2018

ADNOC DISTRIBUTION

AGENDA



EXECUTIVE SUMMARY



Q1 2018 RESULTS



PROGRESS OF GROWTH STRATEGY



OUTLOOK

DISCLAIMER

This communication 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 management's 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", "intends", "estimates", "plans", "targets", or "anticipates" or the negative thereof, or other comparable terminology.

These forward-looking statements and other statements contained in this communication 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 include, but are not limited to: our reliance on ADNOC to supply us with substantially all of the fuel products that we sell; an interruption in the supply of fuels to us by ADNOC; changes in the prices that we pay ADNOC for our fuels and to the prices that we are allowed to charge our retail customers in the UAE; failure to successfully implement our operating initiatives and growth plans, including our mixed-mode service offering, our convenience store optimisation initiatives, our cost savings initiatives, and our growth plans; competition in our markets; decrease in demand for the fuels we sell, including due to general economic conditions, improvements in fuel efficiency and increased consumer preference for alternative fuels; the dangers inherent in the storage and transportation of the products we sell; our reliance on information technology to manage our business; laws and regulations pertaining to environmental protection, operational safety, and product quality; the extent of our related party transactions with ADNOC and our reliance on ADNOC to operate our business; the introduction of VAT and other new taxes in the UAE; failure to successfully implement new policies, practices, systems and controls that we implemented in connection with or following our IPO; any inadequacy of our insurance to cover losses that we may suffer; general economic, financial and political conditions in Abu Dhabi and elsewhere in the UAE; instability and unrest in regions in which we operate; the introduction of new laws and regulations in Abu Dhabi and the UAE; and other risks and uncertainties detailed in our International Offering Memorandum dated 26 November 2017 relating to our initial public offering and the listing of our shares on the Abu Dhabi Securities Exchange, and from time to time in our other investor communications.

Except as expressly required by law, we disclaim any intent or obligation to update or revise these forward-looking statements.



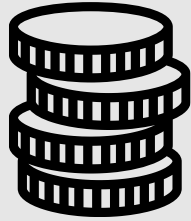
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EXECUTIVE SUMMARY

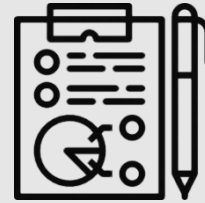
ADNOC DISTRIBUTION

INTRODUCTION

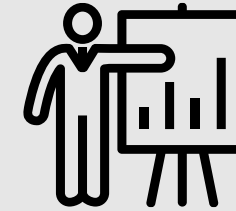
Q1 2018 has set the foundation for future growth trajectory



Strong financial performance in Q1 2018 (EBITDA +25% vs. Q1 2017)



On track on implementation of growth strategy



Confident on delivery of business plan for 2018

Q1 2018 HIGHLIGHTS

Continued delivery on growth strategy combined with strong operational and financial performance

DELIVERY ON GROWTH STRATEGY

Ongoing network expansion in Abu Dhabi and the Northern Emirates with 4 new stations opened to date and 5 under construction

Milestone in the Emirate of Dubai – construction started for 3 new high traffic sites

ADNOC Flex launched at service stations in Abu Dhabi

Convenience store growth initiatives on track

Breakthroughs in cost and CAPEX efficiencies

OPERATIONAL PERFORMANCE

2,334 mnL total fuel volumes sold in Q1 18

41.9 million fuel transactions in Q1 18

USD 4.5 convenience store average basket size in Q1 18 (+12.5% vs. Q1 17)

FINANCIAL PERFORMANCE

Gross profit +14.3% YoY (Q1 18 USD 322m)

EBITDA +24.9% YoY (Q1 18 USD 191m)

Net profit +12.1% YoY (Q1 18 USD 148m)

USD200m dividend paid to shareholders in April 2018

USD150m free cash flow generation in Q1 2018

Notes: The Company's financial statements are reported in AED; USD figures used for representation and converted from AED at FX rate of 1 USD = 3.673 AED. All operational information as of, and for the quarter ended, 31 March 2018.

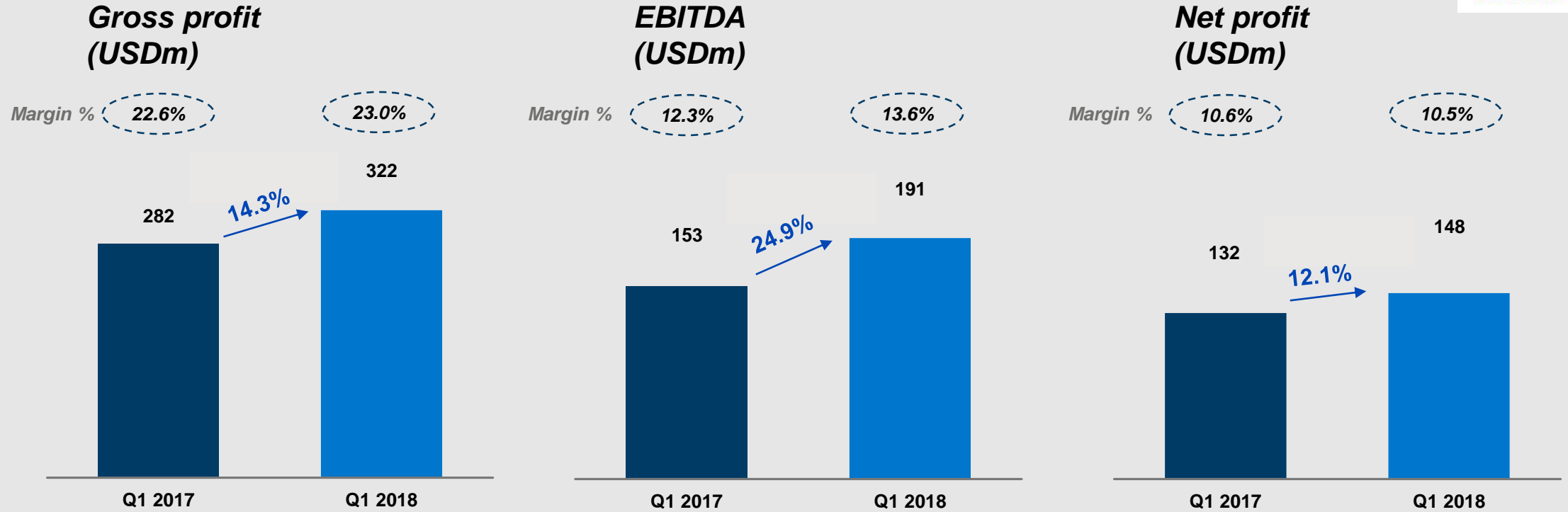


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Q1 2018 RESULTS

ADNOC DISTRIBUTION

Q1 2018 VS. Q1 2017 PERFORMANCE



HIGHLIGHTS

- Growth in fuel sales volumes
- Increased margins of retail fuel products

- Cost efficiency improvements across the business

- Consistently high and stable profitability margins

RETAIL

Strong performance driven by higher fuel margins and cost efficiencies



Financial metrics

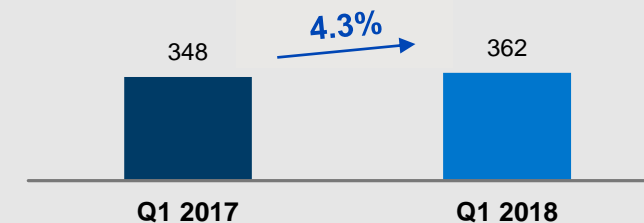
USDm	Q4 2017A	Q1 2018A	% change	Q1 2017A	Q1 2018A	% change
Gross profit	221	218	-1.3%	188	218	+16.0%
Margin	21.9%	22.0%		20.8%	22.0%	
EBITDA	106	126	+18.9%	85	126	+49.2%
Margin	10.5%	12.7%		9.4%	12.7%	

HIGHLIGHTS

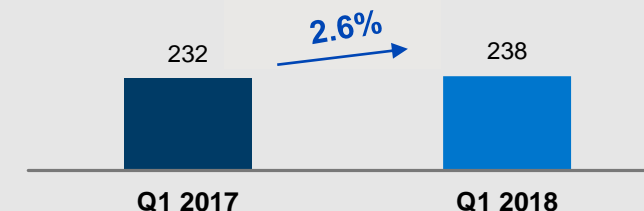
- Higher fuel margins
- Non fuel gross margin growth
- Cost efficiencies - fuel and non fuel operations
- Reduction in retail fuel volumes
- Inventory gains in the range of c.2-4 fils per litre as a result of higher oil prices

Operational metrics

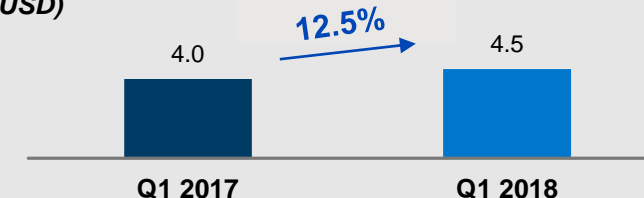
Number of fuel stations



Number of convenience stores



Average basket size (USD)



Fuel sales volume

Volumes (mL)	Q1 2017A	Q1 2018A	%
Gasoline	1,450	1,431	(1.3%)
Diesel	194	187	(4.0%)
Other products ¹	24	22	(6.7%)
Total	1,667	1,640	(1.7%)

1. Other products include LPG, lubricants and kerosene

CORPORATE

Increase in sales volume offset by lower fuel margins



Financial metrics

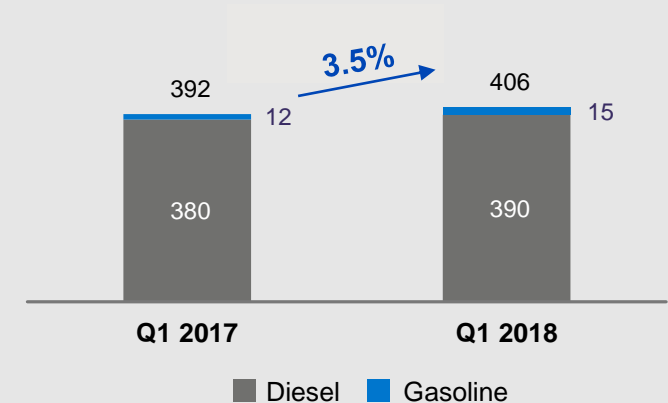
USDm	Q4 2017A	Q1 2018A	% change	Q1 2017A	Q1 2018A	% change
Gross profit	59	41	-31.1%	52	41	-21.5%
Margin	18.0%	15.9%		22.3%	15.9%	
EBITDA	39	30	-23.5%	45	30	-33.4%
Margin	11.8%	11.5%		19.0%	11.5%	

HIGHLIGHTS

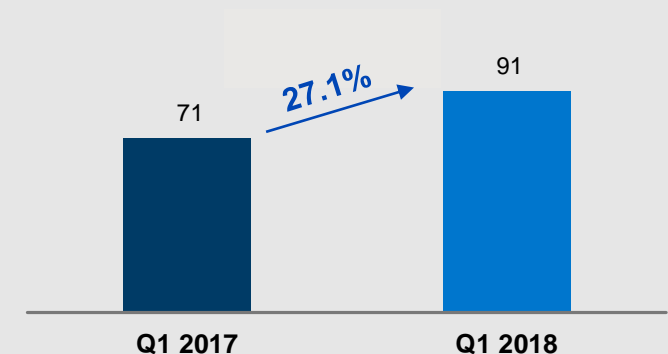
- Lower fuel margins resulting from competitive pressures

Operational metrics

Fuel sales volume (mL)



Other products¹ sales volume (mL)



AVIATION

Performance driven by new civil aviation services agreement

Financial metrics

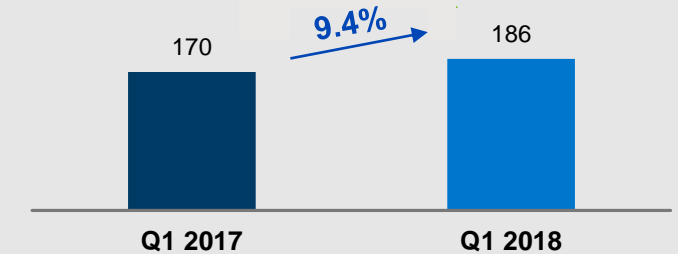
USDm	Q4 2017A	Q1 2018A	% change	Q1 2017A	Q1 2018A	% change
Gross profit	57	46	-19.3%	25	46	+83.3%
Margin	38.1%	33.8%		27.8%	33.8%	
EBITDA	30	23	-25.8%	15	23	+53.8%
Margin	20.3%	16.6%		16.2%	16.6%	

HIGHLIGHTS

- Change of contractual profile of the business with a cost-plus-8% compensation from parent company for fuel and services provided to civil aviation customers
- Increase in volumes

Operational metrics

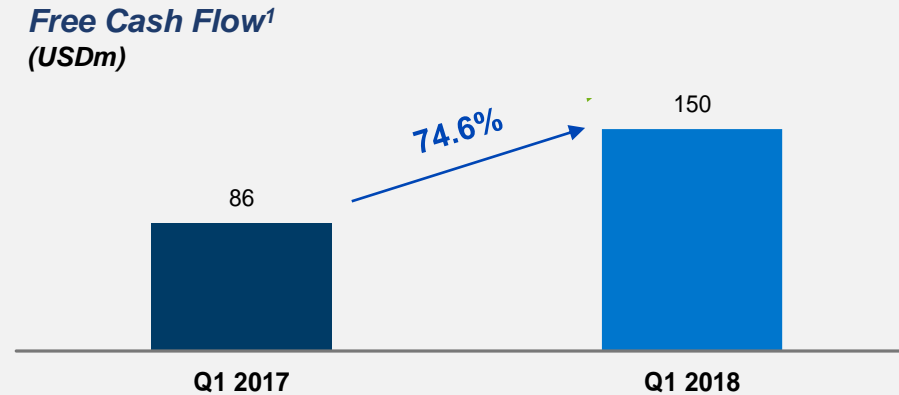
Fuel sales volume (mL)



CAPEX AND FREE CASH FLOW

Continued robust free cash flow generation

CAPEX (USDm)	Q1 2018A
Service stations projects	19
Industrial projects	9
Machinery and equipment	6
Technology infrastructure	5
Others	3
Total	42



HIGHLIGHTS

- CAPEX efficiency improvements in the construction of new service stations
- 10% per site CAPEX reduction for 2018, expected to reach up to 40% per site CAPEX reduction for stations in 2019 and beyond
- Optimizing maintenance CAPEX related to existing properties
- Expect 2018 full year CAPEX to be below USD 190m



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PROGRESS OF GROWTH STRATEGY

SPEAKER: JOHN CAREY, DEPUTY CHIEF EXECUTIVE OFFICER

ADNOC DISTRIBUTION

PROGRESS SINCE IPO

ADNOC Distribution on track with growth strategy

IPO – December
2017

January – April
2018

...up to year-
end 2018

Growth strategy

Milestones achieved

Further steps to come

Fuel



- ADNOC Flex
- Premiumisation

Non-Fuel



- Convenience store development
- Allied Services performance improvement
- Network expansion

Cost-Efficiency



- Cost efficiency
- CAPEX efficiency
- Working capital improvement



- Launch of ADNOC Flex in Abu Dhabi
- 4 new fuel stations in Abu Dhabi and the Northern Emirates
- Contract for 3 sites in Dubai awarded
- License to operate in Saudi Arabia
- Géant convenience store partnership



- Recurring cost and CAPEX savings in Q1



- Full scale implementation of ADNOC Flex
- Further site expansion in key areas
- Premiumisation
- Roll-out of convenience store partnership
- Additional cost and CAPEX efficiency

GROWTH STRATEGY: FUEL

Station openings on track and ADNOC Flex launched ahead of schedule



Network expansion

- Launching 13 new stations in 2018 with lower CAPEX, in line with initial targets
 - 3 sites opened in Q1 2018, 1 site opened in April 2018, 5 sites under construction, 3 major extensions
 - 3 further sites under construction in Dubai

ADNOC Flex

- Successfully launched across 40 service stations in April
 - Will be rolled out ahead of schedule across all stations over the next three months

GROWTH STRATEGY: NON-FUEL

Convenience store growth plans on track



NON-FUEL

Strategic convenience store revitalisation

- Initiated revitalisation program strategy leading to significant improvements in convenience store gross margin
- Milestone partnership agreements signed with Géant for 10 sites
- First Géant Express store opened in May 2018

Convenience store network expansion

- On track to meet further network expansion targets - 13 new convenience stores in 2018 across the UAE

Car and Property Services performance improvement

- Implementation of price increases and extension of the portfolio

GROWTH STRATEGY: COST EFFICIENCY



Breakthroughs in cost and CAPEX efficiencies

COST EFFICIENCY



Cost efficiency

- On track to hit cost reductions target for 2018
 - Those under implementation include strategic sourcing and third party contract renegotiations

CAPEX efficiency

- Continued CAPEX optimisation for 2018 and on track to hit up to 40% CAPEX reduction per site for stations in 2019 and beyond

Working capital improvement

- Normalising position with regards to receivables, payables and resulting inventory cycle



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SNACKING وجبات شهية

REFRESHMENTS مشروبات

وجبات جاهزة اكل

CHECKOUT الدفع

OUTLOOK

ADNOC DISTRIBUTION

OUTLOOK



Solid Q1 2018
foundation with
more to come in
the year



Confidence in
achieving 2018
targets



Delivering on key
pillars of our growth
strategy



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THANK YOU

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