

Q3 & 9M 2020 RESULTS

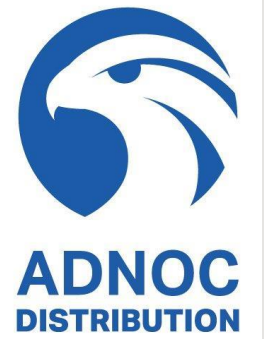
INVESTOR PRESENTATION

11 NOVEMBER 2020



ADNOC DISTRIBUTION

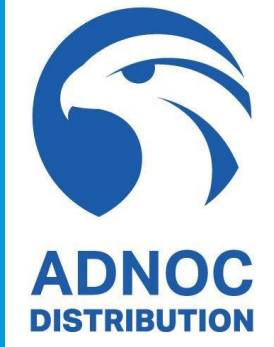
TODAY'S PRESENTERS



Mohamed Al Hashemi
Chief Financial Officer



Athmane Benzerroug
Chief Investor Relations Officer



| AGENDA



01 | EXECUTIVE SUMMARY



02 | STRATEGY UPDATE



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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.

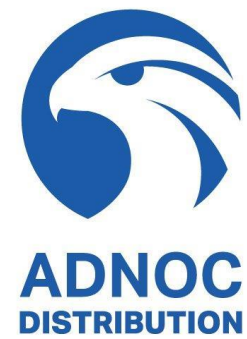
Except as expressly required by law, we disclaim any intent or obligation to update or revise these forward-looking statements.



ADNOC
DISTRIBUTION

01

EXECUTIVE SUMMARY



ADNOC DISTRIBUTION UNIQUE VALUE PROPOSITION

- Executing a focused, **deliverable EBITDA profile** to exceed USD 1bn by 2023
- Ambitious domestic growth expansion programme** via fuel and non-fuel initiatives, with additional **international growth opportunity**
- Accelerated digital strategy** to unlock additional retail value and customer loyalty
- Crystalize hidden value through OPEX initiatives** (Targeted additional Opex savings of ~USD 100m over 2020-2023 compared to 2019)

- Leading fuel retail player** in a attractive UAE market and robust regulatory framework
- Demonstrable business resilience** with stable, high and predictable fuel margins with limited exposure to oil price volatility
- Strong balance sheet** with ample liquidity to pursue growth opportunities
- Disciplined approach** in evaluating growth opportunities



- Highly attractive, visible and differentiated dividend policy¹**
- Dividend track record** since IPO
- Significant share liquidity in the offering** after **Free float doubled to 20%** (September 2020) and expected **MSCI/FTSE EM Indices inclusion**
- ADNOC a **supportive and committed majority shareholder**

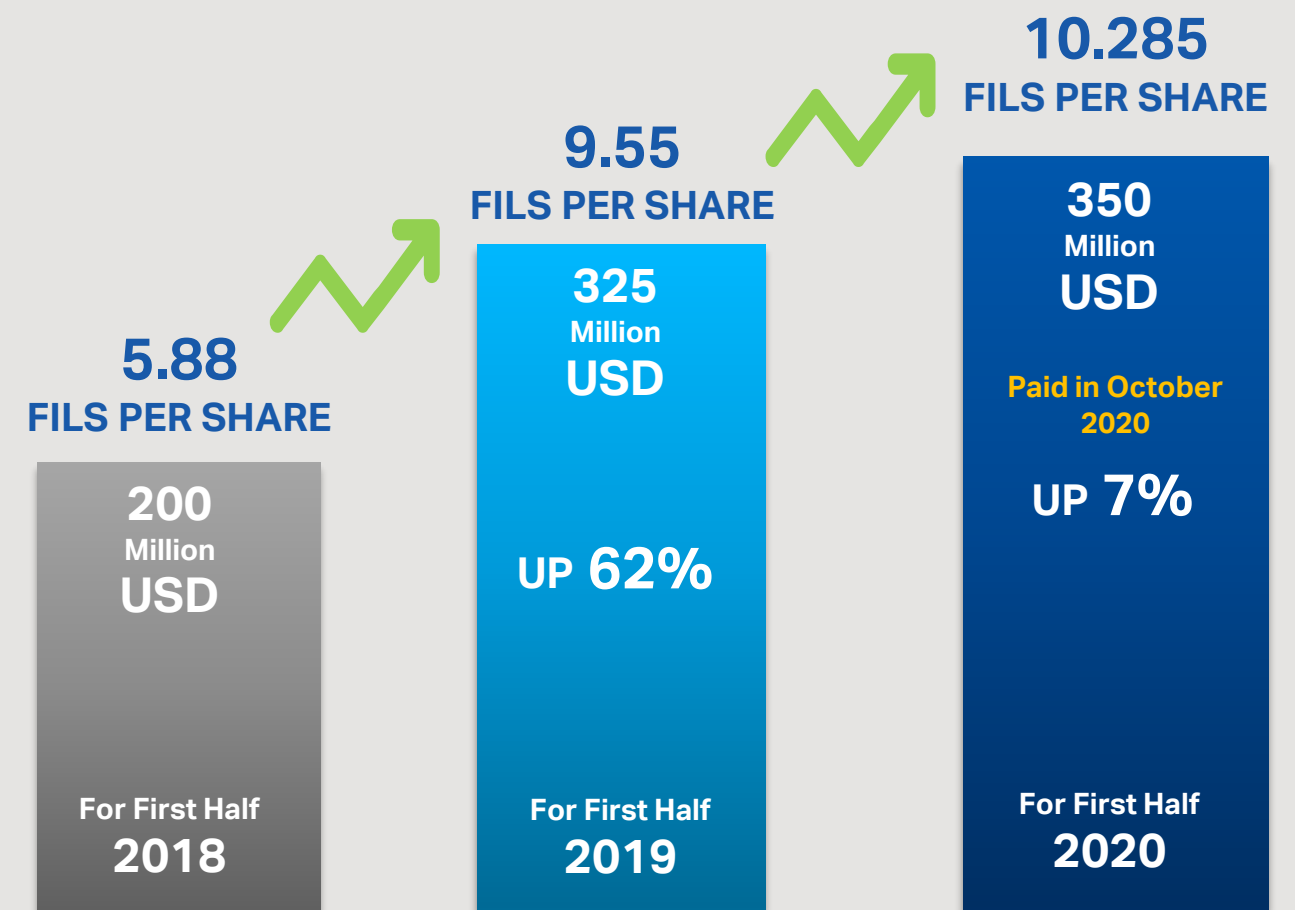
(1) Dividend policy sets dividend of USD 700 million (6.1% yield, at a share price of AED 3.35 per share on 10th November 2020) in 2020, USD 700 million in 2021 and minimum 75% of distributable profits from 2022 onwards, subject to the Board and shareholders approval



INTERIM DIVIDEND OF 10.285 FILS PER SHARE FOR THE FIRST SIX MONTHS OF 2020 PAID IN OCTOBER 2020

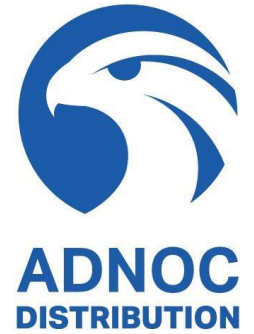
STRONG TRACK RECORD OF PROGRESSIVELY INCREASING DIVIDEND

- ✓ Demonstrates Board’s confidence in the company’s **growth prospects** and **cash flow generation ability** going forward.
- ✓ Backed by the company’s **strong financial position**¹.
- ✓ **Visible and committed dividend policy**, setting an **USD 700 million dividend for 2020**, USD 700 million for 2021 and a dividend equal to at least 75% of distributable profits from 2022 onwards².



(1) Cash & equivalent of USD 1.1 billion, retained earnings of USD 394 million at the end of 9M 2020

(2) Subject to the discretion of the Board of Directors and Shareholders’ approval



9M 2020 KEY HIGHLIGHTS



BUSINESS RESILIENCE

- 9M 2020 retail fuel volumes **recovered to c.90% of volumes** compared to 9M 2019. Lower fuel volumes offset by **higher retail fuel margins and management initiatives**
- Underlying EBITDA increased by 24.6%** in 9M 2020 compared to 9M 2019
- Reported EBITDA and Net Profit negatively impacted by **one-off expenses**
- Like-for-like **operating expenses savings of USD 10 million** in 9M 2020
- Strong balance sheet** and **ample liquidity** to pursue investment plans and potential new opportunities



AGILITY & SMART GROWTH

- Domestic network expansion on track after opening **37 new stations** in 9M 2020 (**11** in Dubai)
- 35 new convenience stores** opened and **41 convenience stores** refurbished in 9M 2020, including **30** in Q3 2020
- Launched **ADNOC Rewards point-based loyalty program** at the end of July 2020
- Accelerating **E-commerce strategy** and launching new services to provide **best-in-class services** to our customers
- Invest in growth:
 - CAPEX increased to **USD167 million** in 9M 2020 (USD66 million in 9M 2019)
 - Committed to deliver **smart growth in 2020 and beyond**, including internationally



ATTRACTIVE SHAREHOLDER RETURNS

- Attractive and highly visible dividend policy**
 - 2020 Interim dividend of **USD 350 million (10.285 fils per share)** was paid in **October 2020**, and final dividend is expected to be paid in April 2021**
- Significant share liquidity** in the offering after **Free float doubled to 20%** (September 2020) and **expected MSCI/FTSE EM Indices inclusion**

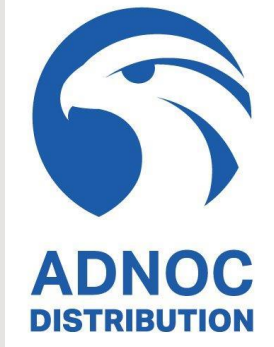


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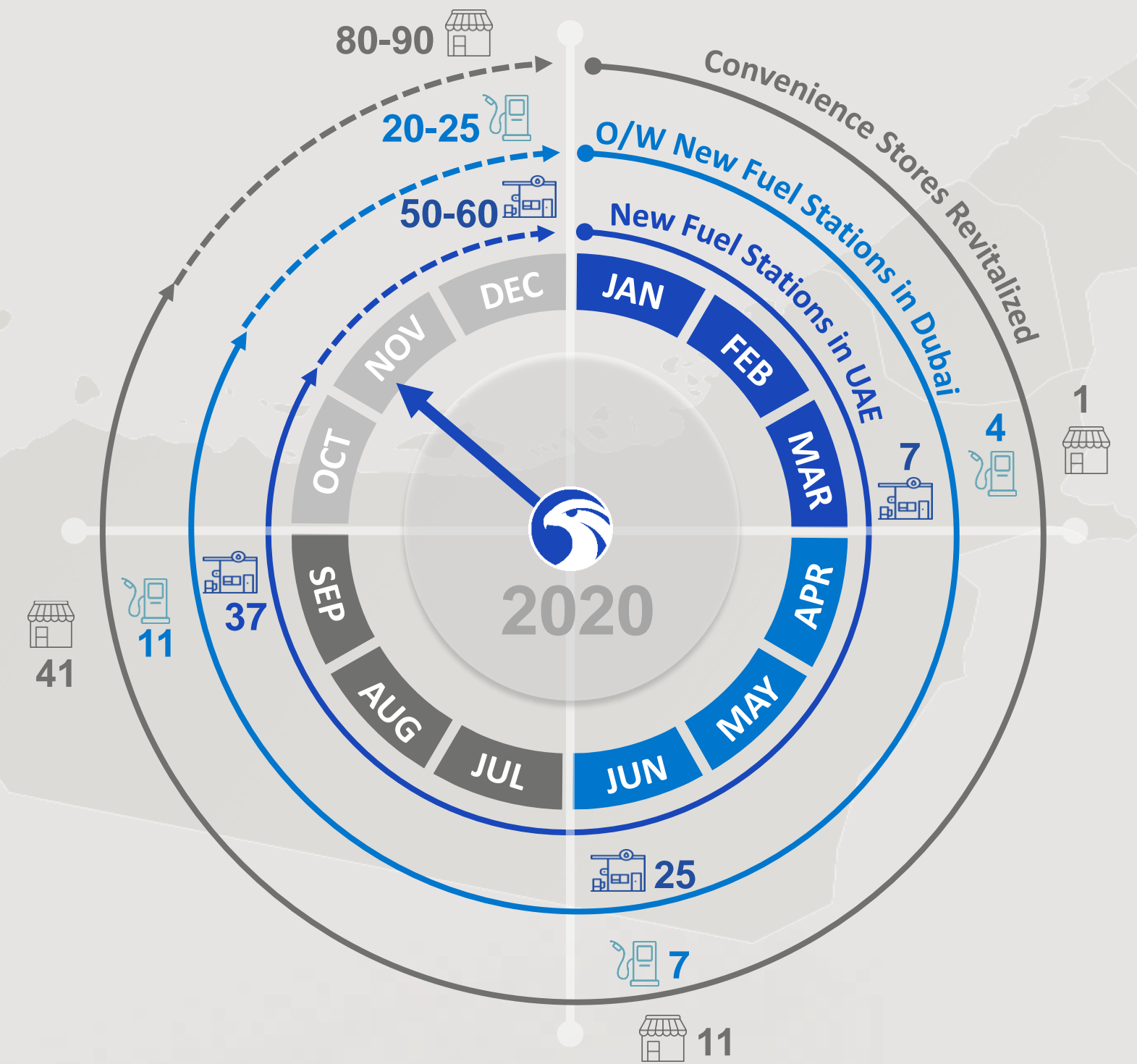
GROWTH STRATEGY UPDATE

ADNOC Distribution



GROWTH STRATEGY OVERVIEW

Delivering on our promises



- New Fuel Stations in UAE
- New Stations in Dubai
- Convenience Stores Revitalized

KEY STRATEGIC UPDATE

Fuel Business (B2C & B2B)



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2020 ANNOUNCED GUIDANCE

- Deliver accelerated domestic network expansion with:
 - ✓ **50-60 new stations** in UAE in 2020, which includes mix of traditional and ‘ADNOC On the go’ stations
 - Of which **20-25 new stations in Dubai**, most of which would be traditional stations
- Execute international growth strategy

ACHIEVEMENTS AS OF 9M 2020

- **37 new stations** opened in 9M 2020 in the UAE (**11 in Dubai**)
 - As of October, 6 additional stations opened in UAE (2 in Dubai)
- Incremental contribution from increase in LPG cylinder prices ahead of expectations
- International expansion progressing with various discussions/proposals under review

ADNOC Distribution's 400th Station in Saadiyat Island – Abu Dhabi



Al-Qouz Station – Dubai



KEY STRATEGIC UPDATE

Non-Fuel business (B2C)



2020 ANNOUNCED GUIDANCE

- Further improvements in category management, introduction of high margin fresh food and great coffee offerings
- Revitalize 40-50 convenience stores in 2020
- Further enhancements to our customer-centric focus, including station optimization across our network

ACHIEVEMENTS AS OF 9M 2020

- ~13% increase in C-store network with **35 new C-stores** opened in 9M 2020
- Continued focus on category management
- Average gross basket size up 19.9% YoY in 9M 2020
- Accelerating C-Stores revitalization program with 41 C-stores revitalized in 9M 2020 (including 30 in Q3 2020). As of October, refurbished **60 C-stores**
- Focused on offering a superior customer experience and accelerated E-commerce strategy

Improved Product Category Management



Fresh Food Offering in Oasis Cafes





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Q3 & 9M 2020 RESULTS



Q3 & 9M 2020 FINANCIAL PERFORMANCE

Resilient underlying operating performance

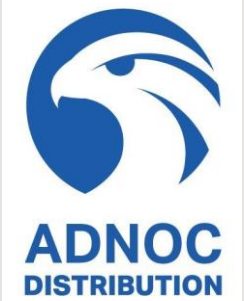
Key Financial Performance	USDm	Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
	Revenue		1,097	1,535	-28.5%	3,263	4,332
Gross Profit		470	339	38.7%	1,136	1,014	12.1%
<i>Margin</i>		<i>42.8%</i>	<i>22.1%</i>		<i>34.8%</i>	<i>23.4%</i>	
EBITDA		239	190	25.9%	581	594	-2.2%
<i>Margin</i>		<i>21.8%</i>	<i>12.4%</i>		<i>17.8%</i>	<i>13.7%</i>	
Underlying EBITDA¹		308	198	55.5%	695	558	24.6%
<i>Margin</i>		<i>28.1%</i>	<i>12.9%</i>		<i>21.3%</i>	<i>12.9%</i>	
Net Income		183	149	22.3%	430	469	-8.1%
<i>Margin</i>		<i>16.6%</i>	<i>9.7%</i>		<i>13.2%</i>	<i>10.8%</i>	

Robust Free cash flow generation in Q3 2020

Cash Generation and Net Debt	USDm	Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
	Free cash flow²		429	93	NM	149	294
Net debt		415	-85	NM	415	-85	NM

High returns sustained

Profitability		Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
	ROCE⁴ (%)		24.6%	24.8%	-	24.6%	24.8%
ROE⁵ (%)		74.8%	67.0%	-	74.8%	67.0%	-



Q3 & 9M 2020 OPERATING PERFORMANCE

	mL	Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
Fuel Volumes	Retail (B2C)	1,538	1,612	-4.6%	4,195	4,819	-13.0%
	Commercial (B2B)	708	899	-21.2%	2,164	2,375	-8.9%
	<i>of which Corporate</i>	598	683	-12.4%	1,737	1,788	-2.9%
	<i>of which Aviation</i>	109	216	-49.3%	427	586	-27.2%
	TOTAL	2,246	2,510	-10.5%	6,359	7,194	-11.6%
		Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
Retail Fuel Operating Metrics	Number of service stations – UAE	418	382	9.4%	418	382	9.4%
	Number of service stations - Saudi Arabia¹	2	2	-	2	2	-
	Number of fuel transactions (millions)	36.4	40.3	-9.7%	99.9	117.2	-14.8%
		Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
Retail Non-Fuel Operating Metrics	Number of convenience stores - UAE	299	264	13.3%	299	264	13.3%
	Number of non-fuel transactions (millions)²	8.0	11.7	-31.6%	23.5	35.4	-33.6%
	Average gross basket size (USD)³	7.4	6.3	20.4%	7.7	6.4	19.9%

1. Includes one franchised site

2. Includes convenience stores, car wash and oil change transactions

3. Average gross basket size is calculated as convenience store revenue (including revenue from consignment items shown under other operating income) divided by number of convenience store transactions.

OPEX UPDATE



2020 ANNOUNCED GUIDANCE

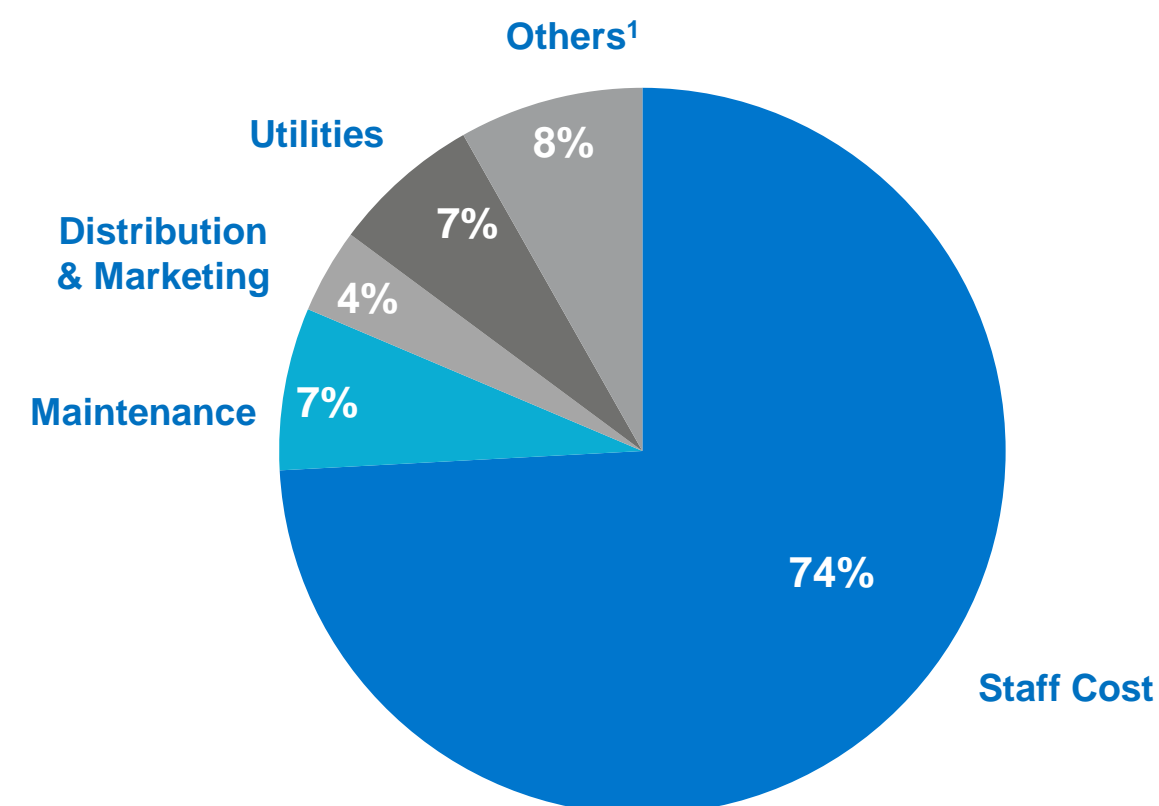
- Deliver additional like-for-like cost savings of up to USD25m in 2020 out of the total USD100m over 2020-23



ACHIEVEMENTS AS OF 9M 2020

- USD 10 million like-for-like cash OPEX savings in 9M 2020
 - After moving to a more efficient retail site operating model and expanding our cost reduction initiatives across all business units (mainly staff cost)

9M 2020 TOTAL CASH OPEX (\$507m)

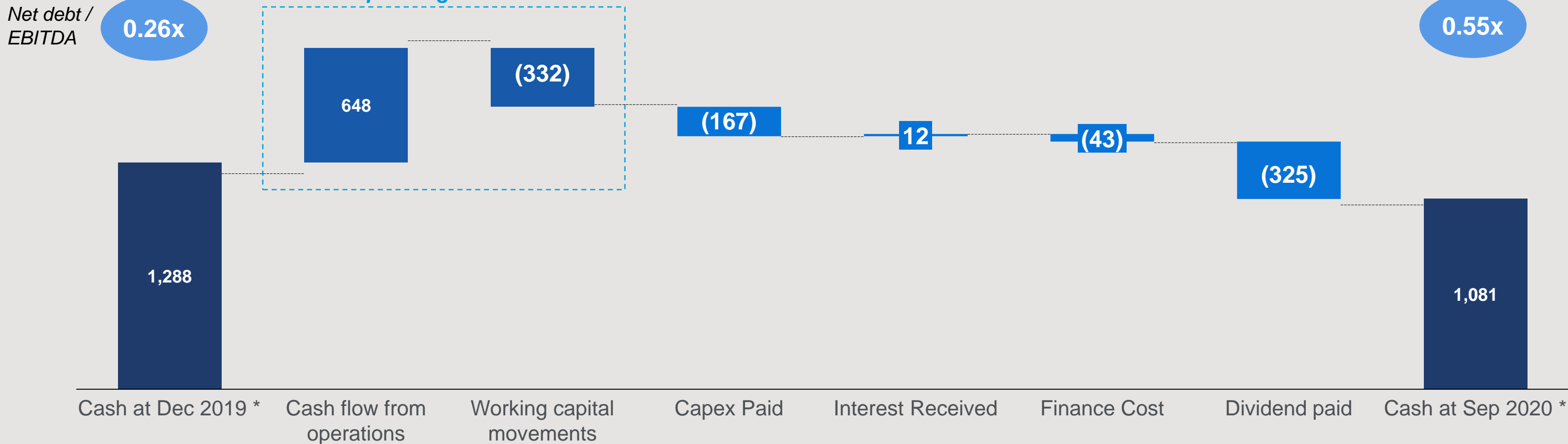


(1) Others include lease cost, bank charges, consultancies, insurance etc.

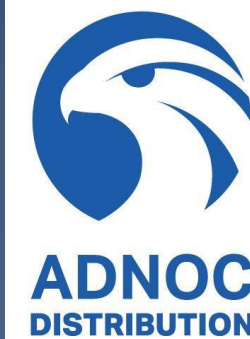


ROBUST CASH POSITION

USD 316m of net cash generated from operating activities



- Q3 2020 free cash flow generation of USD429 million, driven by strong cash flow from operations and positive working capital movement
- 9M 2020 net cash generated from operating activities (USD316m) increased driven by robust cash flow from operations, partially offset by negative working capital movements. Negative working capital movements were mainly as a result of decrease in payables to our supplier ADNOC, driven by lower purchases and lower oil prices, partially offset by decrease in trade receivables
- USD 167m CAPEX spent in 9M 2020 (2.5x 9M 2019 level) mainly driven by growth CAPEX (~80%) with a focus on delivering higher number of new stations



04

OUTLOOK



2020 OUTLOOK & STRATEGIC PRIORITIES



Fuel

- Deliver on smart growth strategy in a disciplined manner supported by ample liquidity and balance sheet:
 - Reiterate guidance of 50-60 new stations in UAE in 2020, after 37 in 9M 2020
 - 20-25 new stations in Dubai in 2020 after 11 in 9M 2020
- Deliver on international growth strategy
- Explore potential opportunities presented by current environment



Non-Fuel

- Upgrade our 2020 C-Stores revitalization target to refurbish 80-90 C-stores (vs. 40-50 earlier)
- Ongoing improvements in category management, with a greater focus on high margin fresh food and premium coffee products across our network and online food / grocery delivery service



Cost Efficiency & CAPEX

- Confirm USD25m like-for-like OPEX savings in 2020 (9M 2020: USD10m) as we expect Q4 2020 to see higher savings
- We aim to further accelerate our OPEX optimization program, make our operations leaner and more efficient and decrease our like-for-like OPEX
- Maintain our CAPEX guidance of up to USD 300m in 2020, reiterating our commitment to deliver smart growth beyond 2020 and offer best-in-class services to customers



Dividend Policy

- Dividend policy sets dividend of USD 700 million (20.57 fils per share, 6.1% yield*) in 2020, half of which paid in October 2020 and the second half is expected to be paid in April 2021**



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| Q&A



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05

APPENDIX



COVID-19 RESPONSE



We are focused on ensuring **uninterrupted services** to customers and healthcare sector and the **safety of employees, customers and local communities**. We responded swiftly to the evolving environment by **accelerating our e-commerce strategy** and launching new services to **enhance customer experience**



Remote Working

Enabled work from home for staff where applicable and introduced measures to safely and gradually return to the office, in line with the easing of lockdown measures



Protective Gear

Provided personal protective equipment such as face masks, gloves, hand sanitizers to staff



Essential Home Products

Launched a new 'essential products' range in our ADNOC Oasis stores, including fresh food, household and healthcare products, at a low cost to help customers across the UAE



Car Interior Sanitization

Introduced a new complimentary deep cleaning and sanitization of cars as part of car wash service



Daily Cleaning of Sites

Performing daily cleaning at our sites, including head office, service stations and depots



Contactless Payment

Enhancing our advanced Mobile Pay technology to facilitate social distancing through totally contactless payment



Online Grocery Delivery

Launched online home delivery services of over 1,700 Oasis products, from over 100 stores via our partnerships with Talabat for the convenience and safety of our customers



Mobile Fuel Delivery

Offering My Station, a new mobile fueling service that provides services at a location and time of customers' choosing

ADNOC DISTRIBUTION IN NUMBERS – 9M 2020



Forbes Middle East Retail Brand



6.3 billion liters
Total Fuel Volume



418
Retail Fuel sites
in the UAE



+100
Online Network
Participating C-Stores



99.9 million
Fuel Transactions



2
Retail Fuel sites
in Saudi Arabia



\$7.7
Average Gross
Basket Size



299
Convenience
Stores in the UAE



23.5 million
Non-Fuel
Transactions



0.07
Total Reportable
Injury Rate*



86%
Property
Occupancy Rate



29
Number of Vehicle
Inspection Centers**



*Total Reportable Injury / 1,000,000 man hours **Includes one permitting center

GROSS PROFIT BY SEGMENT

USDm	Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
Retail (B2C)	360	224	60.9%	858	686	25.1%
<i>Of which Fuel</i>	326	184	77.0%	770	571	34.8%
<i>Of which Non-Fuel ⁽¹⁾</i>	34	40	-13.8%	87	114	-23.8%
<i>Retail Margin</i>	45.3%	22.2%		37.5%	23.4%	
Commercial (B2B)	110	115	-4.5%	278	328	-15.1%
<i>Of which Corporate</i>	71	63	13.1%	163	182	-10.3%
<i>Of which Aviation</i>	39	52	-25.7%	115	146	-21.2%
<i>Commercial Margin</i>	36.3%	21.9%		28.5%	23.4	
Total	470	339	38.7%	1,136	1,014	12.1%

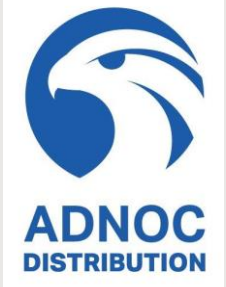
- Higher gross profit in 9M 2020 driven by higher Retail Fuel margins, partially offset by lower fuel volumes, Commercial and Non-Fuel Retail gross profit
- Non-Fuel Retail business impacted by COVID-19 and absence of voucher redemption after free assisted fueling
- Commercial business was negatively impacted by lower margin and volumes, whereas 9M 2019 included one-off recoveries

EBITDA BY SEGMENT

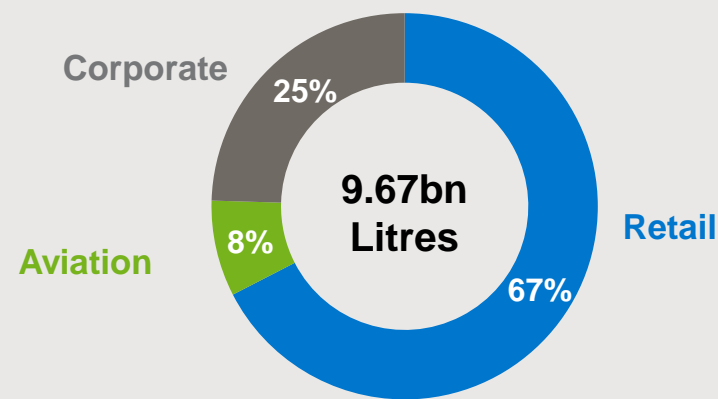
USDm	Q3 2020	Q3 2019	YoY (%)	9M 2020	9M 2019	YoY (%)
Retail (B2C)	222	114	94.1%	482	374	28.8%
<i>Retail Margin</i>	<i>27.9%</i>	<i>11.3%</i>		<i>21.1%</i>	<i>12.8%</i>	
Commercial (B2B)	62	75	-18.2%	150	226	-33.6%
<i>Of which Corporate</i>	<i>48</i>	<i>49</i>	<i>-0.9%</i>	<i>105</i>	<i>151</i>	<i>-30.7%</i>
<i>Of which Aviation</i>	<i>13</i>	<i>27</i>	<i>-49.9%</i>	<i>45</i>	<i>75</i>	<i>-39.6%</i>
<i>Commercial Margin</i>	<i>20.3%</i>	<i>14.2%</i>		<i>15.3%</i>	<i>16.1%</i>	
Unallocated¹	-44	0	<i>NM</i>	-51	-7	<i>NM</i>
Total reported EBITDA	239	190	25.9%	581	594	-2.2%
Underlying EBITDA²	308	198	55.5%	695	558	24.6%

- Underlying EBITDA up by 55.5% in Q3 2020 and by 24.6% in 9M 2020, driven by higher retail fuel margins and OPEX optimization
- 9M 2020 EBITDA was impacted by USD142m one-off expenses, whereas 9M 2019 included one-off gains of USD3.5m
 - 9M 2020 Retail EBITDA increased on the back of higher retail margins, partially offset by lower fuel volumes, decline in non-fuel gross profit and increase in one-off OPEX
 - Commercial EBITDA declined due to lower margins, lower volumes and other one-offs in 9M 2020, whereas 9M 2019 included one-off recoveries

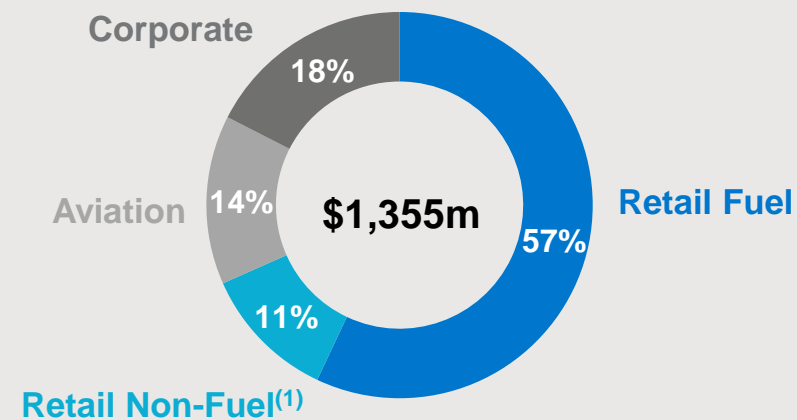
ADNOC DISTRIBUTION BUSINESS OVERVIEW



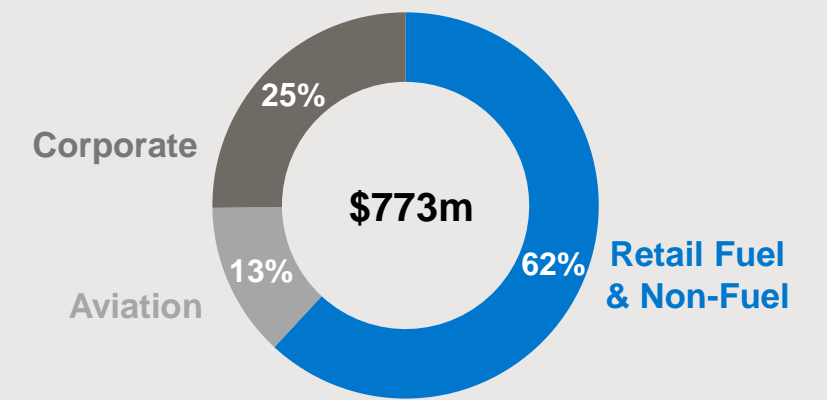
FY2019 Fuel Volume Split



FY2019 Gross Profit Split



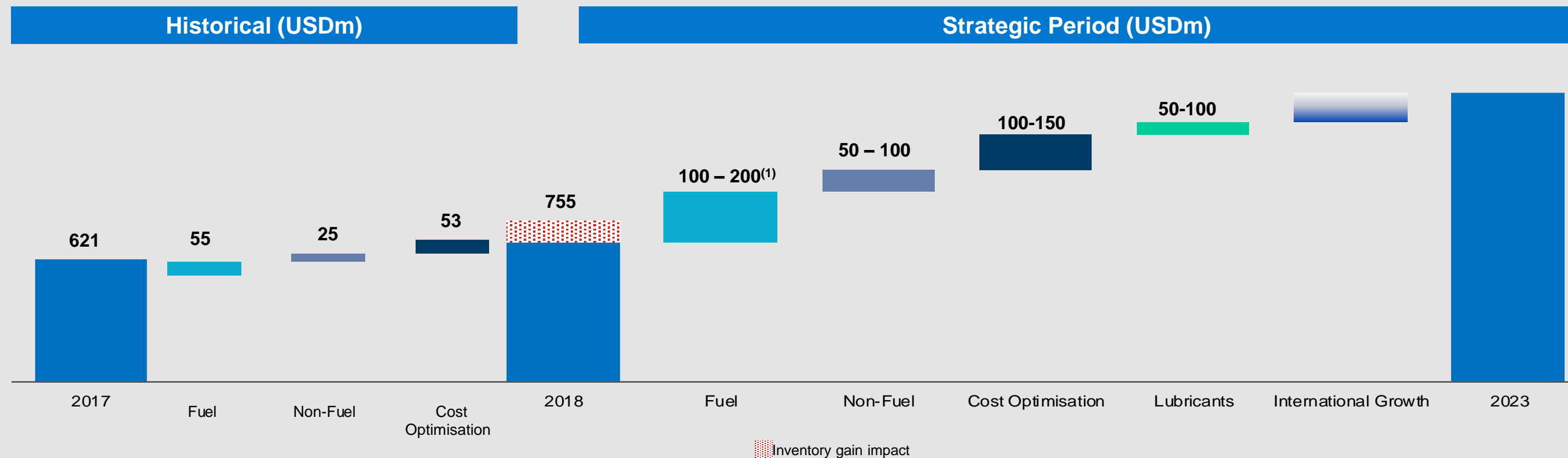
FY2019 EBITDA Split



(1) Includes convenience stores, lube change, car wash, vehicle inspection and property management



AMBITION TO EXCEED USD 1 BILLION IN EBITDA BY 2023



Initiatives To Drive Growth in Strategic Period

Domestic		Cost Optimisation	International Growth
Fuel	Non-Fuel		
<ul style="list-style-type: none"> ▪ Volume Growth: low single-digit % growth ▪ Premiumisation: 15%-20% adoption by 2023 ▪ Dubai Expansion: 60-75 sites by 2023 ▪ Commercial Fuel: LPG price optimization, new large gasoline contracts in Dubai, grey market elimination 	<ul style="list-style-type: none"> ▪ Continued developing convenience stores estate targeting c. 400 outlets by 2023 ▪ Targeted conversion of USD75-95/1000L ▪ Expansion in the e-commerce channel 	<ul style="list-style-type: none"> ▪ Staff opex optimisation and focused performance management supported by data analytics ▪ Operational efficiency and maintenance ▪ Back office optimisation 	<ul style="list-style-type: none"> ▪ Expansion in KSA and exploring other areas
			<p>Lubricants</p> <ul style="list-style-type: none"> ▪ Indian lubricants JV targeting 2-3% market share

(1) The USD100-200m EBITDA impact is based on fuel retail contribution of USD80-130mn and commercial fuel contribution of USD20-70m. It includes Dubai expansion impact of c. \$70m – US\$120m.