

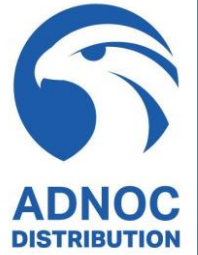
Q2/H1 2021 RESULTS PRESENTATION

INVESTOR & ANALYST CONFERENCE CALL

10 August 2021



AGENDA



01 | EXECUTIVE
SUMMARY



02 | STRATEGY
UPDATE



03 | Q2 & H1 2021
RESULTS



04 | CLOSING
REMARKS

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.

01

EXECUTIVE SUMMARY



SPEAKER: ATHMANE BENZERROUG
CHIEF INVESTOR RELATIONS OFFICER

H1 2021 KEY HIGHLIGHTS & OUTLOOK



BUSINESS RESILIENCE

- Strong Financial Performance:**
 c.96% total **fuel volume recovery** compared to pre-COVID-19 levels

 Strong growth in H1 2021 **EBITDA and Net Profit** compared to H1 2020
- OPEX Optimization:**
 Like-for-like **OPEX savings of USD 17m** in H1 2021. **OPEX (excl. depreciation) declined by 9.9%** Y-o-Y despite continued growth in network
2021 OPEX savings guidance: USD 25m
- Robust financial position:**
Strong balance sheet and liquidity to pursue growth opportunities



SMART GROWTH

- Domestic Expansion:** **12 new stations opened** in H1 2021 (**5 in Dubai**)
2021 guidance: 30-35 new stations in UAE (12-18 in Dubai)
- Convenience Stores:** **14 new stores opened and 24 refurbished** in H1 2021
2021 guidance: 40-60 stores
- International Expansion:** Received no objection certificates from General Authority for Competition in Saudi Arabia to **acquire 35 stations**
2021 guidance: 40-45 new stations in KSA
- CAPEX:** **USD 71m CAPEX** in H1 2021
2021 guidance: USD 250-300m to deliver growth in 2021 and beyond



SHAREHOLDER RETURNS

- Progressive and highly visible dividend policy**
 Dividend policy sets **USD 700m for 2021⁽¹⁾, min. USD 700m for 2022⁽¹⁾** and **min. 75% of distributable profits⁽¹⁾** thereafter

Attractive dividend yield of 4.7%⁽²⁾ with high **payback visibility** until April 2023

 H1 2021 **cash dividend of USD 350m** expected to be paid in October 2021⁽³⁾
- Significant increase in share liquidity** after free float increased to 20% in Sept. 2020 and to 23% in May 2021

 After **MSCI EM Index** inclusion in May 2021, potential **FTSE EM Index** inclusion is in the offing (Sept. 2021)

02

GROWTH STRATEGY UPDATE



SPEAKER: BADER AL LAMKI
CHIEF EXECUTIVE OFFICER

KEY STRATEGIC UPDATE

Fuel Business (Retail & Commercial)

2021 ANNOUNCED GUIDANCE

Volume Recovery:

- Vaccine roll out and further ease in mobility restrictions to support continued recovery in fuel volumes

Network Expansion:

- To open 70-80 new stations in 2021, of which:
 - ✓ **30-35 new stations in UAE**, which include mix of traditional and ‘ADNOC On the go’ stations
 - Incl. **12-18 new stations in Dubai**
 - ✓ **40-45 new stations in KSA** (Incl. 35 stations announced in Dec. 2020 & Feb. 2021) + **potential international M&A**

H1 2021 ACHIEVEMENTS

- Fuel volumes continue to show **progressive recovery** towards pre-COVID levels
 - ✓ H1 2021 Total fuel volumes up 9.0% Y-o-Y
- **12 new stations** opened in H1 2021 in the UAE (**5 in Dubai**)
- Well positioned to grow in International markets
 - ✓ **KSA:** Received no objection certificates from General Authority for Competition in Saudi Arabia to acquire the 35 stations already announced*



KEY STRATEGIC UPDATE

Non-Fuel business (Retail)

2021 ANNOUNCED GUIDANCE

- ⦿ Expand presence, enhance customer shopping experience to deliver increased convenience and a fresh modern environment
 - 40-60 convenience stores (C-stores) to be refurbished in 2021
 - Further enhancement to ADNOC Rewards customer loyalty benefits

H1 2021 ACHIEVEMENTS

- ⦿ Focused on offering a modern, digitally enabled customer journey, superior in-store experience & premium coffee / fresh food
 - 18% YoY increase in C-store network to 340 stores
 - **14 new C-stores** opened
 - **24 C-stores** refurbished
 - C-stores margins improved to 31.7%
 - 7 new partners added to ADNOC Rewards loyalty program

Improved Product Category Management



Premium Coffee Offering in Oasis Cafes





KEY STRATEGIC UPDATE

ENHANCING CUSTOMER EXPERIENCE THROUGH ADNOC REWARDS

LAUNCHED ADNOC REWARDS POINTS BASE LOYALTY PROGRAM IN JULY 2020...



EARN POINTS FOR EVERY DIRHAM			
	1 POINT	2 POINTS	3 POINTS
Products Purchased	ULG-91	ULG-95	ULG-98
			Lube Change, Car wash, C-Store, LPG

EARN 25% MORE POINTS When you pay by ADNOC Wallet

We make every visit to an **ADNOC Distribution** service station more rewarding. Customers signed up to our **ADNOC Rewards** can earn points every time they fuel up, shop or use any of our services



H1 2021 UPDATE:

Over **1.1** MILLION MEMBERS IN ADNOC REWARDS LOYALTY PROGRAM

Over **16.9** MILLION TRANSACTIONS USING ADNOC REWARDS, SINCE LAUNCHING THE POINTS PROGRAM

40 PARTNERS IN THE REWARDS PROGRAM, OFFERING MEMBERS MORE DEALS AND DISCOUNTS

03

Q2 & H1 2021 RESULTS



SPEAKER: MOHAMED AL HASHIMI
CHIEF FINANCIAL OFFICER

Q2 & H1 2021 FINANCIAL PERFORMANCE

Resilient operating performance

Key Financial Performance	USDm	Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
	Revenue	1,366	821	66.4%	2,532	2,166	16.9%
	Gross Profit	333	364	-8.5%	694	666	4.2%
	Margin	24.3%	44.3%		27.4%	30.7%	
	EBITDA	194	190	1.9%	416	342	21.8%
	Margin	14.2%	23.2%		16.4%	15.8%	
	Underlying EBITDA ¹	180	216	-16.7%	381	387	-1.5%
	Margin	13.2%	26.3%		15.1%	17.9%	
	Net Income	142	139	2.1%	314	248	26.6%
Margin	10.4%	16.9%		12.4%	11.4%		

Robust Free cash flow generation in H1 2021

Cash Generation and Net Debt	USDm	Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
	Free cash flow ²	448	-424	NM	680	-279	NM
	Net debt	433	833	-48.0%	433	833	-48.0%

High returns sustained

Profitability		Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
	ROCE ⁴ (%)		29.0%	21.6%	-	29.0%	21.6%
ROE ⁵ (%)		79.1%	56.8%	-	79.1%	56.8%	-



Q2 & H1 2021 OPERATING PERFORMANCE

		Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
Fuel Volumes	mL						
	Retail (B2C)	1,548	1,079	43.4%	3,050	2,657	14.8%
	Commercial (B2B)	716	727	-1.5%	1,433	1,456	-1.6%
	<i>of which Corporate</i>	576	588	-2.0%	1,177	1,138	3.4%
	<i>of which Aviation</i>	140	139	0.7%	257	318	-19.2%
	TOTAL	2,263	1,806	25.3%	4,484	4,113	9.0%
Retail Fuel Operating Metrics		Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
	Number of service stations – UAE	457	406	12.6%	457	406	12.6%
	Number of service stations - Saudi Arabia ¹	2	2	-	2	2	-
	Number of fuel transactions (millions)	39.1	25.3	54.5%	74.6	63.5	17.5%
Retail Non-Fuel Operating Metrics		Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
	Number of convenience stores - UAE	340	288	18.1%	340	288	18.1%
	Number of non-fuel transactions (millions) ²	8.1	5.8	39.7%	16.1	15.5	3.9%
	Average gross basket size (USD) ³	7.1	8.5	-16.3%	7.3	7.8	-5.9%



GROSS PROFIT BY SEGMENT

USDm	Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
Retail (B2C)	234	269	-13.1%	486	498	-2.4%
<i>Of which Fuel</i>	199	250	-20.4%	418	445	-5.9%
<i>Of which Non-Fuel ⁽¹⁾</i>	35	19	83.3%	67	53	26.9%
<i>Retail Margin</i>	24.4%	48.6%		27.6%	33.4%	
Commercial (B2B)	99	95	4.3%	208	168	23.7%
<i>Of which Corporate</i>	61	57	7.4%	133	92	44.5%
<i>Of which Aviation</i>	38	38	-0.4%	75	76	-1.6%
<i>Commercial Margin</i>	24.2%	35.3%		27.0%	24.9%	
Total	333	364	-8.5%	694	666	4.2%

- H1 2021 Gross Profit growth driven by higher fuel volumes, non-fuel retail and corporate business growth
 - Fuel retail business gross profit declined due to lower margins, partially offset by volume growth and inventory gains (USD53m)
 - Non-Fuel retail business gross profit growth driven by significant recovery after lockdown restrictions of Q2 2020
 - Commercial business gross profit growth was driven by higher Corporate volumes and higher margins, partially offset by lower Aviation volumes, whereas H1 2020 was negatively impacted by one-off items (USD6m)



EBITDA BY SEGMENT

USDm	Q2 2021	Q2 2020	YoY (%)	H1 2021	H1 2020	YoY (%)
Retail (B2C)	127	146	-12.9%	274	260	5.3%
<i>Retail Margin</i>	<i>13.3%</i>	<i>26.4%</i>		<i>15.5%</i>	<i>17.4%</i>	
Commercial (B2B)	66	50	31.6%	143	88	62.4%
<i>Of which Corporate</i>	<i>47</i>	<i>37</i>	<i>27.8%</i>	<i>108</i>	<i>57</i>	<i>90.3%</i>
<i>Of which Aviation</i>	<i>20</i>	<i>14</i>	<i>41.9%</i>	<i>36</i>	<i>32</i>	<i>12.6%</i>
<i>Commercial Margin</i>	<i>16.3%</i>	<i>18.8%</i>		<i>18.6%</i>	<i>13.1%</i>	
Unallocated¹	0.3	-6	<i>NM</i>	-1	-7	-85.3%
Total reported EBITDA	194	190	1.9%	416	342	21.8%
Underlying EBITDA²	180	216	-16.7%	381	387	-1.5%

- H1 2021 EBITDA growth driven by higher gross profit and increased operational efficiencies. In addition, H1 2021 had lower negative one-off items (USD18m), whereas H1 2020 included higher negative one-off items (USD46m)
 - H1 2021 Retail EBITDA growth was driven by increase in volumes, non-fuel recovery, inventory gains and reduction in OPEX
 - H1 2021 Commercial EBITDA growth was driven by higher Corporate fuel volumes, higher margins and OPEX savings, whereas H1 2020 was negatively impacted by one-off items (USD6m)
- Underlying EBITDA down by 1.5% in H1 2021, due to lower retail fuel margins

OPEX UPDATE

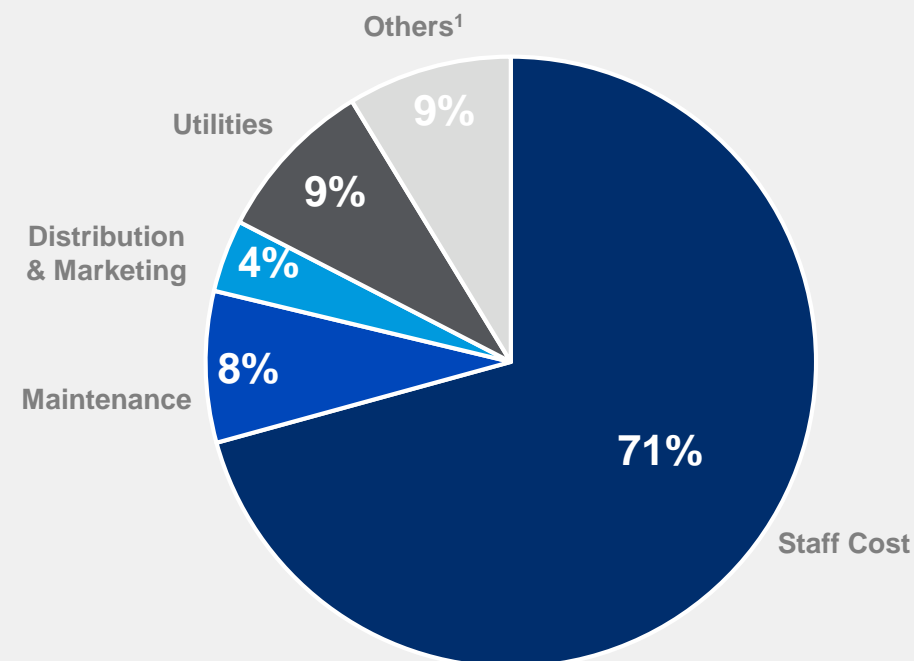
2021 ANNOUNCED GUIDANCE

- **Incremental like-for-like savings of USD25m in 2021** and up to USD85m over 2021-23 (after USD115m over 2018-20) by making our operations leaner and more efficient

H1 2021 ACHIEVEMENTS

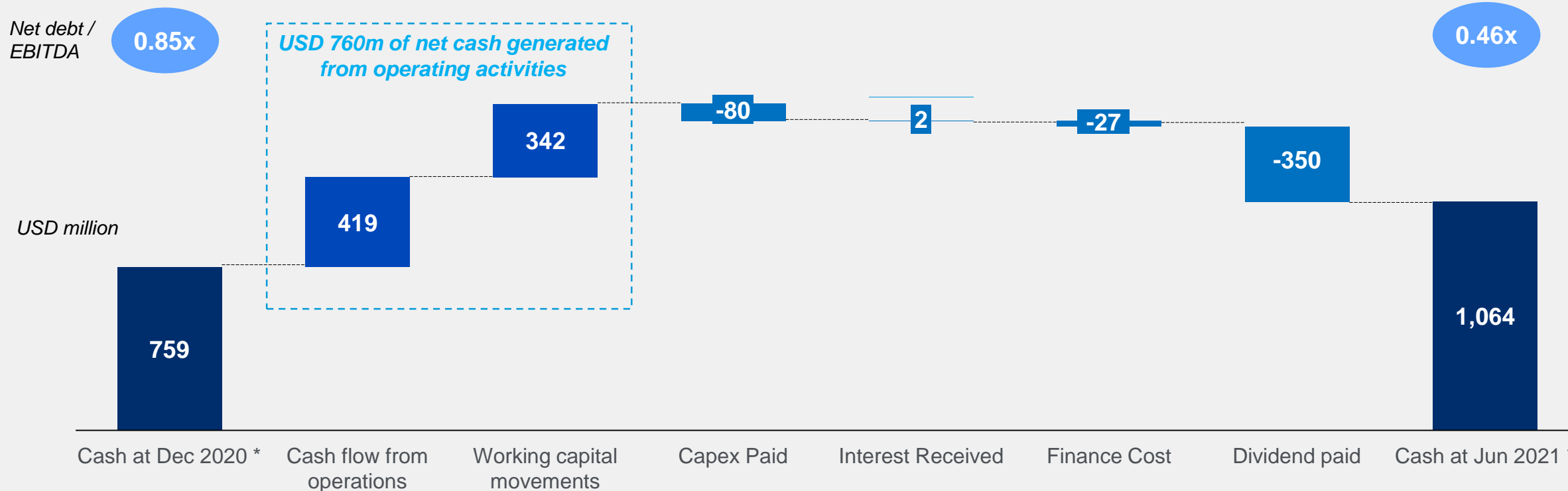
- USD 17m like-for-like OPEX savings in H1 2021
 - After moving to a more efficient retail site operating model and staff cost optimization initiatives
- 9.9% Y-o-Y reduction in total OPEX (excl. depreciation) in H1 2021

H1 2021 TOTAL CASH OPEX (USD288m)



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

ROBUST CASH POSITION



- Net cash generated from operating activities (USD 760m) increased mainly due to robust cash flow from operations and positive working capital movements. Positive working movements were mainly as a result of increase in dues to related party 'ADNOC' driven by higher fuel purchases / higher oil prices, partially offset by increase in inventories and increase in dues from related parties
- USD 80m CAPEX paid in H1 2021, in line with our guidance and plans to continue with our expansion strategy

04

CLOSING REMARKS



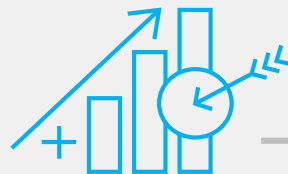
SPEAKER: BADER AL LAMKI
CHIEF EXECUTIVE OFFICER



CLOSING REMARKS



Growth Momentum to sustain in 2021, unlocking incremental value



Solid Business Resilience



Predictable and Attractive Shareholder Returns

| Q&A



Bader Al Lamki
Chief Executive Officer



Mohamed Al Hashimi
Chief Financial Officer



Athmane Benzerroug
Chief Investor Relations Officer



ADNOC DISTRIBUTION Q2 & H1 2021 RESULTS PRESENTATION

INVESTOR AND ANALYST CONFERENCE CALL
10 AUGUST 2021

IR@ADNOCDISTRIBUTION.AE



THANK YOU

ADNOC DISTRIBUTION

05

APPENDIX

ADNOC DISTRIBUTION IN NUMBERS – H1 2021



0.0

Total Reportable Injury Rate*



100%

Frontline staff vaccinated



4.5 billion litres

Total Fuel Volumes



75 million

Fuel Transactions



457

Retail Fuel sites in the UAE



16 million

Non-fuel Transactions



2

Retail Fuel sites in Saudi Arabia



\$7.3

Average Gross Basket Size



340

Convenience Stores in the UAE



29

Vehicle Inspection Centres**

ADNOC أدنوك


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


ADNOC DISTRIBUTION


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, and crystalizing upside from **international growth**
-  **Accelerated digital strategy** to create additional retail value and customer loyalty
-  **Unlock hidden value through OPEX initiatives** (Targeted additional Opex savings up to ~USD 85m over 2021-2023)


 **Leading fuel retail player** in an attractive UAE market and robust regulatory framework


 **Demonstrable business resilience** with stable 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** after **Free float doubled to 20%** (Sept. 2020). **MSCI EM Index inclusion** (May 2021) and **potential FTSE EM Index inclusion** (Sept. 2021)

 **ADNOC a supportive and committed majority shareholder**

ADNOC DISTRIBUTION SUSTAINABILITY STRATEGIC FRAMEWORK

Our Sustainability Strategic Framework is based on six pillars



CLIMATE, EMISSIONS & ENERGY

Taking initiative to track and reduce GHG Emissions and Energy Intensity, while taking steps to adopt greener fuels in a phased manner



LOCAL ENVIRONMENT

We adopt engineering standards that mitigate risk of contamination to the local environment around our stations, as well as promoting initiatives that protect and preserve the environment.



ECONOMIC & SOCIAL CONTRIBUTION

We have a detailed annual plan comprising multiple projects. Through these initiatives, we reach out to one million plus beneficiaries



WORKFORCE DIVERSITY & DEVELOPMENT

We focus on diversity to enhance gender balance, localization and have human capital initiatives to achieve our diversity & inclusion (D&I) goals



HEALTH, SAFETY & SECURITY

HSE is our top priority. It is an integral part of everything we do. We have robust processes comprising risk assessment, monitoring, reporting and response plan

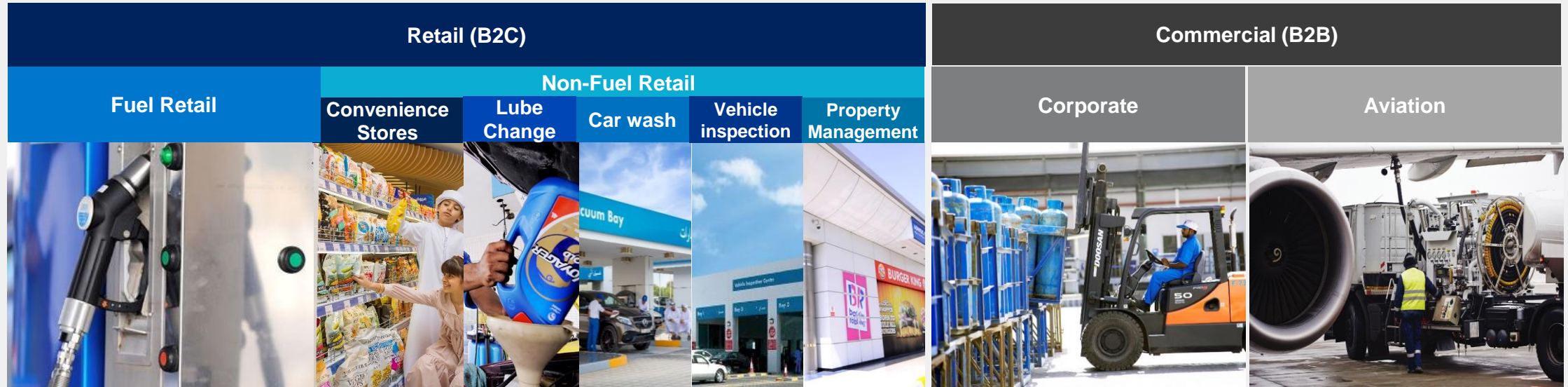


BUSINESS SUSTAINABILITY

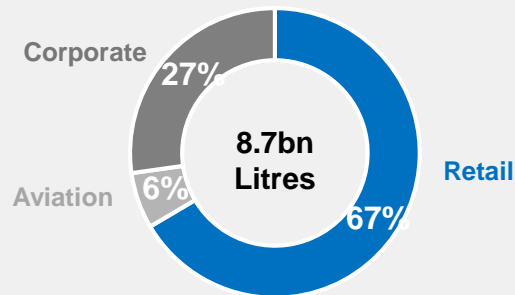
We conduct Strategic Planning and performance management through Enterprise Risk Management (ERM), Delegation of Authority (DOA) and Governance Policies

For more details about our 2020 ESG performance, you may refer to our 2020 ESG Report at the following [link](#):

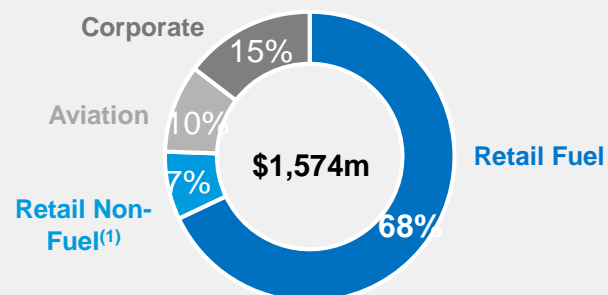
ADNOC DISTRIBUTION BUSINESS OVERVIEW – FY 2020



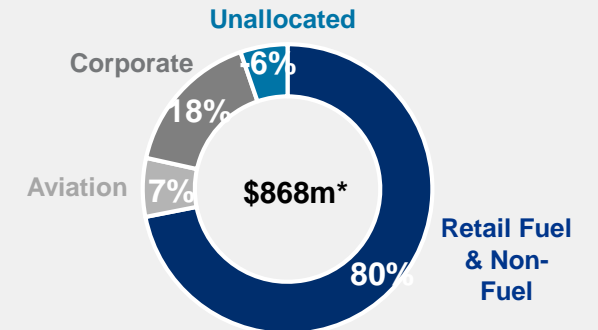
FY2020 Fuel Volume Split



FY2020 Gross Profit Split



FY2020 EBITDA Split





THANK YOU