

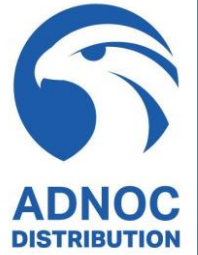
Q3/9M 2021 RESULTS PRESENTATION

INVESTOR & ANALYST CONFERENCE CALL

9 November 2021



AGENDA



01 | EXECUTIVE
SUMMARY



02 | STRATEGY
UPDATE



03 | Q3 & 9M 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

9M 2021 KEY HIGHLIGHTS & OUTLOOK



Solid business resilience

- **Strong Operating & Financial Performance:**
Fuel volumes and Non-fuel transactions continuing to improve, especially since Sept.:
 - improving consumer sentiment
 - further ease in mobility restrictions
 - schools reopening
 - Expo 2020

EBITDA and Net Profit increased by 6.2% and 6.3% resp. compared to 9M 2020
- **OPEX optimization ahead of annual target:**
 Like-for-like **OPEX savings of \$26m** in 9M 2021, **exceeding FY2021 annual target of \$25m**, driven by prudent cost controls and focus on operational efficiency
- **Robust financial position:**
Strong balance sheet and liquidity to pursue growth opportunities



Delivering on smart growth

- **Domestic Expansion:**
14 new stations opened in the UAE; **5 opened in Dubai** (10 in execution, 12 in pipeline)
2021 guidance: 30-35 new stations in UAE (12-18 in Dubai)
- **Convenience Stores:**
16 new C-stores opened and **35 refurbished**
2021 guidance: 40-60 stores to be refurbished
- **International Expansion:**
10 new stations added in KSA as of 8 Nov., taking our network to 12 stations
2021 guidance: 40-45 new stations in KSA
- **CAPEX: \$111m**
2021 guidance: \$250-300m to deliver growth in 2021 and beyond



Attractive shareholder returns

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

Attractive dividend yield of 4.8%⁽²⁾ with high **payback visibility** until April 2023

 H1 2021 dividend of \$350m paid in October 2021; **H2 2021 dividend** expected to be paid in April 2022⁽¹⁾
- **Significant increase in share liquidity** after free float increased to 23% in May 2021
 After **MSCI EM Index** inclusion in May 2021, the company was also included in **FTSE EM Index** in Sept. 2021
- **Committed to sustainable growth:**
 In Q3 2021, ADNOC Distribution received a rating of **'A'** in the MSCI ESG Ratings assessment⁽³⁾

(1) Subject to the Shareholders' approval (2) At 2021 dividend of \$ 700m and Share Price of AED 4.26 as of 8th November 2021

(3) The use by ADNOC Distribution of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or Index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of ADNOC Distribution by MSCI. MSCI Services and data are the property of MSCI or its information providers, and are provided 'As-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI

02

GROWTH STRATEGY UPDATE



SPEAKER: BADER SAEED AL LAMKI
CHIEF EXECUTIVE OFFICER

KEY STRATEGIC UPDATE

Fuel Business (Retail & Commercial)

2021 ANNOUNCED GUIDANCE

- Vaccine roll out and further ease in mobility restrictions to support **continued recovery in fuel volumes**
- **70-80 new stations** in 2021, of which:
 - ✓ **30-35 new stations in UAE** incl. 12-18 in Dubai
 - ✓ **40-45 new stations in KSA** (incl. 35 stations announced in Dec. 2020 & Feb. 2021) + potential international M&A

9M 2021 ACHIEVEMENTS

- **Total Fuel volumes continue to improve**
 - ✓ September 2021 c.11% compared to August 2021
- **14 new stations in the UAE** (5 in Dubai)
 - ✓ Continued to gain market share in Dubai (Sept. 2021 fuel volumes doubling compared to Sept. 2020)
 - ✓ 10 stations under execution in Dubai; 12 in pipeline for further development
- **10 new stations added in KSA** as of 8 Nov. 2021, taking our network to 12 stations
- **Proactive sales strategy in Commercial business**, including exports of ADNOC Voyager lubricants to 19 countries

Traditional Station



ADNOC On the go Station



KEY STRATEGIC UPDATE

Non-Fuel business (Retail)

2021 ANNOUNCED GUIDANCE

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

9M 2021 ACHIEVEMENTS

- Focused on offering a modern, digitally enabled customer journey, superior in-store experience & premium coffee / fresh food
 - ✓ 14% Y-o-Y increase in C-stores network to 342 stores with **opening of 16 new C-stores**
 - ✓ **35 C-stores** refurbished
- **Non-fuel business** continues to **demonstrate positive results**
 - ✓ Transactions increased by 4.3% Y-o-Y
 - ✓ C-stores margins improved to 32.4%

Fresh Food & Premium Coffee Offering in ADNOC Convenience Stores



Offering a modern, digitally enabled retail convenience





KEY STRATEGIC UPDATE

ENHANCING CUSTOMER EXPERIENCE THROUGH ADNOC REWARDS AND PROMOTIONS

LAUNCHED ADNOC REWARDS POINTS BASE LOYALTY PROGRAM IN 2020



FOR REFUELING



FOR SHOPPING



FOR SERVICING YOUR CAR

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

EARN POINTS FOR EVERY DIRHAM

	1 POINT	2 POINTS	3 POINTS
Products Purchased	ULG-91	ULG-95	ULG-98
EARN 25% MORE POINTS When you pay by ADNOC Wallet			

9M 2021 UPDATE:

Over **1.2 MILLION** MEMBERS IN ADNOC REWARDS LOYALTY PROGRAM

Over **23.4 MILLION** TRANSACTIONS USING ADNOC REWARDS, SINCE LAUNCHING THE POINTS PROGRAM

IN ADDITION, A NUMBER OF PROMOTIONS HAVE RUN THROUGHOUT THE 9M 2021



03

Q3 & 9M 2021 RESULTS



SPEAKER: MOHAMED AL HASHIMI
CHIEF FINANCIAL OFFICER



FINANCIAL PERFORMANCE

Resilient operating performance in 9M 2021

Key Financial Performance	\$m	Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
	Revenue		1,470	1,097	33.9%	4,002	3,263
Gross Profit		328	470	-30.3%	1,021	1,136	-10.1%
Margin		22.3%	42.8%		25.5%	34.8%	
EBITDA		201	239	-16.1%	617	581	6.2%
Margin		13.6%	21.8%		15.4%	17.8%	
Underlying EBITDA ¹		168	308	-45.5%	549	695	-21.0%
Margin		11.4%	28.1%		13.7%	21.3%	
Net Income		144	183	-21.2%	458	430	6.3%
Margin		9.8%	16.7%		11.4%	13.2%	

Robust Free cash flow generation in 9M 2021

Cash Generation and Net Debt	\$m	Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
	Free cash flow ²		-196	429	NM	484	149
Net debt		642	415	54.7%	642	415	54.7%

High returns sustained

Profitability		Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
	ROCE ⁴ (%)		29.5%	24.6%	-	29.5%	24.6%
ROE ⁵ (%)		95.7%	74.8%	-	95.7%	74.8%	-



OPERATING PERFORMANCE

Fuel Volumes	mL	Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
	Retail (B2C)		1,614	1,538	4.9%	4,664	4,195
Commercial (B2B)		665	708	-6.1%	2,098	2,164	-3.0%
	<i>of which Corporate</i>	545	598	-9.0%	1,721	1,737	-0.9%
	<i>of which Aviation</i>	120	109	9.9%	377	427	-11.7%
	TOTAL	2,279	2,246	1.5%	6,763	6,359	6.3%

Retail Fuel Operating Metrics		Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
		Service stations – UAE	459	418	9.8%	459	418
	Service stations - Saudi Arabia¹	5	2	150.0%	5	2	150.0%
	Fuel transactions (millions)	41.2	36.4	13.2%	115.8	99.9	15.9%

Retail Non-Fuel Operating Metrics		Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
		Convenience stores - UAE	342	299	14.4%	342	299
	Non-fuel transactions (millions)²	8.4	8.0	5.0%	24.5	23.5	4.3%
	Average gross basket size (\$)³	7.2	7.5	-5.1%	7.3	7.7	-5.7%



GROSS PROFIT BY SEGMENT

\$m	Q3 2021	Q3 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
Retail (B2C)	229	360	-36.3%	715	857	-16.6%
<i>Of which Fuel</i>	194	325	-40.5%	612	770	-20.6%
<i>Of which Non-Fuel ⁽¹⁾</i>	36	34	4.3%	103	87	18.0%
<i>Retail Margin</i>	21.5%	45.3%		25.3%	37.5%	
Commercial (B2B)	98	110	-10.9%	306	278	10.0%
<i>Of which Corporate</i>	61	71	-14.3%	194	163	18.8%
<i>Of which Aviation</i>	37	39	-4.5%	112	115	-2.6%
<i>Commercial Margin</i>	24.3%	36.3%		26.0%	28.5%	
Total	328	470	-30.3%	1,021	1,136	-10.1%

- 9M 2021 Gross Profit decreased mainly due to fuel retail business:
 - **Fuel retail business** gross profit declined due to lower margins, partially offset by volume growth and inventory gains (\$73m)
 - **Non-Fuel retail business** gross profit growth driven by improved consumer sentiment alongside customer centric initiatives
 - **Commercial business** gross profit growth driven by higher margin per liter, partially offset by lower volumes, while 9M 2020 was negatively impacted by one-off items (\$10m)



EBITDA BY SEGMENT

\$m	Q2 2021	Q2 2020	YoY (%)	9M 2021	9M 2020	YoY (%)
Retail (B2C)	132	222	-40.6%	405	482	-15.9%
<i>Retail Margin</i>	12.4%	27.9%		14.3%	21.1%	
Commercial (B2B)	69	62	11.8%	212	150	41.6%
<i>Of which Corporate</i>	48	48	0.3%	155	105	47.8%
<i>Of which Aviation</i>	20	13	53.4%	56	45	24.7%
<i>Commercial Margin</i>	17.0%	20.3%		18.1%	15.3%	
Unallocated¹	-	-44	NM	-1	-51	NM
Total reported EBITDA	201	239	-16.1%	617	581	6.2%
Underlying EBITDA²	168	308	-45.5%	549	695	-21.0%

- 9M 2021 EBITDA increase driven by higher retail fuel volumes, non-fuel business growth, higher inventory gains, increased operational efficiencies and lower negative one-off items (\$6m), whereas 9M 2020 had negative one-offs of \$142m
 - **Retail** EBITDA decline was due to lower margin in Fuel Retail business, partially offset by increase in fuel volumes, non-fuel business growth, inventory gains and reduction in OPEX
 - **Commercial** EBITDA growth driven by higher margin per litre and lower OPEX, partially offset by lower fuel volumes. Moreover, 9M 2021 had lower one-off items compared to 9M 2020

OPEX UPDATE

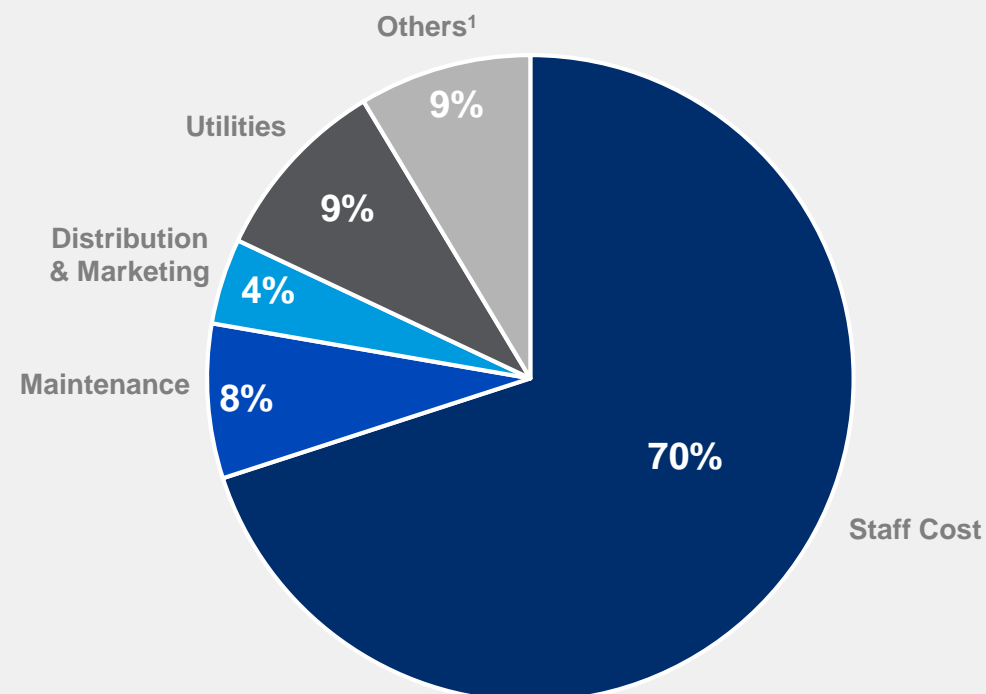
2021 ANNOUNCED GUIDANCE

- **Incremental like-for-like savings of \$25m in 2021** and up to \$85m over 2021-23 (after \$115m over 2018-20) by making our operations leaner and more efficient

9M 2021 ACHIEVEMENTS

- In 9M 2021, ADNOC Distribution exceeded its FY 2021 OPEX optimization target, achieving \$26m like-for-like OPEX savings, reflecting prudent cost controls and focus on driving increased operational efficiency across businesses
- c.18% Y-o-Y reduction in total cash OPEX (excl. depreciation) to \$417m

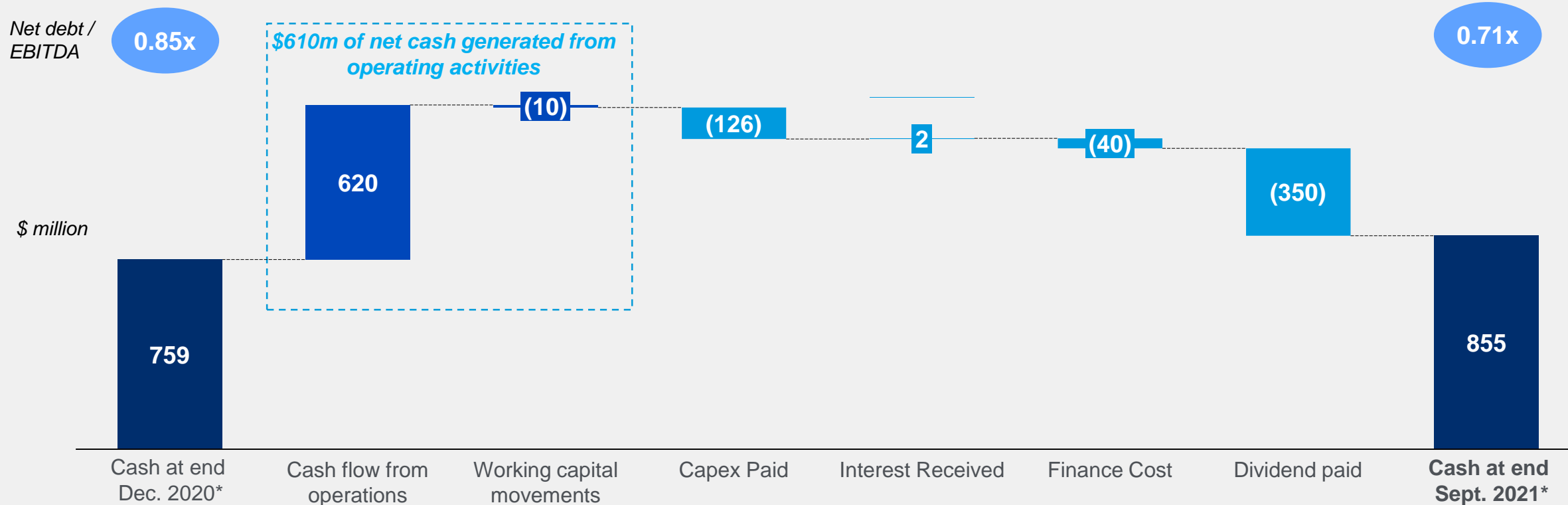
9M 2021 CASH OPEX: \$417m (-17.8% Y-o-Y)



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



ROBUST CASH POSITION



- Net cash generated from operating activities (\$610m) driven by **robust cash flow from operations**
- \$126m CAPEX paid in 9M 2021, in line with our plans to deliver on our expansion strategy
- **Strong cash position** (\$855m) and **balance sheet strength** (net debt/EBITDA: 0.71x) maintained at the end of 9M 2021

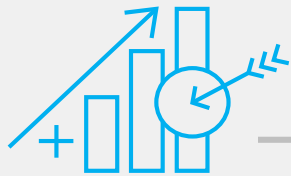
04

CLOSING REMARKS



SPEAKER: BADER SAEED AL LAMKI
CHIEF EXECUTIVE OFFICER

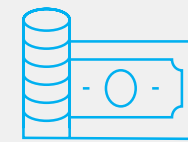
CLOSING REMARKS



Strong Balance Sheet to pursue **growth opportunities** in both domestic and international markets



Growth momentum to accelerate in Q4 2021 and beyond, unlocking incremental value



Committed to deliver Predictable and Attractive **Shareholder Returns**

| Q&A



Bader Saeed Al Lamki
Chief Executive Officer



Mohamed Al Hashimi
Chief Financial Officer



Athmane Benzerroug
Chief Investor Relations Officer



ADNOC DISTRIBUTION Q3 & 9M 2021 RESULTS PRESENTATION

INVESTOR AND ANALYST CONFERENCE CALL
9 NOVEMBER 2021

IR@ADNOCDISTRIBUTION.AE



THANK YOU

ADNOC DISTRIBUTION

05

APPENDIX

ADNOC DISTRIBUTION IN NUMBERS – 9M 2021



0.0

Total Reportable Injury Rate*



100%

Frontline staff received vaccination booster dose



6.8 billion litres

Total Fuel Volumes



116 million

Fuel Transactions



459

Retail Fuel sites in the UAE



25 million

Non-fuel Transactions



5

Retail Fuel sites in Saudi Arabia



\$7.3

Average Gross Basket Size



342

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 UNIQUE VALUE PROPOSITION

-  Executing a focused, **deliverable EBITDA profile** to exceed \$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 ~\$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 23%. MSCI EM Index inclusion (May 2021) and 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

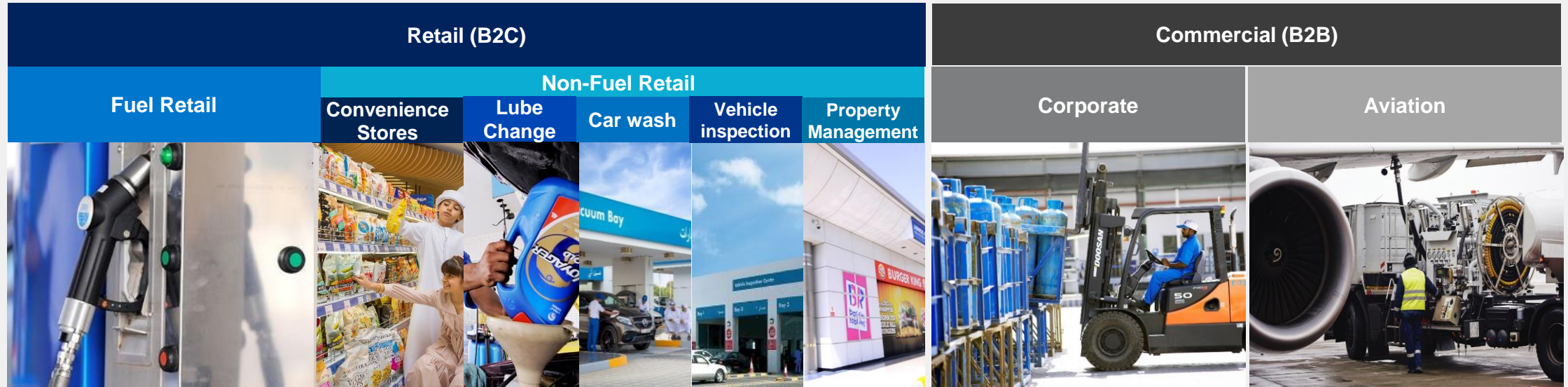


BUSINESS SUSTAINABILITY

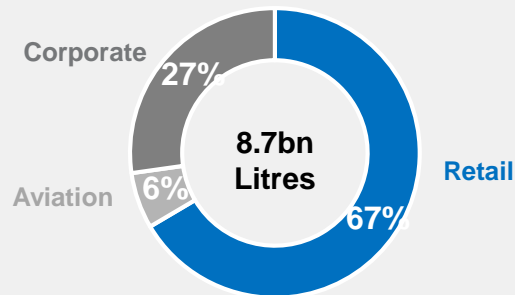
We ensure long term business sustainability through Strategic Planning, Performance Management, Enterprise Risk Management, Governance Controls

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

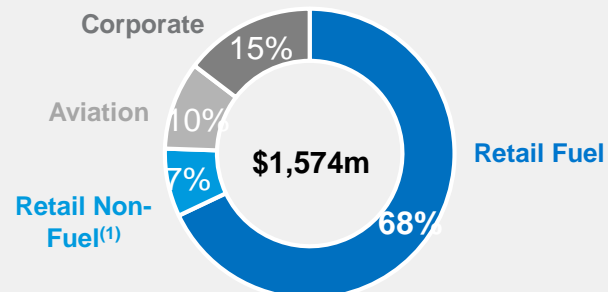
ADNOC DISTRIBUTION BUSINESS OVERVIEW – FY 2020



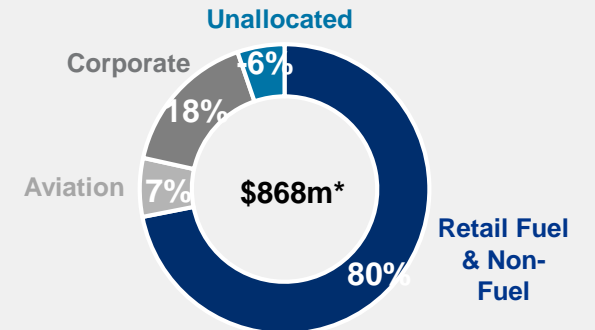
FY2020 Fuel Volume Split



FY2020 Gross Profit Split



FY2020 EBITDA Split





THANK YOU