



ADNOC DISTRIBUTION DELIVERING ON ITS GROWTH STRATEGY

- *64 new stations opened across the UAE in 2020, with 20 in Dubai, ahead of market guidance*
- *62 new convenience stores opened and 100 ADNOC Oasis stores refurbished to bring more modern feel with fresh food and coffee closer to customers, ahead of market guidance*
- *38 ADNOC On the go stations opened following the concept launch in November 2019*
- *Acceleration of international growth through the company's announcement to acquire 15 stations in Saudi Arabia*
- *ADNOC Rewards reached a significant milestone exceeding one million members.*
- *Health and safety were paramount during the COVID-19 pandemic and the company showed resilient growth and continued momentum with a ten-fold increase in station delivery*

Abu Dhabi, 25 January 2021: ADNOC Distribution, the UAE's largest fuel and convenience retailer, delivered on its promises to customers in 2020 by increasing its service station network and modernizing its ADNOC Oasis convenience stores, offering customers greater convenience, together with a fresh, modern environment to make more out of every visit to an ADNOC Service Station.

Bringing convenience closer to customers was a key driver of the company's 2020 expansion, with 64 new stations opened across the UAE - a ten-fold increase in delivery compared to 2019 and ahead of the company's guidance to market of 50-60 new stations. The company continued to provide more choices for customers and opened 62 new convenience stores.

The year saw a significant increase in ADNOC Distribution's Dubai network, with 20 new service stations opened. The stations are situated in the heart of commercial and residential areas, including Business Bay, Nad Al Sheba, Al Barsha, and Satwa as well as the first Dubai 'ADNOC On the go' at Al Yufra. The ambitious rollout has already seen ADNOC Distribution more than triple its Dubai footprint, from six service stations at the start of 2020 to 26 stations at the end of the year.

New station concept, 'ADNOC On the go', provides neighborhoods and communities with access to fuel and retail in locations where traditional stations would be impractical. A total of 38 were opened in 2020 across the country.



In addition, international growth was accelerated with the announcement that the Company had made the execution of a definitive agreement to acquire 15 service stations in the Kingdom of Saudi Arabia, reaffirming its commitment to expansion in the Kingdom, and in the region. The acquisition is subject to certain conditions (including obtaining regulatory approvals) and stems from ADNOC Distribution's long term smart growth strategy which has led it becoming the UAE's largest fuel and convenience retailer. The new stations are located in the eastern region, with sites dedicated to both highway commuters as well as in-community convenience. The locations will be refurbished in line with ADNOC Distribution's endorsed world-class brand standards and staff will be trained to adhere to the Company's renowned service excellence to offer high quality fuel and retail services to customers, including convenience stores.

Increasing access to its services was delivered hand in hand with an upgrade to the customer experience. A total of 100 ADNOC Oasis convenience stores were refurbished throughout the year, above the market guidance of 80-90. The refurbishments create a fresh and modern look and feel together with fresh pastries and sandwiches, freshly brewed coffee made by trained baristas, and a broader menu offering. In addition, a partnership with Talabat and Carriage meant customers could order online from more than 100 stores across the UAE, with delivery direct to their door.

As restrictions began to lift into the second half of the year, the UAE's first loyalty program for fuel retail, ADNOC Rewards, was upgraded to offer points for every dirham spent at ADNOC service stations and ADNOC Oasis stores. Members can redeem points at station, in store and for a range of deals and discounts on the ADNOC Distribution app. The program also reached a significant milestone in December, reaching more than one million members.

Although a challenging year, 2020 saw a continual drive forward with delivery and to provide added value to both customers and shareholders.

The Company's 2020 dividend policy is set to continue with dividend of AED 2.57 billion, representing an increase of 7.5% compared to 2019, subject to Board and shareholder approval.

At the Annual General Assembly meeting in March 2020 the shareholders approved amendments to the dividend policy for 2021 onwards, setting a AED 2.57 billion dividend for 2021 (amended from a minimum 75% of distributable profits as per previous policy) and a dividend equal to at least 75% of distributable profits from 2022 onwards, in recognition of the Company's strong financial position at the end of 2019 and confidence in the Company's growth prospects and cash flow generation ability going forward.

In addition, 2020 saw the successful placement by ADNOC of an additional 10 percent of ADNOC Distribution shares to institutional investors on the Abu Dhabi Securities Exchange (ADX), a significant milestone. A total of 1.25 billion shares, valued at \$1 billion, was the largest block placement of a publicly listed GCC company and leverages on significant investor demand for ADNOC Distribution shares, driven by its attractive value proposition.

The health and safety of employees and customers remained integral to everything the company delivered in 2020, whether that be ensuring regular cleaning and sanitization of stations, and readily available PPE; or bringing daily essentials closer to customers both on the ground and through doorstep delivery, with the enhanced My Station mobile fuel and LPG delivery services.



ADNOC Distribution is well placed to continuing building on its success, in the UAE and beyond, in the year ahead.

-ENDS-

About ADNOC Distribution

ADNOC Distribution, listed on the Abu Dhabi Securities Exchange (ADX) under the symbol "ADNOCDIST", is the leading fuel distributor and convenience store operator in the UAE. ADNOC Distribution operates 445 retail fuel stations, 326 convenience stores as of 31 December 2020 and is the leading marketer and distributor of fuels to commercial, industrial and government customers throughout the UAE. ADNOC Distribution is the only fuel retailer operating in all seven emirates in the UAE, and in 2018 expanded its operations internationally, opening two service stations in the Kingdom of Saudi Arabia. To find out more, visit www.adnocdistribution.ae