



**ADNOC DISTRIBUTION REINFORCES ITS COMMITMENT TO  
SMART GROWTH AT ANNUAL GENERAL ASSEMBLY AND  
SHAREHOLDERS APPROVE CHANGES TO DIVIDEND  
POLICY SETTING A MINIMUM OF AED 2.57 BILLION (\$700M)  
IN 2022**

*Company continues to showcase agility and resilience one year into the Covid-19 pandemic, while ensuring the highest standards of health and safety throughout; the Company has become the first fuel retailer globally to vaccinate 100% of its frontline employees*

*Shareholders approve dividend of AED 1.285 billion (10.285 fils per share) for the second half of 2020, taking full-year 2020 dividend to AED 2.57 billion (20.57 fils per share), an increase of 7.5% over the previous year*

*General Assembly approves changes to the dividend policy setting 2022 dividend to a minimum of AED 2.57 billion (20.57 fils per share) and appoints new board members*

*Smart growth strategy will see delivery of 70-80 stations in 2021, with 64 new station openings in 2020, a ten-fold increase on 2019*

**Abu Dhabi, UAE – March 16, 2021:** ADNOC Distribution (ISIN: **AEA006101017**) (Symbol: **ADNOCDIST**), the UAE's largest fuel and convenience retailer, announced today that shareholders have approved all agenda items, including amendment to its dividend policy at its Annual General Assembly meeting, its second to take place virtually. The company's robust and continued growth, despite the ongoing challenges faced as a result of the Covid-19 pandemic, has enabled the setting of a progressive dividend policy for investors for the upcoming two years,



with AED 2.57 billion dividend for 2021 (20.57 fils per share) and a minimum of AED 2.57 billion dividend for 2022 (compared to minimum 75% of distributable profits as per previous policy). The dividend policy for the years thereafter remains unchanged at a dividend equal to at least 75% of distributable profits. The approved dividend policy amendment recognizes the Company's strong financial position at the end of 2020 and confidence in its growth prospects and cash-flow generation ability going forward. Despite current market conditions, ADNOC Distribution remains confident and steadfast in the delivery of its strategic commitments and sustainable returns for its shareholders.

Shareholders also approved a second and final dividend payment of AED 1.285 billion (10.285 fils per share) for 2020, resulting in a full-year dividend of AED 2.57 billion (20.57 fils per share) and representing an increase of 7.5% compared to 2019, consistent with its progressive dividend policy.

Speaking at the General Assembly meeting, H.E. Dr. Sultan Ahmed Al Jaber, Chairman of ADNOC Distribution, reassured shareholders on the Company's continued focus to achieve disciplined, smart and profitable growth in the local and international markets while taking into consideration all necessary measures to ensure the safety and well-being of customers and employees.

In his opening remarks, H.E. Dr. Sultan Ahmed Al Jaber commended the guidance and efforts made by the UAE's wise leadership, and the continued efforts of the National Emergency Crisis and Disaster Management Authority (NCEMA), Ministry of Health, Ministry of Interior, Ministry of Defence, health authorities across the UAE and other government agencies, which made the UAE a global leader in the fight against Covid-19.

H.E. Dr. Sultan Al Jaber further commented on ADNOC Distribution's continued delivery on its smart growth plans in 2020, with the opening of 64 new service stations across the UAE, a ten-fold increase compared with 2019; with a strong focus on Dubai where presence was significantly increased with 20 new stations. This also included 38 'ADNOC On the go' stations nationwide, which offer fuel and retail to communities where traditional stations have previously proven to be impractical. The Company also revitalized 100 ADNOC Oasis convenience stores to offer a fresh and modern environment.

He said: "We continue to lead the UAE's fuel and convenience market, supported by our stable margins on retail fuel, the largest convenience store network in the country, and a brand name strongly associated with national pride."

In-line with market regulations the current board of directors has completed its term of service. During the AGM meeting, shareholders approved the appointment of a new board of directors.



ADNOC Distribution's domestic network expansion was supplemented in 2020 with the execution of a definitive agreement to acquire 15 service stations in the Kingdom of Saudi Arabia, which will add to the two stations opened there in 2018. These new stations are located in the eastern region, and will be refurbished in line with ADNOC Distribution endorsed brand standards and offer high quality fuel and retail services to customers. A further two definitive agreements to acquire a total of 20 stations were also announced in February 2021, which will bring its total network size to 37 and further emphasizes the company's commitment to growth in the Kingdom. All three transactions are subject to certain conditions being met, including regulatory approvals.

H.E. Al Jaber also highlighted ADNOC Distribution's focus on upgrading its convenience offering and the overall customer experience in 2020 to meet the changing needs and trends due to Covid-19 by accelerating the Company's digital transformation strategy, adopting and promoting contactless methods of payment, including through the ADNOC Distribution mobile app. The Company also introduced online delivery service for retail convenience, with UAE door-to-door delivery from more than 100 ADNOC Oasis stores available through Talabat and Carriage; in addition to expanding its existing fuel and LPG delivery services.

"Supporting our nation is inherent in all we do, which 2020 has proven more than most. During 2020, ADNOC Distribution continued its commitment to In-Country Value and increased investment in local suppliers, an aspect we will endeavor to build on during the year ahead," he continued.

Furthermore, the company's attractiveness to investors was highlighted through ADNOC's placement 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. Doubling of free float to 20% also marked the broadening of the Company's shareholder base, allowing for greater liquidity of its shares on the Abu Dhabi Securities Exchange.

H.E. Al Jaber touched upon ADNOC Distribution's investment case in his speech and said: "Today, ADNOC Distribution shares offer a unique value proposition to shareholders and investors with a combination of low exposure to oil price volatility, predictable and healthy cash flows, strong growth potential and an attractive dividend policy that offers high payback visibility."

In this context, ADNOC Distribution recorded unprecedented financial results in 2020 which reflected its strong operational performance and resilience. Net profit grew by 9.7% to AED 2.4 billion, or AED 0.195 per share, and underlying earnings before interest, tax, depreciation and amortization (EBITDA) increased by 31.6% to AED 3.62 billion.



Dr. Sultan Al Jaber added: “As we begin to move out of the pandemic’s shadow and continue our proactive efforts to combat the threat of COVID-19, I feel confident that the hard work and dedicated efforts of our team will continue to build on our achievements, and unlock new opportunities for growth, as we shape the success of our future.”

Ahmed Al Shamsi, Acting Chief Executive Officer, ADNOC Distribution, said: “We are proud of our achievements during 2020. We demonstrated a strong ability to navigate the challenges that were posed by the unprecedented circumstances that we have all faced amid the Covid-19 pandemic. Our success is very much thanks to the hard work and dedication of our employees who are our biggest assets, as well as to our resilient business model, which allowed us to adapt to the fast changing variables and the evolving customer needs. We stayed true to our commitment by serving the community to ensure that we continue to fuel the nation’s most vital lifelines during the time of crisis and we lived up to the promises we made to our shareholders, whether through delivering on our smart growth strategy, or by offering them a unique and attractive value proposition model with a high level of visibility on future returns. ADNOC Distribution is well placed to continue building on recent success, in the UAE and beyond, in the year ahead and remains on track to reach EBITDA target of at least USD 1.0 billion by 2023”.

**-ENDS-**

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### **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](http://www.adnocdistribution.ae) To find out more, visit [www.adnocdistribution.ae](http://www.adnocdistribution.ae)



### **Cautionary statements relevant to forward-looking information**

This news release contains forward-looking statements relating to ADNOC Distribution's operations that are based on management's current expectations, estimates and projections about the petroleum, chemicals and other related industries. Words or phrases such as "anticipates," "expects," "intends," "plans," "targets," "forecasts," "projects," "believes," "seeks," "schedules," "estimates," "positions," "pursues," "may," "could," "should," "will," "budgets," "outlook," "trends," "guidance," "focus," "on schedule," "on track," "is slated," "goals," "objectives," "strategies," "opportunities," and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond the Company's control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this news release. Unless legally required, ADNOC Distribution undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

The payment of dividends by the Company is subject to consideration by the Board of Directors of the cash management requirements of the Company for operating expenses, interest expense, and anticipated capital expenditures, and market conditions, the then current operating environment in its markets, and the Board of Directors' outlook for the business of the Company. In addition, any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, at the discretion of the Board of Directors and approval of shareholders.