



## ADNOC DISTRIBUTION INCREASES COMMITMENT TO SAUDI ARABIA WITH NETWORK EXPANSION

- *Company to acquire 15 service stations, bringing its network to 17 in KSA as part of phase one of company's ambitious expansion*
- *Aims to bring its high quality service standards and customer experience to KSA consumers following success across the UAE*
- *The new stations will include convenience stores, as well as car wash, lube change and ancillary services*
- *Plans to become one of the leading KSA fuel retailers by 2025*

**Abu Dhabi, 30 December 2020:** ADNOC Distribution, the UAE's largest fuel and convenience retailer, announced today the execution of a definitive agreement to acquire 15 service stations in the Kingdom of Saudi Arabia, reaffirming its commitment to grow its business in KSA; the largest fuel retail market in the GCC. Already the only fuel retailer operating in all seven emirates in the UAE, the addition of these new stations highlights the long term smart growth strategy to also become a leading fuel operator in KSA. The company sees value creation potential coming from uplift in fuel margins and the company's integrated approach to managing fuel and non-fuel retail offerings.

The purchase consideration for this acquisition is AED 36.7 million (USD 10 million). The acquisition is subject to certain conditions (including obtaining regulatory approvals).

Located in the eastern region, with sites dedicated to both highway commuters as well as in-community convenience, the new stations will be refurbished in line with ADNOC Distribution brand standards and offer high quality fuel and retail services to customers, including convenience stores; its proven unique value proposition which has made the company so successful in the UAE.

Ahmed Al Shamsi, Acting CEO, ADNOC Distribution, said: "Expanding our presence in Saudi Arabia is an important milestone for our company and part of our profitable growth strategy. We see this expansion as a natural progression since opening our first station in 2018 and look forward to significantly increasing our presence in the coming years. This is the first announcement of many we intend to make with Saudi being a key strategic market for us as we make ADNOC service stations a destination for all in Saudi. "

ADNOC Distribution opened its first service station in Saudi Arabia in December 2018, located on the Riyadh-Dammam highway around 40 kilometers from the capital. It was followed shortly after by the second in the city of Hofuf within Al Ahsa Governate. Upon completion of this transaction, the new locations will bring the company's total network to 17 across the Kingdom.

"Saudi Arabia is the largest market in the GCC and there is huge potential for experienced fuel operators like us to consolidate the market and capture further growth," commented Al Shamsi. "And we are currently in discussions on a range of opportunities to further build on our network in the country. With such a vast and diverse landscape, we aim to bring our fuel and retail experience to benefit local communities and industrial areas across the Kingdom."

**-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 418 retail fuel stations, 299 convenience stores as of 30 September 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)