

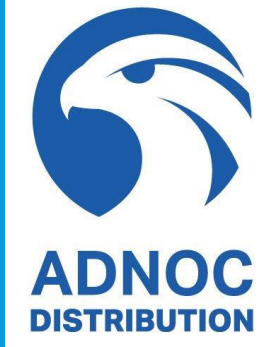
Q4 & FY 2020 RESULTS PRESENTATION

INVESTOR & ANALYST CONFERENCE CALL

15 FEBRUARY 2021



ADNOC DISTRIBUTION



| AGENDA



01 | EXECUTIVE SUMMARY



02 | STRATEGY UPDATE



03 | Q4 & FY 2020 RESULTS



04 | OUTLOOK

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.



ADNOC
DISTRIBUTION

01

EXECUTIVE SUMMARY

SPEAKER: ATHMANE BENZERROUG
CHIEF INVESTOR RELATIONS OFFICER

ADNOC Distribution



2020 KEY HIGHLIGHTS



BUSINESS RESILIENCE

- 2020 Fuel volumes **recovered to c.90%** of 2019 levels following the ease of movement restrictions. Lower fuel volumes offset by **higher retail fuel margins and management initiatives**
- 2020 reported EBITDA increased by 12% compared to 2019, despite one-off expenses/provisions. **Underlying EBITDA increased by 32%** in 2020
- Like-for-like **operating expenses savings of USD 15 m** in 2020, more to come in 2021
- Strong balance sheet** and **ample liquidity** to pursue investment plans and potential new opportunities



AGILITY & SMART GROWTH

- Domestic Expansion: 64 new stations** in 2020 (20 in Dubai), 10 times 2019 level
- 62 new convenience stores** opened in UAE and 100 refurbished in 2020 (59 in Q4 2020)
- International Expansion:** executed definitive agreements to acquire **35 stations in Saudi Arabia**
- Launched **ADNOC Rewards point-based loyalty program**
- Accelerated **digital transformation strategy** and launched new services to provide **best-in-class experience** to our customers
- Increase in **2020 CAPEX to USD 262m** (2019: USD 138m), reflecting commitment to deliver growth in 2021 and beyond



ATTRACTIVE SHAREHOLDER RETURNS

- Attractive and highly visible dividend policy**
 - The Company's Board recommended a **cash dividend of USD 350m (10.285 fils per share) for H2 2020** (to be paid in April 2021)*
 - Dividend policy sets dividend of **USD 700 million** (20.57 fils per share, 5.2% yield**) in 2020, **USD 700 million** in 2021
 - Board further proposed to amend the dividend policy for 2022, setting a **minimum USD 700 million dividend**; the years thereafter remain unchanged at a dividend equal to at least 75% of distributable profits*
- Significant increase in share liquidity** after **free float doubled to 20%** (Sept. 2020), further foreign inflows expected ahead of **potential MSCI and FTSE EM Index inclusion** in Q2 and Q3 2021 resp.

*Subject to the Shareholders' approval

** at Share Price of AED 3.88 as on 14th February 2021



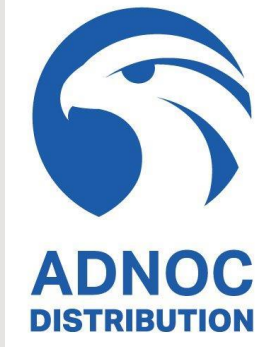
ADNOC
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02

GROWTH STRATEGY UPDATE

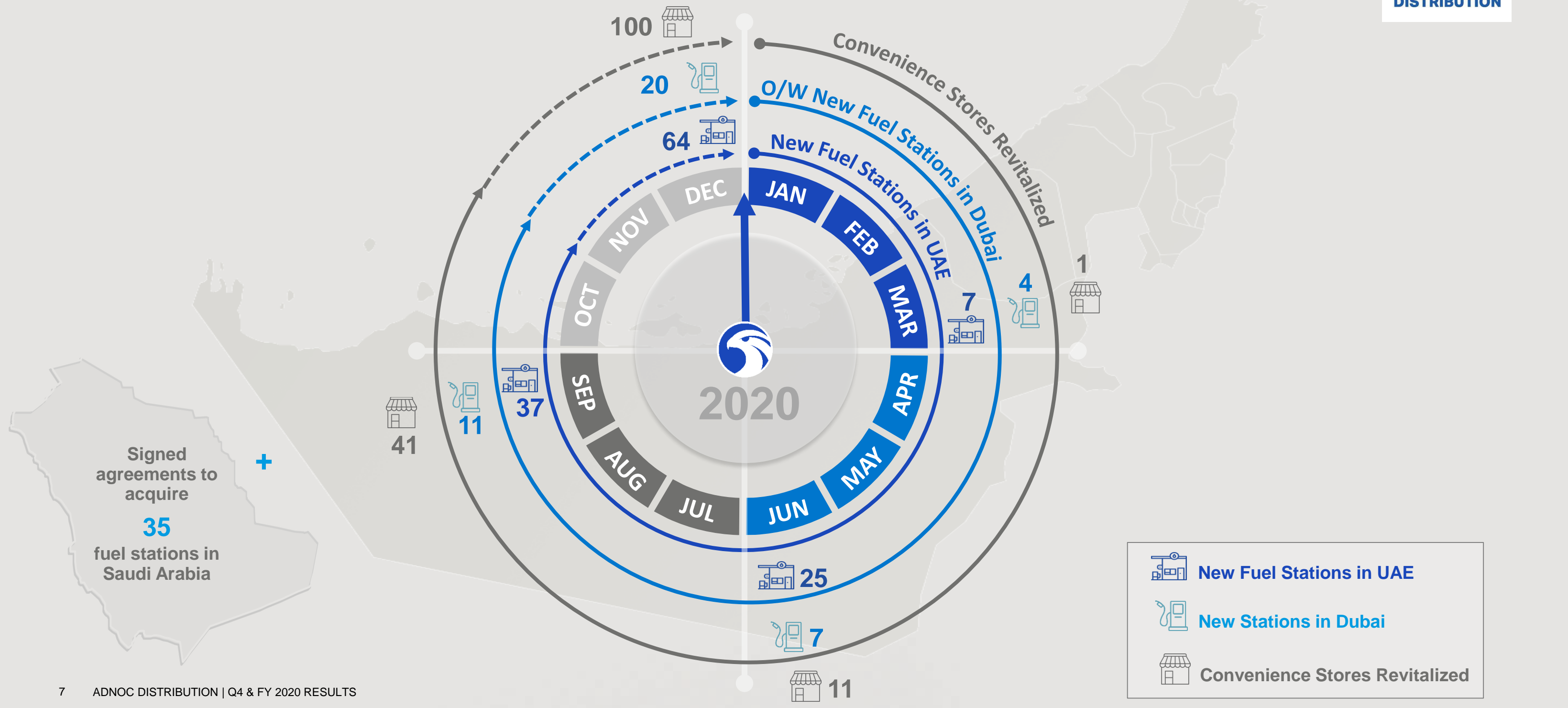
SPEAKER: AHMED AL SHAMSI
ACTING CHIEF EXECUTIVE OFFICER

ADNOC Distribution



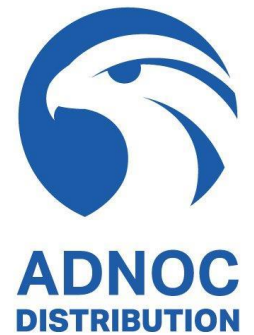
GROWTH STRATEGY OVERVIEW

Exceeding on our promises by accelerating delivery of our strategic growth plans



KEY STRATEGIC UPDATE

Fuel Business (Retail & Commercial)



2020 ANNOUNCED GUIDANCE

- Deliver accelerated domestic network expansion with:
 - ✓ **50-60 new stations** in UAE in 2020, which includes mix of traditional and ‘ADNOC On the go’ stations
 - Of which **20-25 new stations in Dubai**, most of which would be traditional stations
- Execute international growth strategy

2020 ACHIEVEMENTS

- **64 new stations** opened in 2020 in the UAE (**20 in Dubai**)
- Incremental contribution from increase in LPG cylinder prices ahead of expectations
- Acceleration of international growth
 - Executed definitive agreements to acquire **35 fuel stations in Saudi Arabia***



KEY STRATEGIC UPDATE

KSA Growth



- **Acquisitions of 35 fuel stations for total purchase price of USD 25.5 million, taking total network in Saudi Arabia to 37 stations**

- ✓ Dec. 2020: 15 fuel stations located in Dammam region (Eastern Province)
- ✓ Feb. 2021: 16 fuel stations in Riyadh Province, 4 in Central and Eastern Province

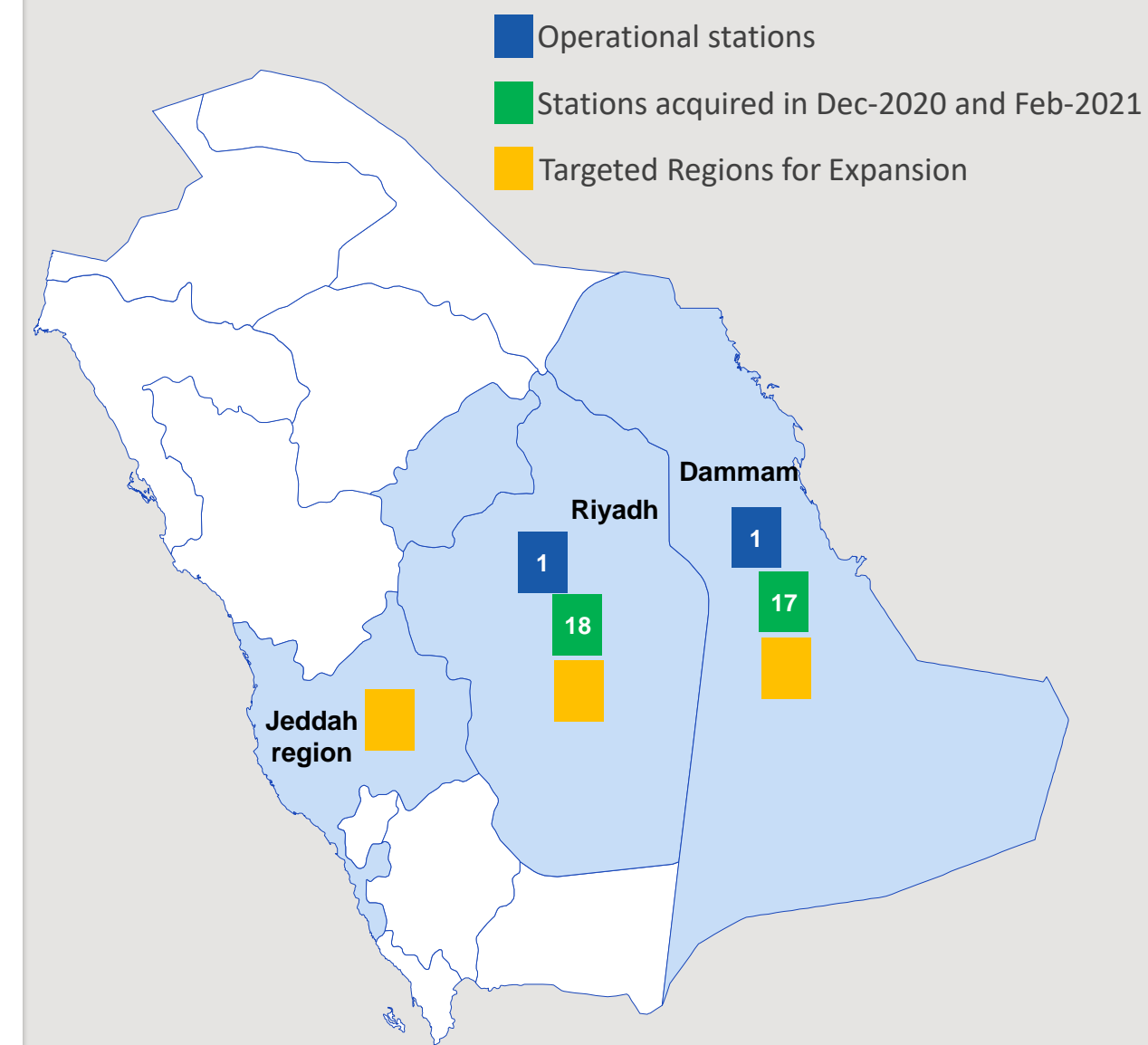
- Acquisitions include all operating assets, licenses, employees, contracts with Saudi Aramco & other suppliers
- New leases negotiated at min. 15 year terms, while ongoing leases have min. 10 year terms remaining
- Targeted returns in line with threshold hurdle rate (i.e. IRR>15%)
- 2019 Fuel Volumes: ~300 million liters* 2019 EBITDA: ~USD 3.0 million*

* Excl. contribution from 3 stations opened in Dec. 2020 and 1 station expected to open in Q1 2021. These 4 stations already qualify for higher margin with an expected annual EBITDA of ~USD 1.0 million

- **Significant potential for further value creation from uplift in:**

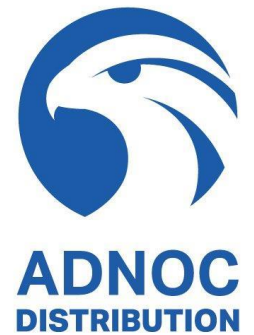
- Margin for 31 stations out of 35 as ADNOC Distribution is qualified to receive higher fuel margin (to be reflected in P&L from closing of transactions)
- Volumes by leveraging ADNOC endorsed branding and superior customer focus
- Non-fuel gross profit by adopting integrated approach to manage fuel and non-fuel retail

- **Multiple Opportunities under various stages of completion to accelerate KSA growth**



KEY STRATEGIC UPDATE

Non-Fuel business (Retail)



2020 ANNOUNCED GUIDANCE

- Revitalize 80-90 convenience stores in 2020
- Further enhancements to our customer-centric focus, including station optimization across our network
- Further improvements in category management, introduction of high margin fresh food and great coffee offerings

2020 ACHIEVEMENTS

- ~23% increase in C-store network with **62 new C-stores** opened in 2020
- 100 C-stores revitalized in 2020 (including 59 in Q4 2020).
- Continued focus on category management. Focused on offering a superior customer experience and accelerating our digital transformation strategy to provide best-in-class services
 - Average gross basket size up 18.8% YoY in 2020

Improved Product Category Management



Premium Coffee Offering in Oasis Cafes





ADNOC
DISTRIBUTION

03

Q4 & FY 2020 RESULTS

SPEAKER: MOHAMED AL HASHIMI
CHIEF FINANCIAL OFFICER

ADNOC Distribution



Q4 & FY 2020 FINANCIAL PERFORMANCE

Resilient underlying operating performance

Key Financial Performance	USDm	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)
	Revenue		1,129	1,477	-23.6%	4,392	5,809
Gross Profit		439	342	28.3%	1,574	1,355	16.2%
Margin		38.9%	23.1%		35.8%	23.3%	
EBITDA		287	179	60.4%	868	773	12.3%
Margin		25.5%	12.1%		19.8%	13.3%	
Underlying EBITDA ¹		292	193	51.6%	987	750	31.6%
Margin		25.9%	13.0%		22.5%	12.9%	
Net Income		232	135	71.5%	662	604	9.7%
Margin		20.5%	9.1%		15.1%	10.4%	

Robust Free cash flow generation in Q4 2020

Cash Generation and Net Debt	USDm	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)
	Free cash flow ²		46	55	-17.0%	195	349
Net debt		736	202	263.8%	736	202	263.8%

High returns sustained

Profitability		Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)
	ROCE ⁴ (%)		26.4%	23.8%	-	26.4%	23.8%
ROE ⁵ (%)		74.7%	59.2%	-	74.7%	59.2%	-

Prior period numbers are as previously reported before the impact of restatement of prior period errors, the impact of which on EBITDA is immaterial



Q4 & FY 2020 OPERATING PERFORMANCE

	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)	
Fuel Volumes	mL						
	Retail (B2C)	1,563	1,705	-8.3%	5,758	6,525	-11.8%
	Commercial (B2B)	735	775	-5.2%	2,899	3,150	-8.0%
	of which Corporate	620	585	6.0%	2,357	2,373	-0.7%
	of which Aviation	115	190	-39.6%	542	777	-30.2%
TOTAL	2,298	2,481	-7.4%	8,657	9,674	-10.5%	
Retail Fuel Operating Metrics	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)	
	Number of service stations – UAE	445	382	16.5%	445	382	16.5%
	Number of service stations - Saudi Arabia ¹	2	2	-	2	2	-
Number of fuel transactions (millions)	36.5	41.4	-11.8%	136.4	158.5	-13.9%	
Retail Non-Fuel Operating Metrics	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)	
	Number of convenience stores - UAE	326	264	23.5%	326	264	23.5%
	Number of non-fuel transactions (millions) ²	7.6	11.6	-34.5%	31.1	46.9	-33.7%
Average gross basket size (USD) ³	7.8	6.7	14.9%	7.7	6.5	18.8%	

1. Includes one franchised site 2. Includes convenience stores, car wash and oil change transactions

3. Average gross basket size is calculated as convenience store revenue (including revenue from consignment items shown under other operating income) divided by number of convenience store transactions.



GROSS PROFIT BY SEGMENT

USDm	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)
Retail (B2C)	332	241	37.6%	1,189	927	28.3%
<i>Of which Fuel</i>	299	201	48.6%	1,070	773	38.4%
<i>Of which Non-Fuel ⁽¹⁾</i>	32	40	-18.3%	120	154	-22.4%
<i>Retail Margin</i>	41.3%	23.5%		38.5%	23.4%	
Commercial (B2B)	107	101	6.0%	385	429	-10.2%
<i>Of which Corporate</i>	67	55	22.8%	230	237	-2.6%
<i>Of which Aviation</i>	40	46	-13.7%	155	192	-19.4%
<i>Commercial Margin</i>	32.8%	22.4%		29.6%	23.2%	
Total	439	342	28.3%	1,574	1,355	16.2%

- Higher gross profit in 2020 driven by higher Retail Fuel margins, partially offset by lower fuel volumes, Commercial and Non-Fuel Retail gross profit
- Non-Fuel Retail business impacted by COVID-19 and absence of voucher redemption after free assisted fueling
- Commercial business was negatively impacted by lower volumes and negative one-offs, whereas 2019 included one-off recoveries



EBITDA BY SEGMENT

USDm	Q4 2020	Q4 2019	YoY (%)	2020	2019	YoY (%)
Retail (B2C)	216	117	84.9%	698	491	42.1%
<i>Retail Margin</i>	<i>26.8%</i>	<i>11.4%</i>		<i>22.6%</i>	<i>12.4%</i>	
Commercial (B2B)	72	68	4.5%	221	294	-24.8%
<i>Of which Corporate</i>	<i>53</i>	<i>43</i>	<i>22.5%</i>	<i>158</i>	<i>195</i>	<i>-18.8%</i>
<i>Of which Aviation</i>	<i>18</i>	<i>25</i>	<i>-26.8%</i>	<i>63</i>	<i>100</i>	<i>-36.4%</i>
<i>Commercial Margin</i>	<i>22.0%</i>	<i>15.2%</i>		<i>17.0%</i>	<i>15.9%</i>	
Unallocated¹	0	-6	<i>n/m</i>	-51	-12	<i>n/m</i>
Total reported EBITDA	287	179	60.4%	868	773	12.3%
Underlying EBITDA²	292	193	51.6%	987	750	31.6%

- Underlying EBITDA up by 51.6% in Q4 2020 and by 31.6% in 2020, driven by higher retail fuel margins and OPEX optimization
- 2020 EBITDA increased by 12.3% driven by higher retail fuel margin despite USD146m one-off expenses, whereas 2019 included one-off losses of USD9.9m
 - 2020 Retail EBITDA increased on the back of higher retail margins, partially offset by lower fuel volumes, decline in non-fuel gross profit and increase in one-off OPEX
 - Commercial EBITDA declined due to lower volumes and other one-offs in 2020, whereas 2019 included one-off recoveries/reversals

OPEX UPDATE



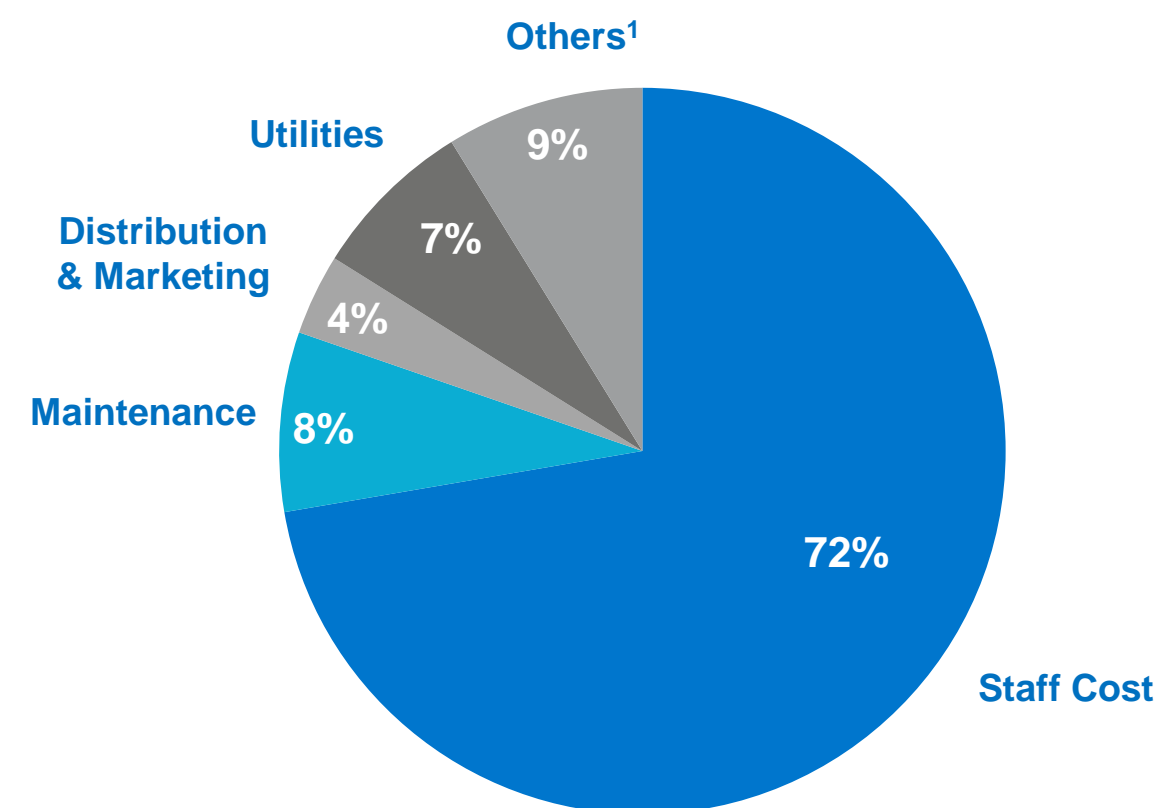
2020 ANNOUNCED GUIDANCE

- Deliver additional like-for-like cost savings of up to USD25m in 2020 out of the total USD100m over 2020-23

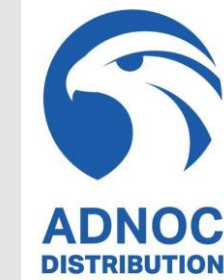
2020 ACHIEVEMENTS

- USD 15 million like-for-like cash OPEX savings in 2020
 - After moving to a more efficient retail site operating model and staff cost optimization initiatives

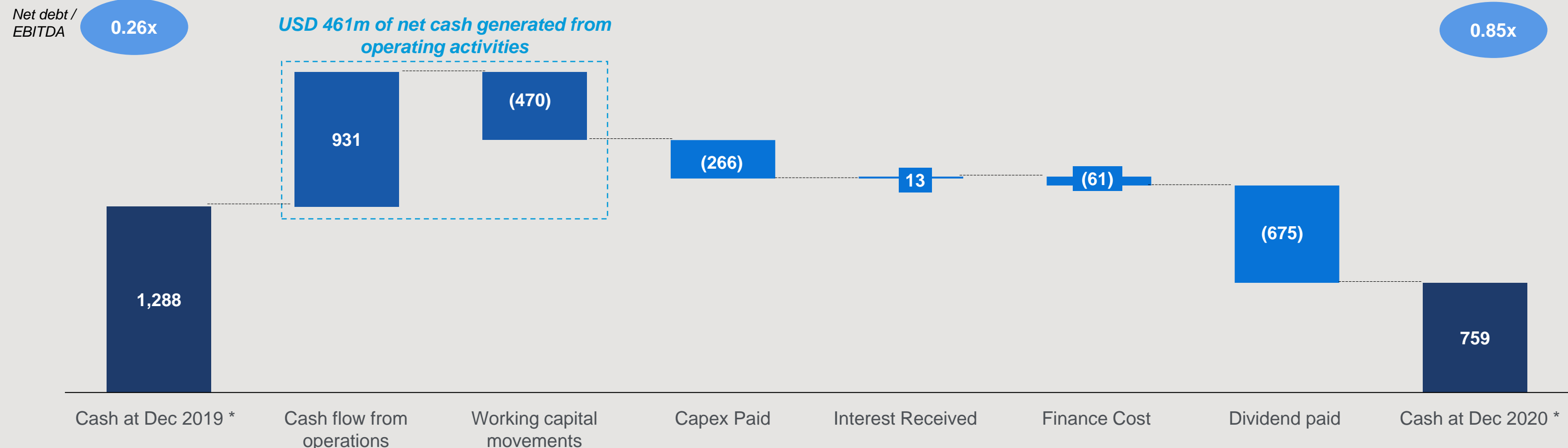
2020 TOTAL CASH OPEX (\$665m)



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



ROBUST CASH POSITION



- 2020 net cash generated from operating activities (USD461m) increased driven by robust cash flow from operations, partially offset by negative working capital movements. Negative working capital movements were mainly as a result of decrease in payables to our supplier ADNOC, driven by lower purchases and lower oil prices, partially offset by decrease in trade receivables
- USD 266m CAPEX paid in 2020 (~2x 2019 level) mainly driven by growth CAPEX (~80%) with a focus on delivering higher number of new stations



ADNOC
DISTRIBUTION

04

OUTLOOK

SPEAKER: ATHMANE BENZERROUG
CHIEF INVESTOR RELATIONS OFFICER



ADNOC
DISTRIBUTION

2021 OUTLOOK & STRATEGIC PRIORITIES

1 GROWTH MOMENTUM TO SUSTAIN IN 2021, UNLOCKING INCREMENTAL VALUE



70-80 NEW STATIONS

We expect to sustain delivery momentum into 2021 with **70-80 new stations** (30-35 in UAE of which 12-18 in Dubai, and 40-45 in KSA) + potential international M&A



40-60 C-STORES REFURBISHMENTS

Our core non-fuel retail focus remains on enhancing the shopping experience with a further **40-60 C-stores to be refurbished in 2021** to deliver a fresh modern, environment

**\$250-300M
CAPEX TO
DELIVER SMART
GROWTH IN 2021
AND BEYOND**

2 SOLID BUSINESS RESILIENCE



VOLUME RECOVERY

Vaccine roll out and further ease in mobility restrictions to support continued recovery in fuel volumes in 2021



OPEX OPTIMIZATION

We continue to pursue **incremental savings of \$25m in 2021 and \$85m over 2021-23 (after \$115m over 2018-20)** by making our operations leaner and more efficient

3 PREDICTABLE & ATTRACTIVE SHAREHOLDER RETURN



DIVIDEND: \$700M IN 2020, \$700M IN 2021, MIN. \$700M IN 2022 PROPOSED BY BOARD

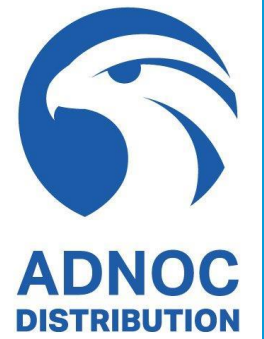
Board proposed amendment to 2022 dividend policy, setting **min. \$700m** dividend; 2023 onwards, dividend policy remains unchanged at min. 75% of distributable profits, offering **attractive dividend yield (5.3%*)** with **high visibility** (until April 2023)**



STRONG SHARE LIQUIDITY AHEAD

After free float doubled to 20% (Sept. 2020), Potential inclusion in MSCI/FTSE EM Indexes in Q2/Q3 2021 to attract foreign inflows into ADD shares

| Q&A



Ahmed Al Shamsi
Acting Chief Executive Officer

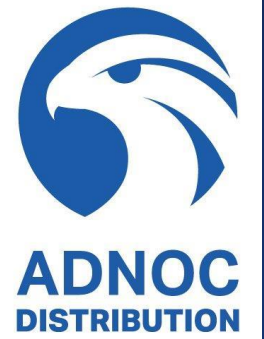


Mohamed Al Hashimi
Chief Financial Officer



Athmane Benzerroug
Chief Investor Relations Officer

**ADNOC DISTRIBUTION
Q4 & FY 2020 RESULTS PRESENTATION
INVESTOR AND ANALYST CONFERENCE CALL
15 FEBRUARY 2020
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THANK YOU



ADNOC
DISTRIBUTION

05

APPENDIX



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 of ~USD 100m over 2020-2023 compared to 2019)

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

Demonstrable business resilience with stable, high 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

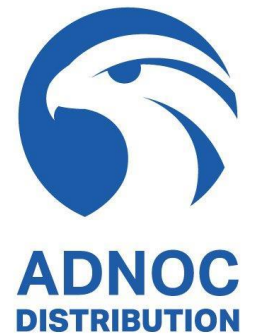
Dividend track record since IPO

Significant share liquidity after Free float doubled to 20% (Sept. 2020). **MSCI/FTSE EM Indices** inclusion expected in 2021

ADNOC a **supportive and committed majority shareholder**

(1) Dividend policy sets dividend of USD 700 million (5.3% yield, at a share price of AED 3.88 per share on 14th February 2021) in 2020, USD 700 million in 2021 and minimum 75% of distributable profits from 2022 onwards, subject to the Board and shareholders' approval

COVID-19 RESPONSE



We are focused on ensuring **uninterrupted services** to customers and healthcare sector and the **safety of employees, customers and local communities**. We responded swiftly to the evolving environment by **accelerating our e-commerce strategy** and launching new services to **enhance customer experience**



Remote Working

Enabled work from home for staff where applicable and introduced measures to safely and gradually return to the office, in line with the easing of lockdown measures



Protective Gear

Provided personal protective equipment such as face masks, gloves, hand sanitizers to staff



Essential Home Products

Launched a new 'essential products' range in our ADNOC Oasis stores, including fresh food, household and healthcare products, at a low cost to help customers across the UAE



Car Interior Sanitization

Introduced a new complimentary deep cleaning and sanitization of cars as part of car wash service



Daily Cleaning of Sites

Performing daily cleaning at our sites, including head office, service stations and depots



Contactless Payment

Enhancing our advanced Mobile Pay technology to facilitate social distancing through totally contactless payment



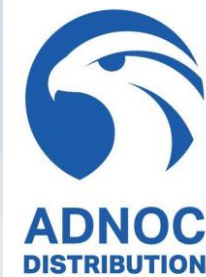
Online Grocery Delivery

Launched online home delivery services of over 1,700 Oasis products, from over 100 stores via our partnerships with Talabat for the convenience and safety of our customers



Mobile Fuel Delivery

Offering My Station, a new mobile fueling service that provides services at a location and time of customers' choosing



ADNOC DISTRIBUTION IN NUMBERS – 2020



Forbes Middle East Retail Brand



8.7 billion liters
Total Fuel Volume



445
Retail Fuel sites
in the UAE



+100
Online Network
Participating C-Stores



136 million
Fuel Transactions



2
Retail Fuel sites
in Saudi Arabia



\$7.7
Average Gross
Basket Size



326
Convenience
Stores in the UAE



31 million
Non-Fuel
Transactions



0.06
Total Reportable
Injury Rate*

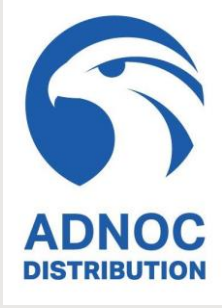


28
Number of Vehicle
Inspection Centers**

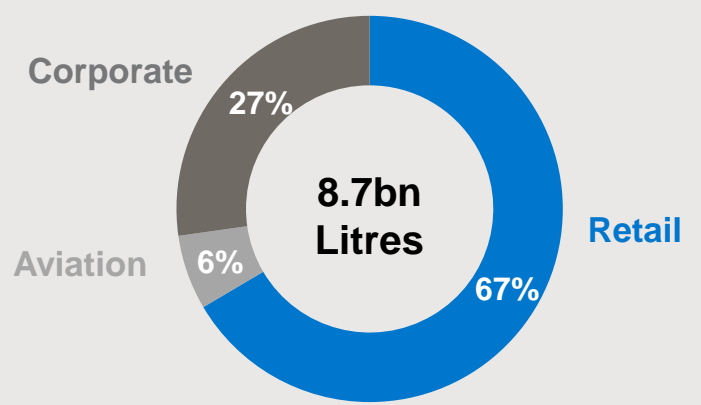


*Total Reportable Injury / 1,000,000 man hours **Includes one permitting center

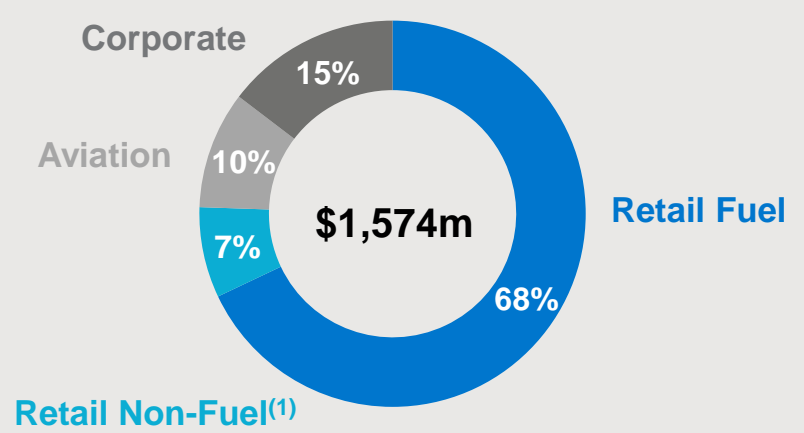
ADNOC DISTRIBUTION BUSINESS OVERVIEW



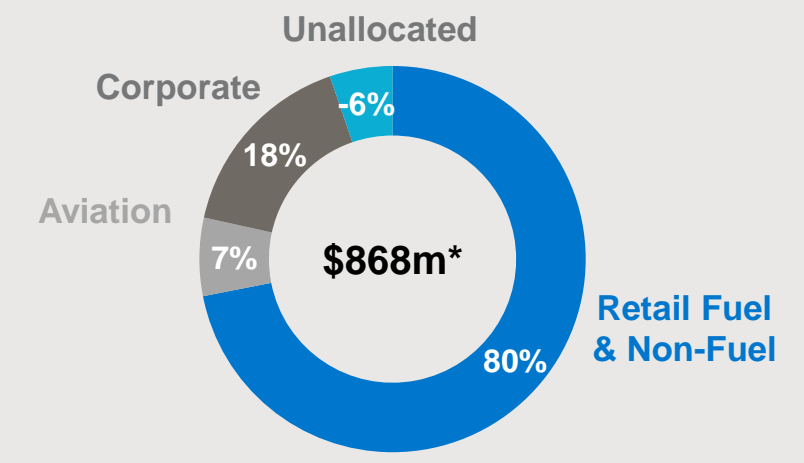
FY2020 Fuel Volume Split

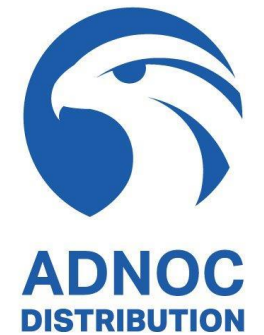


FY2020 Gross Profit Split



FY2020 EBITDA Split





KEY STRATEGIC UPDATE

KSA Opportunity

Largest fuel market in GCC offering significant growth potential

- ✓ KSA fuel market is 4x larger than UAE, allowing for significant volume upside for ADNOC Distribution
- ✓ Target to become one of the leading KSA fuel retailers by 2025 through inorganic and organic growth

An attractive opportunity to consolidate the fragmented KSA market and acquire competitive market share

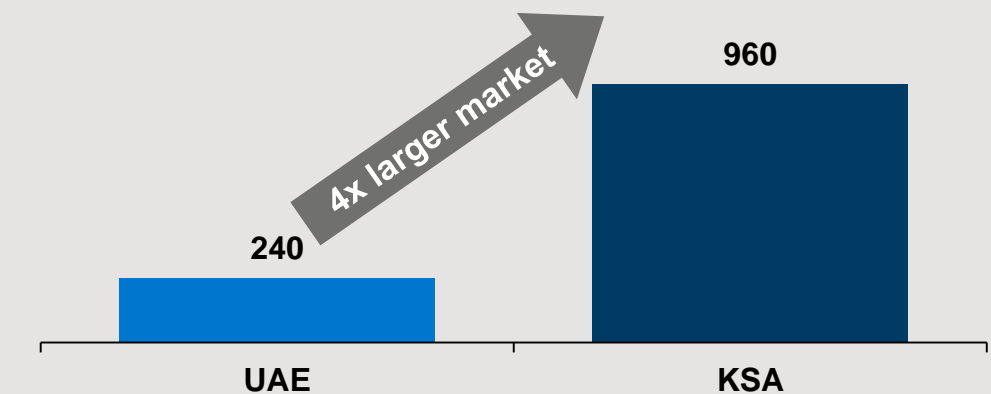
- ✓ Tightened regulations creating pressure on small players to invest in improvements or face closure of low quality sites
- ✓ Throughput for branded players higher than market average, potential for further improvement as small players exit the market
- ✓ Margin hike for established players to further accelerate market share gains for large players

Leverage on superior customer experience and integrated fuel and non-fuel offerings to drive further value creation

- ✓ Bring high quality service standards and customer experience to drive higher footfall
- ✓ Optimize non-fuel offerings through in-house expertise of managing convenience stores, car wash, lube changes to drive synergies

Large Fuel Market...

Transport Fuel Demand 2018 (kb/d)



...but highly fragmented

Market Share of Top Players ⁽¹⁾

