# Q2 & H1 2025
# RESULTS PRESENTATION


7 August 2025

ADNOC DISTRIBUTION

# Agenda

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# 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.

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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 KEY ACHIEVEMENTS & OUTLOOK

**Bader Saeed Al Lamki**
Chief Executive Officer

ADNOC DISTRIBUTION

# Committed to 100% HSE

## H1 2025 HSE performance

**0.04** mmhrs

TRIR*

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**Zero**

fatalities

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**Zero**

catastrophic events

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100% HSE


  *Total Recordable Injury / Illness Rate (in million manhours)

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# Strong progress in our sustainability agenda – embedding sustainability in our day-to-day operations

## Energy optimisation

Reduce energy use across our assets through efficient systems and optimized building designs

## PV solar

50+ service stations to be energized in 2025

## Biofuel

**100**% of ADNOC Distribution supply chain vehicles run on biofuel

## Fleet management

Introduce real-time fleet tracking to improve fuel efficiency

Targeting **25%**
Scope 1 & Scope 2 emissions intensity reduction by 2030 compared to 2021 baseline

Download our
**2024 ESG Report**

# ADNOC Distribution equity story

## Shareholder value creation

**Value creation since IPO**
Total shareholder return >**100%**

**28% 5-year ROCE**
driven by efficient capital allocation and value-accretive investments

**Double-digit EBITDA and net profit growth in H1 25**

**Attractive 2024-28 dividend policy**
supported by visible cashflow profile and strong balance sheet (offering >6% dividend yield)*

**Part of MSCI EM and FTSE EM indices**
**23**% free float

## Robust performance and cashflow visibility

**Solid strategy execution**
driving strong H1 2025 operating and financial results

**Predictable cashflow generation**
robust regulatory framework, industry-leading margins and limited exposure to oil price volatility

**Supportive majority shareholder ADNOC**
5-year supply contract with a retail margin guarantee protecting against inventory losses with upsides from inventory gains

**Strong balance sheet with ample liquidity**
supports growth and enables attractive shareholder distributions

## Focus on delivering sustainable growth

**2024-28 strategy**
accelerating sustainable and profitable growth domestically and internationally through efficient capital allocation

**Doubling-down on non-fuel retail offerings**
transforming our service stations into destinations-of-choice

**Actively progressing on AI initiatives**
to drive growth, improve operational efficiency and enhance customer experience

**Futureproofing the business**
by unlocking new revenue streams offered by energy transformation (incl. EV charging) and pursuing sustainability goals

  * Dividends subject to the Board and Shareholders' approval

# H1 2025: double-digit EBITDA and net profit growth driven by record H1 volumes and continuous strong NFR* performance

| Gross profit | EBITDA | Underlying EBITDA** | Net profit | Free cashflow before WC changes | ROCE |
|---|---|---|---|---|---|
| +9% | +10% | +18% | +12% | +11% | 30% |
| Driven by strong operating performance: volumes, transactions, conversion rate | Despite lower material inventory gains vs. prior year | Reflecting strong underlying business fundamentals | Following solid EBITDA growth and lower finance costs | Supported by strong business profitability | Industry-leading returns driven by growth and efficient capital allocation |

  *Non-fuel retail segment includes convenience stores, car wash, lube change, property management and vehicle inspection, **Underlying EBITDA is defined as EBITDA excluding inventory movements and one-off items

# ADNOC Rewards loyalty programme

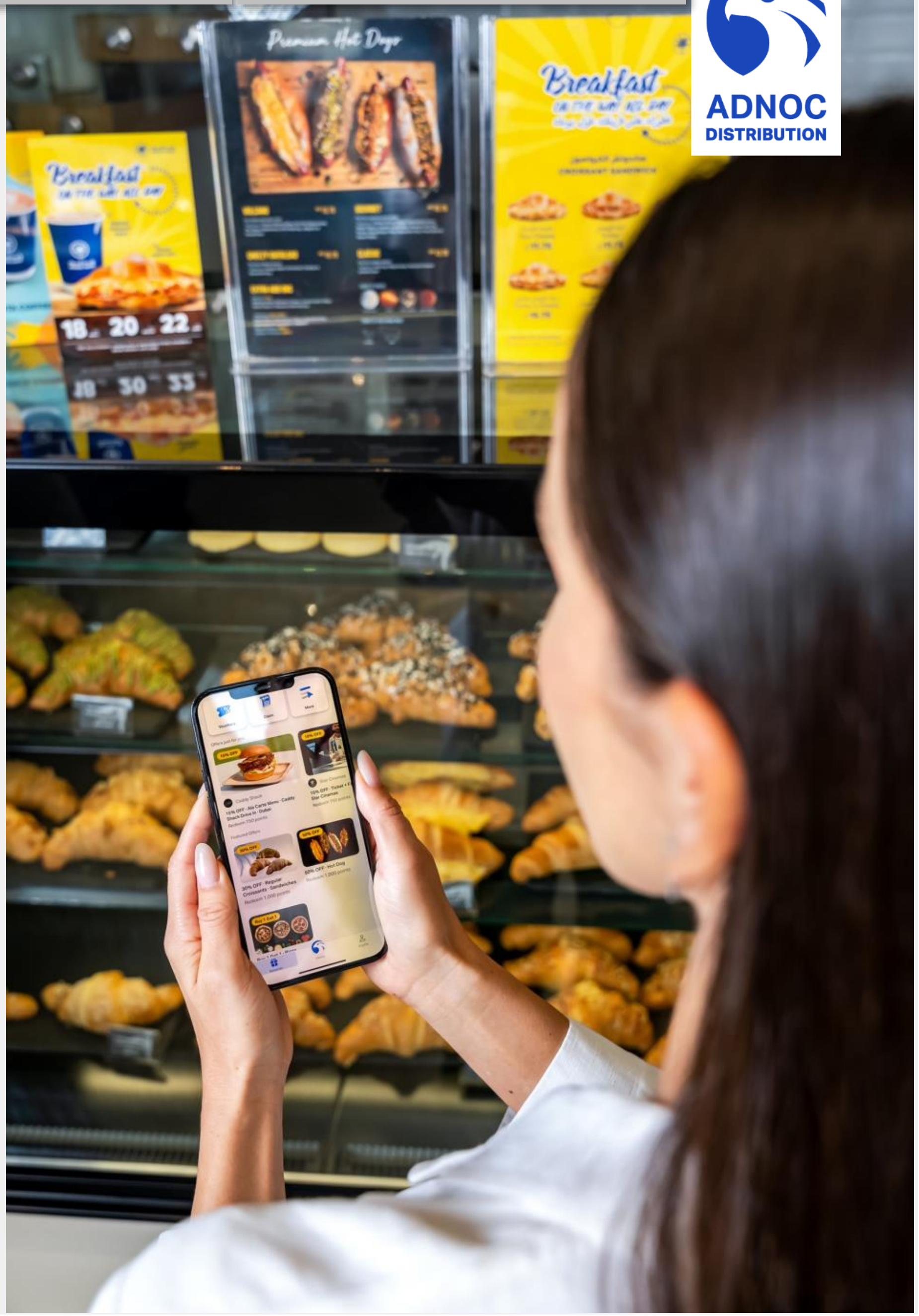
Covering over half of 4+ million vehicles in the UAE

**2.46** million
ADNOC Rewards members

**+20%** year-on-year
increase in membership

**~400** thousand
new members enrolled in the past 12 months

**~120** partners
providing attractive offers to members




  Note: all data is shown for H1 2025 unless mentioned otherwise

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# New 2025 guidance for # of stations

## 60-70 additional service stations

including **50-60** stations in KSA under CAPEX-light DOCO* model
(vs. previous guidance from Feb. 2025: 40-50 stations, incl. 30-40 DOCO)

## ~100 new EV charging points

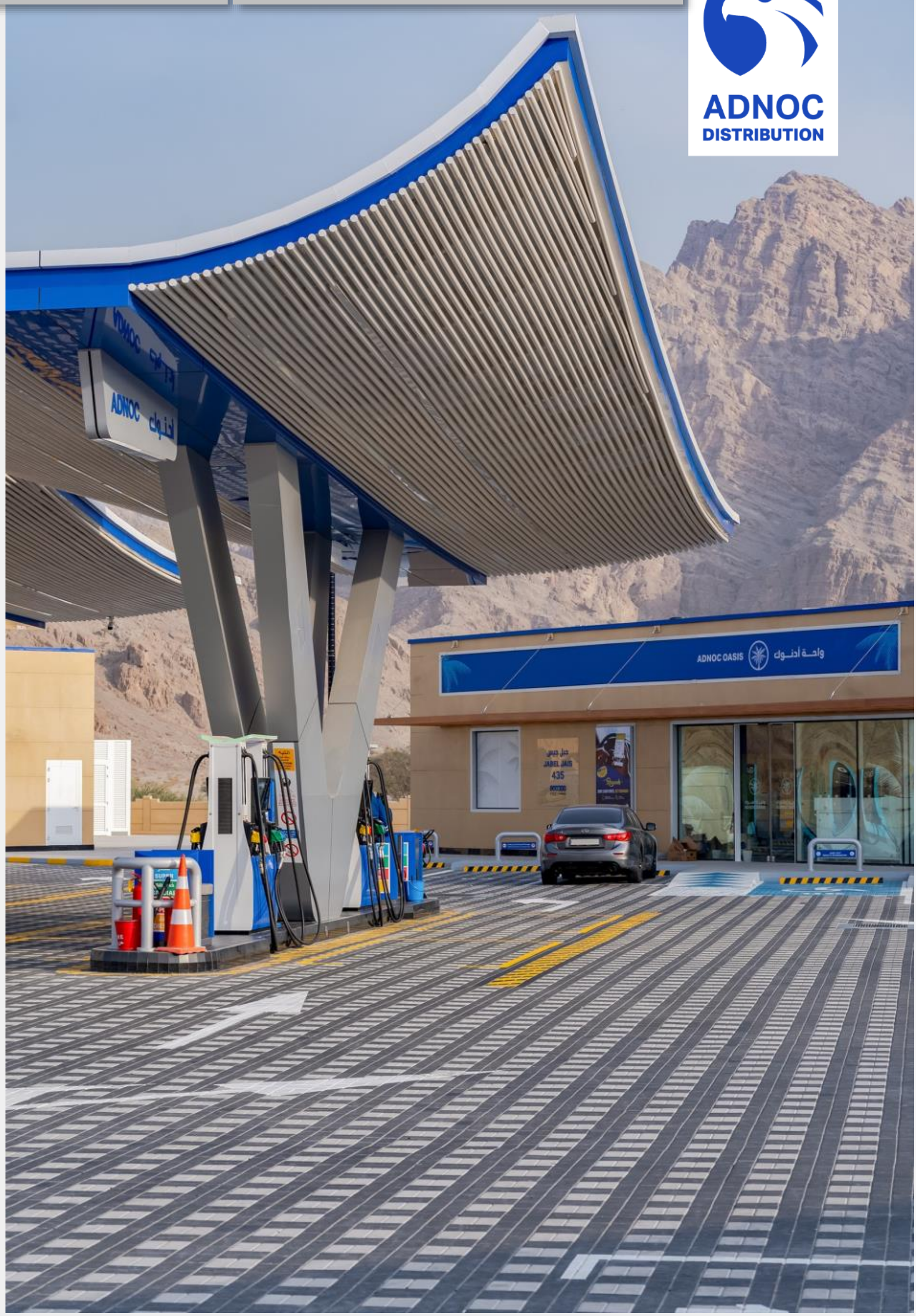
expanding in a disciplined manner based on EV adoption, utilization and current forecast of On-the-Go EV charging customer demand

## $250-300 million CAPEX

focused on organic growth

## Explore inorganic opportunities

in pursuit of step-change growth through value-accretive transactions





*Dealer Owned-Company Operated model


02

# GROWTH STRATEGY UPDATE

**Athmane Benzerroug**
Chief Strategy, Transformation & Sustainability Officer

ADNOC DISTRIBUTION

# Fuel retail in H1 2025

Record H1 volumes: retail fuel demand growth momentum sustained

## +7 new stations

UAE: +**6** (incl. Dubai: +**1**), Egypt: **+1**

## Contracted **40** more stations in KSA

under CAPEX-light DOCO* model, currently under development

## +7% daily** volume in UAE/KSA

Retail: +**9**%, Commercial +**4**%

## +6% total daily** volume

Retail: +**7**%, Commercial +**5**%


*Dealer Owned-Company Operated model, **Taking into account difference in number of days between H1 24 and H1 25

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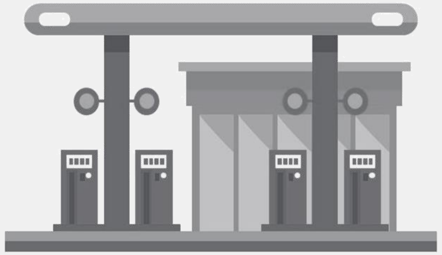
# Accelerating smart growth on a dynamic KSA market

Double track strategy: maximize value with existing COCO*, expand fast with capital-light DOCO**

## How capital-light DOCO** model works?

### 1. Targeting non-qualified stations

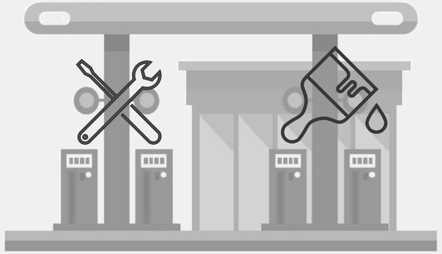


Highly fragmented market - 7,000 stations operated by multiple non-qualified players (c.70% of total market)

Operating under SAR0.09/liter gasoline margin

Evolving regulatory requirements create challenges for non-qualified players

### 2. Implementing rebranding and upgrade to comply with ADNOC Distribution standards



Station owner to invest (CAPEX) in renovating and re-branding existing stations…

…in compliance with ADNOC Distribution guidelines incl. branding, HSE, layout and technical standards (fuel systems…)

### 3. Operating new ADNOC Distribution branded station (DOCO**)

Station qualifies for gasoline margin increase of SAR6/liter (to SAR0.15/liter)

ADNOC Distribution operates the station and entitled to a pre-agreed share of incremental fuel retail margin and NFR revenue

Volume and NFR uplift supported by ADNOC Distribution branding and renovation

  *Company Owned-Company Operated model, **Dealer Owned-Company Operated model

# Future-proofing our business in H1 2025

Leveraging UAE network and unlocking attractive margins

## Disciplined roll-out

3X growth* to >300 EV charging points installed across our network in strategic locations in the UAE, 2X more energy sold in H1'25 YoY

## Focused on strategic high-traffic sites

high-ways and urban hubs

## Seamless customer journey

superior charging experience - our network is accessible, available and reliable – offers multiple payment acceptance and using auto charge feature and extensive non-fuel retail offerings

## 13 million low-emission kilometers

travelled by EVs charged by ADNOC Distribution in H1 2025


  *Growth of fast and super-fast EV charging points vs. end of H1 2024

# Non-fuel retail continues to grow much faster than fuel in H1 2025

## +15% NFR gross profit

driven by growth in convenience stores, property management and car wash

## +11% daily* non-fuel transactions

supported by higher # of fuel transactions, higher conversion from fuel to non-fuel, new offerings in convenience stores and car services

## +25% daily* barista-prepared drinks

representing one of the highest-margin food and beverage categories

## +21% convenience stores gross profit

supported by higher number of C-store transactions, conversion rate growth (c.+**95** bps) and higher margin (c.+**300** bps)


  *Taking into account difference in number of days between H1 24 and H1 25

# Zoom-in: C-store growth through category management, focused marketing campaigns, technology and loyalty

## Reinventing C-store experience

'as 'foodvenience' destination including with best-in-class Oasis Food & Beverage offering and exciting new product launches (gourmet food, specialty coffee & beverages). F&B operations backed by AI tools to ensure freshness & waste optimization

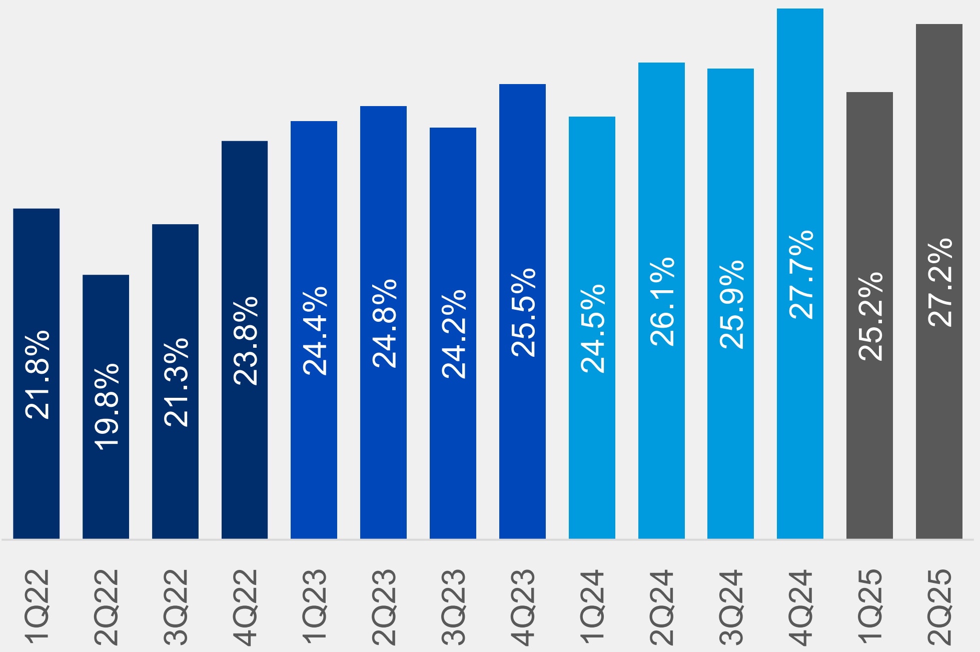
## Customer personalization at scale

AI-based clustering has been introduced to tailor assortments and pricing to various store profiles: location, demographics, shopping missions, etc.

## Stronger customer focus

Ongoing marketing campaigns driving footfall from fuel to store with targeted offers and loyalty engagement

Convenience store conversion rate*, %




  *Convenience store conversion rate is measured by number of convenience stores transactions divided by number of fuel transactions at sites with convenience stores

# Beyond C-stores targeting higher contribution from all business verticals

## Create a one-stop destination

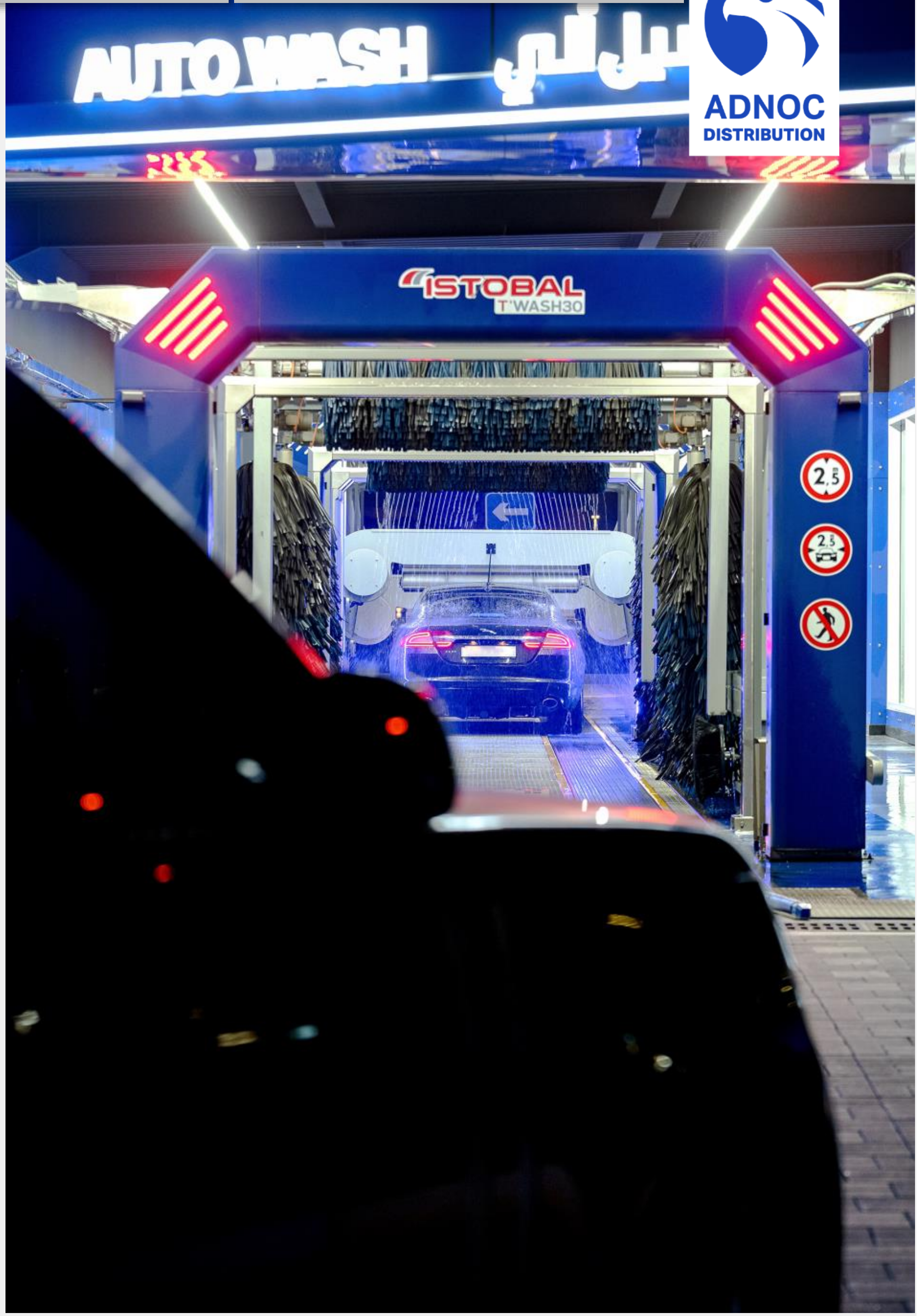
for car care services by leveraging strong car wash, lube change and vehicle inspection centers footprint to enhance customer journey

## Upscale car wash

with upgrade in car wash facilities and launch of higher capacity car wash tunnels – offering quick service and superior customer experience

## Enhance real estate returns

by attracting more Tier-1 international brands and Quick Service Restaurant (QSR) into our network to drive additional footfall, optimizing tenant mix and existing sites



# AI & digital strategy

## More than 20 new AI projects underway across our value chain

### Drive growth

ADNOC Distribution is using AI to boost growth by increasing revenue potential across businesses lines through data-driven improvements

- C-store clustering: tailors assortment and pricing to various store profiles
- Intelligent assortment: suggests products to add/remove to C-store inventory based on insights on customer preferences
- Intelligent service station location: leverages on AI to develop new service stations based on traffic patterns, average spending and competitor presence

### Deliver enhanced efficiency

AI is driving operational efficiencies across businesses by enabling cost avoidance, reducing OPEX and optimizing inventory management

- Fuel demand prediction: forecasts fuel sales demand to avoid fuel runouts
- Smart workforce management: optimizes operational cost of service stations staff, leading to OPEX savings
- Lube automation: predicts lube demand and automates supply orders

### Elevate customer experience

AI enhances customer experience by delivering hyper-personalized offerings, reducing wait times and ensuring a seamless customer experience

- Hyper-personalized offers: suggests tailored offers for customers depending on their historic behavior
- Seamless experiences: allow customers faster fueling based on stored preferences or F&B ordering straight to car via the app

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# 03

# Q2 & H1 2025 RESULTS

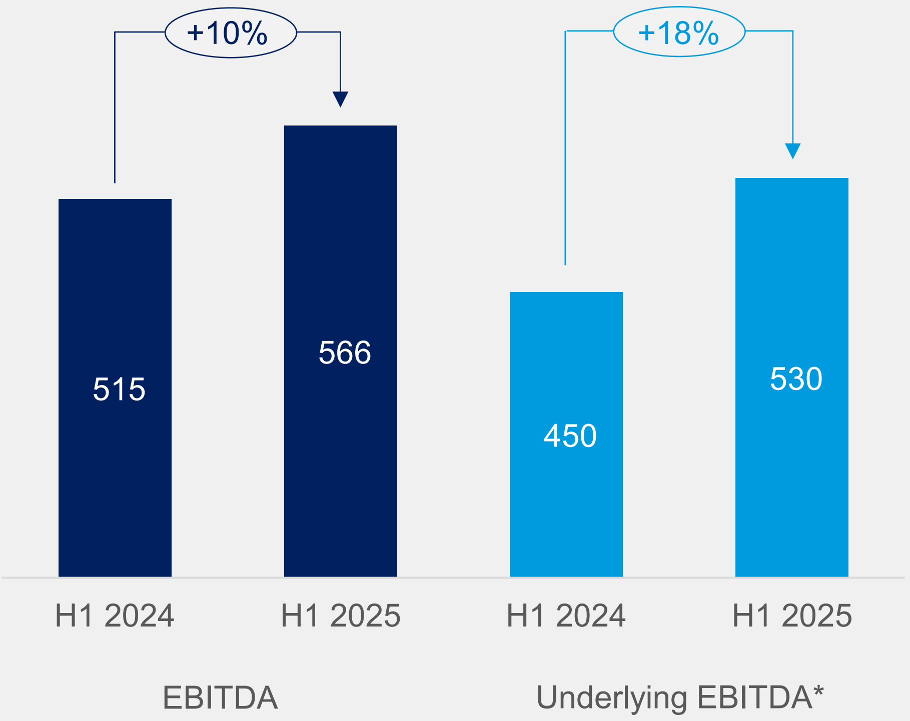
**Ali Siddiqi**

Acting Chief Financial Officer

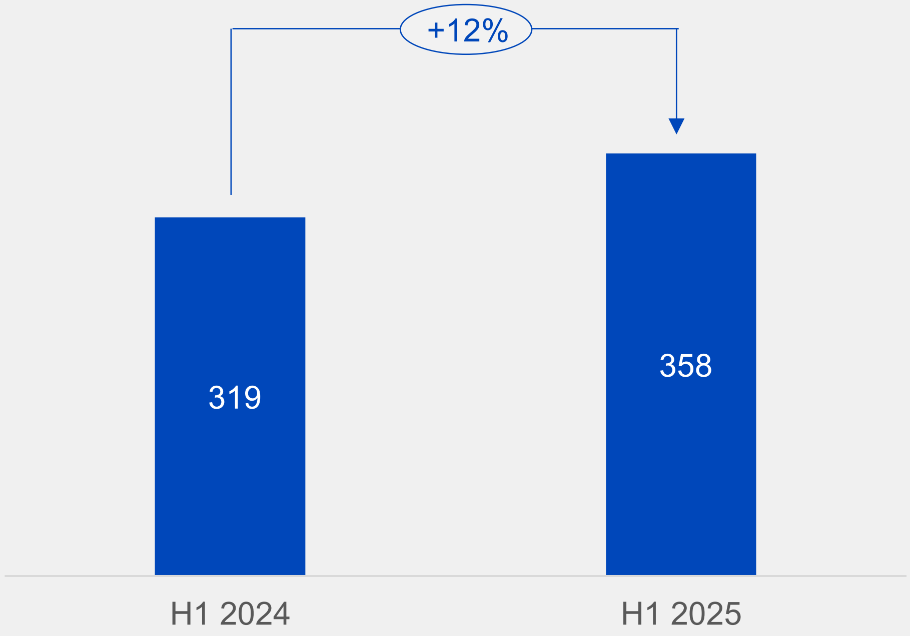
# H1 2025: double-digit EBITDA and net profit growth

## Delivering record-high H1 EBITDA and underlying EBITDA

### EBITDA and underlying EBITDA*, $m




### Net profit, $m

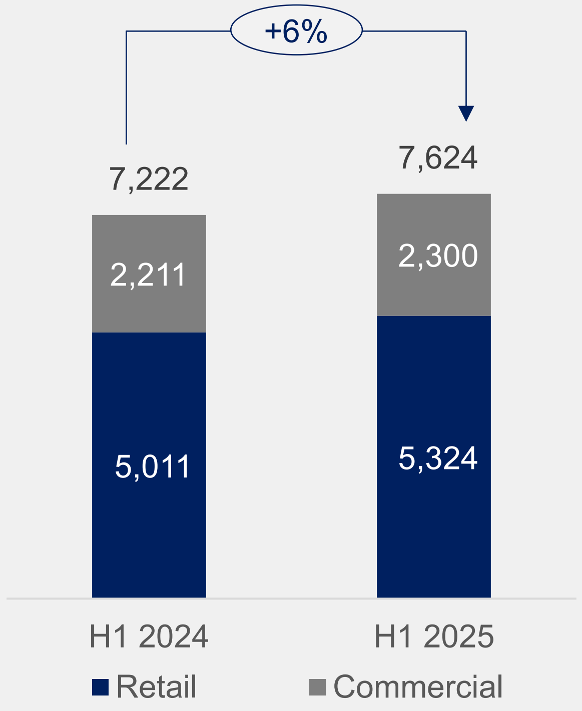



  *Underlying EBITDA is defined as EBITDA excluding inventory movements and one-off items

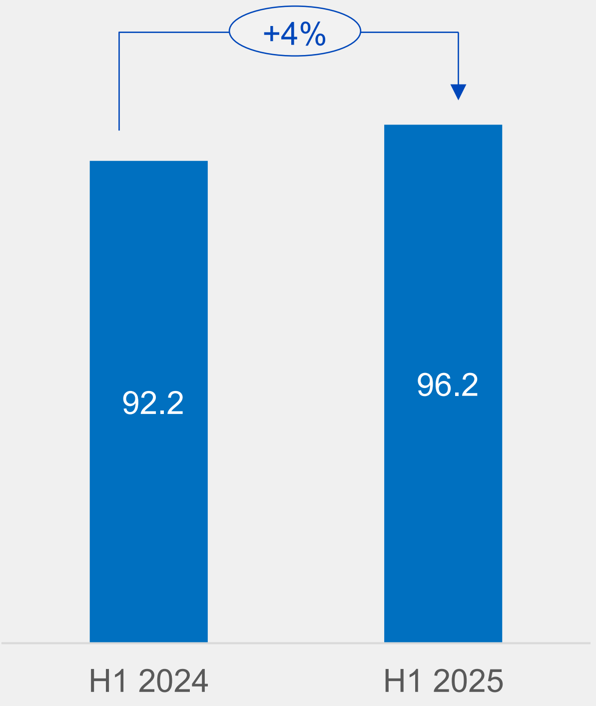
# Record H1 operating performance

Growth momentum sustained across all business verticals in fuel and non-fuel segments

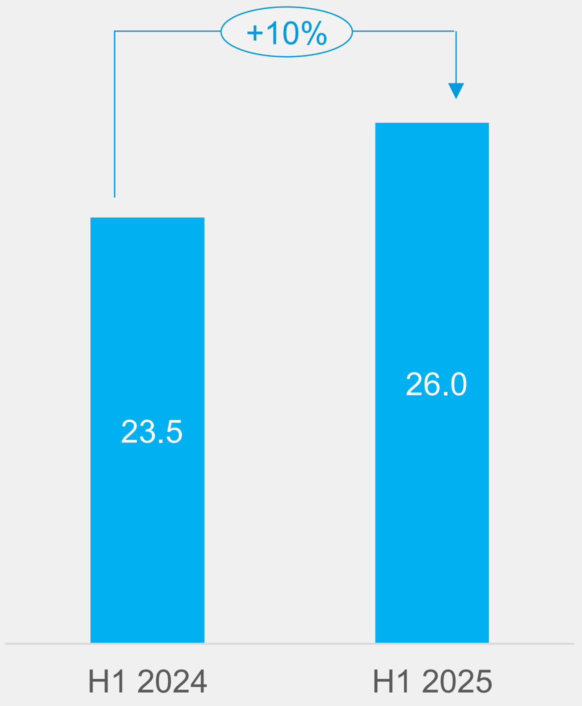
## Fuel volumes, mL




## Fuel transactions, UAE, m




## Non-fuel transactions, UAE, m



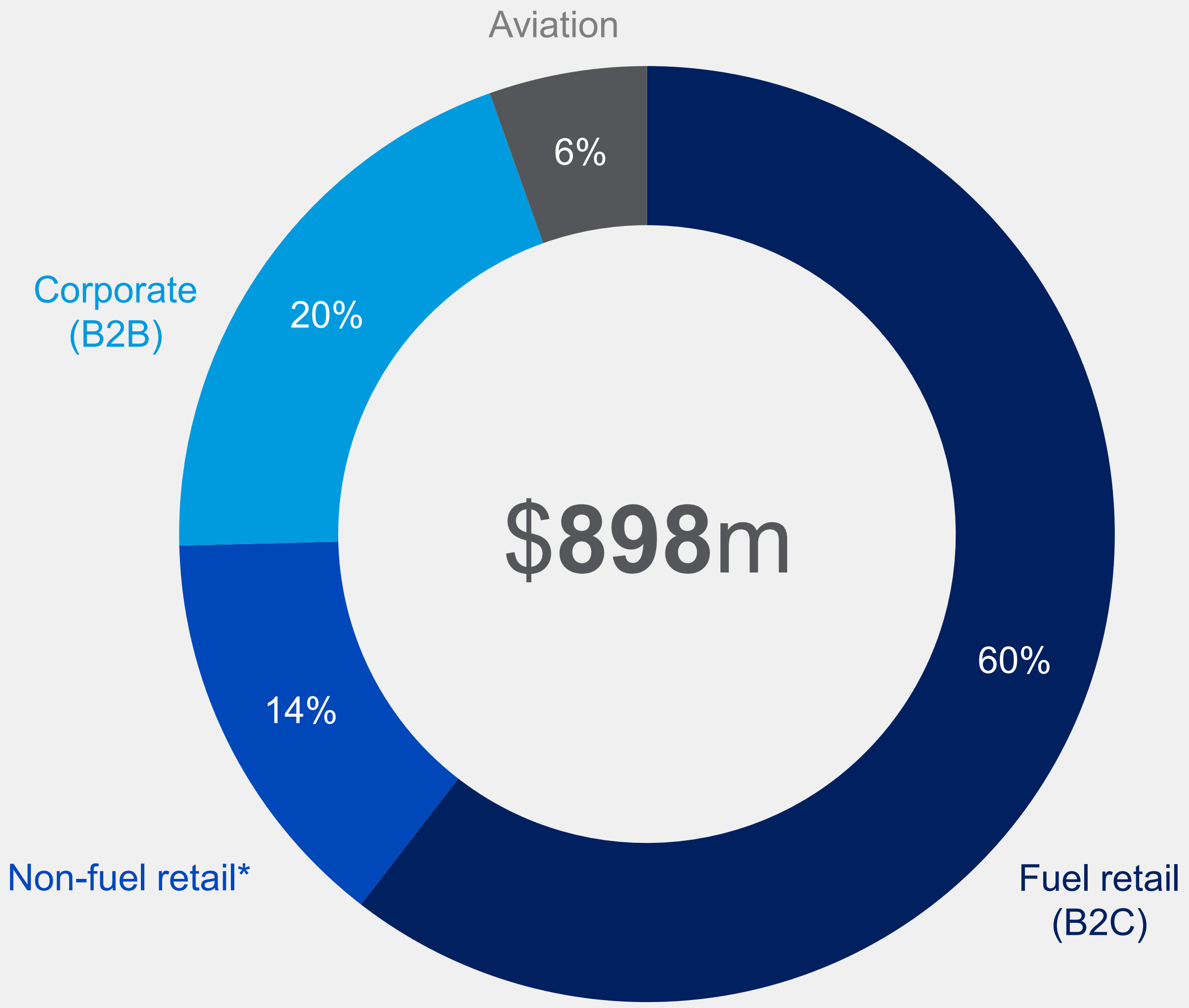
# H1 2025 gross profit by operating segment

**+9%** total GP
record H1 performance

**+3%** fuel GP
driven by consistent volume growth

**+15%** NFR* GP
supported by growth in # of transactions, higher C-store conversion rate, upgrade in car wash offering, new initiatives in property management

**+22%** commercial GP
driven by proactive margin management




  *Non-fuel retail segment includes convenience stores, car wash, lube change, property management and vehicle inspection

# H1 2025 OPEX and efficiency improvement

## +6% cash OPEX

reflecting **3**% growth in the Company's network

## $3 million

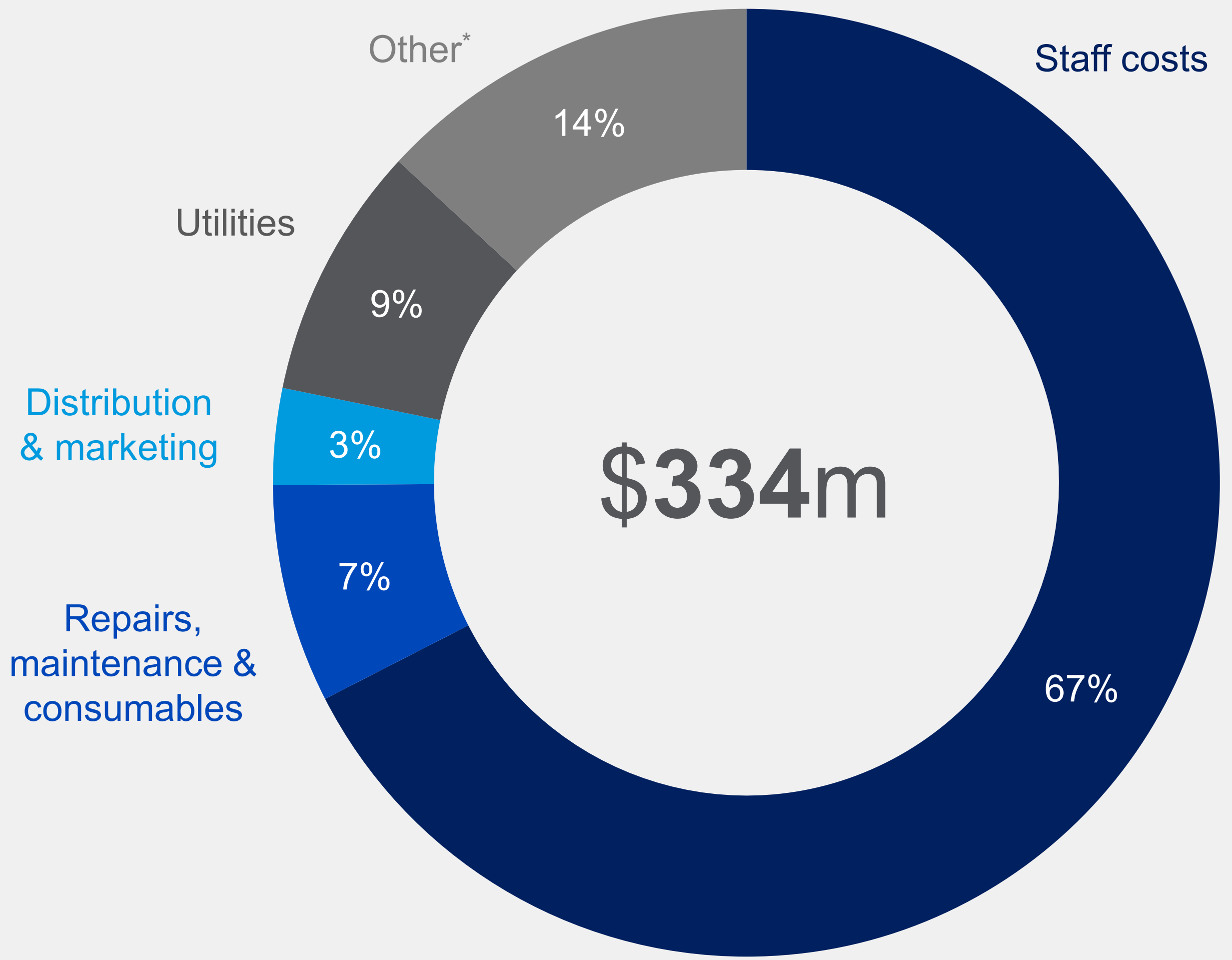
like-for-like OPEX savings after $**18** million in 2024

## On track to achieve target

$**50** million like-for-like OPEX savings by 2028

## Flat unit OPEX/liter

reflecting efficiency improvement initiatives




  *Other costs include lease cost, bank charges, insurance, subscriptions, legal fees, consultancies, etc.

# H1 2025 EBITDA by operating segment

## +10% EBITDA

driven by strong growth across all businesses, despite lower impact of inventory gains

## +4% retail EBITDA

supported by growth in volumes, NFR business

## +29% commercial EBITDA

supported by proactive margin management

## +18% underlying EBITDA*

on volume growth, higher contribution from NFR segment and delivery of OPEX reduction initiatives




*Underlying EBITDA is defined as EBITDA excluding inventory movements and one-offs, **-$3m other operating income/expenses not allocated to specific segment

# H1 2025 cash generation

**$408** million

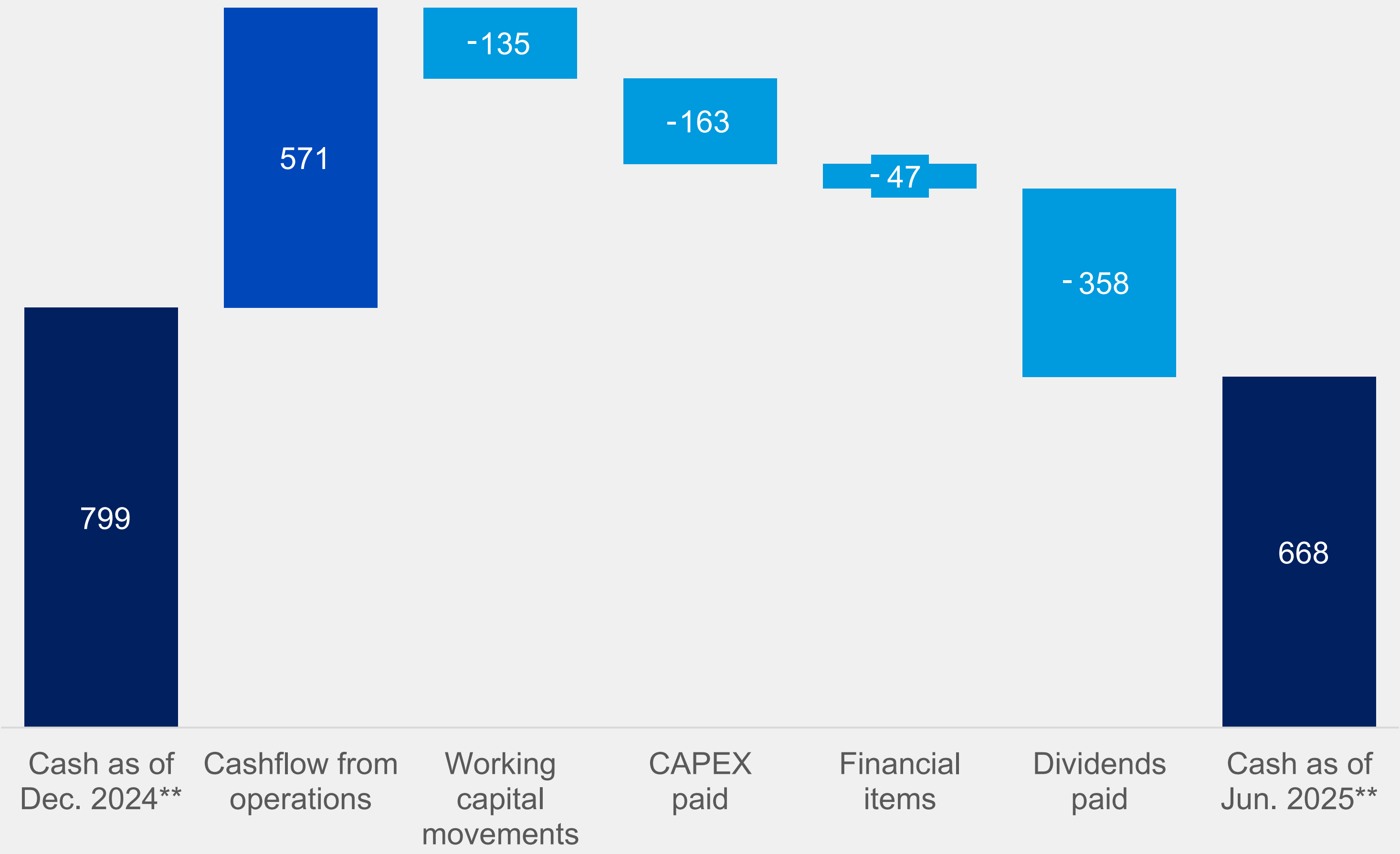
free cashflow before the effect of changes in working capital movements

**$700** million*

2025 dividend supported by visibility in cash generation

**0.8X** net debt/EBITDA

Balance sheet strength offers sufficient room to invest into growth while sustaining an attractive dividend policy




  *Subject to Shareholders' approval, **Cash includes term deposits with banks


# 04 CLOSING REMARKS

**Bader Saeed Al Lamki**

Chief Executive Officer

ADNOC DISTRIBUTION

# Closing remarks

Focusing on the UAE market, non-fuel retail and operational excellence

## Maintaining strong earnings momentum in H1 2025

**6** new stations in the UAE

**40** stations contracted in KSA under CAPEX-light DOCO model

**3X** growth in EV CPs*

at strategic locations in the UAE

**+10%** EBITDA

+**18**% underlying EBITDA

**+12%** net profit

**+11%** free cashflow before effect of working capital changes

## Deliver incremental and sustainable growth, sweat the assets

### Grow platform

Invest in attractive and growing core UAE market: increase footfall / gain market share, grow in KSA and Egypt

### Future-proof – disciplined EV roll-out

Drive customer choice for premium-margin On-the-Go EV charging

### Double-down on NFR

Shift capital allocation towards convenience and mobility, deliver hyper-personalized offerings, enhance customer experience

### Deliver additional OPEX savings

Do more with less

### Decarbonize

25% carbon intensity reduction target by 2030 compared to 2021 baseline

## Efficient capital allocation and attractive distribution

**28%** 5-year average ROCE

demonstrating a proven track-record of value creation

**2024-28** dividend policy:

- $**700** million or min. **75**% of net profit, whichever is higher**
- offers long-term visibility and potential upside from future earnings growth

**$250-300** million CAPEX

Pursue organic growth in 2025

### Explore inorganic opportunities

through value-accretive transactions

  *Growth of EV charging points vs. end of H1 2024, **Subject to the discretion of the Board and Shareholders' approval

# Q&A

**Bader Saeed Al Lamki**

Chief Executive Officer

**Ali Siddiqi**

Acting Chief Financial Officer

**Athmane Benzerroug**

Chief Strategy, Transformation & Sustainability Officer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# ADNOC DISTRIBUTION
# **Q2 & H1 2025** RESULTS PRESENTATION

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# Operating performance

**Fuel volumes**

| million liters | Q2 2025 | Q2 2024 | YoY (%) | H1 2025 | H1 2024 | YoY (%) |
|---|---|---|---|---|---|---|
| **Retail (B2C)** | **2,731** | **2,482** | *10.0%* | **5,324** | **5,011** | *6.3%* |
| **Commercial (B2B)** | **1,168** | **1,054** | *10.9%* | **2,300** | **2,211** | *4.0%* |
| *of which Corporate* | *1,043* | *960* | *8.6%* | *2,068* | *2,020* | *2.4%* |
| *of which Aviation* | *125* | *93* | *33.9%* | *232* | *191* | *21.3%* |
| **Total** | **3,899** | **3,535** | *10.3%* | **7,624** | **7,222** | *5.6%* |

**Retail fuel operating metrics**

| | Q2 2025 | Q2 2024 | YoY (%) | H1 2025 | H1 2024 | YoY (%) |
|---|---|---|---|---|---|---|
| Service stations – UAE | 556 | 534 | *4.1%* | 556 | 534 | *4.1%* |
| Service stations – Saudi Arabia | 140 | 69 | *102.9%* | 140 | 69 | *102.9%* |
| Service stations – Egypt | 243 | 244 | *-0.4%* | 243 | 244 | *-0.4%* |
| **Service stations – total** | **939** | **847** | *10.9%* | **939** | **847** | *10.9%* |
| Fuel transactions – UAE, m | 49.5 | 46.9 | *5.5%* | 96.2 | 92.2 | *4.3%* |

**Retail non-fuel operating metrics**

| | Q2 2025 | Q2 2024 | YoY (%) | H1 2025 | H1 2024 | YoY (%) |
|---|---|---|---|---|---|---|
| **Convenience stores – UAE** | **379** | **365** | *3.8%* | **379** | **365** | *3.8%* |
| Non-fuel transactions – UAE, m[(1)] | 13.7 | 12.2 | *12.2%* | 26.0 | 23.5 | *10.4%* |
| *Conversion rate, C-stores, %* | *27.2%* | *26.1%* | | *26.3%* | *25.3%* | |
| Average gross basket size, $[(2)] | 7.0 | 7.2 | *-2.6%* | 7.3 | 7.3 | *-0.8%* |

## H1 2025

**7.6bn** liters
fuel volume sold

**939**
retail fuel network

**528**
convenience stores network

(1) Includes convenience stores, car wash and lube change transactions
(2) Calculated as convenience store revenue (including revenue from consignment items shown under other operating income) divided by number of convenience store transactions

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# Financial performance

**Financial performance**

| $m | Q2 2025 | Q2 2024 | YoY (%) | H1 2025 | H1 2024 | YoY (%) |
|---|---|---|---|---|---|---|
| Revenue | 2,352 | 2,392 | -1.7% | 4,659 | 4,774 | -2.4% |
| **Gross profit** | **458** | **420** | 9.1% | **898** | **823** | 9.2% |
| *Gross margin, %* | *19.5%* | *17.5%* | | *19.3%* | *17.2%* | |
| **EBITDA** | **291** | **267** | 9.2% | **566** | **515** | 10.0% |
| *EBITDA margin, %* | *12.4%* | *11.1%* | | *12.2%* | *10.8%* | |
| **Underlying EBITDA[1]** | **284** | **232** | 22.3% | **530** | **450** | 17.7% |
| *Underlying EBITDA margin, %* | *12.1%* | *9.7%* | | *11.4%* | *9.4%* | |
| **Net profit attributable to equity holders** | **184** | **170** | 8.6% | **358** | **319** | 12.2% |
| *Net margin, %* | *7.8%* | *7.1%* | | *7.7%* | *6.7%* | |

**Cash generation and leverage**

| $m | Q2 2025 | Q2 2024 | YoY (%) | H1 2025 | H1 2024 | YoY (%) |
|---|---|---|---|---|---|---|
| FCF[2] | 272 | 330 | -17.6% | 274 | 488 | -43.9% |
| FCF excl. working capital change | 210 | 195 | 7.5% | 408 | 367 | 11.3% |
| Net debt/EBITDA, x | 0.80 | 0.53 | | 0.80 | 0.53 | |

**Financial returns**

| | Q2 2025 | Q2 2024 | H1 2025 | H1 2024 |
|---|---|---|---|---|
| *ROCE (%)[3]* | *30.0%* | *29.0%* | *30.0%* | *29.0%* |
| *ROE (%)[4]* | *85.0%* | *80.9%* | *85.0%* | *80.9%* |

## H1 2025

**$566m** EBITDA

**$358m** net profit

**$408m** free cashflow before the effect of WC change

(1) Underlying EBITDA is defined as EBITDA excluding inventory movements and one-off items, (2) FCF: free cashflow, (3) Return on Capital Employed, (4) Return on Equity

 

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# Investor relations resources

**Your Feedback Matters!**

Survey Link

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Or **ask ARIF**, your Investor Relations AI assistant

Available in multi-languages, including English, Arabic, Chinese and Japanese

2024
**Annual Report**


2024
**ESG Report**


**Databook**

 