

Q3 / 9M 2024 RESULTS PRESENTATION

INVESTOR & ANALYST CONFERENCE CALL

31 October 2024



Agenda



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SUMMARY



02 | STRATEGY
UPDATE



03 | Q3 / 9M 2024
RESULTS



04 | CLOSING
REMARKS

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.

01



EXECUTIVE SUMMARY

SPEAKER: ATHMANE BENZERROUG

CHIEF STRATEGY, TRANSFORMATION & SUSTAINABILITY OFFICER

ADNOC DISTRIBUTION

Focus on sustainable growth and transforming our service stations into destinations of choice

Track record of shareholder value creation



Value creation since IPO:
Total shareholder return:
c.\$8.1 billion (+95%)



Robust 5-year ROCE of over 25%
driven by efficient capital allocation
and value-accretive investments



Attractive 2024-28 dividend policy
supported by visible cashflow profile
and strong balance sheet:
**\$700 million or min. 75% of net profit,
whichever is higher**
(offering a 6.0% dividend yield)¹



Significant share liquidity
free float of 23% and part of MSCI
EM and FTSE EM indices

Solid performance and cashflow visibility



Demonstrable solid business performance reinforced by strong
9M'24 operating and financial results



Predictable cash flow generation
supported by robust regulatory
framework, industry-leading margins
and limited exposure to oil price
volatility



Supportive and committed majority shareholder ADNOC: 5-year supply
contract with a retail margin
guarantee protecting against
inventory losses while providing
exposure to inventory gains



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

Focus on delivering sustainable growth



2024-28 strategy unveiled in Feb'24
with the ambition to establish ADNOC
Distribution as **a multi-energy,
convenience and mobility leader**



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



Accelerating sustainable and profitable growth domestically and internationally
through efficient capital allocation



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 transition (incl.
EV charging) and pursuing
sustainability goals

9M 2024 key achievements & 2024 outlook

Record-high 9M EBITDA and underlying EBITDA driven by record volumes and double-digit growth in non-fuel retail, supported by success of ADNOC Rewards loyalty program

Robust operating performance



Network and EV charging infrastructure

- ✓ UAE/KSA: **612 stations** (9M'23: 585)
- ✓ Egypt: **243 stations**
- ✓ UAE fast and superfast EV charging points: **112** (Dec'23: 53)

Record-high 9M fuel volumes sold

- ✓ 9M'24: **+9.2% Y-o-Y** (UAE/KSA: +7.2%)

Strong non-fuel retail growth in 9M'24

- ✓ UAE non-fuel transactions: **+9.4% Y-o-Y**
- ✓ Highest 9M UAE convenience store conversion rate¹ in five years: **25.5%** (9M'23: 24.4%)

Strong momentum in ADNOC Rewards

- ✓ **+19% Y-o-Y** to **2.15 million members**

Growth in 9M'24 EBITDA and FCF



Key 9M'24 profitability drivers:

network expansion, growing mobility, higher number of fuel and non-fuel transactions and efficiency improvements

- ✓ Gross profit: **+7% Y-o-Y**
- ✓ NFR gross profit: **+13% Y-o-Y**
- ✓ EBITDA: **+6% Y-o-Y**
- ✓ Underlying EBITDA: **+12% Y-o-Y**
- ✓ Net profit: **-4% Y-o-Y**
- ✓ Net profit excl. tax impact: **+5% Y-o-Y**
- ✓ Free cash flow: **\$537 million**
- ✓ Industry-leading ROCE: **29.5%**
- ✓ Strong balance sheet: **0.56x** net debt/EBITDA based on **\$1.05 billion** LTM² EBITDA (2023: 0.62x)

Outlook: focus on disciplined growth, technology and innovation



Allocate capital towards growth and deliver incremental shareholder value.

Doubling down on NFR: upscaling NFR offerings to transform our stations into destinations-of-choice

- ✓ **Future proofing the business: 150-200** profitable fast and super-fast EV charging points by the end of 2024
- ✓ **Leverage AI and advanced data analytics** to enhance customer experience and improve operational efficiency
- ✓ **2024 network expansion target of 15-20 stations** achieved in 9M'24: **+19 new stations**
- ✓ **Pursue organic growth** with a CAPEX plan of **\$250-300 million** in 2024
- ✓ **Explore inorganic growth opportunities** through value-accretive transactions

AI & Digital Strategy

More than 20 new AI projects underway across our value chain

Drive Growth

Deliver Enhanced Efficiency

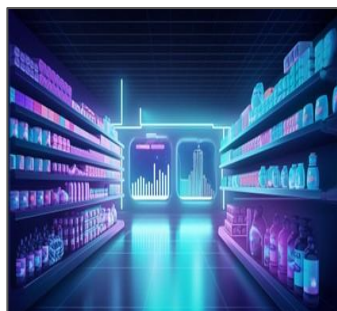
Elevate Customer Experience



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

AI is driving operational efficiency across all businesses by enabling cost avoidance, reducing OPEX and optimizing inventory management, ensuring efficient operations

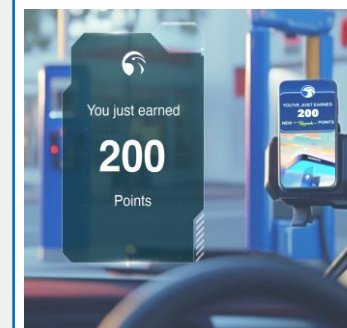
AI enhances customer experience by delivering hyper-personalized offerings, reducing wait times and ensuring a seamless customer experience



- ✓ **Intelligent Assortment:** Suggests which products to add/remove to c-store inventory based on insights on customer preferences
- ✓ **Intelligent Service Station Location:** Leveraging on AI to develop new service stations in attractive locations based on traffic patterns, average spending and competitor presence



- ✓ **Fuel demand prediction:** Forecasts fuel sales demand to avoid fuel runouts
- ✓ **Smart Work Force Management:** Optimize Operational cost of Service station's staff, leading to OPEX savings
- ✓ **Lube Automation:** Predicts lube demand and automates supply orders



- ✓ **Fill & Go:** Allows us to use license plate recognition and enables our customer to pre-order fuel and c-store products through ADNOC rewards app
- ✓ **Hyper-personalized offers:** Suggests tailored offers for customers depending on their historic behaviour

Sustainability is at the core of our day-to-day operations

Key strategic initiatives

Energy optimization

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

PV solar

Grow network of solar-powered service stations

Biofuel

Introduce biofuel in 100% of ADNOC Distribution supply chain vehicles

Fleet management

Introduce real-time fleet tracking to improve fuel efficiency

Tomorrow

Becoming the partner of choice for sustainable mobility solutions



2023 achievement

~10%

reduction in Scope 1 and Scope 2 emissions compared to 2022

2030 Target

25%

reduction in Scope 1 & Scope 2 emissions intensity by 2030 compared to 2021 baseline

Explore our 2023 ESG Report





02



GROWTH STRATEGY UPDATE

SPEAKER: BADER SAEED AL LAMKI
CHIEF EXECUTIVE OFFICER

Committed to 100% HSE

9M 2024 HSE performance

ADNOC Distribution is committed to maintaining the highest standards of safety in delivering its product and services

100%
HSE

0.060 mmhrs

TRIR⁽¹⁾

Zero

fatalities

Zero

catastrophic events

Key strategic update

Fuel business



Q3 & 9M record-high fuel volumes sold in GCC (UAE and KSA)

9M'24: +7.2% Y-o-Y (Q3'24: +7.7% Y-o-Y)

- ✓ Retail fuel: 9M'24: +6.0% Y-o-Y (Q3'24 +7.1% Y-o-Y)
- ✓ Commercial: 9M'24: +9.6% Y-o-Y (Q3'24 +8.8% Y-o-Y)
- ✓ Deliveries restored and resumed growth post adverse weather impact in April



Record-high total fuel volumes (incl. Egypt¹)

9M'24: +9.2% Y-o-Y (Q3'24: +7.0% Y-o-Y)

- ✓ Retail fuel: 9M'24: +9.0% Y-o-Y (Q3'24 +6.4% Y-o-Y)
- ✓ Commercial: 9M'24: +9.7% Y-o-Y (Q3'24 +8.4% Y-o-Y)



Network: +19 new stations in 9M'24 (total: 855)

- ✓ UAE 543 (+15), incl. 54 in Dubai (+10, incl. 8 stations for trucks with RTA¹)
- ✓ KSA 69 (+2), incl. c.90% renovated
- ✓ Egypt² 243 (+2), incl. 10 ADNOC-branded

1. Road and Transport Authority (RTA)

2. Through acquisition of 50% of TotalEnergies Marketing Egypt completed in February 2023

Key strategic update

Non-fuel retail business



Non-fuel retail gross profit growing faster than fuel business with double-digit growth

- ✓ Convenience stores, car wash and other car services growing at double-digit:
9M'24 : +13% Y-o-Y (Q3'24: +10% Y-o-Y)
- ✓ Number of non-fuel transactions (UAE):
9M'24: +9% Y-o-Y (Q3'24: +10% Y-o-Y)
- ✓ 10 new convenience stores, incl. 5 stand-alone stores capturing non-fuel retail opportunities outside of service stations
- ✓ 2 new high-capacity car wash tunnels launched in 9M, with plans to open additional tunnels by the end of 2024
- ✓ On track to double the number of property units occupied by top international and regional food & beverage brands by the end of 2025



Focus - convenience stores (GCC)

- ✓ Gross profit: 9M'24: +13% Y-o-Y (Q3'24: +11% Y-o-Y)
- ✓ Gross profit margin: 9M'24: 33.5% (+40 bps Y-o-Y)
- ✓ Highest 9M conversion rate¹ in five years: 9M'24: 25.5% (+c.110 bps Y-o-Y)
- ✓ Average gross basket size: 9M'24: +2% Y-o-Y to \$7.2



Future proofing our business

Leading mobility and energy transition



EV charging infrastructure

- ✓ EV strategy promotes **clean mobility solutions** and unlocks new revenue streams
- ✓ ADNOC Distribution pursues **leadership** on the growing UAE EV charging market and addresses EV customer demand by offering EV drivers **seamless customer journey** through ADNOC Rewards app
- ✓ Progress: more than doubled fast and super-fast EV **charging points** across service station network at strategic locations to 112 (vs. 53 at end of 2023)
- ✓ Target to reach 150-200 EV charging points through a disciplined rollout by the end of 2024



Hydrogen step in

- ✓ Firsthand experience to set-up and operate a high-speed green hydrogen pilot refuelling station
- ✓ Technical, analytical and operational **learnings** to provide good base for future large-scale expansion
- ✓ Actively participating in the H2 vision for Abu Dhabi



ADNOC Rewards

A key driver for incremental growth through enhanced hyper-personalized customer experience and loyalty

2.15m

total members

>340k

members enrolled in the past 12 months

+19%

growth Y-o-Y

>120

partners providing attractive offers to members



Tier system with
personalized
rewarding experience



غسيل آلي للسيارات AUTO CAR WASH

ساعة مفتوحة
OPEN 24 HOURS

الفضية
SILVER
AED 29

غسيل خارجي أساسي
BASIC EXTERIOR WASH



03



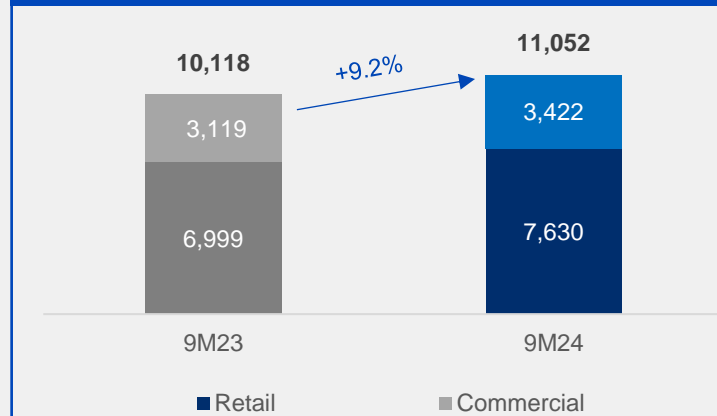
Q3 / 9M 2024 RESULTS

SPEAKER: WAYNE BEIFUS
CHIEF FINANCIAL OFFICER

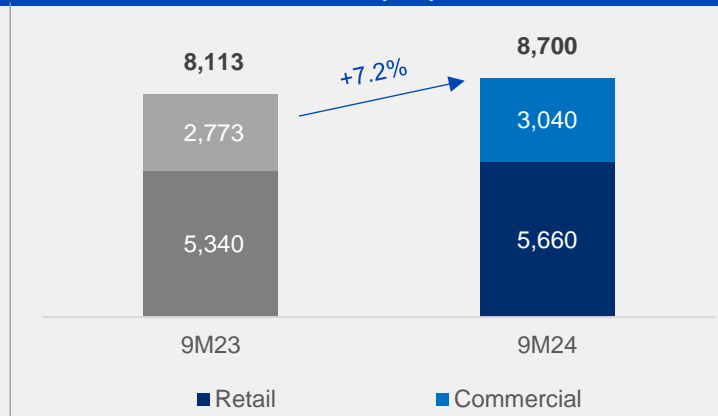
Operating performance

Momentum continues in fuel and non-fuel businesses

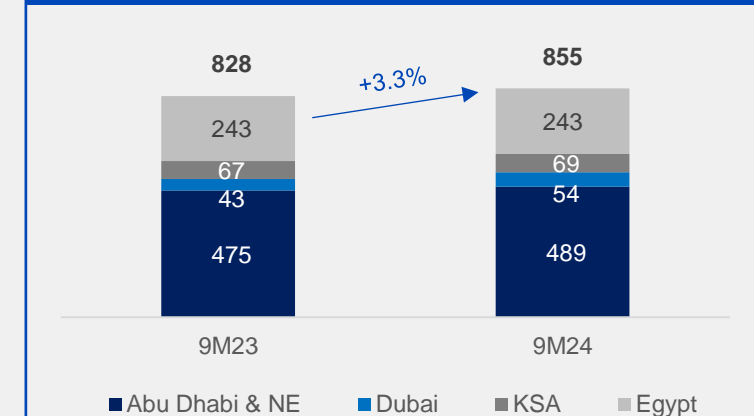
Record total fuel volumes (mL)



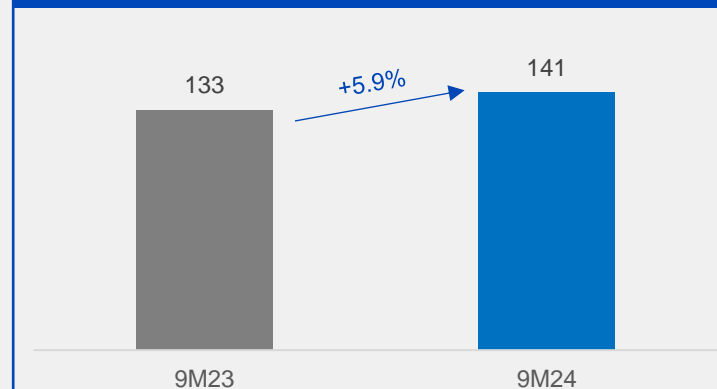
Record fuel volumes in the UAE and KSA (mL)



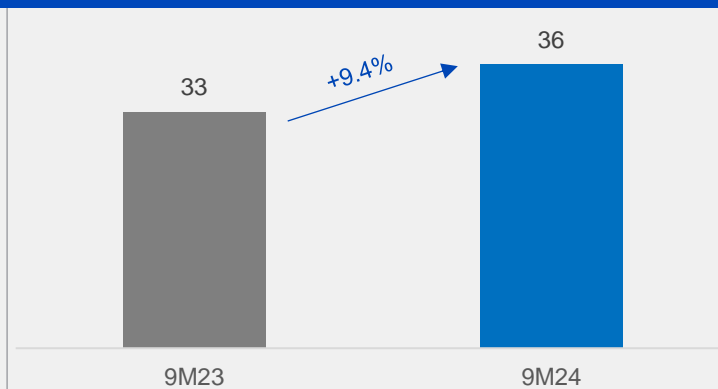
Number of service stations



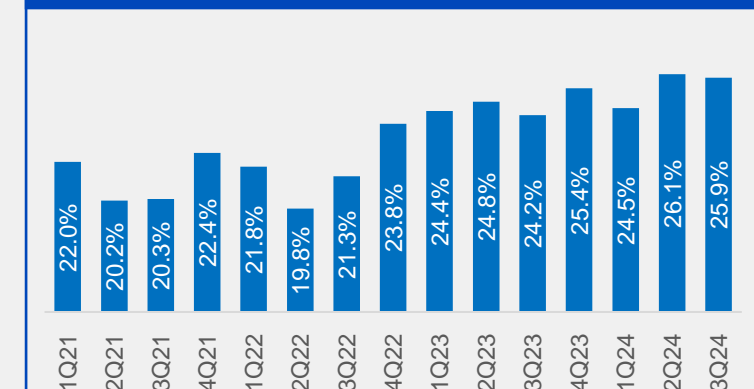
Fuel transactions, UAE, m



Non-fuel transactions, UAE, m



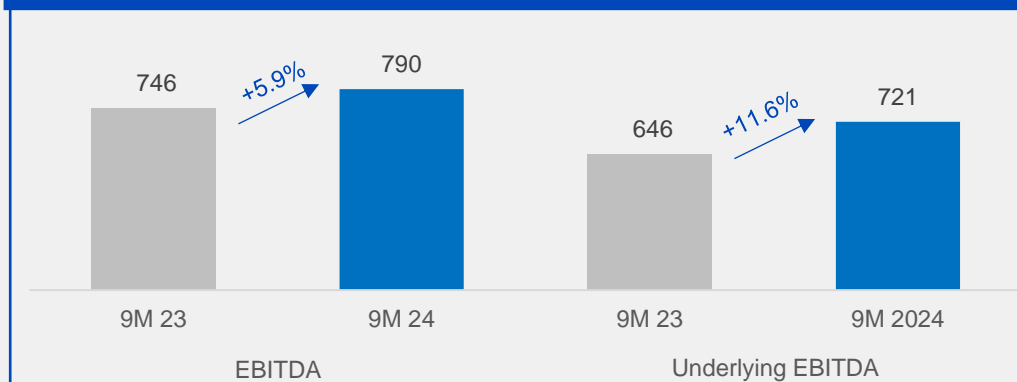
C-store conversion rate, UAE, %



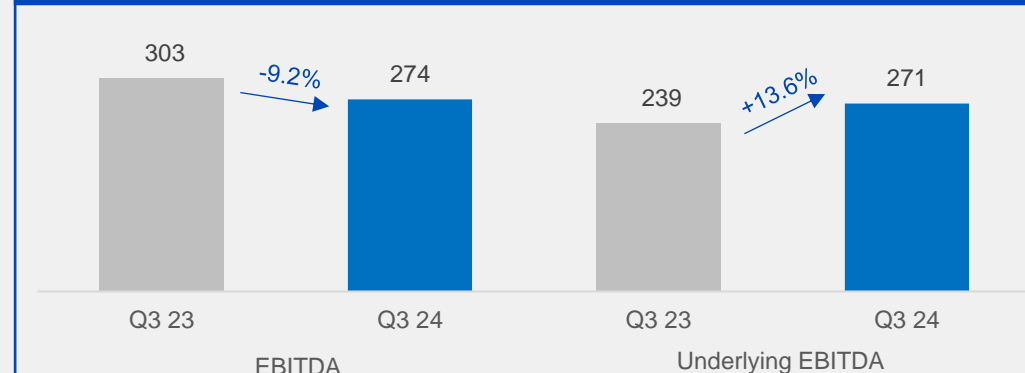
Financial performance

Continued improvement in underlying profitability supported by strong operating performance

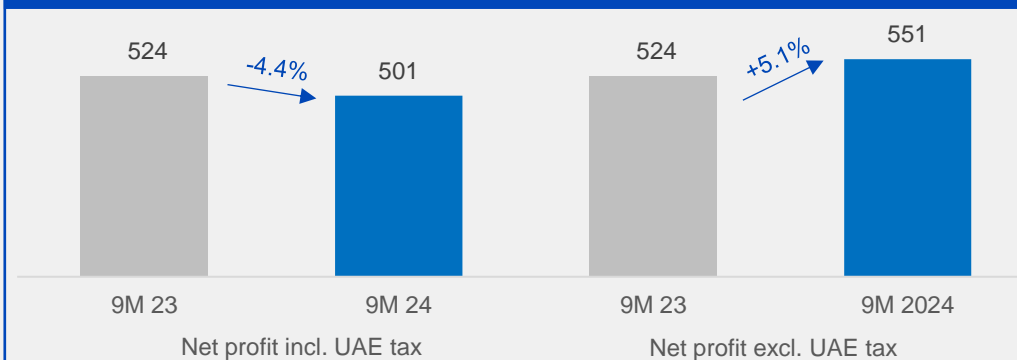
Record-high EBITDA and underlying EBITDA in 9M'24 (\$m)...



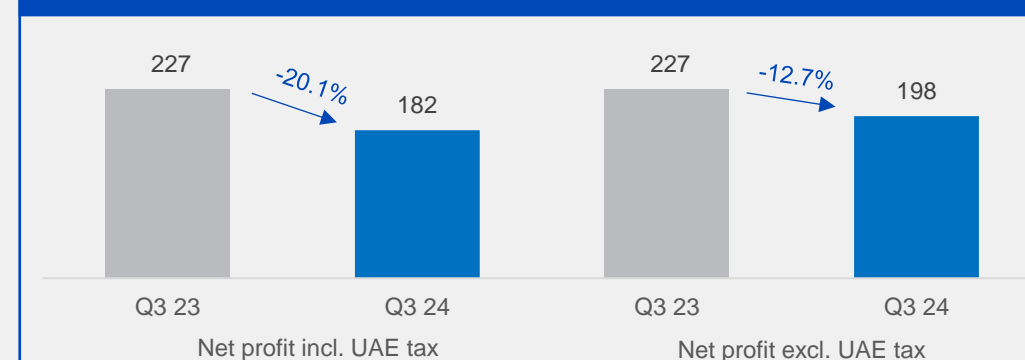
Exceptional Q3'24 inventory gains distort Y-o-Y EBITDA comparisons, but underlying performance is strong (\$m)



Net profit in 9M'24 affected by the UAE tax introduction (\$m)...



... while in Q3'24 the Y-o-Y net profit comparison is also affected by exceptional inventory gains in the same period last year (\$m)

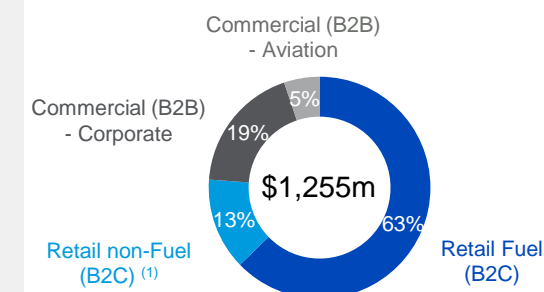


Gross profit by operating segment

\$m	Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
Retail (B2C)	319	344	-7.2%	955	903	5.7%
of which fuel	261	291	-10.3%	786	754	4.3%
of which non-fuel ¹	58	53	9.6%	168	149	13.0%
<i>Retail margin, %</i>	<i>19.4%</i>	<i>21.0%</i>		<i>19.6%</i>	<i>19.6%</i>	
Commercial (B2B)	113	108	4.9%	300	270	11.1%
of which Corporate	90	86	4.6%	235	215	9.4%
of which Aviation	23	22	6.0%	65	56	17.0%
<i>Commercial margin, %</i>	<i>13.7%</i>	<i>13.6%</i>		<i>12.6%</i>	<i>12.2%</i>	
Total	432	452	-4.3%	1,255	1,174	6.9%

- ✓ Total gross profit: 9M'24 +7% Y-o-Y
- ✓ Fuel retail gross profit in 9M'24 driven higher by volume growth
- ✓ Non-fuel retail gross profit supported by growth in number of transactions, record-high convenience store conversion rate in five years, upgrade of the car wash offering and new initiatives in the property management segment to drive rent income
- ✓ Commercial gross profit driven by growth in corporate fuel volumes on the back of new contracts signed in 2023 and 9M 2024

9M 2024 gross profit split

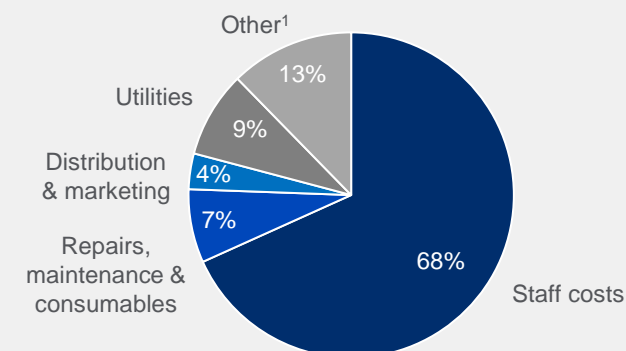


1. Includes convenience stores, car wash, lube change, property management and vehicle inspection

OPEX update

OPEX pressures from increasing network footprint

9M 2024 cash OPEX split (\$479m)



- ✓ ADNOC Distribution successfully executed **management initiatives to increase operational efficiency** across all business units
- ✓ 9M'24 cash OPEX (excl. one-off items) **increased by only 2% Y-o-Y** despite a 3% growth in the Company's network

- ✓ 9M'24 like-for-like OPEX savings: **\$13 million**
- ✓ On track to reduce like-for-like OPEX by up to **\$50 million** by 2028

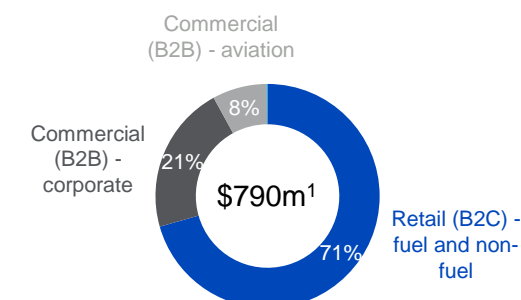
EBITDA by operating segment

\$m	Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
Retail (B2C)	183	214	-14.4%	558	528	5.7%
<i>Retail margin, %</i>	<i>11.1%</i>	<i>13.0%</i>		<i>11.5%</i>	<i>11.4%</i>	
Commercial (B2B)	92	90	2.1%	230	218	5.4%
of which Corporate	69	68	1.2%	168	164	2.6%
of which Aviation	23	22	4.9%	62	54	13.8%
<i>Commercial margin, %</i>	<i>11.1%</i>	<i>11.4%</i>		<i>9.7%</i>	<i>9.9%</i>	
Unallocated¹	(1)	(2)	NM	2	0	NM
Total reported EBITDA	275	303	-9.2%	790	746	5.9%
Underlying EBITDA²	271	239	13.6%	721	646	11.6%

NM: Not meaningful

- ✓ **EBITDA:** 9M'24 +6% Y-o-Y driven by strong growth across all businesses and despite lower impact of inventory gains
- ✓ **Retail segment:** +6% Y-o-Y supported by growth in volumes, NFR business
- ✓ **Commercial segment:** EBITDA +5% Y-o-Y, supported by growth in volumes
- ✓ **Underlying EBITDA:** 9M'24 +12% Y-o-Y supported by volumes growth, higher contribution from non-fuel retail business, international assets and delivery of OPEX reduction initiatives

9M 2024 EBITDA split

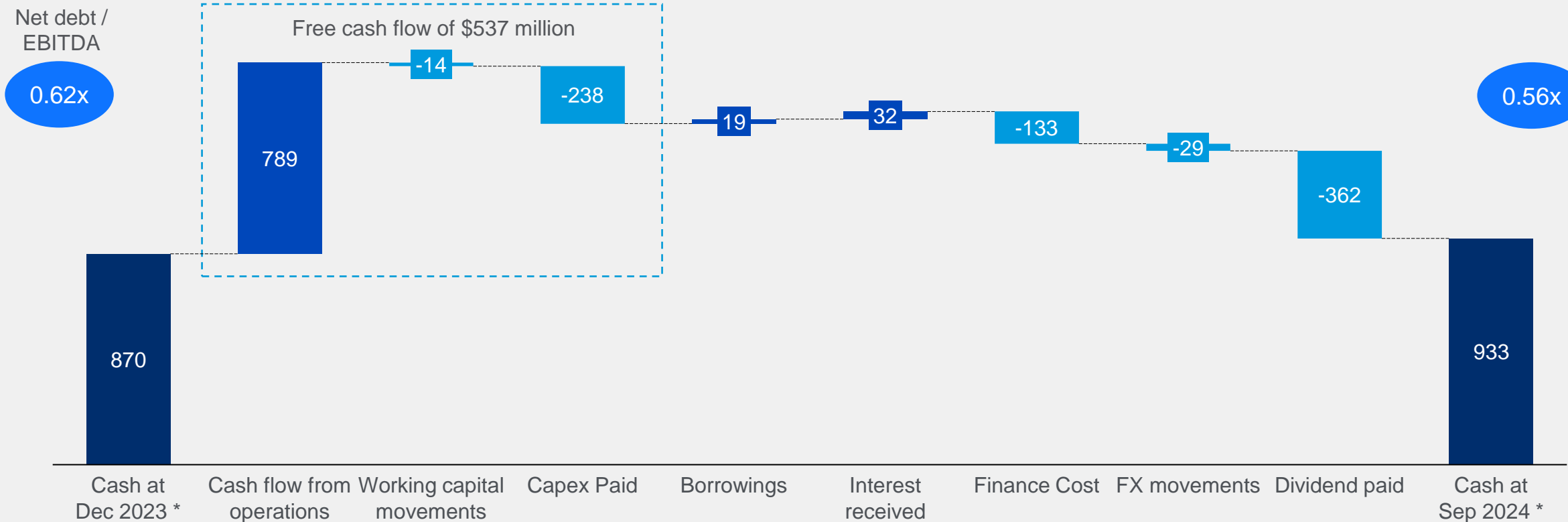


1. Includes unallocated amount of \$2 million (other operating income/expenses not allocated to a specific segment)

2. Underlying EBITDA is defined as EBITDA excluding inventory movements and one-offs

Cash generation

9M'24 cash generation supports 2024 dividend commitment



- ✓ 9M'24 free cash flow of **\$537 million**
- ✓ FCF excl. the effect of working capital changes of **\$551 million**, unchanged Y-o-Y
- ✓ Strong balance sheet (net debt / EBITDA **0.56x**) offers sufficient room to invest into growth while sustaining attractive dividend policy



04



CLOSING REMARKS

SPEAKER: BADER SAEED AL LAMKI
CHIEF EXECUTIVE OFFICER

Closing remarks

Deliver incremental growth with a focus on operational excellence and futureproofing our business



Strong execution momentum in 9M 2024

- ✓ +19 new stations in 9M'24, achieved a target of 15-20 new stations in 2024
- ✓ Network: 855 stations, incl. 243 in Egypt
- ✓ More than doubled number of EV charging points across service station network vs. end of 2023 to 112
- ✓ Record-high EBITDA and underlying EBITDA: +6% and +12%, respectively
- ✓ Net profit incl. and excl. tax impact: -4% and +5%, respectively
- ✓ Free cashflow \$537 million



Deliver incremental and sustainable growth

- ✓ Invest in highly attractive and growing core UAE fuel distribution market
- ✓ Shift capital allocation towards convenience (non-fuel retail) and mobility
- ✓ Transform service stations into destinations-of-choice through delivering hyper-personalized offerings, and enhancing customer experience
- ✓ Sustainable mobility: drive customer choice for EV charging On-the-Go
- ✓ Decarbonization: 25% carbon intensity reduction target by 2030⁽¹⁾



Attractive shareholder distribution

- ✓ Proven track-record of shareholder value creation since IPO
- ✓ 2024-28 dividend policy:
 - \$700 million or min. 75% of net profit, whichever is higher⁽²⁾
 - offers long-term visibility on expected shareholder returns and potential upside from future earnings growth
- ✓ \$350 million 9M'24 dividend paid in October 2024

Q&A



Bader Saeed Al Lamki

Chief Executive Officer



Wayne Beifus

Chief Financial Officer



Athmane Benzerroug

Chief Strategy, Transformation &
Sustainability Officer



ADNOC DISTRIBUTION Q3 / 9M 2024 RESULTS PRESENTATION

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ADNOC DISTRIBUTION

Operating performance

Fuel volumes (UAE / KSA)	million liters	Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
	Retail (B2C)	2,619	2,461	6.4%	7,630	6,999	9.0%
	Commercial (B2B)	1,211	1,117	8.4%	3,422	3,119	9.7%
	<i>of which Corporate</i>	<i>1,097</i>	<i>1,071</i>	7.9%	<i>3,117</i>	<i>2,841</i>	9.7%
	<i>of which Aviation</i>	<i>114</i>	<i>100</i>	14.1%	<i>306</i>	<i>278</i>	10.0%
	TOTAL	3,830	3,578	7.0%	11,052	10,118	9.2%
Retail fuel operating metrics		Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
	Service stations – UAE	543	518	4.8%			
	Service stations – Saudi Arabia	69	67	3.0%			
	Service stations – Egypt ¹	243	243	0.0%			
	Service stations – total	855	828	3.3%			
	Fuel transactions – UAE (m)	48.3	46.1	4.8%	140.6	132.7	5.9%
Retail non-fuel operating metrics		Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
	Convenience stores – UAE	366	355	3.1%			
	Non-fuel transactions – UAE (m) ²	12.4	11.2	10.3%	35.9	32.8	9.4%
	<i>Conversion rate, C-stores, %</i>	<i>25.9%</i>	<i>24.2%</i>		<i>25.5%</i>	<i>24.4%</i>	
	Average gross basket size (\$) ³	7.0	6.9	1.5%	7.2	7.1	2.0%

9M 2024

8.7 billion liters
fuel volume sold in
UAE / KSA



612

retail fuel sites in
UAE / KSA



366

convenience stores
in the UAE



Financial performance

Financial performance	\$m	Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
	Revenue	2,473	2,433	1.7%	7,247	6,824	6.2%
	Gross profit	432	452	-4.3%	1,255	1,174	6.9%
	Gross margin, %	17.5%	18.6%		17.3%	17.2%	
	EBITDA	275	303	-9.2%	790	746	5.9%
	EBITDA margin, %	11.1%	12.4%		10.9%	10.9%	
	Underlying EBITDA¹	271	239	13.6%	721	646	11.6%
	Underlying EBITDA margin, %	11.0%	9.8%		9.9%	9.5%	
	Net profit attributable to equity holders	182	227	-20.1%	501	524	-4.4%
	Net profit excl. UAE tax impact	198	227	-12.7%	551	524	5.1%
Free cash flow generation							
Cash generation and leverage	\$m	Q3 2024	Q3 2023	YoY (%)	9M 2024	9M 2023	YoY (%)
	FCF ²	49	394	-87.7%	537	727	-26.2%
	FCF ² excl. working capital chng	184	233	-21.1%	551	571	-3.5%
	Net debt/EBITDA, x	0.56	0.67				
Robust financial returns							
Profitability		Q3 2024	Q3 2023				
	ROCE ³ (%)	29.5%	26.6%				
	ROE ⁴ (%)	94.3%	83.8%				

9M 2024

\$790 million
EBITDA



\$501 million
Net profit



\$537 million
Free cash flow

