

**Media Release:**

## **ADNOC Distribution announces strong performance with fuel volume increase of 11% in the first quarter of 2022, the highest Q1 volumes ever recorded**

*EBITDA of AED 881 million and Net Profit of AED 671 million for the first quarter*

*40% increase in company's network in Saudi Arabia to 55 stations*

*Company included in blue chip index FADX15 launched by Abu Dhabi Securities Exchange*

**Abu Dhabi, UAE – May 10, 2022:** ADNOC Distribution (ISIN: AEA006101017) (Symbol: ADNOCDIST), the UAE's largest fuel and convenience retailer, which is listed on the Abu Dhabi Securities Exchange (ADX), today reported strong first quarter 2022 results, recording a 7.8% year-on-year increase in EBITDA to AED 881 million with a 6.3% year-on-year increase in Net Profit to AED 671 million for the quarter, while cash flow generation remained strong with free cash flow of AED 1.9 billion.

### **Accelerating volume growth**

The company has seen strong recovery in total fuel volumes compared to the first quarter of 2021, with an increase of 11% year-on-year. In addition, corporate fuel volumes witnessed strong growth with a 19% year-on-year increase, partially driven by the signing of new sales agreements confirmed in the final quarter of 2021. Non-fuel retail gross profit grew 11% when compared with the same period in 2021, with a 20% increase in non-fuel transactions across the UAE.

### **Portfolio Expansion**

ADNOC Distribution continued to increase its footprint throughout the first quarter of the year, delivering both local and international network expansion and bringing its network total to more than



500 across all geographies. In Saudi Arabia, the company added 15 new stations, increasing its network to a total of 55 stations. In the UAE, the company opened three new stations, taking its total domestic network to 464. ADNOC Distribution remains on track to deliver 20-30 new sites in the UAE before the end of 2022.

In addition to the continued expansion of its service network, ADNOC Voyager lubricants maintained strong momentum in its international expansion through the first quarter, bringing its export network to a total of 20 countries. The company also expanded its product offering with the launch of the ADNOC Voyager Green Series, which offers customers a 100% plant-based lubricant range for both petrol and diesel engines.

Eng. Bader Saeed Al Lamki, CEO, ADNOC Distribution said: “ADNOC Distribution has had a positive start to 2022. We must stay relevant and deliver on our customers’ desire for continued convenience, while ensuring we remain focused on the future, creating solutions that are evolving in response to, and ahead of, changing market dynamics.

“Our network expansion has maintained strong momentum throughout the first quarter of the year. This can be seen particularly in Saudi Arabia where we have grown our service station network by 40%. We are well on track to deliver 60-80 stations across the UAE and international markets by the end of this year. We have already marked a number of milestones in the first quarter, with the opening of 18 new service stations across the UAE and KSA, as well as the launching of new products and enhancing of services, with progress set to continue and accelerate throughout the year.”

## **Customer Focus**

The increased footfall across the network has also been supported by consistent marketing and customer loyalty campaigns, with exciting promotions being delivered in store and through the ADNOC Rewards program. In the first quarter, a series of promotions were launched in ADNOC Oasis stores, car wash, and lube change. The popular fresh food and bakery range was also complemented with the relaunch of the popular ADNOC Oasis hot dogs, with both traditional and premium options prepared freshly onsite at 50 stores across the UAE.

The ADNOC Rewards loyalty program also continued to add members in the first quarter of 2022, with more than 1.3 million members now enrolled and 83 partners providing discounts and deals through the ADNOC Distribution app. The program has been expanded to include a fuel redemption option, whereby customers can pay for their fuel with their ADNOC Rewards points. This is the latest addition to the newly launched ADNOC Distribution app, launched in March 2022, with an enhanced interface and new features including tracked LPG online ordering and delivery, an updated station location finder, and new ADNOC Rewards offers and features.



## **Committed to delivering attractive shareholder returns**

During its Annual General Assembly Meeting on the 24 March, ADNOC Distribution shareholders approved a dividend for the second half 2021 of \$350m (10.285 fils per share), which was paid in April 2022, bringing the total dividend of 2021 to \$700m (20.57 fils per share).

The company's robust and continued growth has enabled progressive dividend policy for investors. Its dividend policy sets a dividend of minimum AED 2.57 billion for 2022, providing visible payback to shareholders until April 2023. The dividend policy for the years thereafter sets a dividend equal to at least 75% of distributable profits. ADNOC Distribution remains confident in the delivery of its strategic commitments and sustainable returns for its shareholders.

The company also continues to enhance its attractive investor position, with its inclusion in the new blue chip index launched as a partnership between FTSE Russell and Abu Dhabi Securities Exchange (ADX). The FTSE ADX 15 (FADX15) Index represents the top 15 companies on the Main Board of the ADX, selected by a combination of free float adjusted market capitalization and daily trading value. The Index will undergo a bi-annual review process in March and September. This is the latest inclusion for ADNOC Distribution, which, in 2021, was also included in the MSCI Emerging Markets (EM) Index, the most widely tracked index by global institutional investors, as well as in the FTSE EM Index.

"ADNOC Distribution continues to maintain a strong balance sheet alongside robust liquidity, which ensures that we can continue to pursue growth opportunities and sustain attractive shareholder payback," added Al Lamki. "We have committed to ambitious national and international growth, which we remain on track to deliver in 2022."

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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 464 retail fuel stations, 350 convenience stores as of 31 March 2022 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 retail fuels operations internationally in the Kingdom of Saudi Arabia where it operates 55 retail fuel stations as of 31 March 2022. To find out more, visit [www.adnocdistribution.ae](http://www.adnocdistribution.ae).

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