

CEO's message

Reflecting on the achievements and challenges that shaped ADNOC Distribution's journey in 2024, we find ourselves at the inception of new strategic victories and further operational excellence. Our steadfast dedication to smart growth, innovation, and sustainability has empowered us to set new business benchmarks in 2024.



AED
3.86 billion
EBITDA

ADNOC Distribution successfully met a range of crucial commitments to the capital markets. These included continued network expansion, achieving double-digit non-fuel growth, executing our cost efficiency program, and further developing and integrating advanced AI and digital technologies across all business verticals.

With EBITDA reaching a historic AED 3.86 billion—a 5% year-on-year growth, we demonstrated our ability to drive consistent value creation by navigating challenging market dynamics.

Additionally, we are on track to achieve AED 184 million in operational expenditure savings between 2024 and 2028, with AED 66 million realized in 2024 alone, underscoring our commitment to operational efficiency.

The expansion of ADNOC Distribution's network remains a key growth engine. Fifty nine new service stations added across strategic locations in the UAE, Egypt, and KSA, taking our network to nearly 900 stations. Enhanced EV infrastructure — with 220 charging points across the UAE installed by the end of 2024 - delivered over 20 million low-emission kilometers, reinforcing the company's leadership in the energy transformation.

This Annual Report delves deeper into our success stories, covering financial performance, sustainability initiatives, future-proofing strategies, and our vision as we continue our transformation into a leader in multi-energy, convenience, and mobility.

Integrating AI and Powering the Possible

With more than 20 AI-enabled projects currently under development or deployed across the Company, ADNOC Distribution is embracing the opportunities provided by

advanced technology to help forge the future of mobility and convenience retail. In 2024, ADNOC Distribution launched ARIF, one of the world's first AI-powered chatbots dedicated to investor relations, which makes complex financial and operational data accessible and customizable to current and prospective investors, analysts, and other stakeholders.

In a sense, ARIF also exemplifies our commitment to deploying AI for industry-leading customer experiences, bringing the power of AI to a whole new set of stakeholders.

Expanding horizons: growth beyond borders

ADNOC Distribution's international expansion strategy gained further momentum in 2024, with agreements secured for 30 new sites in Saudi Arabia through CAPEX-light Dealer-Owned Company-Operated (DOCOC) model, achieving a rapid 50% growth in network and bringing the total to 100 stations in the Kingdom.

This milestone bolstered ADNOC Distribution's regional footprint and, combined with continued success in Egypt, helped redefine ADNOC Distribution's emergence as a recognized global retail mobility player.

Our operating performance in 2024 continued to show strong growth, marked by hitting a new record of 15 billion litres in total fuel volumes - a 9% year-on-year increase, driven by our network expansion and increased contributions from international operations.

ADNOC Voyager Lubricants continued their global ascent, and are now proudly marketed in 46 countries, underscoring ADNOC Distribution's

Crossing borders, sustaining growth, and building the

FUTURE



CEO's message (cont.)

commitment to quality, innovation, and international excellence and the growing recognition we are receiving from entirely new customers across the globe.

In addition, we will leverage strong cash flows and a solid balance sheet to fund value-driven potential inorganic opportunities while ensuring financial discipline and maximizing returns.

Optimizing the customer journey and empowering lives

Customer satisfaction reached an outstanding 96%, underpinned by a loyalty program that sets new standards for convenience and personalization. This year, the ADNOC Rewards program saw 19% growth, reaching nearly 2.3 million total members, cementing our status as the UAE's preferred fuel and convenience retail destination.

ADNOC Distribution served over 650 thousand customers daily at our service stations in the UAE, delivering a record high of nearly 240 million retail transactions in 2024. Our non-fuel retail business once again witnessed double-digit growth, with a 12% year-on-year increase in non-fuel gross profit, supported by a 10% increase in non-fuel transactions and our highest conversion rate in convenience stores in five years – 26.1% , a testament to our customer-centric initiatives.

Strengthening our sustainability and advancing Net Zero

Sustainability lies at the heart of ADNOC Distribution's operations. In 2024, the Company continued its decarbonization efforts by reducing greenhouse emissions, positioning it on the right track to achieve our 2030 target of a 25% reduction in emissions intensity.

This is being achieved by diversifying the energy mix powering our service stations by equipping them with solar panels and employing innovative carbon reduction measures, including the Fuel Demand Prediction Model that uses AI to predict demand for fuel at service stations and optimize routes travelled by delivery vehicles.

In 2024, customers recycled more than 5 million pieces of plastic using our Reverse Vending Machines and received rewards points in return, supporting the UAE's circular economy. More than 25,000 mangrove trees were adopted through the rewards app, highlighting our commitment to educating and engaging our customers on this fragile ecosystem and its importance as a carbon sink.

Redefining ESG excellence

2024 also underscored ADNOC Distribution's leadership in environmental, social, and governance (ESG) practices. The establishment of a board-level ESG Subcommittee marked a historic milestone, ensuring sustainability remains embedded within our core strategy. Recognized as an ESG leader by Bloomberg, ADNOC Distribution achieved top-quartile rankings in global benchmarks and was included in the prestigious FTSE4Good Index, FTSE ADX ESG Screened Index and FTSE Emerging Low Carbon Select index. These achievements reflect the company's determination to deliver not only shareholder value but also meaningful and measurable contributions to the environment and society.

Shaping the future of mobility

The path forward is clear. ADNOC Distribution remains firmly focused on expanding its network and enhancing non-fuel offerings both within the UAE and further afield, advancing decarbonization, and harnessing AI and digital technologies to deliver smarter, cleaner, and more

sustainable mobility solutions, while furthering our industry-leading customer experience. Our commitment to progress is matched by our dedication to creating opportunities, growing shareholder value, and supporting the UAE's long-term vision of a sustainable and prosperous future.

ADNOC Distribution is more than a provider of energy—it is a partner in progress, a pioneer of innovation, and a leader in sustainability. Poised to navigate the challenges and opportunities of a dynamic energy landscape, we remain steadfast in our mission to empower lives and drive transformative change.

With that said, I would like to thank my hard-working colleagues for their invaluable efforts toward making 2024 a tremendous success and am excited to build on these achievements as we navigate into 2025.

● **Eng. Bader Saeed Al Lamki**
CEO, ADNOC Distribution



~240 million

retail transactions
in 2024



12%
year-on-year

increase in non-fuel
gross profit