

# Market overview



The UAE stands as the Company’s primary market. It is the second-largest economy, after Saudi Arabia, in the Gulf Cooperation Council (GCC), based on nominal gross domestic product (GDP) and is one of the wealthiest countries in the region on a per capita basis with GDP per capita of \$49,550, according to the International Monetary Fund (IMF)<sup>1</sup>. The World Investment Report 2024 ranked the UAE as the top country in the region and the 11th country worldwide for its capacity to draw foreign direct investment (FDI). In 2023, the UAE saw a 35% rise in FDI inflows to \$31 billion – the highest achieved to date. A significant rise in investment activity in the UAE made the country the second-largest recipient of greenfield FDIs in the world after the United States<sup>2</sup>.

The UAE’s robust economic trajectory is anticipated to persist through 2024-2025, underpinning projections of 4.0% real GDP growth in 2024 (vs. 3.6% in 2023) in light of expected improvements in the oil sector, with an acceleration to 4.5% in 2025 and 5.5% in 2026, according to the Central Bank of the UAE<sup>3</sup>. While OPEC+ production quota decisions amidst global uncertainties will play a role in shaping overall growth, the non-oil sector, which accounts for 75% of GDP and 5.0% for 2025, remains resilient with expansion of 4.9% for 2024 forecasted by the Central Bank of the UAE<sup>3</sup>, driven by tourism, transportation, financial and insurance services, construction and real estate, and communications sectors.

Additionally, IMF expects the UAE GDP growth to remain healthy at around 4% in 2025, despite lower-than-expected oil production related to OPEC+ agreements with non-hydrocarbon activity boosted by tourism, construction, public expenditure, and continued growth in financial services.

Beyond the strong macroeconomic indicators, business activity expansion has translated into higher traffic and improved consumer confidence across the UAE resulting in higher fuel volumes and number of fuel and non-fuel transactions for ADNOC Distribution in 2024.

Leveraging on its leadership position in the UAE, customer focus and best-in-class mobility and lifestyle experience, the Company has grown its fuel volumes at a faster rate than the country’s GDP growth, increasing 2024 retail fuel volumes in the GCC markets by 6.8% and commercial volumes by 9.2% year-on-year.



ADNOC Distribution continued to execute its plans in the Kingdom of Saudi Arabia (KSA), with 100 stations in the country at the end of 2024, of which 30 are contracted under a CAPEX-light Dealer Owned – Company Operated model.

Saudi Arabia’s economy is one of the top 20 in the world, and is the largest in the Arab world and Middle East. The Kingdom’s economic growth is expected to rebound from -0.8% in 2023 to 1.5% in 2024, according to IMF forecasts<sup>4</sup>. Government activities to foster economic development and diversification have contributed to the expansion of non-oil activities by 4.3% YoY in Q3 2024 in terms of real GDP, in addition to slight gains in the hydrocarbon sector, according to the Saudi Central Bank<sup>5</sup>. The outlook for Saudi Arabia’s economy is favorable. The Kingdom’s GDP is projected to grow at 4.6% in 2025, according to IMF projections<sup>6</sup>.



Egypt is the Company’s third largest market in the region following the acquisition of 50% stake in TotalEnergies Marketing Egypt LLC (TEME) in 2023.

TEME has a diversified portfolio of 245 service stations, aviation fuel, lubricant and wholesale fuel operations as well as more than 140 convenience stores, 200 lube changing points and 130 car wash locations.

The Egyptian economy has shown signs of recovery in 2024, but remains below pre-pandemic levels, with a growth rate of 2.4% for the full fiscal year 2023/2024, ending in June 2024 (vs 3.8% for FY 2022/2023), according to Egypt’s Ministry of Planning, Economic Development, and International Cooperation<sup>7</sup>. Lower growth in 2023/2024 was a result of ongoing geopolitical tensions, with Suez revenues dropping by c.30% vs the year prior, as well as contractionary fiscal policy.

Despite these challenges, Egypt’s economy is showing resilience and is expected to continue its recovery beyond 2024. For the first quarter of FY 2024/2025 (July to September 2024), government statistics show improvements to GDP growth at 3.5%, against 2.7% for the first quarter of the previous fiscal year<sup>8</sup>. The IMF forecasts real GDP to grow at 4.1% across the full 2024/2025 fiscal year, fueled by a number of structural reforms and initiatives to support private sector-led growth and economic diversification<sup>9</sup>.



(1) World Economic Outlook (October 2024) - GDP per capita, current prices  
(2) World Investment Report 2024 | UN Trade and Development (UNCTAD)  
(3) Quarterly Economic Review Dec 2024, Central Bank of the UAE qer-dec-2024-23\_12-\_final.pdf  
(4) World Economic Outlook (October 2024) - Real GDP growth  
(5) Key\_Economic\_Developments\_Q3\_2024\_EN.pdf

(6) Saudi Arabia and the IMF  
(7) Egypt’s GDP Developments For The Fourth Quarter & FY 2023/2024, The Ministry of Planning, Economic Development and international Cooperation GDP Note Eng  
(8) Egypt’s GDP Developments For The First Quarter 2024/2025, The Ministry of Planning, Economic Development and international Cooperation [GDP\_Note\_Q1\_24-25]\_English\_version\_-\_Dec\_2024\_Final\_455.pdf  
(9) Arab Republic of Egypt and the IMF