

Outlook

Corporate segment

Large infrastructure developments across the UAE are set to be the primary driver behind our Corporate segment's expected growth and profitability. The upswing in construction activity is expected to increase the deployment of heavy vehicles and machinery, which is expected to drive up demand for commercial fuels.

Expo 2020 is one such project, running for six months from October 2020 to April 2021 and forecast to attract 25 million international visitors to the UAE. The 1,000-acre Expo site, located between Dubai and Abu Dhabi, is currently under construction.

ADNOC Distribution is also working to increase gasoline sales to Corporate customers, from the existing 55 million liters, by providing competitive wholesale prices on gasoline products to large fleet companies such as taxi and rental car companies, and other government entities in Dubai and the Northern Emirates.

Significant potential for our lubricants and base oil business lies in growing exports. Harnessing the strength and reputation of the ADNOC brand is key to this. Exports currently account for 10 percent of total lubricant sales. We believe that by continuing to partner with distributors in new markets and increasing our export drive we can improve our overall position.

Aviation segment

The growth of our Aviation segment is, to a large extent, subject to commensurate growth in aviation traffic, airport capacity and tourism.

As the UAE continues its development into a global aviation hub and an international tourism destination, jet fuel demand is expected to grow significantly.

Our presence in seven commercial airports in the UAE underpins our market outlook and gives us grounds for optimism. Also supporting this outlook is our strong and long-standing relationships with strategic partners, the quality of our products and infrastructure, and the esteem in which the ADNOC brand is held throughout the region.

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