ADNOC DISTRIBUTION SHAREHOLDERS APPROVE NEW FIVE-YEAR DIVIDEND POLICY AS COMPANY REINFORCES FOCUS ON ACCELERATED GROWTH

- **Shareholders approve H2 2023 dividend of AED1.285 billion (10.285 fils per share), bringing 2023 total dividend to AED2.57 billion (20.57 fils per share)**
- **ADNOC Distribution has provided shareholders with a 90% return on their investment since its initial public offering in 2017**
- **New five-year dividend policy sets annual dividend of $700 million or a minimum of 75% of net profit, whichever is higher**
- **Company targets value-accretive domestic and international growth, exploring expansion in new markets**
- **Company reaffirms commitment to AI & innovation-enabled growth, customer-centricity, and sustainability while evolving into an international multi-energy, convenience and mobility leader**
- **AI and advanced technology enabled a four-year-high customer convenience store conversion rate of 24.7% and a 10% reduction in carbon emissions of fuel delivery truck operations**
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Abu Dhabi, UAE – March 28, 2024: ADNOC Distribution (ISIN: AEA006101017) (Symbol: ADNOCDIST), the UAE's largest fuel and convenience retailer, yesterday confirmed shareholder approval of all agenda items at its Annual General Assembly Meeting (AGM), including a new five-year dividend policy and the appointment of new Board members. The Company also reaffirmed its commitment to its new five-year growth strategy enabled by artificial intelligence (AI), digitalization, and advanced technology.

Dr. Sultan Ahmed Al Jaber, Chairman of ADNOC Distribution, said: "ADNOC Distribution has provided shareholders with a 90% return on their investment since its initial public offering in 2017 through increased market value and dividends, and delivered on its promise of achieving $1 billion in EBITDA for 2023, setting the foundation for our next phase of accelerated growth. The Company continues to target value-accretive domestic and international expansion opportunities, including new markets."

"ADNOC Distribution was an early adopter of AI to drive efficiencies in its operations and improve customer experience. We will continue to deploy AI and other rapidly evolving technologies to further unlock value for our business, our shareholders and our customers."

“Based on our confidence in the new strategy and future growth prospects, we have introduced a more rewarding five-year dividend policy that provides long-term payback visibility and dividend upside from future earnings growth. Our new policy mirrors the Company’s sustainable growth trajectory and predictable cash flow while demonstrating attractive shareholder returns.”

The Company’s new dividend policy for 2024-2028 sets an annual dividend of $700 million or a minimum of 75% of net profits, whichever is higher. At the AGM, shareholders approved distributing AED1.285 billion in dividends for the second half of 2023, equivalent to 10.285 fils per share, expected to be paid in April 2024. This brings the total dividend for 2023 to AED2.57 billion, yielding 5.6% based on the share price of AED 3.66 on March 27, 2024.

The new strategy, introduced during an Investor Day in February 2024, underscores the Company’s commitment to domestic growth, international platforms, and future-proofing the business. It positions ADNOC Distribution as a frontrunner in the evolving energy landscape. As part of this accelerated growth strategy, the Company plans to increase the contribution from international operations in Saudi Arabia and Egypt while exploring accretive growth opportunities, supported by a robust balance sheet and strong cash flow generation. This includes additional sectors such as lubricants and LPG, new sustainable transport solutions, and exploring expansion opportunities in new global markets.

Eng. Bader Saeed Al Lamki, CEO of ADNOC Distribution, said: “Our transparent and highly rewarding five-year dividend policy underscores the inherent strength of our Company, driven by strong cash generation and an ambitious growth strategy. As part of this strategy, we aim to expand our network to 1,000 service stations by 2028, growing non-fuel transactions by 50% and increasing convenience stores by 25%. Additionally, we aim to strategically grow our electric vehicle infrastructure to more than 500 fast and superfast chargers by 2028, a 10-fold increase from 2023. By prioritizing sustainability and leveraging technology and innovation, we are positioning ADNOC Distribution as an international multi-energy mobility and convenience leader.”

Leveraging AI and Advanced Technology

The Company leveraged AI and advanced technology to supercharge growth, improve customer experiences, and introduce new technology-led initiatives across its network. This includes Fill & Go, an AI-enabled license plate recognition system that provides seamless refueling for registered customers. Additionally, it launched the first real-world test of an AI-operated autonomous refueling robotic arm.

AI and data have enabled the Company to tailor hyper-personalized consumer offers through ADNOC Rewards, the UAE’s largest fuel retail loyalty program with nearly two million members, boosting fuel and non-fuel transactions at service stations and contributing to a four-year-high customer conversion rate of 24.7%. That is the percentage of customers who make purchases at ADNOC convenience stores while fueling their vehicles.

The Company also employs AI-predictive technology to improve its fuel distribution operations. Instead of relying solely on scheduled refueling, the AI-driven refueling process accurately predicts fuel demand at different service stations, significantly reducing instances of fuel shortages, thereby enhancing operational efficiency. It also supports the Company's decarbonization and sustainability efforts by optimizing fuel truck delivery, resulting in a 10% reduction in carbon emissions.

Going forward, ADNOC Distribution plans to further integrate AI across its convenience, fuel, and non-fuel operations and customer services.

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For media, please contact: media@adnocdistribution.ae
For Investor Relations, please contact: ir@adnocdistribution.ae

About ADNOC Distribution

ADNOC Distribution is a leading mobility retailer in UAE. The Company has been providing energy for customers' journeys since 1973. Since this time, the Company has continuously been at the forefront of providing the best in customer service. Today, ADNOC Distribution enables, enhances, and energizes every customer journey thanks to digitally enabled, innovative customer experiences and high-quality non-fuel retail products. The Company operates service stations in all seven emirates in its home country, plus Saudi Arabia, and sells lubricants in 37 countries across the world via distributors. Now in its 51st year, ADNOC Distribution has 840 service stations, including 529 in the UAE, 68 in KSA and 243 in Egypt. As a non-fuel retail leader in the UAE, it operates 359 ADNOC Oasis convenience stores, 34 vehicle inspection centers, and other leading services spanning car wash, lube change, and EV charging. The Company is also the leading marketer and distributor of fuels to commercial, industrial, and government customers throughout the UAE. All figures as of 31 December 2023. Additionally, in February 2023 ADNOC Distribution completed its acquisition from TotalEnergies Marketing Afrique SAS of a 50% stake in TotalEnergies Marketing Egypt LLC, marking the Company's official entry into the Egyptian market. ADNOC Distribution aims to be the global mobility retailer of choice, enabler of sustainable mobility, and provider of exceptional customer experiences. To find out more, visit www.adnocdistribution.ae.

Cautionary statements relevant to forward-looking information

Cautionary statements relevant to This news release contains forward-looking statements relating to ADNOC Distribution's operations that are based on management's current expectations, estimates, and projections about the petroleum, chemicals, and other related industries. Words or phrases such as "anticipates," "expects," "intends," "plans," "targets," "forecasts," "projects," "believes," "seeks," "schedules," "estimates," "positions," "pursues," "may," "could," "should," "will," "budgets," "outlook," "trends," "guidance," "focus," "on schedule," "on track," "is slated," "goals," "objectives," "strategies," "opportunities," and similar expressions are intended to identify such forward-looking statements. These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, many of which are beyond the Company's control and are difficult to predict. Therefore, actual outcomes and results may differ materially from what is expressed or forecasted in such forward-looking statements. The reader should not place undue reliance on these forward-looking statements, which speak only as of the date of this news release. Unless legally required, ADNOC Distribution

undertakes no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

The payment of dividends by the Company is subject to consideration by the Board of Directors of the cash management requirements of the Company for operating expenses, interest expense, and anticipated capital expenditures, and market conditions, the then current operating environment in its markets, and the Board of Directors' outlook for the business of the Company. In addition, any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, at the discretion of the Board of Directors and approval of shareholders.