

DRIVING SUSTAINABLE GROWTH

(Financial Capital)

In 2025 we delivered record financial and operating performance, underpinned by the growth in fuel volumes, a higher contribution from non fuel retail, and continued progress across our international activities.

These results demonstrate the resilience and diversification of our model as we continue to shift toward higher-margin retail and services while capturing efficiencies across the network.

Looking towards 2026 and beyond, we expect solid performance to be sustained by healthy demand, further non fuel retail expansion, rising international contributions and cost efficiencies.

Mapping our innovation with UNSDGs



Material Topics

Economic Performance



Financial Review

The following discussion and analysis of the Company's financial results is based on the audited financial statements for the year ended December 31, 2025. This information should be read together with the audited financial statements and accompanying notes, which are available on the Company's website.

Executing our strategy delivered record profitability, stronger cash generation and industry leading returns in 2025, while keeping us on track for disciplined growth and attractive shareholder distributions.

In 2025, ADNOC Distribution delivered broad based growth across operating and financial metrics as we executed our new strategy.

Our EBITDA grew at a double-digit rate of **11.1% to AED 4.28 billion** in 2025, while underlying EBITDA (excluding inventory movements and one off items) grew by 10.1% to AED 4.00 billion.

Headline **net profit attributable to equity holders** increased by **15.4%** to a new record level of **AED 2.79 billion**, operational execution and resilient business fundamentals. Growth was driven by:

- Fuel volumes up 4.5% year on year and continued expansion of the retail fuel network
- Non fuel retail continued to grow faster than fuel retail business, with gross profit up 14.4% year on year, transactions up 9.3% year on year and the highest convenience store conversion rate in six years at 26.6%
- Increasing contributions from international operations in KSA and Egypt

We continued to enhance efficiency, delivering **OPEX savings of AED 24 million** in 2025 and remaining well positioned to achieve up to **AED 184 million of cumulative savings over 2024–2028**.

ADNOC Distribution has demonstrated a proven track-record of value creation since IPO, by pursuing new opportunities in domestic and international markets and allocating cash towards growth. Through efficient capital allocation, the Company has consistently achieved robust rates of return, including record level of Return on Capital Employed of 32.7%, and a solid Return on Equity (ROE) of 86.5% in 2025. Robust free cash flow of AED 2.72 billion and a strong balance sheet (net debt/EBITDA of 0.70x) support value-accretive investments and attractive shareholder distributions.

Building on this momentum, we expect a solid outlook for 2026 and beyond, supported by ongoing growth initiatives, continued volume growth, resilient consumer confidence, further expansion in non fuel retail, higher contributions from international markets, and additional efficiency gains.

Continuous momentum in fuel volume growth

Total fuel volumes

15,710
million liters

+4.5% compared to 15,029 million liters in 2024

Marking a new record for the Company. Growth was driven by disciplined expansion of the retail fuel network, robust regional economic activity, higher mobility, and a growing contribution from international operations.

GCC fuel volumes (UAE and KSA)

12,459
million liters

+4.9% compared to 11,872 million liters in 2024

Performance is supported by ongoing growth in the region's economic activities and increased mobility as well as the network expansion.



Strong performance across our core fuel business and non-fuel retail, combined with disciplined network and EV charging expansion in 2025 underscores the resilience of our business model and our ability to adapt to changing customer needs. This has driven record financial results, supported by strong cash generation and a long-term investment approach that delivers sustainable shareholder value.

Ali Siddiqi
Acting Chief Financial Officer





Supporting solid financial results



Revenue
AED 35,897 million
 +1.2% compared to AED 35,454 million in 2024
 Driven by growth in fuel volumes and an increased contribution from non-fuel retail



Gross profit
AED 6,946 million
 +11.7% compared to AED 6,216 million in 2024
 Driven by strong operational performance, with record-high fuel volumes, as well as higher contributions from Non Fuel Retail and international operations



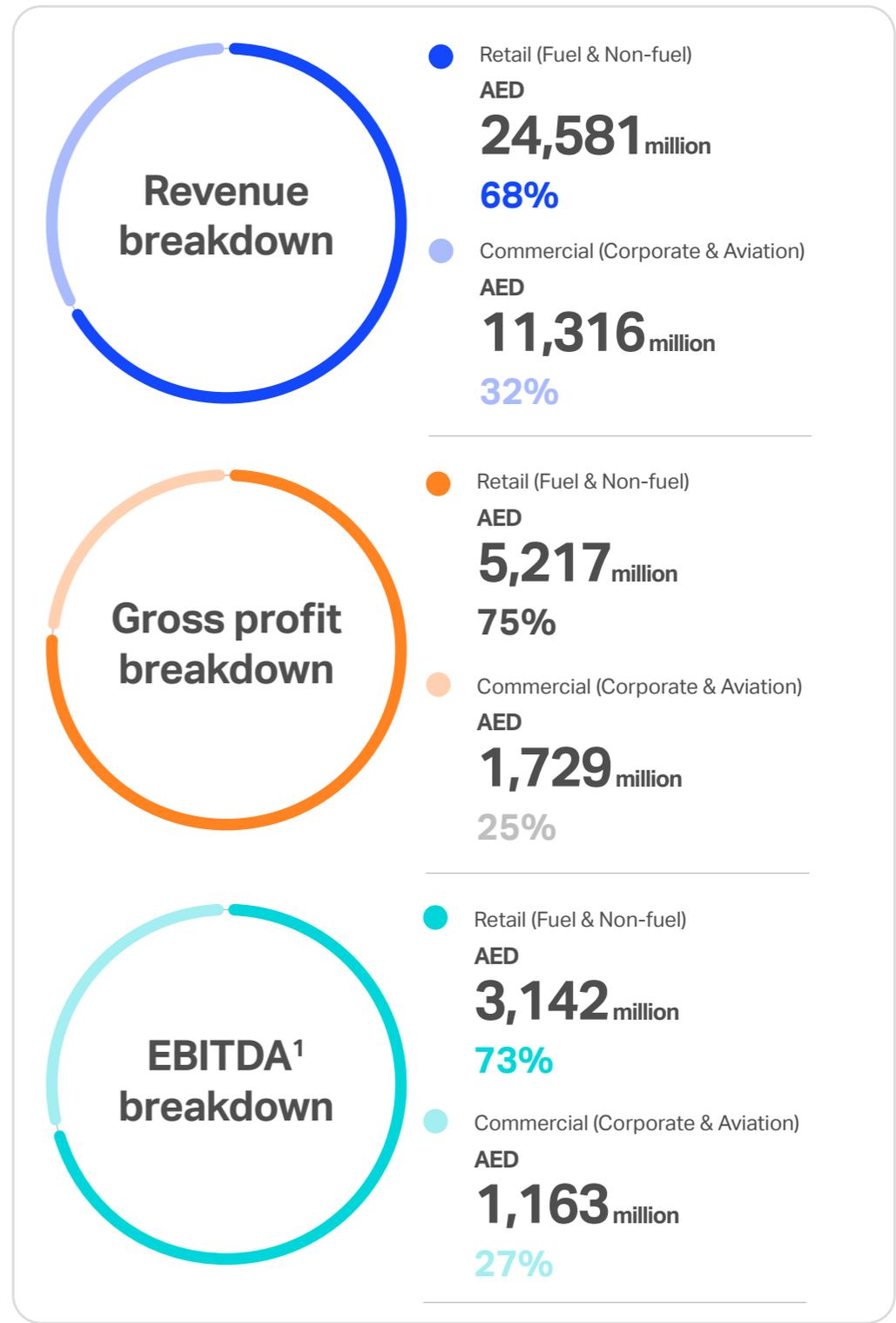
Net profit**
AED 2,794 million
 +15.4% compared to AED 2,420 million in 2024
 Supported by solid EBITDA growth and lower finance costs



EBITDA
AED 4,282 million
 +11.1% compared to AED 3,855 million in 2024
 supported by higher inventory gains and like-for-like OPEX savings



Underlying EBITDA*
AED 4,001 million
 +10.1% compared to AED 3,663 million in 2024
 Highlighting strength of the company's business fundamentals



* EBITDA excluding Inventory movements and one-offs
 **Net profit attributable to equity holders

(1) EBITDA contribution excluding unallocated items of - AED 23 million

Robust free cash flow and balance sheet strength fuel growth and sustain dividends



Net cash generated from operating activities

AED
3,922
million



Total equity

AED
3,461
million



Capital expenditures

AED
1,051
million

(including accruals/provisions, excluding M&A)



Free cash flow*

AED
2,721
million



Net debt**

AED
2,985
million



Net debt to EBITDA ratio**

0.70x

There are no financial covenants in the Company's credit facilities

Industry-leading return ratios



Return on capital employed (ROCE)

32.7%

Compared to **28.8%** in 2024



Return on equity (ROE)

86.5%

Compared to **80.9%** in 2024

*Calculated as net cash generated from operating activities less payments for purchase of property, plant and equipment and advances to contractors

** Cash and bank balances used for net debt calculation includes term deposits with banks



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by ADNOC من أدنوك

Our Financial Strategy



ADNOC Distribution's financial strategy is focused on delivering sustainable earnings growth, efficient capital allocation, and attractive, visible shareholder returns, underpinned by a resilient business model and strong free cash flow generation.

The Company prioritizes disciplined deployment of capital toward value accretive growth, including network expansion in the core UAE and international markets, scaling high margin non fuel retail and convenience offerings, and investing in future ready mobility solutions such as EV charging and digital capabilities. Capital discipline remains central to decision making, supported by a robust balance sheet, strong cash conversion, and industry leading returns on capital employed. Additionally, ADNOC Distribution maintains a clear focus on shareholder value creation, supported by a long term dividend policy that provides visibility on distributions while offering upside from future earnings growth.



Accelerate rollout of fast and superfast EV charging infrastructure across the UAE network and scale low-carbon solutions, including biofuels, EV and hydrogen, to support transport decarbonization.



Expand convenience, food and beverage, and other mobility- and lifestyle-linked services to broaden revenue streams and strengthen earnings resilience.



Invest in seamless, digital customer journeys and hyper-personalization to deepen engagement, drive footfall and enhance loyalty.



Maintain cost discipline and embed efficiencies to improve margins and fund growth.



Pursue value-accretive domestic and international opportunities with strong governance and rigorous return thresholds.



In 2024, the Company launched its 2024 - 2028 growth strategy at Investor Day, setting a clear transformation agenda. At the inaugural ADNOC Investor Majlis in October 2025, management reinforced the equity story and track record of value creation, highlighting continued execution against plan most notably the accelerated deployment of EV charging infrastructure, the scaling of low carbon energy solutions, and the expansion of non fuel retail formats and digital capabilities.

Measurable targets

- Increase fast and superfast EV charging points by 10–15x by 2028 versus a 2023 baseline
- Realize like for like operating expenses savings by up to AED 184 million over 2024–2028
- Expand the service station network to 1,150 sites by 2028
- Double non fuel retail transactions between 2023 and 2030

The Company remains committed to value accretive growth, applying rigorous capital allocation criteria, robust risk management and strong governance to sustain returns and protect balance sheet strength.

With a focused strategy, defined milestones and an execution track record, we believe ADNOC Distribution is well placed to navigate a dynamic energy landscape, deliver on its 2028 ambitions and create sustainable long term value for shareholders.

Tax Strategy

ADNOC Distribution views tax as a strategic enabler of value creation. Our tax function is designed to be resilient and adaptable, continuously reviewing its organization design and core processes across strategic, tactical, and operational activities.

This ensures we proactively anticipate and respond to changes in our business landscape and the rapid evolution of tax laws and policies in the UAE and globally. The tax team partners closely with cross-functional stakeholders and subsidiaries, embedding tax considerations into business planning and execution to support growth and protect value.

Tax governance is overseen by the Board, with approval of the Tax Policy and Tax Strategy delegated to the CEO and/or CFO under the Delegation of Authority. In line with our internal policy, these documents are reviewed annually. We are committed to transparency: applicable tax disclosures are included in our publicly available audited financial statements, and external auditors verify relevant tax information for our global operations.

We adopt a responsible approach to tax planning, complying with the letter and the spirit of the law. We do not transfer value created to low-tax jurisdictions for tax avoidance, and we do not use secrecy jurisdictions or structures lacking commercial substance. We have no presence in secret jurisdictions or so called tax havens. All tax planning is carried out within the boundaries of our Tax Policy and Tax Strategy, based on reasonable interpretations of applicable law, aligned with the economic substance of our activities, and designed to be tax efficient while supporting commercial objectives.

Our transfer pricing practices align with OECD guidelines and applicable local rules. Related-party transactions are priced to reflect commercial realities, value creation, and tax efficiency, and we maintain a formal Transfer Pricing Policy supported by benchmarking to ensure compliance with the arm's length principle.

We comply with tax filing and reporting obligations in the UAE and every jurisdiction in which we operate. We aim to foster cooperative relationships with tax authorities built on mutual respect and professionalism, engaging through appropriate formal channels and providing timely, accurate information. We do not publicly advocate policy positions on tax, nor solicit external stakeholder input to shape its views.

Our Tax Strategy rests on key pillars central to execution:

- **Tax Compliance and Reporting:** Meet all obligations timely and accurately in every jurisdiction of operation
- **Tax Governance and Risk Management:** Undertake responsible tax planning within policy boundaries, grounded in the letter and spirit of the law and aligned with the economic substance of our business

Way Forward

Looking ahead, ADNOC Distribution will continue to balance growth, resilience, and returns as it advances its journey into a leading mobility and convenience retailer.

Building on its track record of efficient capital allocation, the Company focuses on sustaining earnings growth momentum through disciplined execution of the growth strategy, extracting maximum value from its assets, increasing contribution from non fuel retail and international operations, ongoing cost discipline, and exploring value-accretive growth opportunities, supported by robust financial position and strong balance sheet.

At the same time, ADNOC Distribution remains committed to delivering attractive shareholder returns, supported by its extended dividend policy.

By executing its strategy with discipline and agility, the Company aims to strengthen long term value creation and remain well positioned to capture opportunities as the mobility and energy landscape evolves.

