

ADNOC Distribution Shares Rise 8% On Record Dividends

ADNOC Distribution traded high at AED2.7 or \$0.75 on Sunday, 8% higher than the last trading session with a volume of 5.59 million shares at Abu Dhabi Securities Exchange.

The rally comes after the company received shareholders' approval last week to increase its dividend for the fiscal year 2019 to \$650 million, a 63% increase on last year's dividend. Under the new policy, the annual dividend for fiscal year 2020 will be about \$700 million. The company will pay a minimum payout of 75% of distributable profits from 2021 onwards.

The launch of ADNOC Flex, where customers have a choice to either fill-up the fuel themselves, or pay a premium to have an attendant do it for them, and the revitalization of the company's ADNOC Oasis convenience stores and the implementation of an agreement with the retail brand Géant to rebrand and reformat 13 convenience stores as Géant Express stores have contributed to the positive outlook for the company.

Saeed Mubarak Al Rashdi, ADNOC Distribution's Acting CEO, commented: "ADNOC Distribution is operating from a position of strength. Our balance sheet is strong, and we continue to generate significant cash flow. We have an extremely compelling investment proposition that we expect to continue into 2019 and beyond with up to \$300 million of CAPEX earmarked for further growth 2019."

Backed by a long-term, sustainable growth plan and supported by a solid balance sheet and strong cash flow generation, the company plans to open 17 new service stations in the UAE, including the company's first three locations in Dubai and the Company's first two service stations in the Kingdom of Saudi Arabia.

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