

ADNOC DRILLING COMPANY P.J.S.C.

Third Quarter 2025 Earnings

Management Discussion & Analysis Report

October 28, 2025



Table of Contents

Financial Highlights & Key Events	3
Operational Highlights	13
Guidance Upgrade	15
Dividend Policy	16
Earnings Webcast and Conference Call	17
Share Price and Ownership	17
Appendix: Glossary	18
Industry Terms	19

Financial Highlights & Key Events

Financial Summary

ADNOC Drilling Company P.J.S.C. (“ADNOC Drilling” or the “Company”) delivered strong results in the third quarter of 2025 with record revenue of \$1,260 million, growing 23% year-on-year, driven by the expansion of its operations and the full operational impact of rigs commissioned in stages over the course of last year. The strong top-line translated into EBITDA of \$560 million, an increase of 10% year-on-year, with a net profit of \$368 million, increasing 10% year-on-year.

Third quarter revenue increased 5% sequentially, driven by the full contribution of two new jack-up rigs in the quarter, complemented by additional Integrated Drilling Services (“IDS”) activity. As a result, EBITDA grew sequentially by 3%, while net profit grew 5%, supported by lower finance costs. EBITDA for the third quarter was favorably impacted by other income of \$23 million, primarily attributable to the sale of the onshore rig in Jordan as the client in Jordan is internalizing the drilling operations. This positive one-time impact was more than offset by higher cost phasing in Q3, mainly associated with higher maintenance costs in the quarter in both Onshore and Offshore.

The unconventional business contributed around \$158 million to revenue in the quarter, an increase of 370% year-on-year, spread between \$120 million in Oilfield Services (“OFS”) and \$38 million in the Onshore segment. For Phase 1 of the unconventional project (i.e., the \$1.7 billion contract awarded to ADNOC Drilling), we anticipate that the cumulative contribution will be around 80% to OFS and 20% to Onshore for land drilling.

Given the strong year-on-year acceleration of unconventional with revenue at \$502 million in the first nine months of 2025, as anticipated and in line with planning, we expect a lower phasing in the fourth quarter, leading to an overall unconventional revenue of around \$0.6 billion for the full year 2025. The majority of the remaining \$950 million contract value for unconventional (\$1.7 billion total contract value less 2024 and 2025-to-date revenue) is expected to be in 2026, with a remaining portion in 2027. On a quarterly basis, the performance of unconventional can be subject to variations related to service mix, volume of drilling, and services provided, etc.

For the third quarter of 2025, free cash flow stood at \$477 million, compared to \$4 million in the same quarter last year, driven by an increase in cash generated from operating activities, supported by EBITDA growth and working capital positive performance.

Revenue for the first nine months of 2025 increased 27% year-on-year, reaching \$3,626 million, and EBITDA grew 15% to \$1,638 million, benefiting from the contribution of unconventional, characterized by relatively lower margins but high returns. Net profit increased 17% year-on-year, reaching \$1,060 million, with a margin of 29%. Free cash flow stood at \$1,204 million, a 174% increase from \$439 million in the same period last year, driven by an increase in cash generated from operating activities, supported by EBITDA and working capital trends.

On a pro-forma basis, the rig fleet stood at 148 rigs at the end of September 2025, including the 8 rigs in Oman and Kuwait, part of the recently announced transaction with SLB, which is subject to closing.

During the quarter, the Company sold the onshore rig operating in Jordan. Additionally, one onshore rig began operating on an artificial island for the Hail and Ghasha during the third quarter.

As a result of this, the number of onshore rigs was 100 rigs on a pro-forma basis (including 8 rigs in Oman & Kuwait) at the end of Q3, while the number of offshore rigs was 48.

Overall owned fleet availability, excluding the 8 rigs mentioned above, was 97% at the end of the quarter.

The Company expects that some onshore rigs, after a review of their age, will transition from drilling to supporting operations. Consequently, these rigs are anticipated to be repurposed or alternatively disposed.

The two jack-up rigs that were added to the fleet at the end of December 2024 and began operations at the end of the second quarter of 2025 contributed fully to revenue in the third quarter of 2025. The additional top-line contribution from these two rigs in the third quarter was partially offset by the lower phasing of unconventional business mentioned above, in line with plans.

The number of IDS rigs increased to 59, compared to 50 in third quarter of 2024. Moreover, the OFS segment offered at least one discrete service to an additional 53 rigs in the third quarter. All in all, oilfield services were offered to 112 rigs, and this coverage is expected to further increase over time.

Guidance Upgrade

Driven by increased visibility and the strong results of the first nine months, ADNOC Drilling upgraded its full year 2025 guidance on key financial metrics (*see page 15*).

Upgraded Dividend Policy, Special and Q3 2025 Quarterly Dividends

On October 8, 2025, the Board of Directors proposed to the next Annual General Assembly ("AGM") an upgrade to the ADNOC Drilling's progressive dividend policy. According to the upgraded policy, the dividend floor has been raised to \$1 billion for 2025, growing by at least 5% per annum from 2026 to at least 2030. On the same date, the Board of Directors approved a \$66 million (1.5 fils per share) special dividend distribution, and a third and fourth quarter dividend payments of at least \$250 million (around 5.7 fils per share) per quarter.

On October 27, 2025, the Board of Directors approved the third quarter 2025 dividend of \$250 million (around 5.7 fils per share), expected to be paid in the second half of November 2025, to all shareholders of record as of November 6, 2025.

As per dividend policy, the Board of Directors, at its discretion, may approve additional dividends over and above the progressive dividend floor (supported by excess free cash flow and strong balance sheet). More information and granularity on the progressive dividend policy is available on page 16.

ADNOC Investor Majlis Transformational Announcements

On October 8, 2025, during the inaugural ADNOC Investor Majlis held in Abu Dhabi, ADNOC announced that it is embarking on a transformative journey to unlock its unconventional portfolio with promising results from initial wells as they accelerate their de-risking program. ADNOC stated that the unconventional program is a fast-growing segment in its Upstream portfolio, viewing ADNOC Drilling as an essential and indispensable partner in ensuring the success of this journey. Once fully and successfully derisked, 300+ wells are anticipated to be drilled per year, in line with global benchmarks, across Abu Dhabi's unconventional program.

ADNOC Drilling also announced plans to expand its Integrated Drilling Services fleet to approximately 70 rigs. This anticipated growth is designed to meet rising demand and enhance operational efficiency, subject to ongoing operational planning and market conditions. In addition, future contract awards from ADNOC are anticipated to support ADNOC Drilling's offshore development strategy, including the potential deployment of additional island rigs in the 2029–2030 timeframe, subject to project planning and operational requirements.

Debt Refinancing

On October 16, 2025, ADNOC Drilling announced that it has signed a Term Loan Facility of \$500 million and a Revolving Credit Facility of \$1.5 billion. The Term Loan Facility will be utilized to refinance the existing syndicated term loan of an equivalent amount, which matures in October 2025. The Revolving Credit Facility will be used to support the Company's growth initiatives and related working capital requirements.

Key Financials

USD Million	3Q25	3Q24	YoY	2Q25	QoQ	9M25	9M24	YoY
Revenue	1,260	1,026	23%	1,197	5%	3,626	2,847	27%
Opex ¹	(703)	(518)	36%	(663)	6%	(2,005)	(1,433)	40%
Share of profit of joint ventures ²	3	2	50%	11	-73%	17	5	240%
EBITDA³	560	510	10%	545	3%	1,638	1,419	15%
Depreciation and amortization	(135)	(116)	16%	(133)	2%	(398)	(338)	18%
Finance cost-net	(23)	(31)	-26%	(27)	-15%	(79)	(92)	-14%
Taxes	(34)	(28)	21%	(34)	0%	(101)	(84)	20%
Net profit	368	335	10%	351	5%	1,060	905	17%
EBITDA margin	44%	50%	-6%	46%	-2%	45%	50%	-5%
<i>Conventional EBITDA margin⁴</i>	50%	51%	-1%	51%	-1%	51%	50%	1%
Net profit margin	29%	33%	-4%	29%	0%	29%	32%	-3%
<i>Conventional net profit margin⁴</i>	32%	33%	-1%	32%	0%	33%	32%	1%
Cash generated from operating activities	667	315	112%	649	3%	1,837	1,180	56%
Capital expenditure ⁵	(174)	(197)	-12%	(244)	-29%	(509)	(546)	-7%
Investment in joint ventures	(19)	(117)	-84%	-	NM	(133)	(205)	-35%
Free cash flow	477	4	11,825%	408	17%	1,204	439	174%
Total equity	4,033	3,412	18%	3,892	4%	4,033	3,412	18%
Net debt ⁶	1,741	2,219	-22%	1,964	-11%	1,741	2,219	-22%
Earnings per share (\$ per share) ⁷	0.023	0.021	10%	0.022	5%	0.066	0.057	17%
Capital employed	6,282	6,153	2%	6,403	-2%	6,282	6,153	2%
Return on capital employed	25%	22%	3%	23%	2%	25%	22%	3%
Net debt to LTM EBITDA	0.8	1.2	(0.4)	0.9	(0.1)	0.8	1.2	(0.4)
Leverage ratio	30%	39%	-9%	34%	4%	30%	39%	-9%
Return on equity	36%	36%	0%	35%	-1%	36%	36%	0%

NM = Not Meaningful

(1) Opex includes allocation of G&A expenses and other income

(2) Includes ADNOC Drilling's 51% of Enersol's net profit, accounted for in OFS, and 55% of Turnwell's net profit from unconventional business, related to both land rig operations and OFS

(3) EBITDA represents Earnings Before Interest, Tax, Depreciation, and Amortization

(4) Conventional EBITDA and Net Profit margins exclude the contribution from the unconventional business. On a quarterly basis, the performance of unconventional can be subject to variations related to service mix, volume of drilling, and services provided, etc.

(5) Cash payments for purchase of property and equipment including prepaid delivery payments, excluding CapEx accruals (*see page 12 for more details*)

(6) Interest bearing liabilities less cash and cash equivalents

(7) Calculated on the weighted average number of shares outstanding, excluding treasury shares

Segmental Results

Onshore

USD Million	3Q25	3Q24	YoY	2Q25	QoQ	9M25	9M24	YoY
Revenue	512	487	5%	513	0%	1,518	1,339	13%
Opex ¹	(258)	(246)	5%	(256)	1%	(761)	(697)	9%
Share of profit of joint venture ²	-	-	NM	3	NM	3	-	NM
EBITDA ³	254	241	5%	260	-2%	760	642	18%
EBITDA margin	50%	49%	1%	51%	-1%	50%	48%	2%
Net profit	183	173	6%	182	1%	533	444	20%
Net profit margin	36%	36%	0%	35%	1%	35%	33%	2%

NM = Not Meaningful

(1) Opex includes allocation of G&A expenses and other income

(2) Includes ADNOC Drilling's 55% of Turnwell's net profit related to land rig operations for unconventional business

(3) Underlying EBITDA includes other income

First Nine-Months (Year-on-Year Performance)

Onshore revenue grew 13% year-on-year to \$1,518 million in the first nine months of 2025, mainly driven by the positive revenue impact from the full contribution of rigs commencing operations over the course of last year, coupled with \$117 million contribution from unconventional activity related to land drilling in the first nine months of 2025.

Operating expenses increased 9% year-on-year to \$761 million from \$697 million in the prior year period, rising less proportionately than revenue. The increase in operating expenses was driven by the rig fleet expansion and higher unconventional activity, partly offset by cost optimization.

Additionally, the segment recorded a \$3 million share of net profit from the joint venture Turnwell (referred to as "Share of profit of joint venture").

Overall, EBITDA increased 18% year-on-year to \$760 million with margin expansion by 2 percentage points to 50%. As a result, net profit increased 20% year-on-year to \$533 million, with margin expansion by 2 percentage points to 35%.

Third Quarter (Year-on-Year Performance)

Third quarter onshore revenue increased 5% year-on-year to \$512 million from \$487 million, mainly due to new rigs commencing operations and a \$38 million contribution from unconventional activity related to land drilling.

Operating expenses were \$258 million compared to \$246 million in the same quarter last year, mainly driven by the unconventional activity and higher repair and maintenance costs, which are expected to remain at a similar level for the segment in the fourth quarter.

The quarter benefitted from a positive impact of other income of \$23 million, primarily attributable to the sale of an onshore rig. This positive one-off was offset by increased costs mainly associated with higher maintenance costs.

EBITDA increased 5% year-on-year to \$254 million, leading to a margin expansion of 1 percentage point to 50%.

Net profit increased 6% year-on-year to \$183 million from \$173 million in the same quarter last year.

The Company expects that some onshore rigs, after a review of their age, will transition from drilling to supporting operations. Consequently, these rigs are anticipated to be repurposed or alternatively disposed.

Third Quarter (Sequential Performance)

Third quarter onshore revenue stood broadly flat sequentially at \$512 million, primarily due to one additional operating day in the third quarter offset by the conversion of one rig from Onshore to Offshore segment, as the rig began operating on an artificial island.

Operating expenses increased 1% to \$258 million from \$256 million in the previous quarter, mainly due to higher repair and maintenance costs, offsetting the one-off other income previously mentioned. Repair and maintenance costs for the segment are expected to be at a similar level in the fourth quarter.

As a result, EBITDA decreased 2% sequentially to \$254 million, with net profit increasing by 1% to \$183 million due to lower financing costs.

The Company expects that some onshore rigs, after a review of their age, will transition from drilling to supporting operations. Consequently, these rigs are anticipated to be repurposed or alternatively disposed.

Offshore (Jack-up & Island)

USD Million	3Q25	3Q24	YoY	2Q25	QoQ	9M25	9M24	YoY
Revenue	365	342	7%	337	8%	1,036	1,008	3%
Opex ¹	(126)	(112)	13%	(104)	21%	(328)	(341)	-4%
EBITDA ²	239	230	4%	233	3%	708	667	6%
EBITDA margin	65%	67%	-2%	69%	-4%	68%	66%	2%
Net profit	144	144	0%	142	1%	432	413	5%
Net profit margin	39%	42%	-3%	42%	-3%	42%	41%	1%

(1) Opex includes allocation of G&A expenses and other income

(2) Underlying EBITDA includes other income

Note: as previously disclosed, starting 1Q 2025, the Company consolidated the Offshore Jack-up and Offshore Island businesses into a single "Offshore" segment.

First Nine-Months (Year-on-Year Performance)

Offshore revenue in the first nine months of 2025 grew by 3% year-on-year to \$1,036 million from \$1,008 million, mainly due to reactivation of island rigs, in addition to the positive impact from the two jack-ups which commenced operations at the end of second quarter of 2025 and fully contributed to revenue during the third quarter.

Operating expenses reached \$328 million, a 4% year-on-year reduction, mainly driven by efficiencies.

As a result, EBITDA increased 6% year-on-year to \$708 million from \$667 million, with margin expansion by 2 percentage points to 68%. Net profit also grew by 5% to \$432 million, with margin expansion by 1 percentage points to 42%.

Third Quarter (Year-on-Year Performance)

Third quarter offshore revenue increased 7% year-on-year to \$365 million from \$342 million in the same quarter previous year, driven by the conversion of two rigs (one in the second quarter and one in the third quarter of 2025) from Onshore to Offshore, along with the full contribution to revenue by two new jack-up rigs which commenced operations at the end of the second quarter of 2025.

Operating expenses reached \$126 million, increasing 13% year-on-year. This was primarily driven by higher maintenance activity during the third quarter.

As a result, EBITDA grew 4% year-on-year to \$239 million, with net profit flat at \$144 million year-on-year.

Third Quarter (Sequential Performance)

Offshore revenue in the third quarter increased 8% sequentially to \$365 million from \$337 million, mainly driven by the full contribution of revenue from two new jack-up rigs, which commenced operations at the end of the second quarter of 2025, and supported by the conversion of one Onshore rig to Offshore during the third quarter.

Operating expenses increased 21% sequentially to \$126 million from \$104 million in the prior quarter, mainly due to higher maintenance activity in the third quarter of 2025.

As a result, EBITDA increased by 3% sequentially to \$239 million from \$233 million, while net profit increased marginally by 1% sequentially, reaching \$144 million.

Oilfield Services

USD Million	3Q25	3Q24	YoY	2Q25	QoQ	9M25	9M24	YoY
Revenue	383	197	94%	347	10%	1,072	500	114%
Opex ¹	(319)	(160)	99%	(303)	5%	(916)	(395)	132%
Share of profit of joint ventures ²	3	2	NM	8	NM	14	5	NM
EBITDA ³	67	39	72%	52	29%	170	110	55%
EBITDA margin	17%	20%	-3%	15%	2%	16%	22%	-6%
Net profit	41	18	128%	27	52%	95	48	98%
Net profit margin	11%	9%	2%	8%	3%	9%	10%	-1%

NM = Not Meaningful

(1) Opex includes allocation of G&A expenses and other income

(2) Includes ADNOC Drilling's 51% of Enersol's net profit, and 55% of Turnwell's net profit from unconventional business related to OFS operations

(3) Underlying EBITDA includes other income

First Nine-Months (Year-on-Year Performance)

The OFS segment continued to deliver significant growth, with the first nine-month revenue up 114% year-on-year to \$1,072 million, on the back of increased activity volume, driven by higher IDS activity and additional discrete services, coupled with \$385 million contribution from unconventional business.

IDS rigs increased to 59, compared to 50 rigs at the end of September 2024.

Operating expenses increased 132% year-on-year to \$916 million from \$395 million, mainly driven by unconventional activity, as well as activity mix in conventional OFS.

Additionally, the segment recorded a \$14 million share of net profit from the joint ventures Enersol and Turnwell (referred to as “Share of profit of joint venture”), up from \$5 million in the same period last year.

EBITDA increased 55% year-on-year to \$170 million from \$110 million a year ago, reflecting increased activity across the segment and the contribution from the JVs. Net profit grew 98% year-on-year to \$95 million, driven by EBITDA growth.

Third Quarter (Year-on-Year Performance)

Third quarter revenue surged 94% year-on-year to \$383 million from \$197 million in the same period last year, mainly driven by \$120 million revenue from unconventional business, coupled with increased IDS activity and provision of more discrete services. The number of IDS rigs stood at 59, growing from 50 rigs in the same quarter last year. Moreover, the segment offered at least one discrete service to an additional 53 rigs in the third quarter.

Operating expenses increased 99% year-on-year to \$319 million from \$160 million, driven by the unconventional business and activity mix.

Additionally, the segment reported a \$3 million positive contribution from the joint ventures Enersol and Turnwell, compared to \$2 million in the third quarter of 2024.

As a result, EBITDA increased 72% year-on-year to \$67 million, and net profit increased 128% year-on-year to \$41 million from \$18 million.

Third Quarter (Sequential Performance)

Third quarter revenue increased 10% sequentially to \$383 million from \$347 million, driven by higher IDS activity and additional discrete services, marginally offset by lower contribution from unconventional activity phasing. In the third quarter of 2025, the OFS segment revenue included \$120 million from unconventional business compared to \$143 million in the second quarter of 2025.

Operating expenses amounted to \$319 million, a 5% sequential increase, driven by the higher IDS activity.

The OFS segment recorded a combined contribution of \$3 million from the joint ventures Enersol and Turnwell. This contribution decreased sequentially, which is partly attributed to operational phasing for Turnwell.

As a result, EBITDA increased 29% sequentially to \$67 million, including the contribution from the joint ventures, with net profit growing 52% sequentially to \$41 million compared to last quarter.

Operating Working Capital

USD Million	30 Sep 25	30 Sep 24	YoY %	30 Jun 25	QoQ %
Current Assets¹	1,760	1,783	-1%	1,849	4%
Inventories	271	224	21%	227	19%
Trade & other receivables	200	174	15%	203	-1%
Due from related parties	1,289	1,385	-7%	1,419	-9%
Current Liabilities²	1,433	1,365	5%	1,515	-5%
Trade & other payables	1,088	1,129	-4%	1,101	-1%
Due to related parties	345	236	46%	414	-17%
Operating Working Capital	327	418	-22%	334	-2%

(1) Excludes cash and bank balances

(2) Excludes lease liabilities

See Appendix 1 (Glossary) for the calculation of certain metrics referred to above.

Operating working capital stood at \$327 million in the third quarter of 2025, a 22% decrease year-on-year. This decrease was primarily attributable to our continued focus on working capital, particularly collections from customers as activity accelerates.

Working capital marginally decreased sequentially driven by our continued focus on collections.

Net working capital as a percentage of revenue stood at around 7% at the end of the third quarter of 2025. The normalized ratio was 12%, adjusted for the impact from phasing of capital expenditure-related payments at quarter-end.

The Company expects to maintain a net working capital to revenue ratio broadly stable at around 12% in the medium term.

Free Cash Flow

USD Million	Q3-25	Q3-24	YoY %	Q2-25	QoQ %	9M 2025	9M 2024	YoY %
Cash from operating activities	667	315	112%	649	3%	1,837	1,180	56%
Cash used in investing activities ¹	(190)	(311)	-39%	(241)	-21%	(633)	(741)	-15%
Free Cash Flow	477	4	NM	408	17%	1,204	439	174%

See Appendix 1 (Glossary) for the calculation of certain metrics referred to above.

(1) Cash payments for purchase of property and equipment (including prepaid delivery payments, excluding capex accruals), and investments in joint ventures

Free cash flow stood at \$1.2 billion in the first nine months of 2025, increasing by 174% from \$439 million in the first nine months of 2024. This was mainly attributable to improved collections in the current period.

Investing activities were lower year-on-year; the Company contributed \$94 million cash to the JV Enersol for the acquisition of the 95% equity stake in Deep Well Services in the first nine months of 2025 (specifically in 1Q), whereas the first nine months of 2024 witnessed a higher cash contribution of \$205 million in Enersol for the acquisition of 67.2% stake in Gordon Technologies.

Free cash flow improved sequentially from \$408 million in the second quarter of 2025 to \$477 million in the third quarter of 2025, mainly due to collections. Free cash flow rose year-on-year to \$477 million from \$4 million, primarily due to higher collections and last year's third-quarter investments in Enersol.

Balance Sheet

USD Million	30 Sep 25	30 Sep 24	YoY %	30 Jun 25	QoQ %
Total Assets	7,715	7,499	3%	7,918	-3%
Non-current assets	5,683	5,397	5%	5,739	-1%
Current assets ¹	1,760	1,783	-1%	1,849	-5%
Assets held for sale	0	11	-100%	0	NM
Cash and cash equivalents	272	308	-12%	330	-18%
Total Liabilities	3,682	4,087	-10%	4,026	-9%
Non-current liabilities	1,745	2,190	-20%	1,728	1%
Current liabilities	1,937	1,897	2%	2,298	-16%
Total Equity	4,033	3,412	18%	3,892	4%
Share capital	436	436	0%	436	0%
Treasury shares	(16)	(4)	300%	(5)	220%
Share premium	1	0	NM	1	0%
Statutory reserve	218	218	0%	218	0%
Retained earnings	3,394	2,762	23%	3,242	5%
Total Equity and Liabilities	7,715	7,499	3%	7,918	-3%

NM = Not Meaningful

(1) Excludes cash and bank balances

Total assets for the period ended September 30, 2025, amounted to \$7,715 million, representing a 3% year-on-year increase from \$7,499 million. This growth was mainly driven by a 5% increase in non-current assets to \$5,683 million from \$5,397 million, attributable to rig acquisitions associated with the fleet expansion program and cash contributions to Enersol to fund its acquisitions. In addition, current assets decreased by 1% to \$1,760 million from \$1,783 million, primarily mainly attributable to improved collections in the current period.

Cash and cash equivalents for the period ended September 30, 2025, decreased year-on-year to \$272 million from \$308 million, primarily due to dividend payments and the repayment of borrowings.

As of September 30, 2025, the Company's liquidity headroom (including unutilized syndicated term and revolving facilities) was around \$1.52 billion.

Total liabilities decreased by 10% to \$3,682 million as of September 30, 2025, from \$4,087 million as of September 30, 2024. This decrease was primarily driven by repayment of AED 1 billion loan in current borrowings and the reclassification of a term loan of \$500 million from a non-current liability to a current liability, reflecting the maturity in October 2025.

On October 16, 2025, the Company entered into a new term loan facility of \$500 million and a revolving credit facility of \$1,500 million. The term loan facility will be used to repay the existing syndicated term loan of an equivalent amount, which matures in October 2025, while the new revolving credit facility will fund the Company's growth and the associated working capital.

On a pro-forma basis, including the new facilities, Company's liquidity headroom is \$2.27 billion.

The reclassification of drawn facilities between non-current and current liabilities resulted in an increase in current liabilities from \$1,897 million as of September 30, 2024, to \$1,937 million as of September 30, 2025. Correspondingly, non-current liabilities decreased from \$2,190 million to \$1,745 million over the same period.

Total assets for the period ending September 30, 2025, decreased sequentially to \$7,715 million compared to \$7,918 million at the end of June 30, 2025. This decrease was primarily due to reduction in non-current assets to \$5,683 million from \$5,739 million driven by lower CapEx compared to depreciation for the quarter ended September 30, 2025, and sale of one onshore rig that was operating in Jordan.

Total liabilities decreased 9% sequentially to \$3,682 million from \$4,026 million, primarily resulting from the full repayment of the Emirati dirham revolving credit facility of AED 1 billion loan (\$270 million equivalent).

Capital Expenditure

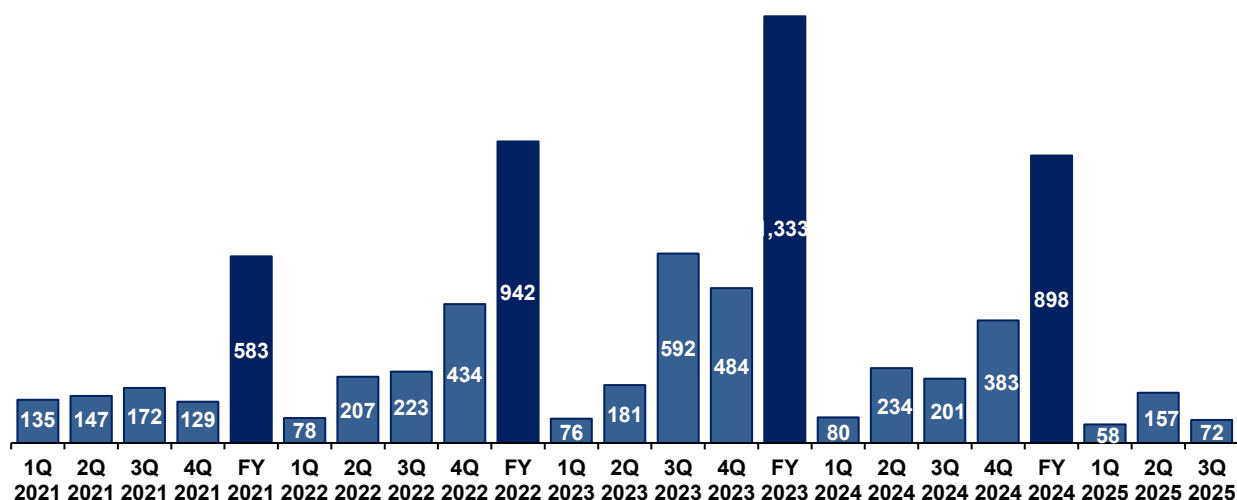
Capital expenditure (CapEx), including accruals, amounted to \$72 million in the third quarter of 2025. Cash CapEx excluding accruals amounted to \$174 million, as represented in the table on *page 5*.

Rig purchases are usually spread out over at least two milestones with the first payment at signing of the sale and purchase agreement, whereas the final payment is then made on transfer of the title of the rig to the Company.

ADNOC Drilling expects CapEx to be in a range of \$0.45 - \$0.55 billion for 2025, and this 2025 CapEx guidance only includes maintenance CapEx and new island rigs.

Quarterly and Annual Capital Expenditure

USD Million



Operational Highlights

Drilling Services

	3Q25	3Q24	YoY	2Q25	QoQ	9M25	9M24	YoY
Fleet	140	140¹	-	141	-1%	140	140¹	-
Onshore	92	95 ¹	-3%	94	-2%	92	95 ¹	-3%
Offshore	48	45	6%	47	2%	48	45	6%
o/w Jack-up	36	35	3%	36	-	36	35	3%
o/w Island	12	10	20%	11	10%	12	10	20%
Pro-forma Fleet²	148²	140¹	6%	149²	-1%	148²	140¹	6%
Rented rigs	7	14	-50%	8	-13%	7	14	-50%
Rigs Availability*	97%	95%	2%	96%	1%	96%	95%	1%
Onshore	97%	94%	3%	97%	-	97%	94%	3%
Offshore	97%	97%	-%	96%	1%	96%	97%	-1%
Number of Wells Drilled*	202	175	15%	203	-1%	590	462	28%
Onshore	167	141	18%	162	3%	478	378	26%
Offshore	35	34	3%	41	-15%	112	84	33%

(1) Includes 4 lease-to-own land rigs.

(2) Includes 8 land rigs that are part of the transaction announced in May 2025, when ADNOC Drilling signed an agreement to acquire a 70% stake in SLB's land drilling rigs business in Kuwait and Oman. The formation of the joint venture (JV) with SLB and the acquisition of a 70% stake, along with the completion of the transaction, are subject to necessary and customary regulatory approvals.

* See Appendix 1 (Glossary) for the calculation of certain metrics referred to above.

On a pro-forma basis, the fleet reached 148 rigs at the end of September 2025, including the 8 rigs in Oman and Kuwait part of the recently announced transaction with SLB, which is subject to closing.

The overall owned fleet availability, excluding the 8 rigs part of the transaction with SLB, was 97% at the end of the quarter.

During the quarter, the Company sold one onshore rig that was operating in Jordan since last year. Additionally, one additional onshore rig began operating on an artificial island during the quarter. At the end of September 2025, the onshore fleet comprised of 100 rigs (pro-forma, including the 8 rigs in Oman and Kuwait), while the number of offshore rigs stood at 48.

Key operational highlights for this period include the following:

- The number of IDS rigs increased by 9 rigs from 50 rigs in the third quarter of 2024 to 59 rigs in the third quarter 2025; offered at least one discrete service to an additional 53 rigs.
- Achieved TRIR frequency of 0.59 against a target of 0.61 for 3Q 2025.

3Q 2025 Highlights:

- AD-69/UZ-724: 8-1/2" section was successfully drilled from 9,908 ft to 32,375 ft (well TD) in single run, with a total footage of 22,467 ft. This is the longest single run in ADNOC Drilling IDS history.
- On Land operations, reduced total NPT by 44% as compared to 2024.

Oilfield Services (OFS)

- The number of IDS rigs increased by 9 to 59 rigs in the third quarter of 2025 from 50 rigs in the third quarter of 2024.
- The segment offered at least one discrete service to an additional 53 rigs between onshore and offshore in the third quarter. All in all, oilfield services are offered to 112 rigs.
- 23% overall improvement in IDS drilling efficiency for 3Q 2025 compared to the 2024 benchmark.
- Efficient operations resulted in cumulative savings of \$538 million to ADNOC and its group companies since 2019, out of which \$53 million were saved in 3Q 2025.

Guidance Upgrade

To enable ADNOC's strategic imperative of expanding production capacity to five million barrels per day by 2027, ADNOC Drilling has reached 148 owned rigs, on a pro-forma basis including 8 rigs in Oman and Kuwait part of the recently announced transaction with SLB, which is subject to closing.

Moreover, the Company has ordered an additional six new island rigs that are expected to join the fleet gradually between 2026 and 2028.

Notwithstanding recent market dynamics and driven by increased visibility and the strong results of the first nine months, the Company upgrades its full year 2025 guidance, demonstrating its resilient and defensive growth.

ADNOC Drilling's full year 2025 financial guidance is presented below:

USD Billion (unless otherwise stated)	FY 2025 Previous Guidance	FY 2025 New Guidance
Revenue	4.65 - 4.80	4.75 - 4.85
<i>Onshore</i>	1.95 - 2.10	1.95 - 2.10
<i>Offshore (Jack-up and Island)</i>	1.35 - 1.45	1.35 - 1.45
<i>Oilfield Services Revenue</i>	1.20 - 1.30	1.30 - 1.40
EBITDA	2.15 - 2.30	2.15 - 2.30
EBITDA Margin	46% - 48%	46% - 48%
Net Profit	1.375 - 1.45	1.40 - 1.45
Net Profit Margin	29% - 31%	29% - 31%
CapEx (excluding M&A)	0.35 - 0.55	0.45 - 0.55
Free Cash Flow (excluding M&A)	1.40 - 1.60	1.40 - 1.60
Leverage Target	< 2.0x	< 2.0x
Dividend Floor	0.87 (+10% YoY)	1.0 (+27% YoY)

ADNOC Drilling's medium-term guidance is updated as follows:

- FY 2026 revenue expected at ~\$5 billion
- FY 2026 EBITDA and net profit broadly in line with FY 2025
- Around 50% conventional EBITDA margin (conventional drilling margins exceeding 50% and OFS margin in a range of 23-26% medium-term)
- Conservative long-term leverage target of up to 2.0x Net Debt / EBITDA
- Net working capital as percentage of revenue target of around 12%
- Maintenance CapEx of ~\$250 million per annum (excluding organic and inorganic growth CapEx)
- 151+ rigs by 2028, to be updated upon closing of future additional M&A transactions, and needs for unconventional
- 70 IDS rigs expected by year-end 2026

Dividend Policy

The Company's ability to pay dividends is dependent on several factors, including the availability of distributable reserves, capital expenditure plans, and other cash requirements in future periods. 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 ultimately shareholder approvals.

On October 8, 2025, the Board of Directors proposed an upgrade to the ADNOC Drilling's dividend policy, which will be presented for approval at the next Annual General Assembly (AGM), further reinforcing the Company's unique position as one of the most attractive dividend and growth opportunities on the Abu Dhabi Securities Exchange (ADX).

These are the key parameters related to dividend payments and the upgraded dividend policy:

- 2025 Dividend Floor: \$1.0 billion (c. 23 fils per share), marking a ~27% increase year-on-year
- Quarterly Distributions: \$217 million (c. 5 fils per share) already distributed for each of 1Q and 2Q 2025
- Special Payment: an additional \$66 million (c. 1.5 fils per share)
- 3Q and 4Q 2025 Dividend Guidance: a minimum of \$250 million (c. 5.7 fils per share) for each quarter
- **The third quarter dividend of \$250 million has been approved by the Board of Directors on October 27, 2025, and is expected to be paid in the second half of November 2025, to all shareholders of record as of November 6, 2025**
- Long-Term Growth Commitment: at least 6 years of committed dividend floor under the new policy (until at least 2030)
- Committed dividend floor of at least \$6.8 billion (c. AED1.6 per share) over 2025–2030

As per dividend policy, the Board of Directors, at its discretion, may approve additional dividends over and above the progressive dividend floor (supported by excess free cash flow and strong balance sheet).

In line with the progressive policy, the Board considers dividends a capital allocation priority alongside investment in profitable growth and is committed to returning a competitive and growing cash dividend to our shareholders.

Earnings Webcast and Conference Call

ADNOC Drilling will host the earnings webcast and conference call followed by a Q&A session for investors and analysts on Tuesday, October 28, 2025, at 16:00 pm UAE time / 12:00 pm UK time.

The call will be hosted by Abdulla Ateya Al Messabi (CEO) and Youssef Salem (CFO). Interested parties are invited to join the call by clicking [here](#).

A replay and transcript will be made available following the event, accessible from the Investor Relations [section](#) of ADNOC Drilling's website.

Share Price and Ownership

Our shares are traded on the Abu Dhabi Securities Exchange (ADX) under the symbol ADNOCDRILL. The closing share price as of September 30, 2025, was AED 5.63. In the period from July 1, 2025, through September 30, 2025, the share price traded in a range between AED 5.26 and AED 6.07. Market capitalization was AED 90.1 billion as of September 30, 2025, and an average of 8.7 million shares traded daily during the third quarter of 2025.

As of September 30, 2025, the Abu Dhabi National Oil Company ("ADNOC") owned a majority 78.5% stake in the Company and Baker Hughes Holding SPV Ltd. ("Baker Hughes") owned 5% stake in the Company, while 16.5% of our outstanding shares were publicly owned by other institutional and retail investors.

ADNOC Drilling is part of the MSCI Indexes including MSCI EM, and MSCI UAE. Moreover, the Company is included in three of FTSE Russell's globally recognized indices including the FTSE Emerging Index, FTSE Global Large Cap Index and FTSE All-World Index. Furthermore, ADNOC Drilling is also member of the FADX 15 Index. The index is uniquely designed by ADX and FTSE Russell to track the performance of the most liquid and largest companies on the ADX main market.

Third Quarter 2025 Results

We expect to announce fourth quarter 2025 results in February 2026.

Contacts

Massimiliano Cominelli
Vice President, Investor Relations
mcominelli@adnoc.ae

Adham Kamel
Manager, Investor Relations
akamel@adnoc.ae

Mayar Elashry
Senior Analyst, Investor Relations
maelashry@adnoc.ae

October 28, 2025
ADNOC Drilling Company P.J.S.C.

Appendix: Glossary

Financial Terms

EBITDA represents Earnings Before Interest, Tax, Depreciation and Amortization

Net debt is calculated as total interest-bearing debt less cash and bank balances (including term deposits with banks) adjusted for lease liabilities.

Net debt to EBITDA ratio is calculated as interest-bearing net debt as of the end of the period presented, divided by EBITDA for the twelve months ended on the last day of the period presented.

Capital employed is calculated as the sum of total assets minus non-interest-bearing current liabilities.

Return on capital employed is calculated as operating profit for the twelve months ended on the last day of the period presented divided by capital employed on the last day of the period presented. Operating Profit is defined as profit excluding financing, tax and income and expenses from investments.

Leverage ratio is calculated as (a) interest-bearing net debt, divided by (b) the sum of interest-bearing net debt plus total equity.

Return on equity is calculated as profit for the period for the twelve months ended on the last day of the period presented divided by total equity on the last day of the period presented.

Operating Working capital is calculated as current assets excluding cash and bank balances minus current liabilities excluding lease liabilities.

Operating Cashflows are Net cash generated from operating activities as stated in the cash flow statement.

Free cash flow is calculated as net cash generated from operating activities less payments for purchase of property & equipment and advances to contractors and finance income received.

Opex represents Operating expenditure that includes direct cost and general and administrative expenses excluding depreciation, amortization and impairment as stated in the statement of profit or loss and other comprehensive income.

Capital expenditure or **CapEx** is total cash capital expenditure for payments made for purchase of property and equipment including prepaid delivery payments as stated in the cash flow statement.

All financial terms have meaning as defined in the International Financial Reporting Standards ("IFRS") unless otherwise stated.

IFRS are accounting standards issued by the IFRS Foundation and the International Accounting Standards Board (IASB). They constitute a standardized way of describing the company's financial performance and position so that company financial statements are understandable and comparable across international boundaries.

Industry Terms

Rig means a drilling unit and equipment package and is an integrated system that drills oil and gas wells in the earth's subsurface.

Standby is period when the works are unable to proceed and when the rig is put on standby for various reasons, waiting-on-weather or inspection, or any other reason based on the mutual understanding between the Company and the customer and as defined in the contract.

Planned Maintenance is a scheduled Turnaround maintenance, and it varies based on built year, class, and design. Usually, drilling rigs undergo major maintenance every five years subject to HSE and Asset Integrity Protocols. However, jack-up rigs may require outages during the intermediate two and half years for class renewal surveys.

Owned Rig includes rigs acquired through rig-built project or purchased from market, the title of which is transferred to ADNOC Drilling. The rig count also includes lease-to-own rigs.

Rented Rigs are rigs rented from 3rd party rig providers on the basis of back-to-back contracts with customers with minimal mark-up to cover for administrative overheads.

Rig availability is Cumulative of (Rig days less actual maintenance days less rig-related non-productive time less actual rig move days) divided by Cumulative of (Rig days less planned maintenance days less planned rig move days).

Unconventional drilling refers to a method of extracting hydrocarbons from tight reservoirs using Oil Field Services technologies combined with well stimulation activities.

Cautionary Statement Regarding Forward-Looking Statements

This communication includes forward-looking statements which relate to, among other things, our plans, objectives, goals, strategies, future operational performance, and anticipated developments in markets in which we operate and in which we may operate in the future. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond our control and all of which are based on management's current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "would", "intends", "estimates", "plans", "targets", or "anticipates" or the negative thereof, or other comparable terminology. These forward-looking statements and other statements contained in this communication regarding matters that are not historical facts involve predictions and are based on the beliefs of our management, as well as the assumptions made by, and information currently available to, our management. Although we consider that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure you that such expectations will prove to be correct. Given these uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to: our reliance on ADNOC Onshore and ADNOC Offshore for deploying rigs as per existing terms and conditions; failure to successfully implement our operating initiatives and growth plans, including our cost savings initiatives, due to general economic conditions, our reliance on information technology to manage our business; laws and regulations pertaining to environmental protection, operational safety, the extent of our related party transactions with ADNOC Group; the introduction of new taxes in the UAE; failure to successfully implement new policies, practices, systems and controls that we implemented in connection with or following our IPO; any inadequacy of our insurance to cover losses that we may suffer; general economic, financial and political conditions in Abu Dhabi and elsewhere in the UAE; instability and unrest in regions in which we operate; the introduction of new laws and regulations in Abu Dhabi and the UAE; and other risks and uncertainties detailed in our International Offering Memorandum dated September 6, 2021 relating to our initial public offering and the listing of our shares on the Abu Dhabi Securities Exchange, and from time to time in our other investor communications. Except as expressly required by law, we disclaim any intent or obligation to update or revise these forward-looking statements.