This is a non-certified translation of the original Arabic version of the Prospectus. This English version is provided for convenience only and does not constitute a legal document. Subscribers should only rely on the Arabic version of the Prospectus. In the case of any discrepancies or omissions, the Arabic version of the Prospectus shall prevail.

OFFER TO SUBSCRIBE FOR SHARES IN A PUBLIC SUBSCRIPTION IN THE UAE ONLY

Prospectus for the Public Offering of Shares in

ADNOC Drilling Company PJSC (the "Company")

Dated: 6 September 2021

(Incorporated in the United Arab Emirates as a Public Joint Stock Company)

The sale of 1,200,000,000 of the ordinary shares with a nominal value of AED 0.10 each (representing 7.5% of the total issued shares in the Company) (the "**Offer Shares**") in a public subscription in the United Arab Emirates (the "**UAE**"). The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws and the approval of the SCA. The offer price will be determined based on the offer price range, which will be announced in a listing announcement that will be published on the same day of opening of the Offer Period on 13 September 2021 (the "**Offer Price Range**"). The Offer Shares will be duly and validly issued as at the date of listing (the "**Listing**") of the Offer Shares on the Abu Dhabi Securities Exchange (the "**ADX**").

The final offer price (the "Final Offer Price") and the final offering size (the "Final Offer Size") will be announced after the closing of the subscription. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.

Except in the UAE, no action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares pursuant to this Prospectus or the possession, circulation or distribution of this Prospectus. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

Offer Period

The offer period for the First Tranche, the Second Tranche and the Third Tranche (as described in this Prospectus) starts on 13 September 2021 and is expected to close on 23 September 2021[1] for the First and Third Tranches and on 26 September 2021 for the Second Tranche.

[1] The Subscription Period for the retail tranche shall remain open for a period of 10 days including Saturdays for the acceptance of applications.

This is the initial public offering ("**Offering**"), including the offer to the Emirates Investment Authority ("**EIA**"), of 60,000,000 (sixty million) Offer Shares in the capital of the Company, a public joint stock company ("**PJSC**") incorporated in the UAE, which are being offered for sale by the Selling Shareholder (as defined in this Prospectus) of 1,200,000,000 (one billion two hundred million) shares offered for subscription by the Company in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers.

If all of the Offer Shares are subscribed for and allocated, the Offer Shares will represent 7.5% (of the total issued ordinary shares in the capital of the Company the "**Shares**"), and the Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and the approval of the SCA. Prior to this Offering, the Shares have not been listed in any financial market and there has been no public market for the Shares. Following the closing of the Offer Periods in respect of the First Tranche, the Second Tranche, and the Third Tranche, the Company will apply to list its Shares on the Abu Dhabi Securities Exchange.

Date of the Securities and Commodities Authority's approval of this Prospectus: **2 September 2021**

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the Securities and Commodities Authority ("**SCA**") in the United Arab Emirates and this Prospectus has been approved by SCA on **2 September 2021**. However, SCA's approval of the prospectus does not constitute an endorsement of the feasibility of investment nor a recommendation to subscribe to the shares; the approval only means that this Prospectus contains the minimum information required in accordance with the applicable rules issued by SCA with respect to prospectuses. SCA is not considered responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the company's board of directors, jointly and severally, bear full responsibility regarding the validity of the information and data contained in this prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable studies, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the subscribers or influencing their decision to invest.

Method of sale of the Offer Shares in a public subscription:

The Offer Shares represent 1,200,000,000 (one billion two hundred million) Shares which will be sold by the Selling Shareholder and offered for subscription by the Company in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.

In creating the subscription orders ledger, the Offer Shares subscribed by the Second Tranche Subscribers will constitute all of the Offer Shares used in calculating the Final Offer Price of each Offer Share. In order for the subscription to succeed, the subscription percentage of the Second Tranche Subscribers must not be less than 60%, and the subscription percentage of First Tranche and Third Tranche Subscribers must not be no more than 40% of the Offer Shares in aggregate.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. If the Third Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the First Tranche. The Receiving Banks commit to refund the oversubscription amounts received from the First Tranche and the Third Tranche Subscribers for the Offering and any accrued profit on such amounts from one day after the subscription closing until one day prior to the refund to the Subscribers of the First Tranche and the Third Tranche, provided that the refund is made within five working days from the date on which all allocations of Offer Shares to all tranches are determined.

The Founders may not, whether directly or indirectly or through any of their subsidiaries, subscribe for any of the Offer Shares.

Book Building Mechanism

Book building is a mechanism, pursuant to which the price is set prior to the issuance of the shares or prior to the offering.
The book building process comprises these steps:

1. The issuing company hires one or more investment banks to act as underwriters who are tasked with assisting the issuing company in determining the price range at which the security can be sold and with drafting a Prospectus to send out to the investors.
2. The appointed investment banks invite certain qualified investors, normally, but not restricted to, large-scale sophisticated buyers and fund managers, to submit bids on the number of shares that they are interested in buying and the prices that they would be willing to pay for such shares, and recording the qualified investors' opinions in the register specifically for recording the subscription orders for the shares offered.
3. The book is 'built' by listing and evaluating the aggregated demand for the issue from the submitted bids. The underwriters analyze the information and, based on that analysis, determine with the issuing company and its selling shareholder, the final price for the shares, which is termed the final offer price.
4. Shares for submitted bids pertaining to the Second Tranche, are then allocated among the accepted bidders, at the discretion of the issuing company and its selling shareholder.

A list of further definitions and abbreviations is provided in the *"Definitions and Abbreviations"* Section of this Prospectus.

Tranche Structure

A. First Tranche

The First Tranche offer will be made pursuant to this Prospectus, 8% (eight per cent) of the Offer Shares, representing 96,000,000 (ninety-six million) Shares, are allocated to the First Tranche. The First Tranche is restricted to the following persons:

- ***Individual Subscribers***

  Natural persons (including Qualified High Net Worth Individual Subscribers who do not participate in the Second Tranche or Third Tranche) who have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended (the "**US Securities Act**"). There are no other citizenship or residence requirement to qualify as an Individual Subscriber.

  Minors are permitted to apply for Offer Shares in accordance with the procedures applied by the Receiving Banks and the laws in force in this regard.

- ***Other investors***

  Other investors (companies and establishments) who do not participate in the Second Tranche or Third Tranche, that have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended).

All First Tranche Subscribers must hold a NIN with the ADX.

If all of the Offer Shares in the First Tranche are not fully subscribed, the unsubscribed Offer Shares will be available to Second Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche and/or (ii) close the Offering at the level of applications received.

The Selling Shareholder reserves the right to increase the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

The minimum application size for subscribers in this Tranche is AED 5,000 with any additional application in increments of at least AED 1,000.

There is no maximum application size for subscribers in this Tranche.

B. *Second Tranche*

The Second Tranche offer will be made pursuant to the Second Tranche Document, 90% (ninety per cent) of the Offer Shares, representing 1,080,000,000 (one billion eighty million) Shares, are allocated to the Second Tranche, which is restricted to the following persons:

Qualified Investors

First: Qualified Institutional Subscribers

Juridical persons capable of making investments on their own, and who satisfy any of the following conditions:

(i) the federal government of the UAE and governments of each Emirate in the UAE, governmental corporations and authorities and companies wholly owned by any of them; or

(ii) foreign governments, and their organizations, corporations and authorities, or entities wholly owned by them; or

(iii) international organizations and entities; or

(iv) bodies licensed by SCA or similar regulatory bodies; or

(v) legal persons who, as of the date of their last financial statements, satisfy at least two of the following requirements:

   a. total assets are valued at AED 75,000,000 (seventy-five million dirham);
   b. net annual revenues of AED 150,000,000 (one hundred fifty million dirhams);
   c. have net worth or paid-up capital with a minimum of AED 7,000,000 (seven million dirhams).

and who, in each case, have been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer ("**QIB**"), as defined in Rule 144A under the US Securities Act ("**Rule 144A**") and to whom an offer can be made in accordance with Rule 144A, (b) a person outside the United States to whom an offer can be made in reliance on Regulation S (c) a person in the Abu Dhabi International Financial Center ("**DIFC**") to whom an offer can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA's Rulebook, or (d) a person in the Abu

Dhabi Global Market ("**ADGM**") to whom an offer can be made pursuant to an exemption from registration under the FSMR Regulations Markets Rules and made only to persons who meet the Professional Client criteria set out in the FSRA Conduct of Business Rulebook.

Second: Natural persons who have been approved by the Company and the Selling Shareholder in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited), and who are certified by the SCA or a similar regulatory authority to conduct any tasks associated with financial activities or services.

Third: Natural persons who have been approved by the Company and the Selling Shareholder in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited), and who fulfil the following conditions:

1. have a net worth, excluding his or her principal residence, amounting to at least AED 4,000,000 (four million dirhams);
2. have an annual income of not less than AED 1,000,000 (one million dirhams); and
3. undertakes that he has the sufficient knowledge and experience in the field of the relevant investment and its risks, or that he is represented by an entity licensed by SCA in a manner that does not contravene the terms of its licensing.

All Second Tranche Subscribers must hold an NIN with the ADX.

If all of the Offer Shares in the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The minimum application size for the subscribers in the Second Tranche is AED 1,000,000.

There is no maximum application size for subscribers in the Second Tranche.

C. Third Tranche

The Third Tranche offer will be made pursuant to this Prospectus, 2% (two per cent) of the Offer Shares, representing 24,000,000 (twenty-four million) Shares are allocated to the Third Tranche, which is restricted to the following persons:

ADNOC Group Companies Employees and UAE National Retirees

Natural persons (including Qualified High Net Worth Individual Subscribers (as described under the Second Tranche)), who have a bank account and do not participate in the First Tranche and who are;

- Employees of the ADNOC Group Companies (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended); or

- Retired employees of the ADNOC Group Companies who are UAE nationals ("**UAE National Retirees**")(except for any person who is resident in the United States within the meaning of the US Securities Act, as amended). Other than retired employees of the ADNOC Group Companies being UAE nationals and non-US residents, there are no other citizenship or residence requirements.

If all of the Offer Shares in the Third Tranche are not fully subscribed for, the unsubscribed Offer Shares will be available to the First Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche and/or (ii) close the Offering at the level of applications received.

The Selling Shareholder reserves the right to increase the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche (as applicable), provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate. All Third Tranche Subscribers must hold a NIN with the ADX.

The minimum application size for subscribers in this Tranche is AED 5,000 with any additional application in increments of at least AED 1,000.

There is no maximum application size for subscribers in this Tranche.

D. *EIA*

A number of Offer Shares, representing **5**% of all Offer Shares, are reserved for the Emirates Investment Authority, in accordance with the requirements of article 127 of Federal Law No. 2 for the year 2015 with regard to commercial companies, and its amendments (the "**Companies Law**"). Offer Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares then those Offer Shares will be available to other Second Tranche Subscribers.

Every Subscriber must hold a NIN with ADX and a bank account number in order to be eligible to apply for Offer Shares. Subscribers may apply for Offer Shares in only one Tranche. In the event a person applies in more than one Tranche, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the Authority has been obtained for publication of the Prospectus for the sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). The Shares have not been registered with any other regulatory authority in any other jurisdiction.

The publication of the Arabic version of this Prospectus has been approved by the Authority in accordance with the provisions of the Companies Law.

A copy of the offering document for the Second Tranche (in English only), referred to as the "**Second Tranche Document**", which was not sighted or endorsed by the Authority, will be available at https://www.adnoc.ae/drillingIPO. No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into, this Prospectus.

In accordance with Article 121 of the Companies Law each of the Offer Participants (as defined below) shall be liable for its participation in the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the "Investment Risks" section of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.

This Prospectus was issued on **6 September 2021.** This Prospectus is available on the website of the Company at https://www.adnoc.ae/drillingIPO

Name and Contact Details of the Offer Participants

Joint Lead Managers

Emirates NBD Capital PSC

1st Floor, Emirates NBD Head Office Building, Baniyas Road, Deira

P.O. Box: 2336, Dubai, United Arab Emirates

First Abu Dhabi Bank PJSC,

FAB Building, Khalifa Business Park, Al Qurum District

P.O. Box 6316, Abu Dhabi, United Arab Emirates

HSBC Bank Middle East Limited

HSBC Tower, Level 17, Downtown Dubai

P.O. Box 66, Dubai United Arab Emirates

Lead Receiving Bank

First Abu Dhabi Bank PJSC,

FAB Building, Khalifa Business Park, Al Qurum District

P.O. Box 6316, Abu Dhabi, United Arab Emirates

Receiving Banks

Abu Dhabi Commercial Bank PJSC

Sheikh Zayed Bin Sultan Street

P.O. Box 939

Abu Dhabi, United Arab Emirates

Abu Dhabi Islamic Bank PJSC

Shaikh Rashid bin Saeed Street P.O. Box 313

Abu Dhabi, United Arab Emirates

Emirates NBD PJSC

Emirates NBD Headquarters, Baniyas Road,

Deira

P.O. Box: 777

Dubai, United Arab Emirates

IPO Subscription Legal Counsel

Legal advisor to the Company as to UAE, English and US law

Shearman & Sterling LLP

Etihad Towers, Office Building No. 3, 21st Floor

El Corniche Street

P.O. Box 2948

Abu Dhabi, United Arab Emirates

Legal advisor to the Company as to UAE law

IBRAHIM & PARTNERS

Al Sila Tower, Floor 24

ADGM Square,

Phone number: +(971) 2694 8668
E-mail address: info@inp.legal

PO Box 5100746, Abu Dhabi, UAE

Legal advisor to the Joint Bookrunners as to UAE and English law

Clifford Chance LLP

Level 15, Burj Daman, Al Sa'ada St,

Dubai International Financial Centre,

Dubai, United Arab Emirates

Legal advisor to the Joint Bookrunners as to US law

Clifford Chance LLP

1 rue d'Astorg, CS 60058,

75477 Paris Cedex 08

France

Auditors to the Company

For the year ended 31 December 2020 and six-month period ended 30 June 2021

Deloitte & Touche (M.E.)

11 Floor, Al Sila Tower, ADGM Square

P.O. Box 990

Abu Dhabi, United Arab Emirates

For the year ended 31 December 2019 (with comparative financial information as at and for the year ended 31 December 2018)

PricewaterhouseCoopers (Abu Dhabi Branch)

Al Khatem Tower, Level 25, Al Maryah Island

Abu Dhabi Global Market, P.O. Box 45263

Abu Dhabi, United Arab Emirates

IPO Subscription Auditor

Ernst & Young Middle East (Abu Dhabi Branch)

26th Floor, Nation Tower 2, Corniche

P.O. Box 136

Tel.: +971 2417 4400

E-mail address: raed.ahmad@ae.ey.com

Abu Dhabi, United Arab Emirates

Investor Relations Officer

Catherine L. Zych

VP, Investor Relations

Tel.: +971 2 698 3499

E-mail address: czych@adnoc.ae
Abu Dhabi, United Arab Emirates

This Prospectus is dated **6 September 2021**

IMPORTANT NOTICE

(To be carefully read by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this document in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, Section 11 ("**Investment Risks**")), as well as the Articles of Association of the Company, when considering making an investment in the Company.

- In making an investment decision, each potential Subscriber must rely on its own examination, analysis and enquiry of the Company and the terms of the Offer, including the merits and risks involved and obtain any necessary advice from his or her legal and financial advisors regarding the investment. An investment in Offer Shares entails considerable risks. Potential Subscribers should not apply for Offer Shares unless they are able to bear the loss of some or all of that investment.

- Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering the subscription in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering whether or not to apply for Offer Shares under the First Tranche and the Third Tranche. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.

- The contents of this Prospectus should not be construed as legal, financial or tax advice.

- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the Authority and informing the public of such revision or addition by publication in two daily newspapers in accordance with the rules issued by the Authority. The Selling Shareholder reserves the right to cancel the Offering at any time and at their sole discretion with the prior written approval of the Authority.

- The Offer Shares are being offered under this Prospectus for the purpose of subscription in the UAE only. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Offer Shares or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Offer Shares by any person in any jurisdiction outside of the UAE (including the ADGM and the DIFC).

- This document is not being published or distributed, and must not be forwarded or transmitted, in or into or to any jurisdiction outside the UAE (including the ADGM and the DIFC). The Offer Shares have not been registered with any regulatory authority in any jurisdiction other than the Authority.

- If the Offer Shares are offered in another jurisdiction, the Company shall offer the Offer Shares in a manner that is compliant with the applicable laws and rules and acceptable to the relevant authorities in the relevant jurisdiction.

- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the ADGM Financial Services Regulatory Authority ("**FSRA**") Markets Rules or the DIFC Markets Law or under the DIFC Markets Rules.

- The Offer has not been approved or licensed by the FSRA or DFSA, and does not constitute an offer of securities in the ADGM in accordance with the FSRA Markets

Rules or in the DIFC in accordance with the DIFC Markets Law or the DIFC Markets Rules.

- The publication of this Prospectus has been approved by the Authority. The Authority's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to the Prospectus and issued by the Authority have been met. The Authority and the ADX shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall they be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.

This Prospectus was approved on 2 September 2021.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Historical financial information

The Company's audited financial statements as of and for the years ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018) and 31 December 2020 and the reviewed interim financial statement for the six months ended 30 June 2021 (the "**Company's Financial Statements**") have been included in this Prospectus. The financial information for the six months ended 30 June 2020 has been extracted from comparative information of the Company's reviewed interim financial statements as of and for the six months ended 30 June 2021. The financial information as at and for the year ended 31 December 2018 is extracted from the unaudited comparative financial information for the year 2018 in the reissued financial statements for the year ended 31 December 2019. The Audited Financial Statements have been prepared in accordance with the requirements of International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. The Unaudited Interim Financial Statements have been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting'. The Financial Statements for the year ended 31 December 2019 have been reissued as described in Note 2 and Note 27 of the Financial Statements for that year (See paragraph 7: Independent auditors under the Fifth Section).

Definitions of certain financial measures that are not defined or recognized under IFRS, or any generally acceptable accounting principles, including EBITDA and net debt ("**Non-IFRS measures**"), along with an explanation of their relevance and the reconciliations to the most directly comparable measures calculated and presented in accordance with IFRS are disclosed in the "Financial Disclosures" section. These non-IFRS measures are derived from the financial information included in the Company's Financial Statements.

Currency presentation

Unless otherwise indicated, all references in this document to:

- "UAE dirham" or "AED" are to the lawful currency of the United Arab Emirates; and
- "US dollar" or "USD" are to the lawful currency of the United States of America.

The value of UAE dirhams has been pegged to US dollar at a rate of AED 3.6725 per USD 1 since 1997. All AED/USD conversions in this Prospectus have been calculated at this rate. Starting from the year 2020, our accounts are presented in USD. Our accounts in the preceding years were presented in AED.

Rounding

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100%.

FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. The forward-looking statements contained in this document speak only as of the date of this document. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “positioned” or “anticipates” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material point in this Prospectus; or (ii) by the applicable laws of the UAE. Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to Section 11 (“**Investment Risks**”) for further information.

IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering making an investment in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus. Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section headed "Investment Risks") as well as the Memorandum of Association and Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

No person is authorized to give any information or to make any representation or warranty in connection with the Offer or Offer Shares which is not contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorized by the Company, the Selling Shareholder, or the other Offer Participants. By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorized by the Company, the Selling Shareholder, any other Offer Participant, or any other of the Company's advisors (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks, as set out in pages 7-8, are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE. Neither HSBC Bank Middle East Limited nor any of its respective affiliates is responsible for participating in, marketing or managing any aspect of the Offering to natural persons (including Qualified High Net Worth Individual Subscribers).

Neither the content of the Company's website or any other website, nor the content of any website accessible from hyperlinks on any of such websites, forms part of, or is incorporated into, this Prospectus, and neither the Company, the Selling Shareholder, any other Offer Participant, nor the Advisors bears or accepts any responsibility for the contents of such websites.

None of the Company or the Selling Shareholder accepts any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Offer or the Offer Shares. None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners, of the Advisors warrant or guarantee the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Statements contained in this Prospectus are made as at the date of this Prospectus unless some prior time is specified in relation to them and the publication of this Prospectus (or any action taken pursuant to it) must not be interpreted as giving rise to any implication that there has been no change in the condition, facts or affairs of the Company since such date.

This Prospectus may be subject to revision, with the prior written approval of the Authority. Any revision will become effective only after it has been announced in two daily newspapers circulating in the UAE. The Selling Shareholder reserves the right, with the prior approval of the Authority, to withdraw the Prospectus and cancel the Offer at any time and in their sole discretion. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited and Emirates NBD Capital PSC have been appointed as joint lead managers (the "**Joint Lead Managers**") and will manage the issuance, marketing and promotion of the Offer Shares and coordinate with the Company, the Authority and the other Offering participants with regard to the offering of the Offer Shares in the UAE. First Abu Dhabi Bank PJSC have also been appointed as lead receiving bank (the "**Lead Receiving Bank**") and, in its capacity as such, is responsible for receiving the subscription amounts set out in this Prospectus in accordance with the rules and laws applicable in and within the UAE under the First Tranche and the Second Tranche.

Each of the Offer Participants shall be liable for its participation in the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

HSBC Bank Middle East Limited or any of its affiliates is not participating in receiving the subscription funds or bookrunnings or otherwise participating in, or managing, any aspect of the Offering to natural persons (including Qualified High Net Worth Individual Subscribers).

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this document) as a client to any of the Offer Participants in relation to the Offer. Whereas each Offer Participant shall be liable, including the Selling Shareholder and the Board members, with regard to the completeness and accuracy of the information contained in this Prospectus, within the limits of the scope of work and expertise of each Offer Participant. The Joint Lead Managers, the Joint Bookrunners, and the Offer Participants may have engaged (directly or through their respective affiliates) in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholder for which they would have received customary fees. Any previous transactions between the Joint Lead Managers and the Offer Participants and the Company do not constitute any conflict of interest between them.

The board members of the Company whose names are set out in this Prospectus assume joint and several responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that, they have carried out appropriate due diligence investigations, that the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

This Prospectus contains data submitted according to the issuance and disclosure rules issued by the Authority.

In making an investment decision, each potential Subscriber must rely on its own examination and analysis having reviewed the information contained in the Prospectus (in its entirety) that has been provided by the Selling Shareholder and the Board members of the Company whose names are set out in this Prospectus.

No action has been taken or will be taken in any jurisdiction other than the UAE that would permit a public subscription or sale of the Offer Shares or the possession, circulation or distribution of this Prospectus, or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where action for that purpose is required. Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offer material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes must inform themselves of and observe all such restrictions.

None of the Company, the Selling Shareholder, any of the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors accepts any responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase Offer Shares by any person, whether or not a prospective purchaser of Offer Shares in any jurisdiction outside the UAE (including the ADGM and the DIFC), and whether such offer or solicitation was made orally or in writing, including electronic mail. None of the Company, the Selling Shareholder, the other Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors (or their respective representatives) makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers and the Joint Bookrunners under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Joint Lead Managers and the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accepts any responsibility whether arising in tort, contract or otherwise for, or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offer Shares or the Offering and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Joint Lead Managers and the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement or the public offering of the Offer Shares in the UAE generally.

This Prospectus was approved by SCA on 2 September 2021.

Definitions and Abbreviations

ADNOC	Abu Dhabi National Oil Company.
ADNOC Offshore	The ADNOC division responsible for the development, production, and delivery of oil and gas resources from offshore fields in Abu Dhabi.
ADNOC Onshore	The ADNOC division responsible for development, production, and delivery of oil and gas resources from onshore fields in Abu Dhabi.
ADNOC Sour Gas	ADNOC Sour Petroleum Company LLC, a limited liability company with license number CN-4008583.
ADGM	Abu Dhabi Global Market
ADNOC Group Companies	ADNOC and the group of companies owned by ADNOC.
ADNOC Group Companies Employees	The relevant individuals employed by any of the ADNOC Group Companies.
ADX	Abu Dhabi Securities Exchange in the UAE.
AED or UAE Dirham	The lawful currency of the United Arab Emirates.
Articles of Association	The articles of association of the Company.
Audited Financial Statements	The Company's audited financial statements as of and for the years ended 31 December 2019 and 2020
Authority	The Securities and Commodities Authority of the United Arab Emirates.
Baker Hughes	Baker Hughes Holding SPV LTD, a private company limited by shares incorporated in Abu Dhabi in accordance with the rules of the ADGM.
Board	The board of directors of the Company.
Closing Date	23 September 2021 for the First Tranche and the Third Tranche and 26 September 2021 for the Second Tranche.
Companies Law	The Federal Law No. 2 of 2015 Concerning Commercial Companies as amended.
Company	**ADNOC Drilling Company PJSC** (a public joint stock company in Abu Dhabi pursuant to the applicable laws of the UAE.
DFSA	Dubai Financial Services Authority
DIFC	Dubai International Financial Centre
Directors	The Executive Directors and the Non-Executive Directors
EBITDA	Earnings before interest, tax, depreciation and amortization.

EIA	Emirates Investment Authority
Electronic Applications	Applications via online internet / mobile banking and ATMS as provided by the Receiving Banks to the Subscribers of the First Tranche and the Third Tranche.
Executive Directors	The executive Directors of the Company.
Expression of Interest (EOI)	The platform for registering interest in the Offering by ADNOC Group Companies Employees and UAE National Retirees in order to be eligible for allotment in the Third Tranche.
Final Offer Price	The offer price at which all the Subscribers in the First Tranche, the Second Tranche and the Third Tranche will purchase each Offer Share will be at the Final Offer Price. The Final Offer Price of each Offer Share will be determined following a bookbuild process for the Second Tranche and following consultation between the Joint Lead Managers, the Selling Shareholder and the Company. The shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate the Final Offer Price of each Offer Share. Following closing of the Second Tranche, the Company will publish an announcement setting out the Final Offer Price (the "**Offer Price Announcement**"), which will be published in two Arabic local daily newspapers and one English newspaper in the UAE and on the website https://www.adnoc.ae/drillingIPO.
Final Offer Size	The final number of the Offer Shares that will be offered for sale by the Selling Shareholder and which will be determined following closing of the Second Tranche.
Financial Statements	The audited financial statements of the Company which are listed in Annex 1 as at and for the years ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018) and 31 December 2020 and the reviewed interim financial statements as of and for the six months ended 30 June 2021. The financial statements for the year ended 31 December 2019 have been reissued as described in Note 2 and Note 27 of the Financial Statements for that year.
Financial year	The financial year of the Company will start on 1st January and end on 31st December of each year.
First Tranche	The Offering of the Offer Shares in the UAE to First Tranche Subscribers.
First Tranche Subscribers	Individual Subscribers and other investors (including natural persons, companies and establishments) who do not participate in the Second Tranche or the Third Tranche and who hold a NIN with the ADX and have a bank account.
Founders or Principal Shareholders	Abu Dhabi National Oil Company ("**ADNOC**") and Baker Hughes Holding SPV LTD.

FTS Fund Transfer Mode	UAE Central Bank Fund Transfer ("**FTS**") mode
FSRA	ADGM Financial Services Regulatory Authority
FSMR Regulations	Financial Services and Markets Regulations
GDP	Gross domestic product
GCC	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
Group	The ADNOC group of companies.
Government	Unless otherwise specified, the Federal Government of the UAE, the Government of Abu Dhabi and any instrumentality or body of either of them, including the General Headquarters of the UAE Armed Forces.
Governance Rules	The Chairman of Authority's Board of Directors' Decision no (3/Chairman) of 2020 Concerning approval of Joint Stock Companies Governance Guide
IFRS	International Financial Reporting Standards.
Individual Subscribers	Natural persons who hold a NIN with the ADX and have a bank account (including Qualified High Net Worth Individual Subscribers). There are no other citizenship or residence requirements.
IRR	Internal Rate of Return.
Joint Bookrunners	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited and certain regional and international investment banks.
Joint Lead Managers	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC and HSBC Bank Middle East Limited
Listing of the Shares	Following the closing of the subscription, the allocation to successful Subscribers, the Company will apply to list all of its Shares on the ADX. Trading in the Shares on the ADX will be effected through the ADX Share Registry.
Lead Receiving Bank	First Abu Dhabi Bank PJSC
LIBOR	The London Inter-bank Offered Rate.
Listing	The listing of the Shares to trading on the ADX.
LTIF	Lost Time Injury Frequency Rate.
Manager's Cheque	Certified bank cheque drawn on a bank licensed and operating in the United Arab Emirates

Maximum Investment	No maximum subscription in Offer Shares has been set.
Memorandum of Association	The memorandum of association of the Company
Minimum Investment	The minimum subscription for Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000, with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 1,000,000 (see the section on "**Subscription Amounts**" in the first section of this Prospectus for further details).
NIN	A unified investor number that a Subscriber must hold or obtain from ADX for the purposes of subscription.
Non-Executive Directors	The non-executive Directors of the Company
OFAC	The Office of Foreign Assets Control of the US Department of the Treasury
Offering	The public subscription for 1,200,000,000 (one billion two hundred million) Shares of the total Shares of the Company which are being offered for sale by the Selling Shareholder. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.
Offer Price Range	The Offer Shares are being offered at an offer price range that will be published on the first day of opening the Offer Period.
Offer Participants	The entities listed on pages 7-8 of this Prospectus.
Offer Period	The subscription period for the First Tranche and the Third Tranche starts on 13 September 2021 and will close on 23 September 2021. The subscription period for the Second Tranche starts on 13 September 2021 and will close on 26 September 2021.
Offer Shares	1,200,000,000 (one billion two hundred million) Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval
Offshore	Refers to operations undertaken at, or under, the sea, in association with an oil, natural gas or condensate field that is under the seabed, or to activities carried out in relation to such a field.
Oilfield	Services in relation to oil and gas exploration and production (E&P).
Onshore	Refers to the mainland and operations undertaken under the land or to activities or operations carried out in relation to such a field.

OPEC	The Organization of the Petroleum Exporting Countries, consisting of Algeria, Angola, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, the Republic of the Congo, Saudi Arabia (the de facto leader), the United Arab Emirates and Venezuela.
OPEC+	The wider Organization of the Petroleum Exporting Countries group, which includes countries additional to the OPEC countries.
Ownership Restrictions	It is prohibited that more than 49% of the Shares of the Company be held by non GCC nationals.
Professional Client	Persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module
Qualified High Net Worth Individual Subscribers	Natural persons who have been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited) a. who are certified by the SCA or a similar regulatory authority to conduct any tasks associated with financial activities or services; or: b. Who fulfil the following conditions: i. whose net worth, excluding his or her principal residence, amounts to at least AED 4,000,000 (four million dirhams); and ii. whose annual income is not less than AED 1,000,000; and iii. who confirm that he or she has sufficient knowledge or expertise, or is represented by an entity that is licensed by SCA in a manner that does not contravene the terms of its licensing.
Qualified Institutional Subscribers	Juridical persons capable of making and managing investments on their own, including: (i) the federal government of the UAE and governments of each Emirate in the UAE, governmental entities, institutions and authorities and companies wholly owned by any of them; or (ii) foreign governments, and their organizations, entities, institutions and authorities, or entities wholly owned by them; or (iii) international organizations and entities; or (iv) bodies licensed by SCA or similar regulatory bodies; or (v) legal persons who, as of the date of their last financial statements, satisfy at least two of the following requirements: a. total assets are valued at AED 75,000,000 (seventy-five million UAE dirham);

	b. generate net annual revenues of AED 150,000,000 (one hundred fifty million UAE dirhams); c. have net worth or paid-up capital with a minimum of AED 7,000,000 (seven million UAE dirhams), and who, in each case, have been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer ("**QIB**") as defined in Rule 144A under the US Securities Act and to whom an offer can be made in accordance with Rule 144A, (b) a person outside the United States to whom an offer can be made in reliance on Regulation S, (c) a person in the DIFC to whom an offer can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA's Rulebook, or (d) a person in the ADGM to whom an offer can be made pursuant to an exemption from registration under the FSMR Regulations Markets Rules and made only to persons who meet the Professional Client criteria set out in the FSRA Conduct of Business Rulebook.
Recapitalization	Prior to Listing, we increased the number of Shares from 4,000,000 to 16,000,000,000 through the capitalization of AED 1,200,000,000 of retained earnings and the reduction of the par value per Share from AED 100 to AED 0.10 (collectively, the "Recapitalization"). The Recapitalization has no impact on our cash position or our total shareholders' equity.
Receiving Banks	The group of banks led by the Lead Receiving Bank, comprising those banks and the following other participating receiving banks: Abu Dhabi Commercial Bank PJSC, Abu Dhabi Islamic Bank PJSC, and Emirates NBD PJSC
Regulation S	Regulation S under the US Securities Act.
Rule 144A	Rule 144A under the US Securities Act.
Second Tranche	The offer of Offer Shares to Second Tranche Subscribers made under the Second Tranche Document.
Second Tranche Document	The offer document has been drafted in a specific manner to be addressed only to Qualified Institutional Investors for the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions and acceptable to such jurisdictions, and it has not been approved by the Authority, and the offer document does not form part of this Prospectus and the information contained therein does not form part of this Prospectus. This offer document for the Second Tranche which will be available at https://www.adnoc.ae/drillingIPO.
Second Tranche Subscribers	Qualified Institutional Subscribers and Qualified High Net Worth Individual Subscribers.

Selling Shareholder	ADNOC
Shares	The ordinary shares of the Company with a nominal value of AED 0.10 dirhams (10 Fils) each.
Shareholder	Holder of Shares in the capital of the Company
SMS	Short Message Service
Subscriber	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
Third Tranche	The offer of the Offer Shares to the Third Tranche Subscribers.
Third Tranche Subscribers	ADNOC Group Companies Employees and UAE National Retirees.
TRIR	Total Recordable Incident Rate.
UAE	United Arab Emirates.
UAE Central Bank	The central bank of United Arab Emirates.
UAE National Retirees	Retired employees of the ADNOC Group Companies who are UAE nationals.
UK	The United Kingdom of Great Britain and Northern Ireland.
US Securities Act	The US Securities Act of 1933, as amended.
United States or US	The United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.

First section: Subscription terms and conditions

Key details of shares offered for sale to the public

- **Name of the Company: ADNOC Drilling Company PJSC**

- **Share capital:** The share capital of the Company as at the date of Listing has been set at AED 1,600,000,000 (one billion six hundred million UAE dirhams) divided into 16,000,000,000 (sixteen billion) shares paid in full, with the nominal value of each Share being AED 0.10 (ten Fils).

- **Percentage, number and type of the Offer Shares:** 1,200,000,000 (one billion two hundred million) Shares, all of which are ordinary shares and which constitute 7.5% per cent of the Company's issued share capital. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.

- **Offer Price Range per Offer Share:** The Offer Price Range will be published on 13 September 2021.

- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**

  - **First Tranche:** The First Tranche of the Offering will be open to First Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with ADX and have a bank account number. 8% (eight per cent) of the Offer Shares, 96,000,000 (ninety-six million) Shares are allocated to the First Tranche. The Selling Shareholder reserves the right to increase the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

  - **Second Tranche:** The Second Tranche of the Offering will be open to Second Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with ADX. 90% (ninety per cent) of the Offer Shares, representing 1,080,000,000 (one billion eighty million), are allocated to the Second Tranche.

  - **Third Tranche:** The Third Tranche of the Offering will be open to Third Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus. All Subscribers in the Third Tranche must hold a NIN with ADX and have a bank account number. The final size of the Third Tranche will be determined by the Selling Shareholder on the date of the Offer Price Announcement. 2% (two per cent) of the Offer Shares, representing 24,000,000 (twenty-four million) Shares are allocated to the Third Tranche. The Selling Shareholder reserves the right to increase the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

- **Public subscription in the Offer Shares is prohibited as follows:** Public subscription is prohibited to any Subscriber whose investment is restricted by the laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber belongs. It is the Subscriber's responsibility to determine whether the Subscriber application for, and investment in, the Offer Shares conforms to the laws of the applicable jurisdiction(s).

- **Minimum investment:** The minimum subscription in Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000 with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 1,000,000.

- **Maximum investment:** No maximum subscription in Offer Shares has been set.

- **Subscription by Founders:** The Founders may not subscribe for Offer Shares, whether directly or indirectly or through its subsidiaries.

- **Lock-up period:** The Shares held by the Founders following completion of the Offering shall be subject to a lock-up which starts on the date of Listing of the Shares and ends twelve (12) months thereafter.

- **ADNOC Ownership:** The Company must be owned at least 51% by ADNOC.

- **Reasons for the Offering and Use of Offer Proceeds**

  The Company will not receive any proceeds from the Offering. The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholding, while providing increased trading liquidity in the Shares and raising our profile with the international investment community.

- **Subscription costs / Offering expenses**

  All expenses of the Offering (including selling commissions and any discretionary fees) will be borne by the Selling Shareholder.

Further Information on the First Tranche and the Third Tranche

1. Subscription Applications

Each Subscriber in the First Tranche and the Third Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber) or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Receiving Banks and the Joint Lead Managers reserve the right to accept all or disqualify all or some of the Subscription Applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank together with the subscription amount during the Offer Period for the First Tranche and the Third Tranche.

The completed subscription application should be clear and fully legible. If it is not, the Receiving Bank shall refuse to accept the subscription application from the Subscriber until the latter satisfies all the required information or documentation before the close of the subscription.

All of the ADNOC Group Companies Employees and UAE National Retirees who are interested in participating in the Third Tranche are required to submit their expression of interest ("**EOI**") along with their corresponding NIN details through the platforms provided by ADNOC. The list of ADNOC Group Companies Employees and UAE National Retirees who had submitted their EOI will be forwarded to the Lead Receiving Bank a day prior to the start of the subscription period and any incremental additions to the list of employees will be provided to the Lead Receiving Bank on a daily basis until 12:00PM on 22 September 2021. Any EOI received thereafter will not qualify for the Third Tranche allocation.

If any of the ADNOC Group Companies Employees and UAE National Retirees participating in the Third Tranche have not provided his/her EOI prior to the date and time stipulated above, their subscription will be shifted to the First Tranche, and if any of the ADNOC Group Companies Employees and UAE National Retirees participating in the First Tranche have provided his/her EOI prior to the date and time stipulated above, their subscription will be shifted to the Third Tranche.

Subscription for Offer Shares would deem the Subscriber to have accepted the Articles of Association of the Company and complied with all the resolutions issued by the Company's general assembly. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing the Prospectus and the Company's Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks' branches mentioned herein. The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of the bank representative in which the subscription was made. Each subscription application shall be clearly signed or certified by the Subscriber or his representative.

The Receiving Banks may reject subscription applications submitted by any Subscriber in the First Tranche and the Third Tranche for any of the following reasons:

- the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no Offer Participant takes responsibility for non-receipt of an allotment of Offer Shares if the address of the subscribers is not filled in correctly);
- the subscription application amount is paid using a method that is not a

permitted method of payment;

- the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche and the Third Tranche offers; and
- the completed subscription application form is not clear and fully legible.
- the manager's cheque is returned for any reason;
- if the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;
- if the ADX NIN is not made available or an incorrect NIN is provided;
- if multiple or duplicate subscription applications are found, any acceptance of such applications is solely at the discretion of the Selling Shareholder);
- if the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- if the Subscriber is found to have submitted more than one application (it is not permitted to apply in the First Tranche, the Second Tranche, and Third Tranche), any acceptance of such application is solely at the discretion of the Selling Shareholder;
- if the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another Subscriber);
- a Subscriber has not adhered to the rules applicable to the First Tranche, the Second Tranche and Third Tranche offers;
- if it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Law, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the Authority or the ADX; and
- if for any reason FTS/SWIFT/ any other electronic channels funds transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Lead Receiving Bank may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the subscribers before the notification of the allocation of Shares to such rejected Subscribers.

Documents accompanying Subscription Applications

Subscribers shall submit the following documents along with their subscription application forms:

For *individuals* who are UAE or GCC nationals or nationals of any other country:

- The original and a copy of a valid passport or Emirates identity card; and
- In case the signatory is different from the Subscriber:

- the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
- A copy of the passport/Emirates ID of the Subscriber for verification of signature.

- In case the signatory is a guardian of a minor, the following will be submitted:
  - Original and copy of the guardian's passport/Emirates ID for verification of signature;
  - Original and copy of the minor's passport; and
  - If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

For *corporate bodies* including banks, financial institutions, investment funds and other companies and establishments:

- UAE registered corporate bodies:
  - The original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies; a notary public or as otherwise duly regulated in the country;
  - The original and a copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and
  - The original and a copy of the passport/Emirates ID of the signatory.
- Foreign corporate bodies: the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

For *individuals* who are ADNOC Group Companies Employees and UAE National Retirees participating in the Third Tranche:

- To submit their EOI along with their corresponding NIN details through the platforms provided;
- The original and a copy of a valid passport or Emirates ID; and

In case the signatory is different from the Subscriber:

- the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
- a copy of the passport/Emirates ID of the Subscriber for verification of signature.

2. Method of subscription and payment for the First Tranche and the Third Tranche

Method of payment for First Tranche and the Third Tranche

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN with ADX and the Subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the Offer Shares, which is to be paid in one of the following ways:

- Certified bank cheque (Manager's cheque) drawn on a bank licensed and operating in the UAE, in favor of ADNOC Drilling Company PJSC – IPO; or
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic Subscriptions (please refer to the section on Electronic Subscription below).

Details of the Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's cheque.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- In cash;
- Cheques (not certified); or
- Any other mode of payment other than mentioned above.

Please refer to the Annexure – 3 for the Receiving Bank's participating branches.

Additionally, ADNOC Group Companies Employees and UAE National Retirees can submit their application at the receiving centers set up at the following ADNOC offices:

- ADNOC Headquarters Building, Corniche Rd - Abu Dhabi, UAE;
- ADNOC Drilling Company HQ, SKEC-2, Building #112, Corniche Road, Al Dana Area, Fatima Bint Mubarak Street, PO Box 4017 - Abu Dhabi, UAE;
- Shaikh Khalifa Energy Complex, Zone 1E9-01 - Abu Dhabi, UAE; and
- ADNOC Al Ruwais Complex, Al Ruwais.

Electronic subscription

E-subscription

Electronic subscriptions: The Receiving Banks may also have their own electronic channels (ATMs, on-line internet banking applications, mobile banking applications, etc.) interfaced with the ADX eKtetab IPO system. By submitting the electronic subscription application the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and is the relevant Receiving Bank to pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the Offer account in favor of "**ADNOC Drilling Company IPO**" held at the Receiving Banks, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to electronic applications under this section. Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any accrued profit resulting thereon following the closing of the Offer Period and prior to the listing of the Shares shall be performed solely by, and processed through, the Receiving Banks in which the electronic subscription application was submitted.

Subscription applications may also be received through UAE Central Bank Fund Transfer ("**FTS**") mode, to the extent is availed by each of the Receiving Banks. The investor choosing the FTS method will be required to provide their valid NIN with ADX along with the value of Offer Shares subscribed for in the special instructions field.

E-Subscription

FAB E-Subscription

Subscribers choosing the FTS/ SWIFT/ FAB channels will be required to transfer their Subscription amount:

1. Online Transfer via UAE FTS Payment/ FAB online/mobile banking - Steps (INSIDE UAE)

Please use "Payment Purpose Code" as "IPO" or Others and include NIN number.
Subscriber to remit funds, first, in full without deduction of any Foreign Bank charges.
Please mention "NIN Number, Broker Name and mobile Number under "Remittance Instructions" field or "Remarks"

2. SWIFT Payment Steps (OUTSIDE UAE)

Select Payment message MT103
Capture in Field 70 relevant "NIN Number, Broker Name, mobile number, amount of subscription applied for"
IMPORTANT NOTE: Last Day for receiving FTS/ SWIFT/FAB Channels remittances is 22 September 2021 at 12:00 PM. Please note that if the funds are received after the cutoff date and time, the same will be rejected and returned. Please allow for 12 to 24 hours for the funds to be transferred to the beneficiary account. Please schedule your subscription early accordingly.

Details for subscription funds transfer:
BANK NAME: First Abu Dhabi Bank PJSC
IBAN: AE470354031000000001141
Beneficiary Account Name: ADNOC Drilling PJSC- IPO
Currency: AED
Account Number: 4031000000001141
SWIFT Code: NBADAEAASSD

After completion of transferring the funds to the FAB account as provided above, access the following website: https://www.bankfab.com/en-ae/cib/iposubscription and complete the subscription application (Please refer to the following page for further information: "How to subscribe").

After completing the subscription application, please upload the subscription payment receipt and the subscription application.

Subscription application and Prospectus can also be downloaded from: adnoc.ae/DrillingIPO.

In case of any issues or support, please contact us by email at: IPO.online@bankfab.com.

In case the details provided are insufficient / incorrect and / or the payment is not received / partially received, the subscription will be rejected and notified to the Subscriber and the amount, if any, remitted will be refunded to the Subscriber.

ADIB E-Subscription:

ADIB's electronic subscription channels, including online internet banking are accessible via ADIB's official website www.adib.ae and mobile banking app, which are duly interfaced with the ADX database and are only available to ADIB account holders.

The electronic subscription applications will be generated through the eIPO system on ADIB Intranet and mobile Banking.

As ADIB account holders wishing to subscribe to the offering would be accessing ADIB's electronic subscription channels with their relevant username and password (as is customary with electronic banking transactions), this will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly the supporting documentation in relation to applications set out elsewhere in this Prospectus, and will not apply to electronic applications under this section.

ADIB account holders must then complete the electronic application form relevant to their tranche, providing all required details including an updated ADX NIN, an active ADIB account number, the amount they wish to subscribe for, and select the designated brokerage account (otherwise the new shares will be registered through ADX's clearing and settlement department (CSD)).

Please note that ADIB account holders who do not provide their ADX NIN and an ADIB account number will not be eligible for subscription through ADIB's electronic subscription channels.

By submitting the electronic subscription form, the ADIB account holder customer accepts the Offering terms and conditions and authorizes ADIB to pay the total subscription amount by debiting the amount from the respective ADIB account and transferring the same to the IPO account in favor of the issuer account held at ADIB, as detailed in the subscription application.

Successful Subscriptions will automatically receive an acknowledgement of receipt. The ADIB account holder has to keep this receipt until they receive the allotment notice.

ADCB E-Subscription:

Only ADCB customers with their own NIN can subscribe through the below link https://www.adcb.com/ADNOCDrilling

This page will have a marketing brief, a downloadable copy of the prospectus, FAQS and a subscription link.

Process Steps:
Step # 1 ADCB customers to visit the https://www.adcb.com/ADNOCDrilling and click

IPO Subscription Link
Step # 2 Complete login authentication (Customer ID, Mobile Number and OTP)
Step # 3 Enter NIN Number
Step # 4 Select Broker, Enter Subscription Amount, Select Account and Submit.
The same URL to be used from any mobile device to subscribe to the IPO.

ENBD E-Subscription:

Account holders with Emirates NBD can subscribe via the bank's online internet banking channel as well as through ATMs. Eligible persons can access their ATM with their debit card, and internet banking with their username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification with regard to their subscriptions.

Online Banking Steps:

1. Visit www.emiratesnbd.com and select Online Banking
2. Login to the online banking account
3. Click on Pay & Transfer
4. Select "IPO payment" option
5. Enter valid ADX NIN number
6. Enter subscription details
7. Authorize with authorization code
8. Confirmation will show IPO application and reference number

ATM Steps:
1. Enter debit card and pin number
2. Select IPO subscription option in the main screen and select IPO name
3. Enter valid ADX NIN number
4. Select eligible account number to be debited
5. Enter the amount to invest
6. Select the broker if any
7. Confirmation will show IPO application number and reference number

Subscribers without an ENBD account, who are either in the UAE or outside, can also subscribe through ENBD using the FTS or SWIFT channels, as follow:

From within UAE: Online Transfer via FTS/Internet Banking/Mobile Banking steps
1. Use "Payment Purpose Code" as "IPO" if available or others
2. Remit funds first in full without deduction of any Bank charges.
3. Mention "ADX NIN Number, Broker Name and mobile Number under "Remittance Instructions" field or "Remarks"

From outside the UAE: SWIFT Payment Steps
1. Select Payment message as MT103
2. Capture in Field 70 "ADX NIN Number, Broker Name, mobile number"

IMPORTANT NOTE: Last Day for receiving FTS/ SWIFT/Channels remittances is 22 September 2021 at 12:00 PM. Please note that if the funds are received after the cutoff date and time, the same will be rejected and returned. Please allow for 12 to 24 hours for the funds to be transferred to the beneficiary account. Please schedule your subscription early accordingly.

After transferring the funds to the ENBD account provided above, kindly visit adnoc.ae/Drilling to download the application form. Fill-in all the details and affix signature and scan the subscription application.
Then send the application with relevant documents as listed below, as applicable to ADNOC@EmiratesNBD.com

1. Filled and signed subscription application form.
2. Copy of ADX NIN card or first page of the ADX statement.
3. Copy of Emirates ID or passport.
4. Copy of the payment acknowledgement.
5. Mobile Number

Subscription application and Prospectus can also be downloaded from: https://www.adnoc.ae/drillingIPO (Issuer's Website)

In case of any issues or support, please contact the dedicated ENBD team by email at: ADNOC@EmiratesNBD.com or through our call centre on +9714 316 0066

In case the details provided are insufficient / incorrect and / or payment not received / partially received, the subscription will be rejected and notified to the Subscriber and the amount, if any, remitted will be refunded to the Subscriber.

ADX ePortal Subscription:

For applying through ADX ePortal Subscriptions
Please access -
For Arabic - https://www.adx.ae/Arabic/Pages/ProductsandServices/ipo.aspx
For English - https://www.adx.ae/English/Pages/ProductsandServices/ipo.aspx

Refer to the "ADX IPO ePortal Subscription Instructions" and follow the instructions. Click on the IPO Subscription Link provided to subscribe for the First Tranche and the Third Tranche. (*Applicable only for investors who do not have accounts with any of the Receiving Banks*)

Important dates relevant to the methods of payment of the subscription amounts

- Subscription amounts paid by way of cheque must be submitted by 12pm on 21 September 2021.

- Subscription applications received through E-subscription online and mobile banking / FTS / SWIFT must be made before 12pm on 22 September 2021.

Subscription amounts

Subscribers in the First Tranche and the Third Tranche must submit applications to purchase Offer Shares in the amount of AED 5,000 or more, with any subscription over AED 5,000 to be made in increments of at least AED 1,000. Subscribers in the First Tranche and the Third Tranche shall accordingly apply for an AED subscription amount which shall be applied towards purchasing Offer Shares at the Final Offer Price, rather than applying for a specific number of Offer Shares.

Final Offer Price

The offer price at which all the Subscribers will purchase Offer Shares will be at the Final Offer Price.

The Offer Shares will be sold in an initial public offer and the Final Offer Price will be determined by way of the application of a book building process, where an application orders' ledger will be created through the application orders made only by the Second Tranche Subscribers (see details of who may apply in the Second Tranche). Second Tranche Subscribers will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (as in, by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information on the extent of demand at various prices provided by these Second Tranche Subscribers to determine and recommend to the Company and the Selling Shareholder the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Shares of the Qualified Institutional Subscribers must represent the majority of the Offer Shares used to calculate the Final Offer Price of the Offer Shares.

Subscription process

Subscribers must complete the application form relevant to their Tranche, providing all required details. Subscribers who do not provide the NIN with ADX and bank account will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply in one Tranche. In the event a person applies in more than one Tranche, then the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed, and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This receipt shall include the data of the Subscriber, address, amount paid, details of the payment method, and date of investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as NIN number, Amount, Date, Customer bank account details.

If the address of the Subscriber is not filled in correctly, the Company, the Selling Shareholder, the Joint Lead Managers and the Receiving Banks take no responsibility for non-receipt of such allotment advice.

3. Further information on various matters

Offer Period

Commences on 13 September 2021 and closes on 23 September 2021 for the First Tranche and Third Tranche and 26 September 2021 for the Second Tranche.

Lead Receiving Bank: First Abu Dhabi Bank PJSC

Receiving Bank(s)

Abu Dhabi Commercial Bank PJSC, Abu Dhabi Islamic Bank PJSC, and Emirates NBD PJSC.

Method of allocation of Offer Shares to different categories of Subscribers *(Under SCA CHAIRMAN OF THE BOARD RESOLUTION NO. (11/R.M) OF 2016 ON THE REGULATIONS FOR ISSUING AND OFFERING SHARES OF PUBLIC JOINT STOCK COMPANIES, as amended)*

Should the total size of subscriptions received exceed the number of Offer Shares, then the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and any accrued profit resulting thereon.

Notice of Allocation

A notice to successful Subscribers in the First Tranche and Third Tranche will be sent by way of SMS initially confirming the acceptance of subscription and number of offered shares allocated to them. This will be followed by a notice setting out to each Subscriber's Share allocation, which will be sent by registered mail to each Subscriber in the First Tranche and Third Tranche.

Method of refunding surplus amounts to Subscribers

By no later than 30 September 2021 (being within five (5) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within five (5) working days of such allocation, the surplus subscription amounts, and any accrued profit resulting thereon, shall be refunded to Subscribers in the First Tranche and the Third Tranche who did not receive Offer Shares, and the subscription amounts and any accrued profit resulting thereon shall be refunded to the Subscribers in the First Tranche and the Third Tranche whose applications have been rejected for any of the above reasons. The surplus amount and any accrued profit thereon are returned to the same Subscriber's account through which the payment of the original application amount was made. In the event payment of the subscription amount is made by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in the subscription application.

The difference between the subscription amount accepted by the Company and the Selling Shareholder for a Subscriber, if any, and the application amount paid by that Subscriber will be refunded to such Subscriber, pursuant to the terms of this

Prospectus.

Inquiries and complaints

Subscribers who wish to submit an inquiry or complaint with respect to any rejected requests, allocation, or refunding of the surplus funds, must contact the Receiving Bank through which the subscription was made, and if a solution cannot be reached, then the Receiving Bank must refer the matter to the Investor Relations Manager. The Subscriber must remain updated on the status. The Subscriber's relationship remains only with the party receiving the subscription request.

Listing and trading of Shares

Subsequent to the allocation of Offer Shares, the Company will list all of its Shares on the ADX in accordance with the applicable listing and trading rules as at the Listing date of 3 October 2021. Trading in the Shares will be effected on an electronic basis, through the ADX's share registry, with the commencement of such trading estimated to take place after completion of the registration.

Voting rights

All Shares are of the same class and shall carry equal voting rights and shall rank pari passu in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all Shareholders' resolutions.

Risks

There are certain risks that are specific to investing in this Offering. Those risks have been discussed in a section headed "*Investment Risks*" of this Prospectus and must be taken into account before deciding to subscribe in Offer Shares.

Emirates Investment Authority

The EIA shall be entitled to subscribe to (5%) five per cent. Of the Offer Shares, and the percentage of subscription which the EIA will purchase shall be allocated in full before the commencement of allocation. Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights then its reserved portion shall be available to Second Tranche Subscribers for subscription.

4. Timetable for subscription and listing

The dates set out below outline the expected timetable for the Offering. However, the Company reserves the right to change any of the dates/times, or to shorten or extend the specified time periods upon obtaining the approval of the appropriate authorities and publishing such change(s) during the Offering period in daily newspapers

Event	**Date**
Offering commencement date (The Offer Period shall continue for ten days for the First and Third Tranche Subscribers, and for twelve days for the Second Tranche Subscribers, including Saturdays, for the purposes of accepting Subscribers' applications)	13 September 2021
Closing Date of the First Tranche and the Third Tranche	23 September 2021
Closing Date of the Second Tranche	26 September 2021
Announcement of Final Offer Price	27 September 2021

Allocation of First Tranche and Third Tranche	27 September 2021
SMS notification of final allocations of the First Tranche and the Third Tranche	30 September 2021
Commencement of refunds related to the investment surplus, and any accrued profit resulting thereon, to the First Tranche and Third Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of shares	30 September 2021
Expected date of listing the Shares on the ADX	3 October 2021

5. Tranches

The Offering of the Offer Shares is divided as follows:

The First Tranche:

Size:	8% (eight per cent) of the Offer Shares representing 96,000,000 (ninety-six million) Shares. The Selling Shareholder reserves the right to increase the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
Eligibility:	First Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus.
Minimum application size:	AED 5,000, with any additional application in increments of at least AED 1,000.
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the First Tranche, Offer Shares will be allocated to First Tranche Subscribers pro rata to each Subscriber’s subscription application amount based on the Final Offer Price. Applications will be scaled-back on the same basis if the First Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.
Unsubscribed Offer Shares	If all of the Offer Shares allocated to the First Tranche are not fully subscribed, the unsubscribed Offer Shares shall be available to Second Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third

	Tranche, or close the Offering at the level of applications received.

The Second Tranche:

Size:	90% (ninety per cent) of the Offer Shares, representing 1,080,000,000 (one billion eighty million) Shares.
Eligibility:	Second Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus
Minimum application size:	The minimum application size is AED 1,000,000.
Maximum application size:	There is no maximum application size.
Allocation policy:	Allocations within the Second Tranche will be determined by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited in connection with any Offering to natural persons). It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Shares or that they are allocated a number of Shares lower than the number of Shares mentioned in their subscription application.
Discretionary allocation:	The Company and the Selling Shareholder reserve the right to allocate Offer Shares in the Second Tranche in any way as they deem necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Shares or that they are allocated a number of Shares lower than the number of Shares mentioned in their subscription application.
Unsubscribed Offer Shares:	If all the Offer Shares allocated to the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The Third Tranche:

Size:	2% (two per cent) of the Offer Shares representing 24,000,000 (twenty-four million) Shares. The Selling Shareholder reserves the right to increase the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
Eligibility:	Third Tranche Subscribers as described on the cover page of this Prospectus and the "Definitions and Abbreviations" section of this Prospectus.
Minimum application size:	AED 5,000, with any additional application in increments of at least AED 1,000.

Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the Third Tranche, Offer Shares will be allocated to Third Tranche Subscribers pro rata to each Subscriber's subscription application amount based on the Final Offer Price. Applications will be scaled-back on the same basis if the Third Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.
Unsubscribed Offer Shares	If all of the Offer Shares allocated to the Third Tranche are not fully subscribed, the unsubscribed Offer Shares shall be available to the First Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche, or close the Offering at the level of applications received.

Multiple applications

A Subscriber should only submit an application for Offer Shares under one Tranche. Multiple applications within one tranche will be aggregated under a single NIN. In the event a Subscriber applies for subscription in more than one Tranche, the Receiving Banks and the Joint Lead Managers may deem one or both applications invalid.

Emirates Investment Authority
(Preferential allocation rights equal to 5% of the Offer Shares)

A number of the Offer Shares, representing 5% of all Offer Shares, are reserved for the Emirates Investment Authority, in accordance with the requirements of article 127 of the Companies Law. Offer Shares allocated to the Emirates Investment Authority under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares then those Offer Shares will be available to other Second Tranche Subscribers for application.

Important notes

Subscribers in the First Tranche and the Third Tranche will be notified of whether they have been successful in their application for Offer Shares by means of an SMS from ADX.

Upon listing of the Shares on the ADX, the Shares will be registered on an electronic system as applicable to the ADX. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the ADX.

Subject to the approval of the Authority, the Company reserves the right to alter the percentage of the Offer Shares which are to be made available to either the First Tranche the Second Tranche or the Third Tranche.

Second Section: Key details of the Company

1. Overview of the Company

Name of the Company:	**ADNOC Drilling Company PJSC**
Primary objects of the Company:	The objectives of the Company are as follows: - Import, purchase, acquisition, own, lease, rent, transfer, sale, marketing, operation, maintenance, and financing of drilling rigs, carrying out all drilling works such as the repair, alert and facilities services as well as any equipment or assets, materials and machines necessary to achieve the purposes of the Company. - Carrying out drilling works and wells' services associated thereto, and all that is related to the development and handling of land, sea and island wells, both conventional and non-conventional, in order to explore and extract oil, natural gas and water. - Production, purchase, sale, distribution, marketing, management, storage and preservation of chemicals and other products used or required in the oil and gas industries; purchase, construct, own, lease, transfer, sale, operate, maintain, finance and dispose of any facilities or assets required for such purposes, in addition to the provision of manpower. - Carrying out all operations, actions, works and activities it deems necessary for the achievement of its purposes, including the establishment or acquisition of subsidiaries and the entry into partnership agreements inside or outside the State. - Any other activity approved by the Supreme Council (now the Supreme Council for Financial and Economic Affairs) upon the recommendation of the Board of Directors. - The Company shall undertake its activities on its own, through companies wholly or partially owned by it or through intermediaries or agents appointed by it.
Head office:	PO Box 4017, Abu Dhabi, United Arab Emirates.
Details of trade register:	License No. CN-2688881
Term of the Company:	99 years.
Financial year:	1 January to 31 December.
Independent Auditors:	Deloitte & Touche (M.E.)

Major banks dealing with the Company:

- First Abu Dhabi Bank PJSC;
- Abu Dhabi Commercial Bank PJSC;
- Bank of America Merrill Lynch International Limited;
- Citibank N.A., UAE Branch;
- Mizuho Bank LTD;
- SGBTCI S.A.;
- Sumitomo Mitsui Banking Corporation DIFC Branch – Dubai;
- Unicredit Bank Austria AG; and
- Union National Bank PJSC.

Details of current Board of Managers:

Name	Date of Birth	Nationality	Capacity
H.E. Dr. Sultan Ahmed Al Jaber	31/08/1973	UAE	Chairman-Independent Member
Abdulmunim Saif Hamoud Ahmed AlKindi	31/12/1958	UAE	Vice Chairman - Member
Yaser Saeed Ahmed Omran Almazrouei	04/04/1973	UAE	Independent Member
Ahmed Jasim Yousif Naser Alzaabi	16/10/1980	UAE	Independent Member
Mohamed Saif Ali Abed Alaryani	01/03/1991	UAE	Independent Member
Muna Khalifa Mohamed Hazeem Almheiri	12/07/1975	UAE	Independent Member
Omar Ahmed Hassan Suwaina Alsuwaidi	04/07/1966	UAE	Independent Member

Some of the board members hold memberships in the boards of directors of other joint stock companies in the state, as follows[2]:

Name	Membership in the boards of directors of other joint stock companies in the state
H.E. Dr. Sultan Ahmed Al Jaber	H.E. Dr. Sultan Ahmed Al Jaber holds a number of positions on the boards of directors of several joint stock companies in the state.
Abdulmunim Saif Hamoud Ahmed AlKindi	Not applicable
Yaser Saeed Ahmed Omran Almazrouei	• Board member of National Marine Dredging Company
Ahmed Jasim Yousif Naser Alzaabi	• Chairman of the board of directors of Abu Dhabi Crude Oil Pipeline (ADCOP)

[2] The Company is exempt from Article 149 of the Companies Law.

	• Board member of Abu Dhabi National Oil Company for Distribution PJSC • Board member of Abu Dhabi Marine Business and Services Company PJSC
Mohamed Saif Ali Abed Alaryani	Not applicable
Muna Khalifa Mohamed Hazeem Almheiri	Not applicable
Omar Ahmed Hassan Suwaina Alsuwaidi	Not applicable

No bankruptcy ruling or a bankruptcy arrangement was issued against any member of the board of directors or members of the executive management of the Company.

None of the members of the board of directors or the senior management and their first-degree relatives own any shares in the Company

Summary of current employment contracts with the board of directors and senior executives

The total annual amount which is paid to the executive management of the Company totaled AED 16.5 million (USD 4.4 million).

2. BUSINESS DESCRIPTION:

Investors should read this section in conjunction with the more detailed information contained elsewhere in this Prospectus including the financial and other information. Where stated, financial information in this section has been extracted from the Company's Financial Statements.

Overview

We are the largest national drilling company in the Middle East by rig fleet size, with 107 rigs, out of which 96 rigs are owned and 11 are rented, as of 30 June 2021 and the sole provider of drilling rig hire services and certain associated rig-related services to the ADNOC group on agreed contractual terms. We provide our customers with a full suite of drilling services, including drilling rigs hire services and certain associated rig-related services in Abu Dhabi and oilfield services (such as integrated drilling services, wireline, directional drilling, cementing, pressure pumping, logging and fluids, and hydraulic fracturing). Approximately half of our fleet is less than five years old and 29 of our rigs are performing integrated drilling services to our customers. From our inception through 31 December 2020, we have drilled over 9,600 wells with a total distance of over 70 million feet. In the first half of 2021, we drilled 286 additional wells.

We believe that our leading market position, the strength of our brand, and the support of ADNOC, our parent company, contribute to our success. We organise our business into four reportable segments:

- Onshore, which accounted for 51.3% and 50.5% of our revenue and 53.1% and 53.6% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, through which we own and operate 65 land rigs, including 5 workover rigs, and where we provide land drilling, completion and workover services;

- Offshore jack up, which accounted for 28.4% and 26.1% of our revenue and 33.1% and 33.3% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, through which we own and operate 21 jack up rigs and 1 barge, and where we provide jack up drilling completion and workover services and self-propelled barge maintenance services;

- Offshore-Island, which accounted for 9.7% and 9.4% of our revenue and 11.4% and 12.1% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, through which we own and operate 10 island rigs, and where we provide artificial island drilling services; and

- Oil Field Services, which accounted for 10.6% and 14.0% of our revenue and 2.4% and 1.0% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, where we provide a full suite of oil field service business lines, including drilling fluids and completion, drilling services, integrated services, wireline and logging and hydraulic fracturing. As of 30 June 2021, 29 of rigs are performing integrated drilling services.

For the year ended 31 December 2020, we had revenue of USD 2,097.9 million, EBITDA of USD 959.7 million and profit of USD 569.0 million. For the six months ended 30 June 2021, we had revenue of USD 1,123.5 million, EBITDA of USD 499.5 million, and profit of USD 281.6 million.

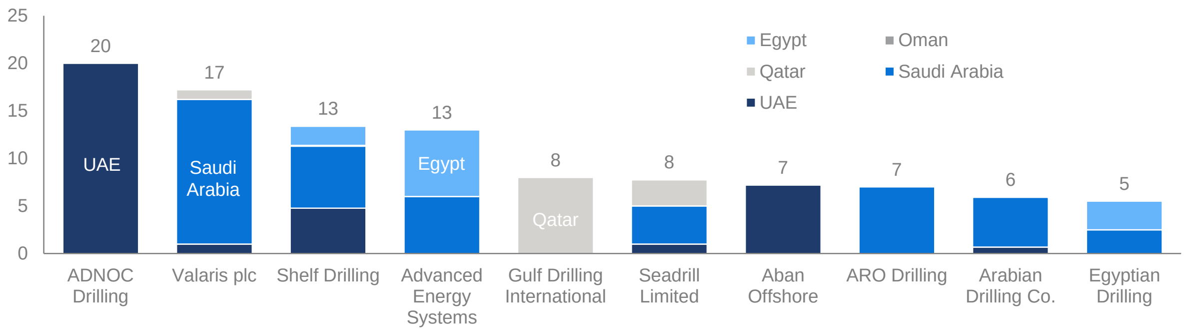
We were established in 1972 by virtue of an Emiri Decree as the National Drilling Company of Abu Dhabi and a wholly owned subsidiary of ADNOC. In 2018, we were reorganised by virtue of Federal Law No. 21 of 2018 to become "ADNOC Drilling Company PJSC". This was part of an initiative to re-organise us and improve our efficiency and profitability. Following our reorganisation and as part of the initiative to improve our efficiency and profitability, Baker Hughes invested in us and agreed with ADNOC to an activity - and milestone - based deferred consideration mechanism, beginning in 2023, linked to the development of ADNOC's new conventional and unconventional development program. Any payments under this deferred consideration mechanism would be between ADNOC and Baker Hughes, and would not result in any payments to or from us. Simultaneously, Baker Hughes entered into a series of agreements with us to enable us to become the first provider of integrated drilling services in the region, acting as the sole interface with customers. The strategic alliance with Baker Hughes added oil field services equipment, services, technology and further manpower capabilities to our existing in-house rig rental and rig management capabilities.

Competitive Strengths

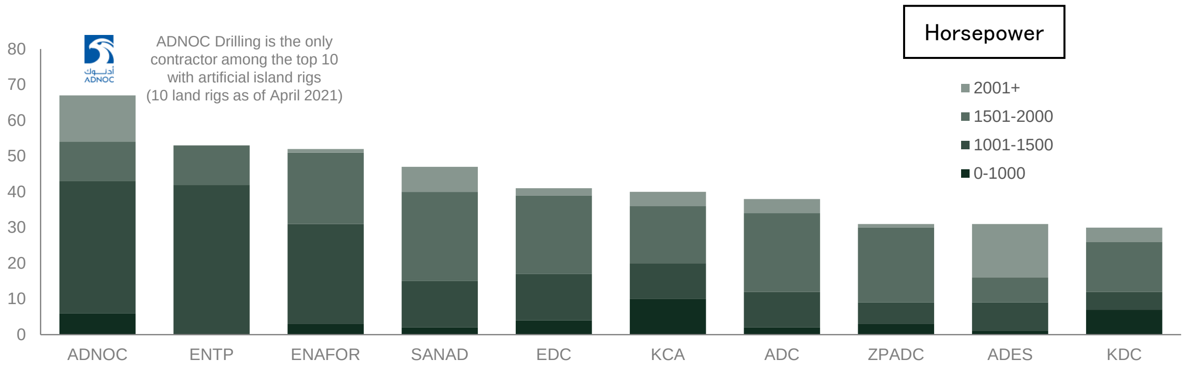
We are the largest national drilling company in the Middle East by rig fleet size.

We are the largest national drilling company in the Middle East by rig fleet size. Our rig fleet size of 107 rigs, out of which 96 are owned rigs, as of 30 June 2021, is approximately twice the size of the second largest regional drilling provider, which has 53 rigs. We believe that the size and quality of our fleet, together with our ability to provide a full suite of integrated drilling services, which is unmatched by any other regional drilling services provider, and our leading market position in the UAE, positions us as the go-to drilling service provider and we believe will contribute towards additional growth and expansion both domestically and internationally.

As of 31 December 2020, we were the largest national drilling contractor in the Middle East region with a total of 20 standard jack up rigs. The table below shows the top 10 drilling contractors and their jack up fleet in the region:



Similarly, as of 31 December 2020, in the Onshore segment, we are the contractor with most rigs located in the Middle East region. Our Onshore fleet consists of rigs across the entire classification spectre, as illustrated in the table below:



We benefit from a preferential contractual framework entered into with ADNOC which provides us with strong downside protection.

ADNOC upstream operating companies procure rig services solely from us based on agreed contractual terms. Pursuant to the Rig Services Framework Agreement, except as may otherwise be set out in any current operating company contract entered into with the ADNOC upstream operating companies, during the Initial Rig Base Term (being 15 years) of any onshore or offshore rig, the rates charged by us for the Rig Services provide the for recovery of an agreed target internal rate of return (" IRR") of 11% to 13% for offshore rigs and an agreed target IRR 10% to 12% for onshore rigs, on our capital and operational costs incurred during the period. Once the Initial Rig Base Term expires, the rate structure is set to provide recovery of our operating costs on a cost-plus basis to allow for an target EBIT margin of 15 to 17% for onshore rigs, and in respect of offshore rigs, the higher of (a) cost-plus basis to allow for a target EBIT margin of 15 to 17%; and (b) the GCC average rate for all active contracts (as set out in the RigLogix database) following a set percentage discount. Pursuant to the Rig Services Framework Agreement, we have the right to review the rates charged by us to any operating company under any future operating company contracts (annually for offshore rigs and every three years for onshore rigs) to ensure that the contractual target IRR or EBIT margins are maintained. See *"Related Party Transactions - Rig Services Framework Agreement".*

Under our Master Agreements, in the event of termination for convenience, early termination provisions are applicable and payable to us, which include the potential to recuperate the shortfall of the Net Book Value of the rigs. The Rig Services Framework Agreement was signed in 2018 and has a term of 40 years, which provides significant stability to our business. See "*Related Party Transactions - Master Agreements*".

Overall, we believe this contractual framework provides us with strong downside protection.

We have an attractive financial profile with leading and resilient profitability margins.

We benefit from our preferential contractual framework with ADNOC that helps us achieve leading profitability margins with resilient performance and stability against the volatility in the commodity prices.

We have achieved 50% EBITDA margin on average during the three-year period from 2018 to 2020 and have maintained robust funds from operations in excess of USD 1 billion on average during the same period despite the adverse macroeconomic conditions, the oil price shock in 2020 and the Coronavirus pandemic. Additionally, we have a solid balance sheet with leverage (net debt over EBITDA) of 1.2x as of 30 June 2021, one of the lowest in the industry. These factors are expected to enable us to deliver consistent dividends and attractive returns to our shareholders.

We believe we are well-positioned to achieve strong growth in both drilling and integrated drilling activities and generate sustainable growing free cash flows

Our drilling business is expected to benefit from significant demand growth driven by ADNOC's strategic upstream targets. We expect expansion in our rig fleet to deliver the long-term growth targets set by ADNOC.

We achieved a 36% cumulative drilling performance improvement from 2018 to 2020, which is calculated by comparing actual vs. scheduled days for delivering a well. We completed 86 out of 108 integrated drilling services wells ahead of schedule and below the expected budget for 2019 and 2020. As of 30 June 2021, we had 29 rigs performing integrated drilling services for ADNOC Onshore and ADNOC Offshore and we expect to reach 38 rigs performing integrated drilling services by the end of 2021.

Our integrated drilling services business is expected to benefit from increased penetration of the market and strong expansion of activity over the coming years. Our fully-integrated services offering positions us favourably to gain market share in the oilfield services market space (as referenced in the industry report, see "*Industry Overview*"). We have grown our share of the integrated drilling solutions market space, from 10% in 2019 to 35% in 2020; and expect to increase it up to 45% by the end of 2021. We believe significant opportunities exist to expand our operations in the UAE and regionally.

We believe we have a stable existing business delivering resilient financial performance and the strong expected captive growth both on the drilling and integrated drilling services activities positions us favourably to generate sustainably growing free cash flows.

We have an almost 50-year track record of strong operational performance, with an extensive footprint and well-developed drilling infrastructure in the UAE, a high quality, well maintained fleet and an experienced senior management team.

We work closely with our customers to improve drilling efficiencies, which frequently results in rig operations being completed ahead of plan and ultimately lowering the cost per well for our customers. We are responsive and flexible in addressing our customers' specific needs and seek collaborative solutions to achieve customer objectives. We believe that our strong operational performance and close alignment with our customers' interests provides us with a competitive advantage and contributes to our contracting success and high fleet utilisation.

We have achieved a 30% reduction in well duration over four years (from 2016 to 2019 compared against the 2015 baseline) driven mainly by our real time monitoring centre, which allows us to remotely monitor up to 120 wells simultaneously. Our efforts to continuously improve our operational performance resulted in a reduction in well duration from an average 96 days in 2018 to an average 58 days in 2020, and an average 46 days in 2018 to an average 36 days in our Offshore segment and

Onshore segment, respectively. Additionally, our fleet is comprised of well-maintained onshore rigs, jack-up rigs and island rigs with proven technologies and operating capabilities. Since our inception, we have implemented strategic fleet upgrade and renewal programs. More than half of our onshore rigs are less than five years old. Similarly, more than half of our jack up rigs are less than 10 years old and 70% of our island rigs are less than five years old. We continuously evaluate and enhance our fleet with "smart upgrades" where appropriate to meet our customers' requirements, in accordance with our "fit-for-purpose" strategy. We believe preserving high quality and well-maintained rigs are key to continue to benefit from our customers' trust and secure new drilling contracts, which in turn is expected to lead to an increase in revenues and profitability.

Additionally, our senior management team averages 25 years of experience in the drilling, workover and oilfield services industry, and has 200 years of collective industry experience. Our management team has a proven track record of growing revenue and profitability and implementing initiatives to improve operating efficiency and profit margins.

We are committed to environmental and social initiatives

We are committed to take part and contribute towards ADNOC's goals to (i) decrease greenhouse gas intensity by 25% by 2030, (ii) expand their carbon capture, utilization and storage capacity by 500% to 5 million tons of carbon dioxide per year by 2030, (iii) limit freshwater consumption to below 0.5% of total water usage, and (iv) plant 10 million mangrove seedlings in Al Dhafra region. ADNOC's goals align with the UN Sustainable Development Goals. We work diligently to reduce our environmental footprint throughout our value chain.

Our Strategies

Capitalise on ADNOC's plans to increase crude oil production by 25% to 5 million barrels per day by 2030 from 4 million barrels per day in 2020, achieve UAE gas self-sufficiency, and produce 1 billion cubic feet per day of unconventional gas by 2030.

Given our strong market position, industry-leading low-cost structure and long-standing relationship with our main shareholder, ADNOC, and the ADNOC Upstream Operating Companies, we believe we are well-positioned to benefit from a planned increase in drilling activity to meet ADNOC's target of increasing crude oil production to 5 million barrels per day by 2030. Additionally, ADNOC is currently unlocking potential unconventional gas resources as part of its integrated gas strategy in line with the UAE's objective to become gas self-sufficient by 2030. In November 2019, the then Supreme Petroleum Council (now replaced by the Supreme Council for Financial and Economic Affairs) announced the discovery of 160 trillion standard cubic feet of recoverable unconventional gas resources, offering the potential to fuel the UAE with gas for future years.

Become a regional leader in unconventional and biogenic development.

The transformation into an integrated drilling service provider forms part of a wider strategy to become a regional leader in unconventional drilling, biogenic wells development, expand outside of the UAE in the future, and move towards more integrated drilling services and oil field services. We aim to have 20 rigs by 2030 performing unconventional drilling and contribute to biogenic development. Biogenic gas characteristically occurs at a shallow depth and in high quality, which makes this gas economically attractive for production. We believe this will open up additional revenue streams for us and will lead to unlocking additional natural resources in the UAE.

Goal of achieving operation efficiency by optimising well duration.

We intend to continue focusing on increasing our operational efficiency by optimising well duration with a targeted 5% to 10% year-on-year improvement. This focus is intended to enable us to develop and maintain long-term customer relationships and maximise the utilisation of our fleet. The added project management and oil field services capabilities acquired as part of the strategic alliance with Baker Hughes, in addition to our existing in-house rig rental and rig management capabilities, are strong contributors to the optimisation of well duration.

Launch a major rig fleet expansion program to support upstream growth plans.

We believe there will be an increase in drilling activity over the coming years in light of ADNOC's commitment to increase its crude oil production capacity by 25% to 5 million barrels per day by 2030. Additionally, as we plan to expand our business beyond the UAE and pursue business opportunities in the region, we expect there to be a need for rig fleet expansion to support our growth plans. Accordingly, we plan to expand our rig fleet over the course of the coming five to 10 years with a net addition of 23 rigs by 2030 to our 96 owned rigs. We believe the expansion of our rig fleet will enable us to increase our current scope of rig hire services, drilling and completion services and associated services, and also provide unconventional drilling and biogenic wells, which we believe will in turn lead to increased revenue and profitability.

Pursue business expansion outside Abu Dhabi for rigs and services.

Our recent transformation into an integrated drilling services provider has enabled us to potentially become a regional drilling services provider and move beyond our traditional domestic operations. Our recent transformation as an integrated drilling services provider should enable us to enter into new markets with a competitive cost base compared to our competitors and an improved service range to other traditional drilling services providers in the market. The current market forecast estimates 4% growth between 2020 and 2025 in onshore and offshore drilling operations, and oilfield services in the MENA region and oilfield services in the MENA region, which provides opportunities for us in the regional markets, which we believe will in turn enable us to grow further and expand our operations outside of the UAE.

Aim to achieve 100% HSE integrity.

ADNOC's "HSE Culture Transformation" programme was launched to shift HSE policies to a foundational cultural value of which everyone in the organisation can and should be a part. Our HSE performance is being continuously challenged, particularly as our operations expand and increase in complexity. To stay ahead and maintain focus on our goal of 100% HSE integrity, our aim is to embed a safety culture of empowerment, responsibility and accountability. We recognise the value and importance of the health and safety of our employees and other stakeholders as well as the protection of our environment. We have established a system for the management of the integrity of our assets. This is in full consonance with ADNOC's code of practices, which recognises the role of asset integrity is to prevent, mitigate and control consequences of any incident that could result in major integrity incidents affecting large populations of workforce, the environment or communities at large.

Impact of the Coronavirus Pandemic

The impact of the coronavirus pandemic continues to evolve, thereby creating uncertainty across our operations. We have adopted robust business continuity measures designed to best serve employees, customers and wider stakeholders across our business segments, and have fully adhered to Abu Dhabi's COVID-19 protocols.

We responded dynamically to the challenges presented by the coronavirus pandemic, implementing a series of measures to aim to ensure the health and safety of our employees while ensuring uninterrupted services to our customers. These measures included work-from-home arrangements for all management and support staff, social distancing and hygiene measures and awareness campaigns, arrangements for coronavirus testing across our sites, contact tracing and self-isolation arrangements as well as monitoring suppliers, subcontractors and partners. We also created country and customer-wide business continuity plans and return-to-work guides to support the new working arrangements. As of 30 April 2021, approximately 93% of our workforce received the first dose of a COVID-19 vaccine and 89% received the second dose of a COVID-19 vaccine. Additionally, we have ensured that office and site-based employees undergo regular weekly and bi-weekly COVID-19 PCR tests.

Our Onshore segment has not significantly been impacted by the coronavirus pandemic in terms of revenue and increased costs. The Onshore segment has experienced operational constraints such as issues around the work cycle of crews with the restrictions on travel, quarantine, testing and vaccination requirements delaying crew rotations, as well as the inability to engage third party suppliers due to restrictions and enhanced COVID 19 safety restrictions. However, this was offset by (i) the creation of skeleton crews and back up crew utilisation, (ii) adopting a dynamic work cycle, (iii) the provision of new camps to solve for the inability to travel, and (iv) the facilitation of PCR testing and COVID-19 vaccination cycles for our crew members.

Our Offshore jack up segment has not significantly been impacted by the coronavirus pandemic in terms of revenue and increased costs but has experienced operational constraints such as issues around the work cycle of crews with the restrictions on travel, quarantine, testing and vaccination requirements delaying crew rotations, as well as the inability to engage third party suppliers due to restrictions and enhanced COVID 19 safety restrictions. However, this was offset by (i) utilising existing crews (which included skeleton crews) and crews from other rig sites as back up, (ii) rig stacking for some 'non-critical' projects to assist with crew shortages on other critical projects, (iii) placing a priority on crew welfare and safety by enhancing on-site accommodation, and providing COVID-19 vaccinations and PCR testing on sites and at our headquarters, and (iv) minimising the requirement and usage of third parties with the use of in-house resources.

Our Offshore-Island segment was impacted by the coronavirus pandemic in terms of the stacking of certain assets. The Offshore-Island segment experienced operational constraints such as a large number of assets being stacked to comply with our customers' revised production requirements. Quarantine requirements negatively impacted work cycles, and travel restrictions hindered the ability to manage third party operational support. However, this was offset by (i) the creation of skeleton crews and back up crew utilisation, (ii) adopting a dynamic work cycle, (iii) the provision of new camps to solve for the inability to travel, and (iv) the facilitation of PCR testing and COVID-19 vaccination cycles for our crew members.

Our Oil Field Services segment has not significantly been impacted by the coronavirus pandemic in terms of revenue and increased costs. The Oil Field Services segment has largely been operating as normal but has experienced operational constraints such as (i) quarantine restrictions and delays in recruitment due to the pandemic placing a strain on current resources, and (ii) the lock down of assets due to screening procedures and a number of COVID-19 cases. However, this was offset by (i) adjusting the field work cycle for all Oil Field Services personnel to adjust to travel guidelines, (ii) adopting a dynamic work cycle for enhanced operations, (iii) increasing dependence on the remote operations centre in our headquarters to reduce the movement of people and avoid crew shortages, (iv) placing field breaks within camps to reduce the movement of people, (v) the facilitation of PCR testing and COVID-19 vaccinations for all crew members, and (v) minimising the reliance on third parties, where applicable.

Our Segments

Onshore

Our Onshore segment is our largest segment, generating revenue of USD 1,075.9 million and 567.5 million, representing 51.3% and 50.5% of our total revenue, and gross profit of USD 428.3 million and USD 235.7 million, representing 53.1% and 53.6% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. Our Onshore segment is comprised of land drilling, completion and workover services to ADNOC Onshore, ADNOC Sour Gas, Al Dhafra and other Abu Dhabi based customers in fields such as Bab, Bu Hasa, Dabbiyah, Sahil and Shah. Under our Onshore segment we provide onshore rig rental and workover rigs, equipment and associated services and personnel. Such associated services include (but are not limited to) the provision of transportation for crew personnel, catering, diesel supply, rig move capabilities, accommodation and central camp management and construction.

Offshore Jack Up

Our Offshore jack up segment is our second largest segment, generating revenue of USD 596.7 million and USD 293.4 million, representing 28.4% and 26.1% of our total revenue, and gross profit of USD 266.4 million and USD 146.3 million, representing 33.1% and 33.3% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively.

We own and operate a fleet of 21 jack up rigs and 1 barge, with seven of these rigs being less than five years old. Our jack up rigs are capable of drilling wells to maximum depths ranging from 18,000 to 30,000 feet and in maximum water depths ranging from 110 to 350 feet, depending on rig size, location and outfitting. The majority of our jack up rigs operate at 3000 horsepower. There are 1,836 full time employees as of 31 December 2020 in our Offshore jack up segment.

Offshore-Island

Our Offshore-island segment has generated revenue of USD 202.6 million and USD 105.6 million, representing 9.7% and 9.4% of our total revenue, and gross profit of USD 92.2 million and USD 53.4 million, representing 11.4% and 12.1% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. Our Offshore island segment is comprised of artificial island drilling services, which include the provision of rental rigs, equipment, and island rig services, such as drilling rigs and workover rentals, the provision of transportation, catering, diesel supply, heavy vehicles, rig move capabilities, accommodation and central camp management and construction. We work with Abu Dhabi based customers such as ADNOC Offshore and its associated partners (such as ExxonMobil and ENI) in Upper Zakum and Sarb islands.

We own and operate a fleet of 10 island rigs, 9 of which operate at 3000 horsepower and the remaining rig operates at 2500 horsepower. Additionally, 7 out of the 10 island rigs are less than five years old. There are 708 full time employees as of 31 December 2020 in our Offshore Island segment.

Oilfield Services

Our Oilfield Services segment generated revenue of USD 222.6 million and USD 157.0 million, representing 10.6% and 14.0% of our total revenue, and gross profit of USD 19.0 million and USD 4.4 million, representing 2.4% and 1.0% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. 22 of our rigs are performing integrated drilling services for ADNOC Onshore and ADNOC Offshore. There are 489 full time employees as of 31 December 2020 in our Oil Field Services segment.

In 2018, Baker Hughes invested in our business and entered into a series of agreements with us to enable us to become the first provider of integrated drilling services in the region, acting as the sole interface with customers. The strategic alliance with Baker Hughes added project management, and oil field services capabilities to our existing in-house rig rental and rig management capabilities. The adoption of integrated drilling services served as a major enhancement to our operations. The strategic alliance with Baker Hughes led us to optimise our operations by leveraging combined expertise and gaining access to leading technology solutions. As a result, we were able to achieve lower production costs and higher efficiency for our customers, while implementing improved safety measures.

In January 2019, we provided our first integrated drilling services well and by the end of that year, 10 rigs had delivered integrated drilling services wells. In our first year of operations with integrated drilling services capabilities, we delivered 33 wells, 31 of which were delivered ahead of schedule and below the expected budget. Our performance led to a 26% drilling efficiency improvement compared to the 2018 benchmark, 402 days' worth of savings and significant costs reduction. By October 2020, we were executing integrated drilling services on 18 rigs and had delivered 70 rigs with significant savings and an improvement in drilling efficiency of 10% when compared to the 2019 benchmark. Our integrated drilling services duration for the first half of 2021 improved by 12% when compared to the 2020 benchmark. In the first half of 2021, the Oilfield Services segment had two awards with a total value of USD 229 million and two extensions for a total value of USD 76 million.

Operations

Our core operation is to drill oil and gas wells in Abu Dhabi in onshore, offshore and island sites belonging to our customers. Our business is comprised of our land-based and offshore drilling rig operations and other rig related services and technologies. We provide our customers with comprehensive drilling services, including drilling, work-over, well completion and maintenance services. Starting in 2018, following the strategic alliance with Baker Hughes, we also provide integrated drilling services covering the product lines of wireline, directional drilling, cementing, pressure pumping, logging and fluids, and hydraulic fracturing. The key drivers for rig demand have been the plans and objectives of the ADNOC Upstream Operating Companies (See "*Our Customers*" below) which are responsible for all aspects of oil and natural gas exploration, evaluation, development and production in Abu Dhabi.

Our Customers

Our customers include ADNOC and the ADNOC Upstream Operating Companies, namely, Abu Dhabi Company for Onshore Petroleum Operations Limited ("**ADNOC Onshore**"), Abu Dhabi Company for Offshore Petroleum Operations Limited ("**ADNOC Offshore**"), Abu Dhabi Gas Development Company Limited ("**ADNOC Sour Gas**"), Al Yasat Petroleum Operations Company Limited ("**Al Yasat**"), and Al Dhafra Petroleum Operations Company Limited ("**Al Dhafra**") (collectively, the "**ADNOC Upstream Operating Companies**"). Our main customers are ADNOC Onshore, which accounted for 55.2%, 54.2% and 52.8% of our operating revenues during the years ended 31 December, 2020, 2019 and 2018, respectively, and ADNOC Offshore, which accounted for 42%, 45.7% and 47.1% of our operating revenues during the years ended 31 December, 2020, 2019 and 2018, respectively. See "*Investment Risks- Related to our Business and Industry - We currently derive most of our revenues from two main UAE customers, and the loss of either customer could have a material adverse impact on our business, financial condition and results of operations*".

Rig Services

Pursuant to our contractual arrangements with ADNOC, we provide ADNOC Upstream Operating Companies with (i) rig hire services comprising (a) the provision of any rig, equipment and personnel that is required for the drilling, testing, completion and workover of any oil and gas wells, (b) the provision of any operational support, and (c) the provision of any other equipment or services as mutually agreed between us and the relevant operating company ("**Rig-hire Services**"), and (ii) rig-related services, comprising (a) the provision of accommodation and/or caravans, (b) the provision of catering services, (c) the provision of storage tanks, and (d) the provision of any other equipment or services as mutually agreed between us and the relevant operating company ("**Rig-related Services**" and together with Rig-hire Services, "**Rig Services**"). Please see "*Related Party Transactions – Rig Services Framework Agreement*".

Pursuant to our contractual agreements with ADNOC, ADNOC is required to ensure that the ADNOC Upstream Operating Companies procure integrated drilling services (or any service equivalent or identical to, or performing the same function as, integrated drilling services) from us for the development of conventional wells and unconventional wells, provided that we are able to provide such integrated drilling services on the terms set out in the Drilling Rig Services Framework Agreement, which has a term of 40 years as of 2018 (Please see "Related Party Transactions - Rig Services Framework Agreement").

Our management periodically communicate with our customers to understand their short- and long-term rig requirements. ADNOC provides us with its 10-year rig requirements and drilling plans on an annual basis. If an ADNOC upstream operating company expects that its sustained demand for a new rig is:

(a) for at least 15 years, (i) in the case of offshore rigs, ADNOC agreed to procure that such ADNOC upstream operating company issues a commitment letter to us for our engagement to procure or construct, and for such ADNOC upstream operating company to use, a new offshore rig for at least 15 years, and (ii) in the case of onshore rigs, ADNOC agreed to procure that such ADNOC upstream operating company issues a commitment letter to us for our engagement to build, and for such ADNOC upstream operating company to purchase, a new onshore rig; or
(b) for less than 15 years, ADNOC agreed to procure that such ADNOC upstream operating company undertakes to rent a rig from us pursuant to the terms and conditions set out in the Rig Services Agreement Framework.

If we have rented a rig from a third-party supplier for onward rental to an ADNOC upstream operating company, the rates chargeable by us to such ADNOC upstream operating company shall provide for our recovery of the agreed rate for the rental of such rigs by us from any third party supplier, plus a set margin set out in the Rig Services Agreement Framework.

Integrated Drilling Services

Pursuant to our contractual arrangements with ADNOC, we provide ADNOC Upstream Operating Companies with (i) integrated drilling services, comprising (a) Rig Services, (b) drilling and completion services (including mud services and/or drilling and completion fluids services, cementing services, tubular running services, coiled tubing, directional drilling, e-line logging, casing services, slick line, drill bits, fracturing/stimulation), and (c) project management services relating to the overall coordination and integration of such services. Please see "*Related Party Transactions – Rig Services Framework Agreement*". ADNOC is required to procure that the ADNOC Upstream Operating Companies procure integrated drilling services (or any service equivalent or identical to, or performing the same function as, integrated drilling services) from us for the development of conventional wells and unconventional wells, provided that we are able to provide such integrated drilling services on the terms set out in the Rig Services Framework Agreement, which has a term of 40 years as of 2018 (Please see "*Related Party Transactions - Rig Services Framework Agreement").*

Pursuant to the Rig Services Framework Agreement, ADNOC has agreed to procure that the ADNOC Upstream Operating Companies procure the development of an agreed minimum quantity of conventional wells and unconventional wells set out as an agreed percentage (increasing annually) of the total budgeted costs of drilling, developing and completion conventional wells and unconventional wells, respectively, by the ADNOC Upstream Operating Companies during the relevant financial year. However, unlike with Rig Services, the ADNOC Upstream Operating Companies are not required to solely procure integrated drilling services from us.

Environmental, Social, and Governance (ESG) Initiatives

We are strongly committed to environmental, social and governance ("ESG") principles, with environmental, social and governance matters fully integrated into our strategic objectives. ESG is at the core of our priorities and as the leading drilling services provider in the UAE, we are cognizant of our responsibility to encourage sustainable practices in our policies, operations, and communities. We have aligned our strategic priorities to create sustainable value for all our stakeholders—our customers, our employees, our communities, and our shareholders.

Environmental

We believe that we have a responsibility to protect the health and safety of our people, minimise the consumption of resources and control emissions to ensure a sustainable ecosystem for future generations. We are, and will remain, committed to the protection and enhancement of the environment through monitoring, reporting and continual improvement of our environmental performance across a range of areas, including: energy; material consumption; emissions; water consumption and waste management.

Social

We are committed to fostering an inclusive culture and implementing workforce diversity. Ensuring fairness, equality and diversity in recruiting, compensating, motivating, retaining, and promoting employees is essential to us.

Governance

Our board of directors is collectively responsible for our management and strategy. The board of directors supervises the interests of stakeholders, the creation of a culture aimed at long-term value creation, the internal audit function, and the effectiveness of internal risk management and control systems. Our management team is charged with day-to-day management and is responsible for the continuity and optimisation of our business to create long-term value for our stakeholders.

In terms of ethics and compliance, we strive to conduct all business activities responsibly, efficiently, transparently, and with integrity and respect towards stakeholders. In doing so, we promote a culture of performance, collaboration, and responsibility. These values underpin everything we do and defines the day-to-day attitudes and behaviours of our employees.

Health and Safety

Our Health and Safety (HSE) Management System aims to ensure that all of our facilities and operations operate at the highest standards of operational excellence and safety. Indeed, our HSE Management System has been certified as conforming with ISO 14001, OHSAS 18001 and ISO 50001.

Our HSE Division has implemented:

- extensive training programs, campaigns and awareness programs in order to increase safety awareness and minimise time lost to injuries; and
- a five-year audit plan (2021-2025) in order to measure HSE performance (the five-year plan includes internal HSE audits, external HSE audits and contractor

audits).

The following table sets forth certain information with respect to the performance of our HSE Division for each of our last five fiscal years:

FTL, LTIF & TRIR for the last 5 years

	Year (ended 31 December)				
	2016	2017	2018	2019	2020
LTIF(1)	0.29	0.32	0.33	0.24	0.51
TRIR(2)	1.21	1.27	1.12	1.39	1.66
Total number of employee fatalities	0	1	2	0	0

(1) Reflects frequency of employee lost time injuries per million hours.
(2) Reflects total number of employee injuries per million hours.

Insurance

We maintain insurance policies, where practicable, covering our assets and employees that we believe is in line with general business practices in our industry, with policy specifications and insured limits that we believe are reasonable. Risks that we are insured against include property loss or damage as well as breakdowns due to defects in material, design, erection or assembly. Certain customary exceptions apply, such as acts of war, terrorism and environmental pollution. Our policies together provide an indemnity against sums for which we become legally liable to pay as compensation for injury, loss or damage to a third party arising out of and in the course of our business, an indemnity against material damage to our properties, and an indemnity against the loss of our stock of products, in each case subject to deductibles and insured limits that we believe are reasonable. See "*Investment Risks - Risks Relating to our Business and Industry - Our insurance coverage may be inadequate to cover potential losses we could suffer in the case of regional expansion into markets outside of the UAE*".

Properties

The following tables set forth information regarding our principal properties. All of our properties are leased or subleased from ADNOC. See "*Investment Risks- Risks Relating to Our Business and Industry - We do not own the land on which our assets are located. As a result, we are subject to the possibility of the loss of, or increased costs to retain, necessary land use which could adversely affect our business and results of operations*" and "*Related Party Transactions*".

	Location	Name	Function	Capacity	Ownership/ management
1.	Abu Dhabi	SKEC 2	Head Office	14,577.09 sq.m	ADNOC
2.	Mussafah	MWH	Warehouse	23,221 sq.m	ADNOC
3.	Al Dhafra	Habshan 14A	Office and workshop	543,038.16 sq.m	ADNOC
4.	Al Dhafra	Habshan 1002	Central camp	90,000 sq.m	ADNOC
5.	Al Dhafra	Tariff T2	Central camp	89,876 sq.m	ADNOC
6.	Al Dhafra	Madinat Zayed T1	Central camp	90,000 sq.m	ADNOC
7.	Al Dhafra	Asab T1005	Central camp	90,000 sq.m	ADNOC
8.	Al Dhafra	Habshan T1025	Central camp	90,000 sq.m	ADNOC

9.	Abu Al Abyad	Central Explosives Bunker	Workshop	21,358.56 sq.m	ADNOC

Lease of our Headquarters

With effect from 1 January 2020, pursuant to a commercial building lease agreement signed on 8 June 2020, we lease our headquarters at Sheikh Khalifa Energy Complex 2 from ADNOC. The lease runs for an initial term of one year from the effective date and is automatically renewable for further terms of one year.

Government Properties leased by ADNOC and subleased to us

We have entered into a lease agreement effective from 1 January 2020 for eight plots of land (2-9 above) that ADNOC has leased from the Government of Abu Dhabi and sub-leased to us for a period of one year, renewable for further terms. The annual rent for the leased properties is paid by us annually in a lump sum prior to the start of each year of the renewed term of such lease agreement.

Additionally, we have entered into (i) a lease agreement dated 17 August 2005 in respect of industrial land whereby we have leased land plot no. 7 located in Mussafah, Abu Dhabi from the Department of Municipality and Agriculture, for a term of 30 years ending on 13 January 2025, and (ii) a lease agreement in respect of industrial land dated 17 August 2005 whereby we have leased land plot no. 1 located in Mussafah, Abu Dhabi from the Department of Municipality and Agriculture for 30 years ending on 26 March 2022.

ADNOC properties leased by us

We entered into a lease and services agreement on 1 March 2011 with Petroleum Services Company – Esnaad – PJS (a wholly owned subsidiary of ADNOC) for the occupation and use of an area of land within Mussafah, Abu Dhabi, with the land/facilities comprising of: (a) a warehouse, (b) an office, (c) an open storage area.

We entered into a storage facility agreement on 10 July 2011 with ADNOC pursuant to which we lease storage facilities for our archived records at ADNOC's corporate archive facility in Mussafah and in the Petroleum Institute Sas Al Nakhl. The term of this agreement is one year and it is automatically renewable unless either party terminates the agreement.

Employees

As at 31 December 2020, we had 8,000 employees, 1,017 of whom were employed in our head office, corporate and administrative functions and in field support, 4,169 of whom were employed in our Onshore segment, 1,836 of whom were employed in our Offshore jack up segment, 708 of whom were employed in our Offshore-island segment, and 489 of whom were employed in our Oilfield services segment.

Intellectual Property

We have been granted rights to use the ADNOC logo and trade marks in certain promotional materials in certain jurisdictions. Under the commercial arrangements in place with Baker Hughes, Baker Hughes grants ADNOC Drilling certain licenses for use of its exclusive goods and equipment, including software licensed by Baker

Hughes such as commercial software, internal software and non-commercial software. Please see "*Material Contracts – Agreements with Baker Hughes*".

No patents are currently owned by or registered to our name.

ADNOC grants us a limited royalty-bearing, non-exclusive licence to use the ADNOC logo, trademarks and materials in Africa, Europe and the GCC, in connection with the provision of certain services in respect of drilling and related services that we are engaged in. ADNOC also grants us the right, subject to certain terms and conditions in the Brand Usage Agreement, to sub-lease the rights and licences granted under the Brand Usage Agreement to certain parties (including its affiliates and third party franchisees). See "*Related Party Transactions*".

Our website is under the domain name https://adnoc.ae/adnoc-drilling (owned by ADNOC).

Information Technology

Our Information Technology (IT) Division aims to ensure that our information technology systems operate at the highest standards of operational excellence. The IT Division employs a series of frameworks which aim to ensure operational excellence, these frameworks concern: policies and procedures, strategy, service management systems, project management, risk management and information security management. Further, the IT Division has implemented an "IT Disaster Recovery Plan" which sets out step by step guidance for the development, maintenance, execution, invocation and recovery of IT services in the event of any IT disruption. See "*Related Party Transactions*".

ADNOC, or the ADNOC group companies, own all of the physical IT infrastructure that provide IT services to our corporate IT users (including three separate data centres). However, certain IT functions are supplemented/provided by external contractors, namely: hardware maintenance, systems support, systems implementation and software support.

Industry Overview

Introduction

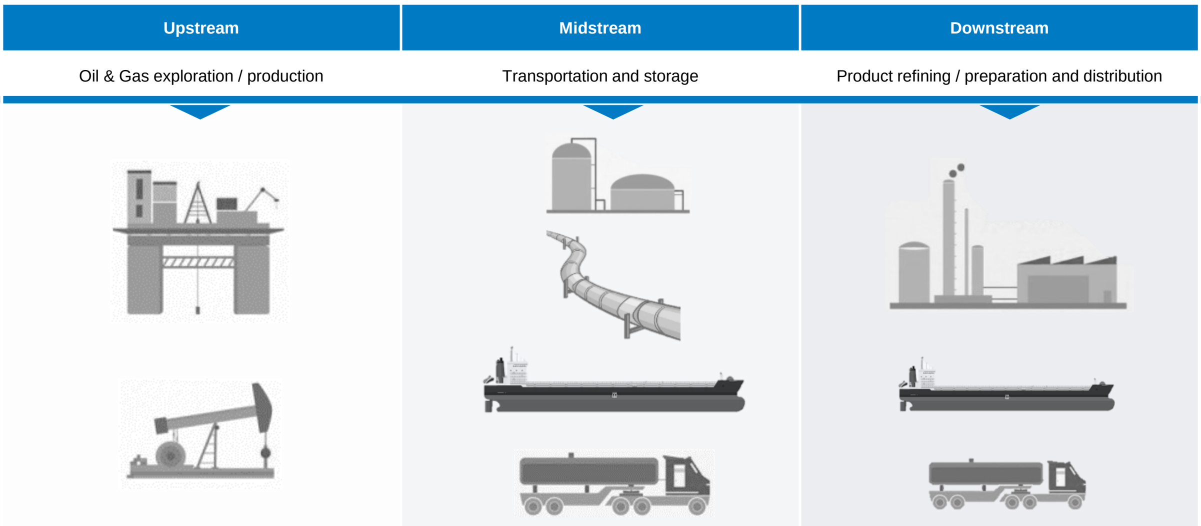
Rystad Energy AS ("**RE**"), a limited liability company incorporated in Norway under commercial register number 887448892, is an independent energy research and business intelligence company providing data, tools, analytics and consultancy services to clients exposed to the energy industry. RE has prepared the industry overview independently and believe that the report contains a true and fair representation of the industry and its outlook, within the acceptable limitations. The report is to be considered a high-level introduction to the global oil and gas market, including drilling and well services segments, with a special focus on the MENA region. The report is not to be viewed as a recommendation to buy, or not to buy, any particular securities or companies.

Under no circumstances shall RE, or its affiliates, be liable for any direct, indirect, incidental, consequential, special, or exemplary damages arising out of or in connection with access to the information contained in this report, whether or not the damages were foreseeable and whether or not RE was advised of the possibility of such damages.

Oil and gas value chain

The oil and gas value chain is often broken down into three key segments, namely upstream, midstream and downstream as illustrated in Figure 1. The upstream segment mainly focuses on the exploration for crude oil and natural gas fields, as well as production and processing. Upstream is also termed Exploration & Production ("**E&P**"). The midstream primarily involves the storage and transportation of oil and gas from upstream to downstream through a network of pipelines, trucks, rail, ships, tankers and barges. The final segment, downstream, focuses on the refining of crude oil and purifying natural gas. Sales, marketing, product distribution and retail of oil products, such as diesel, gasoline and naphtha takes place in the downstream segment. ADNOC Drilling is a service provider within the upstream/E&P segment.

Figure 1: Oil and gas value chain



Source: Rystad Energy

Exploration & Production (E&P) value chain

The upstream portion of the oil and gas activities can be further divided as seen in Figure 2. These are the main phases of upstream oil and gas activities. The Company is present in all the four phases of the upstream value chain.

The Company divides its activities between onshore and offshore. Generally, the offshore activities create additional challenges in all phases of upstream activities, which leads to additional costs. The offshore activities are consequently more capital intensive than the onshore activities.

Another division in the Company's operations is related to conventional and unconventional oil extraction. Conventional oil is extracted by natural pressure depletion in the reservoir, possibly with the aid of water and/or gas injection. Unconventional oil extraction is a combined term for all other methods of extraction.

Figure 2: Main phases of upstream activity

Source: Rystad Energy

Lifecycle descriptions

Exploration phase

The exploration phase starts with getting access to acreage believed to hold natural hydrocarbon deposits. This can be done through acquisitions, mergers, bidding on blocks in license rounds or through grants from resource holders. Hydrocarbons can be found at varying depths, in reservoirs of varying sizes and with different characteristics. The search for hydrocarbons can therefore prove to be challenging, and advanced technology is often used to improve exploration results. Seismic studies, the use of sound waves, can be used to map the geology of an area, and uncover potential drilling targets.

The main difference between onshore and offshore exploration is related to the additional cost elements incurred by offshore exploration. The offshore equipment related to exploration activity typically needs to be more technologically advanced and more robust to the elements, which makes it more expensive to operate than onshore equipment.

Development phase

In the development phase, a plan of how to best exploit the resources found in the exploration phase is prepared. Once constructed, a field may be producing for several years. Consequently, a large number of factors must be taken into account when developing a field.

The development phase requires significant capital investment. Offshore developments are typically more expensive than onshore developments, due to the additional environmental challenges and the more complex logistical requirements.

Production phase

Once a development is completed, and the field has started production, the harvesting phase of upstream activities begin. Production typically increases gradually until a peak is reached (production is often constrained by a facility's processing capacity) and then kept at this level for some years, before production naturally starts to decline as volumes and reservoir pressure are depleted.

Decommissioning phase

The last part of a field's life cycle is related to the decommissioning of the field, where wells are plugged and facilities dismantled. Depending on the regulatory and fiscal regime, capital may need to be set aside for abandonment. The regulations related to abandonment vary significantly between jurisdictions.

E&P companies

The operating companies, often referred to as E&P companies, acquire licenses to explore for and produce oil and gas resources from regulating authorities.

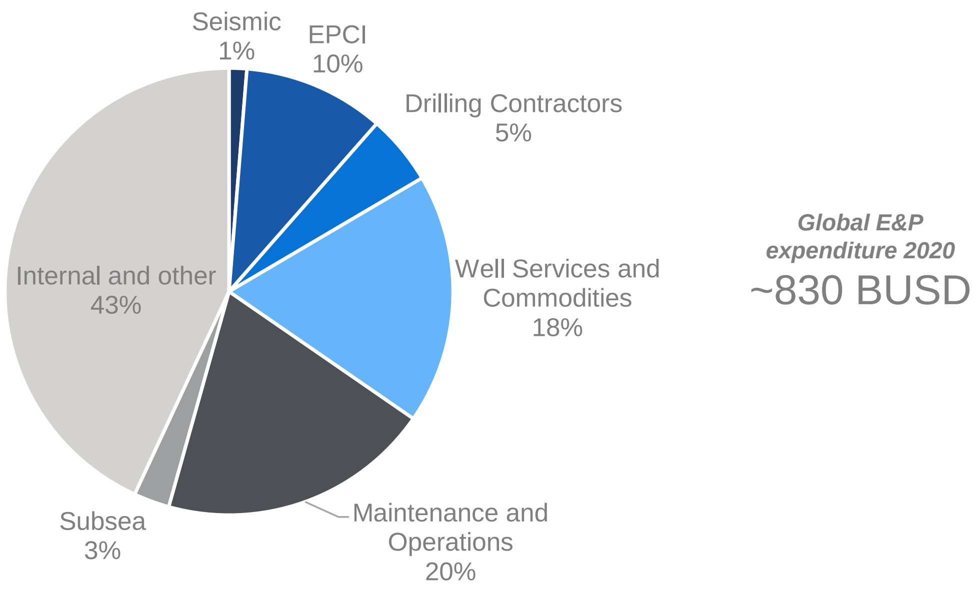
Oilfield service segments and value chain

Oilfield services companies generate their revenue by providing services and tools to the E&Ps.One fundamental factor that determines the oilfield service activity level is the E&P spending level. E&P spending has historically been driven by current and expectations for future oil and gas prices. E&P spending is distributed between the phases presented in Figure 2, with production holding the largest portion.

With the production phase being the phase where the operating companies generate their cash flow, these related services are more resilient to oil price downturns than exploration and development activities.

Figure 3 shows how the E&P spending in 2020 is distributed between these groups.

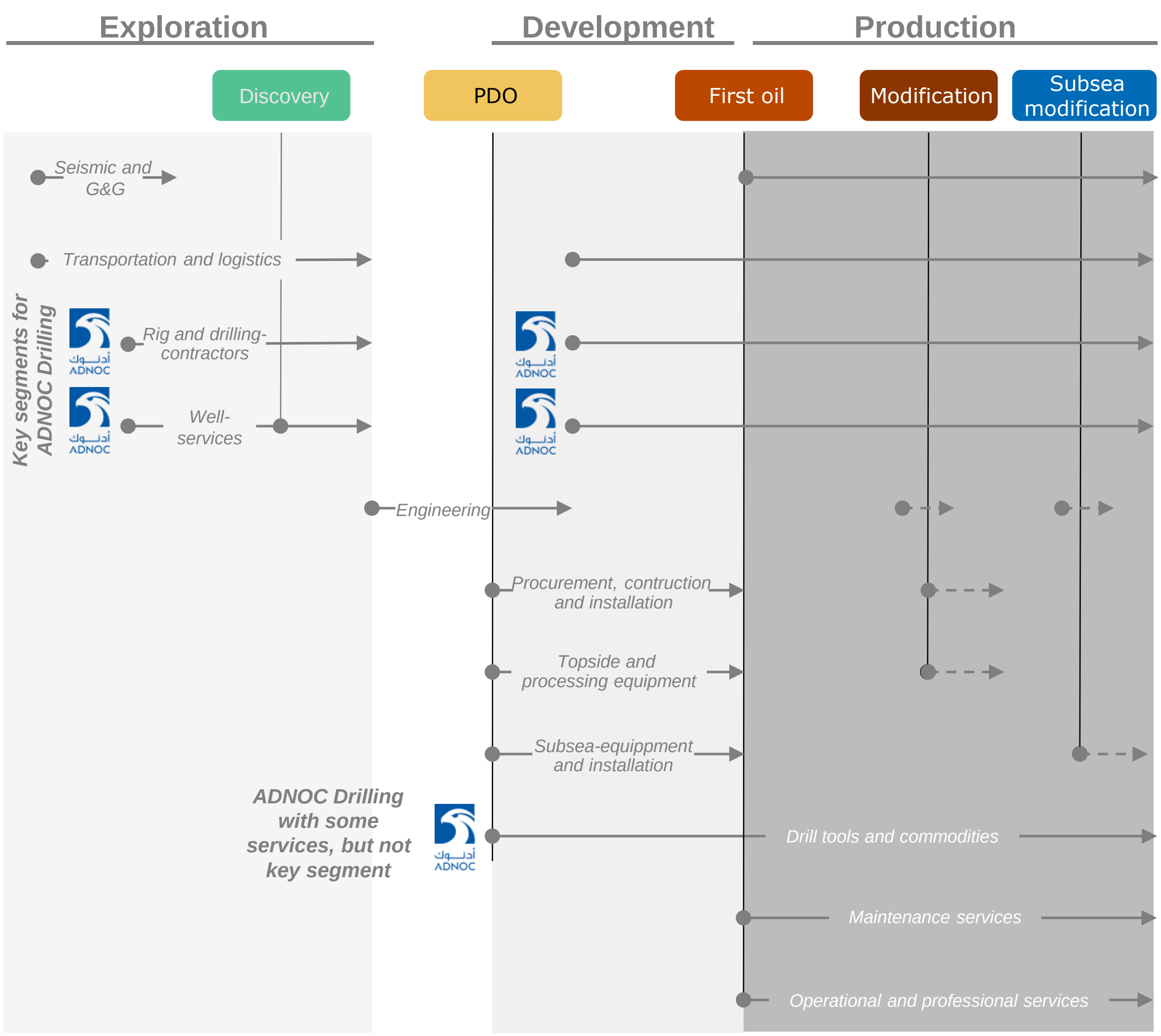
Figure 3: Global E&P expenditure 2020 by type



Source: Rystad Energy ServiceDemandCube April 2021

Figure 4 shows in which part of the field lifecycle the different services are provided.

Figure 4: Oilfield services placing the upstream value chain



Source: Rystad Energy

Drilling Rigs and Well Services

ADNOC Drilling provides services to E&P companies both in terms of leasing their drilling rigs and performing well services.

Introduction to contract drilling and well services

Drilling contractors and *Well services and commodities* cover all oilfield services related to the wells and differ throughout a well's life cycle.

Well construction

The well construction segment covers all aspects, both equipment and necessary services needed to create and ensure the structural integrity of the borehole. In addition to a drilling rig, drill pipe and drill bits are some of the main equipment used to construct the borehole.

Well completion

The well completion segment prepares the well for production (or injection) in a controlled, operational manner. Well completion can require tools such as perforating guns to create a hole within the production casing to allow communication between the reservoir and wellbores and plugs/packers used as barriers to isolate fluids and pressures within the casing string.

Well intervention

The well intervention segment covers any operation carried out on an oil or gas well during the well's productive life. The objectives behind the operations are typically to re-establish the integrity of a well or to enhance productivity.

Plugging & abandonment (P&A)

Plugging and abandonment of a well are the activities related to permanently closing a well. This implies the retrieval of well completion and establishment of barriers to isolate permeable and hydrocarbon bearing formations.

Drilling Contract Structures

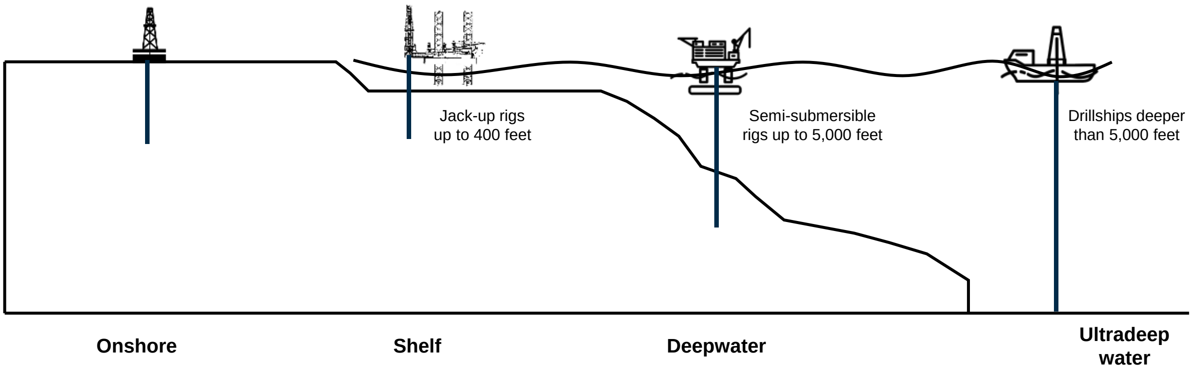
The commercial agreement between companies providing services and equipment and the E&P companies may vary significantly, both in terms of compensation method and services provided.

A drilling contractor can provide drilling only, or it can enter an integrated drilling contract. The integrated drilling contracts include well services and/or well planning and design in addition to drilling. In these agreements, the drilling contractor provides the rig, crew, equipment, materials and organizes all third-part contributions.

Drilling Rigs

The contract drilling industry primarily uses onshore (land) rigs, jack-up rigs, semi-submersible rigs and drillships to provide drilling, workover and well construction services to oil and gas E&P companies. The type of drilling unit to be utilized typically depends on location and water depth (see Figure 5 below), but rigs are also categorized based on dimensions such as operating environment, regulation and age/generation.

Figure 5: Main rig categories



Source: Rystad Energy

Rig types

Onshore rigs

Onshore rigs are categorized based on portability and the maximum operating depth. The maximum operating depth is often dependent upon the overall rig size measured in horsepower.

In terms of portability, onshore rigs can be divided into mobile or conventional rigs. As most onshore drilling rigs (including conventional) can be moved, the portability grouping refers to the effort it takes to move the entire rig system. Mobile rigs are unit transported in only a few pieces (e.g. mast and substructure moved as two whole units). These designs are common in desert regions involving fast-moving operations across deserted areas.

Jack-up rigs

Jack-up rigs are self-elevating and bottom-supported units with three of four steel legs that can be “jacked” up and down to adjust the platform’s deck to the water depths. The units are mobile and can lower their legs to any ocean floor as long as a bottom foundation is established, and the water depth is within the rigs’ capabilities.

Floaters

Floaters include semi-submersibles and drill ships. A semi-submersible drilling unit is a floating unit with large submerged pontoons providing buoyancy for a drill deck situated above sea level. The drill deck and pontoons are connected with columns.

Water depth categories

Offshore drilling units are often categorized in terms of their maximum water depth capability. There is no consistent industry standard for this categorization but in general, jack-ups typically operate in shallow water and floaters in mid to ultradeep water.

Operating environment

Rigs operating in regions such as Brazil, West Africa, Persian Gulf, South East Asia and parts of Australia rarely observe severe weather condition and are referred to as benign regions. Rigs operating in regions with strong winds, weather- and sea states, often combined with low temperatures as observed in for example North West Europe and Canada, are referred to as harsh regions.

Global oil and gas market

Covid-19 and liquids demand

Over the past decade, high levels of economic growth across the US, China and India boosted liquids demand across all key segments. Demand associated with road transport, both passenger vehicles and heavy transport, represented the key growth segment across key demand centers. However, in 2019, political tensions between the US and China combined with a negative economic outlook resulted in the lowest growth seen since the financial crisis. Pre Covid-19, the expectations for 2020 were around the 2019-level.

In February/March 2020, Covid-19 swiftly spread across the globe. In order to manage the pandemic, governments have implemented restrictions of varying degrees of severity, e.g. social distancing measures, travel restrictions (border closures), quarantine regimes and lock-downs/curfews. These measures have not only dramatically reduced transportation activity worldwide, but also activity in many other sectors. In the oil market, the result has been an oil demand collapse unlike anything ever seen historically at almost 10 million barrels per day.

Liquids supply and balances

After the liquids demand collapsed as a result of COVID restrictions, the oil price plunged, also driven by a supply/market share war between Russia and Saudi Arabia. In April 2020, OPEC+ agreed on record high production cuts, and in May, OPEC+ cut almost 10 million barrels of crude oil and condensate production. In addition, other supply segments and regions have contributed to lower supply, e.g. US (shale/tight oil) and Canada. Several other countries globally have also experienced lower production levels through 2020 compared to what was expected pre-Covid. From January to May 2020, the market was heavily oversupplied by liquids, and stocks built from January through June. After production was cut by OPEC+ and other countries, the balances turned to deficit mid-2020s which resulted in an increased oil price that stabilized at around 40 USD/bbl in the second half of the year. In January 2021, Saudi Arabia announced another production cut, and together with a general vaccine optimism and other positive factors, the oil price has increased to pre-Covid levels. Moving forward, the oil price recovery will depend on, among other, the Covid-19 situation/recovery and OPEC+ quota policy.

Covid-19 effect on gas market

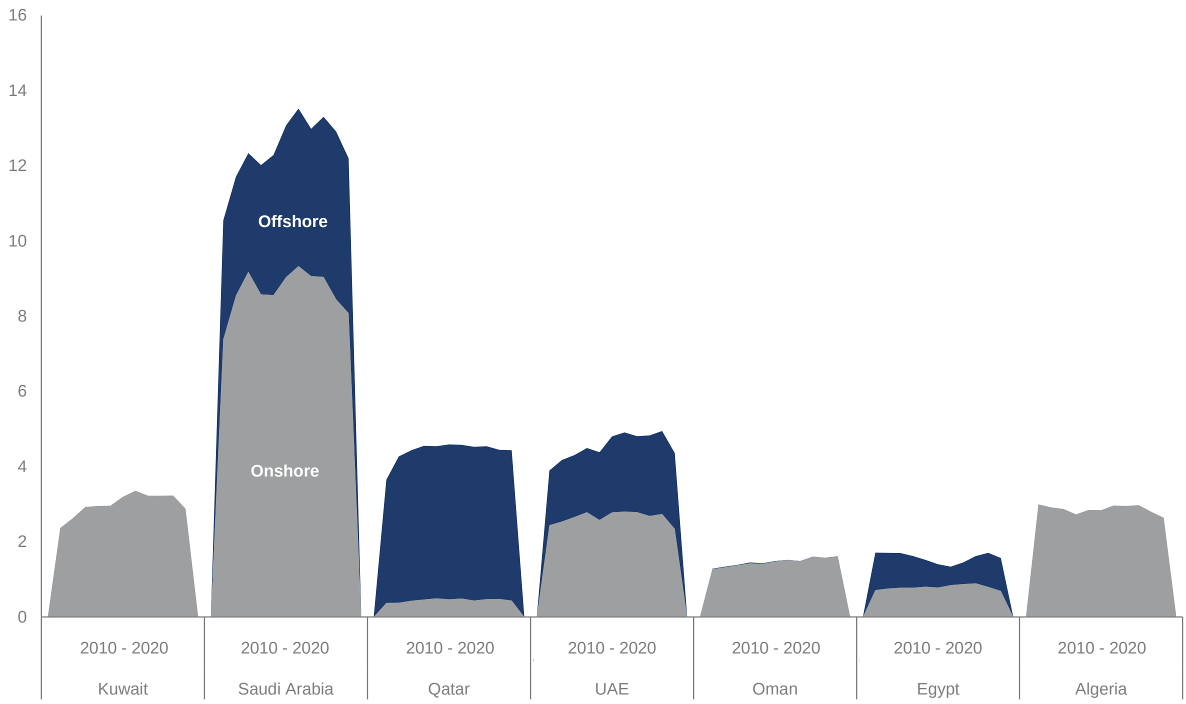
The global gas markets were already facing challenging conditions when the Covid-19 pandemic came. A mild winter and growing LNG supply from the US and Russia, among others, had already resulted in historically low prices during the winter of 2019/2020. Nonetheless, the decreased demand for gas due to Covid-19 resulted in lower prices during the spring and summer months of 2020. However, on a global scale, gas demand has limited exposure in the transportation sector (as fuel), and has as such been somewhat shielded by its major applications, e.g. power generation. Furthermore, the low gas prices mean that gas has remained competitive in the power sector against coal.

Global E&P trends

In the 2017-2019 period, the free cash flow of the E&P companies increased significantly, primarily due to higher oil prices, lower cost level in the industry, and generally lower greenfield and brownfield development activity. With improved conditions for the E&P companies, in addition to a more positive market sentiment, sanctioning activity (final investment decisions) increased in the 2017-2019 period.

MENA rig market

Figure 6: Oil and gas production in MENA, by offshore/onshore (Million boe per day)



Source: Rystad Energy UCube April 2021

Onshore

Figure 6 shows that all seven key countries have significant onshore volumes, hence all will be included in this section

Fleet

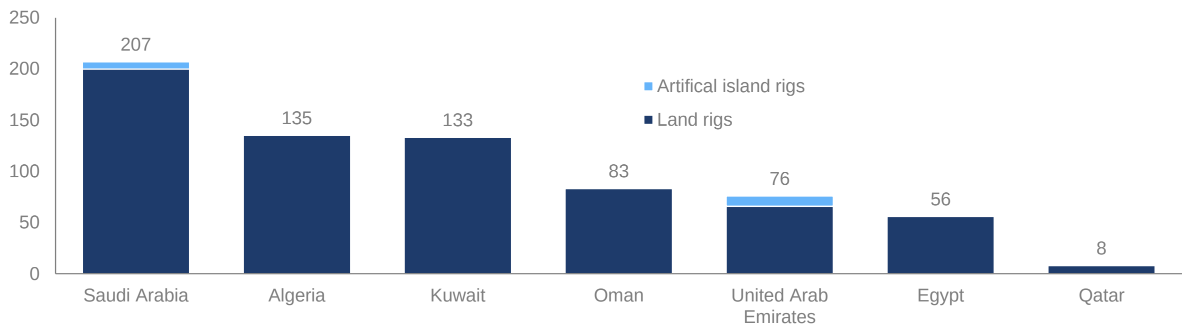
Overview

The onshore rig supply data is based on company reporting. Data shows that there are currently about 700 land rigs in the region, including both regular land rigs and those used on artificial islands.

Region

Figure 7 shows the 2020 rig supply in each of the countries. Most of the supply is located in Saudi Arabia, Kuwait and Algeria. RE reporting indicates that only 5 onshore rigs are situated in Qatar. In the MENA region, artificial islands are only present in Saudi Arabia and UAE.

Figure 7: Onshore rig supply* 2020 in MENA by country (# rigs)



* Excludes workover rigs. Source: Rystad Energy, RE reporting

Type

Onshore rig supply in the region is dominated by units with 1000 to 2000 horsepower, which in 2020 accounted for around 79% of total supply. Light units (0 to 1000 HP) and heavy units (2000+ HP) accounted for 12% and 9%, respectively.

Rig owner/contractor

In the onshore segment, Sinopec is the contractor with most units located in the MENA region, followed by ADNOC Drilling. The ADNOC Drilling onshore fleet consists of units within the entire HP classification spectra, but is dominated by the 1001-1500 segment. The ADNOC Onshore fleet is also solely located in UAE. Within the onshore segment, several other players are also focusing on one country only, e.g. ENTP (Algeria), ENAFOR (Algeria) and SANAD (Saudi Arabia).

Demand and supply

Saudi Aramco is by far the operator with highest rig demand, accounting for around 36% of the onshore MENA demand. Kuwait Petroleum Corporation (KPC), Petroleum Development Oman, ADNOC Onshore and Sonatrach are the four other main operators over the last five years. Market share

As opposed to offshore where market shares are calculated based on contracted supply, the onshore market shares are calculated based on total supply for each of the contractors. The markets in Qatar, UAE and Egypt are characterized by one main rig contractor holding more than 50% of the rig supply in the region, being respectively GDI (100%), ADNOC Drilling (91%) and EDC (62%). In Algeria, ENTP and ENAFOR make up about 85% of the market. The market shares in Saudi Arabia, Kuwait and Oman are more evenly distributed between the contractors present in the countries.

Day rates

Data on day rates as in the onshore segment is harder to come by as contracts are not as transparent as in the offshore segment. It is not uncommon that agreements are made without the details, such as rates, becoming publicly available.

Offshore

Saudi Arabia, Qatar, UAE and Egypt are the only countries (among the MENA focus countries) with significant offshore production. Kuwait and Algeria only produce hydrocarbons onshore, whereas Oman produces an insignificant amount offshore. The offshore section will thus focus on Saudi Arabia, Qatar, UAE and Egypt, with Oman being included in some of the sub-sections. Fleet

Overview

When talking about rig supply, rig years is a commonly used measure. Rig years is calculated as the number of days a rig is part of relevant supply throughout a year. If e.g. a newbuild enters a given market on the 1st of December, then it will add 31/365 = 0.08 rig years to the rig supply that year. If a rig is moved between Saudi Arabia and Oman in the middle of the year, then the rig will add 0.5 rig years to supply in Saudi Arabia, and 0.5 rig years to supply in Oman. The 2020 offshore rig supply in the defined MENA region consists of 148 rig years, where 98% (144) of these are jack-ups and only 2% (4) are floaters. These numbers include all parts of supply, both rigs on contract, warm- and cold stacked. The high share of jack-ups is a natural consequence of the shallow water depth in the MENA region.

Region

Saudi Arabia holds the largest portion of supply followed by UAE. Both these countries have a mix between rigs being younger and older than 20 years. Qatar stands out as a country dominated by younger units whereas the opposite is the case for Egypt.

Type

The majority (57%) of the jack-up rig fleet in the MENA region is classified as Standard, whereas 36% and 7% are classified as Premium and High Spec, respectively.

Rig owner/contractor

In 2020, ADNOC Drilling was the largest jack-up drilling contractor in the region with a total of 20 standard jack-up units. Valaris and Seadrill stand out as contractors with higher spec fleets compared to the other players.

Demand and supply

Saudi Aramco is by far the largest operator accounting for approximately 46% of total MENA demand. ADNOC Offshore, Qatar Petroleum, Gulf of Suez Oil Company (GUPCO) and North Oil Company are the four other main operators over the last five years.

After the financial crisis, from 2010 to 2014, when the oil price increased and reach more than 100 USD/bbl, jack-up rig demand in MENA increased rapidly from around 75 rig years in 2010 to over 100 rigs years in 2014. Demand decreased again in 2016 and 2017 following the oil price downturn. In 2019, jack-up demand in MENA reached a high of approximately 110 rig years, which continued into 2020.

Market share

From 2016 to 2020, the active MENA jack-up supply (units on contract) is split between the contractors for each of the key offshore countries; Saudi Arabia, Qatar, UAE and Egypt The jack-up contractor market in Saudi Arabia is spread over a set of companies with Valaris being the largest contractor. The top five contractors in Saudi Arabia have combined a 2/3 market share, which is smaller compared to top five in the other countries. In Egypt and Qatar, the top five players hold more than 80% of the entire market. In Qatar, Gulf Drilling International is the main player with 60% share and in Egypt the market is dominated by Advanced Energy Systems (ADES) with 45% share. In UAE, ADNOC Drilling has in principle a 100% market share, but since the company is also subcontracting to third party suppliers, its operational/direct market share is around 63%. The other top 5 contractors in UAE are Shelf drilling, Ocean Oilfield, Noble Drilling and Saipem.

Day rates

Currently, premium and standard jack-ups contracted in the MENA region receive a day rate of around 60K USD/day. Since the drilling environment in this region is usually characterized by shallow water, benign conditions the majority of the jack-ups contracted in the MENA region are standard and premium jack-ups.

MENA market size

RE estimates that the total E&P expenditure (excluding internal costs and onshore LNG investments) in MENA (Algeria, Egypt, Kuwait, Oman, Qatar, Saudi Arabia, UAE), often referred to as the total oilfield service market, amounted to approximately USD 52 billion in 2020. Well Services, which includes all services related to drilling, intervention, workover and P&A, in addition to drilling tools and commodities, amounted to around USD 11 billion in 2020.

Drilling market size

The market has historically been in the range of approximately USD 8-10 billion per year. Compared to other regions globally, the MENA market has been relatively stable, even after the downturn in 2014. In 2020, the drilling market declined by approximately 25%, reaching around USD 7.5 billion – the lowest level since 2011.

Well services market size

Over the past ten years, the MENA well services market has been stable compared to other regions globally. In 2020, countries in MENA, and especially Saudi Arabia, has reduced its production due to the collapse in liquids demand after the Covid-19 outbreak. This has naturally resulted in reduced drilling and well service activity. From 2019 to 2020, the well service market in MENA declined by around 25%, compared to the global level at around 35%. Towards 2024, the total well service market in MENA is forecast to increase moderately in the 2021-2024 period.

3. Statement of capital development

Company's current share capital structure before the commencement of the Offering

On incorporation in 1972, our share capital consisted of 100,000 Bahraini Dinars divided into 10,000 shares of 10 Bahraini Dinars each. The UAE dirham was introduced in circulation for the first time in 19 May 1973 so at the time of the Company's incorporation in 1972, the Bahraini Dinar was the commonly used currency in Abu Dhabi. Our share capital was increased to AED 105,000,000 divided into 1,050,000 shares of AED 100 each by virtue of Law No. 4 of 1981, and was subsequently increased by virtue of Law No. 21 of 2018 to AED 400,000,000 divided into 4,000,000 Ordinary Shares of AED 100 each, which have been subscribed in full by the Selling Shareholder and Baker Hughes.

Prior to Listing, pursuant to the Recapitalization, we increased the number of Shares from 4,000,000 to 16,000,000,000 through the capitalization of AED 1,200,000,000 of retained earnings and the reduction of the par value per Share from AED 100 to AED 0.10. The Recapitalization has no impact on our cash position or our total shareholders' equity.

The Selling Shareholder will offer 7.5% of the Company's share capital for sale as part of the Offering, and the Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws and the approval of the SCA.

The following table sets forth our shareholder holding our Shares (i) as at the date of this Prospectus, with a total share capital of 16,000,000,000 shares of AED 0.10 each, and (ii) immediately following the Offering, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased:

As at the date of this Prospectus –

Before the Offering:

	Number of Shares	**Percentage**
Shareholder		
ADNOC	15,200,000,000	95%
Baker Hughes	800,000,000	5%

After the Offering:

Name	**Nationality**	**Type of Shares**	**Number of Shares owned**	**Total value of Shares owned***	**Ownership percentage**
ADNOC	United Arab Emirates	Ordinary	14,000,000,000	1,400,000,000	87.5%
Baker Hughes	ADGM	Ordinary	800,000,000	80,000,000	5%

** Based on the nominal value*

Company's capital structure upon completion of the Offering

Upon the completion of the Offering, the Company's paid-up share capital shall be AED 1,600,000,000 (one billion and six hundred million), divided into 16,000,000,000 (sixteen billion) Shares with a nominal value of AED 0.10 per Share.

Assuming all of the Offer Shares are allocated, the Founders will hold 92.5% (ninety-two point five per cent) of the Shares, and assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. The Company has presented its plan to the Authority for the Selling Shareholder to offer 7.5(seven point five per cent) of the total share capital. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.

No. of Founders' Shares:	14,800,000,000 (fourteen billion eight hundred million) Shares
No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus):	1,200,000,000 (one billion two hundred million) Shares
Total:	16,000,000,000 (sixteen billion) Shares

4. Statement of the status of litigations actions and disputes with the Company over the past three years

There are no outstanding material governmental, legal or arbitration proceedings pending against us, and we are not aware of any such proceedings which are threatened.

5. Statement of the number and type of employees of the Company:

As at 31 December 2020, we had 8,000 employees, 1,017 of whom were employed in our head office, corporate and administrative functions and in field support, 4,169 of whom were employed in our Onshore segment, 1,836 of whom were employed in our Offshore jack up segment, 708 of whom were employed in our Offshore-island segment, and 489 of whom were employed in our Oilfield services segment.

6. Accounting policies adopted at the Company:

The Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board and applicable requirements of UAE laws.

7. Statement of Company's loans, credit facilities and indebtedness and the most significant conditions thereof:

The Company entered into a USD 1,500,000,000 term loan facility agreement on 8 November 2018 (the "**Facility Agreement**") with (i) Abu Dhabi Commercial Bank PJSC, Bank of America Merrill Lynch International Limited, Citibank N.A., UAE Branch, First Abu Dhabi Bank PJSC, Mizuho Bank, LTD, SGBTCI S.A., Sumitomo Mitsui Banking Corporation DIFC Branch – Dubai, Unicredit Bank Austria AG, and Union National Bank PJSC (collectively, as arrangers); (ii) First Abu Dhabi Bank PJSC, and Sumitomo Mitsui Banking Corporation DIFC Branch – Dubai (collectively, as coordinators and bookrunners); (iii) First Abu Dhabi Bank PJSC (the "**Facility Agent**"); and (iv) certain other banks and financial institutions.

The purpose of the facility is for general corporate purposes (which include, among other things, payment of dividends, payments for products and services to develop integrated drilling services capabilities and the payment of transaction costs associated with the facility). The Company may only utilize the facility by delivery to the Facility Agent of a duly completed "utilization request", in the form attached to the facility agreement, pursuant to the terms of the facility agreement. The Company is not, however, able to deliver a “utilization request” if as a result of the proposed utilization more than five loans would be outstanding under the facility agreement.

The rate of interest on each loan for each interest period is the percentage rate per annum which is the aggregate of the (i) margin of 0.90% per annum; and (ii) LIBOR.

The Company is required to repay the loan after five years from the date of the Facility Agreement, unless the Company repays the loan prior to such date.

Shareholder Loan Agreement

We entered into a shareholder loan facility of USD 1,250,000,000 (“Facility”) with ADNOC on 16 August 2021 (the “Shareholder Loan Agreement”). The purpose of the Facility is to provide financing for working capital and general corporate purposes. Pursuant to the Shareholder Loan Agreement (i) the Facility maturity date will be 30 June 2023, unless extended, cancelled in the event of non-utilization or the Facility is repaid in accordance with the terms of the Shareholder Loan Agreement; and (ii) interest will be the aggregate of six (6) month LIBOR plus a margin of 1.2% per annum, payable biannually on 30 June and 31 December of each year. The principal amount of the Facility is payable upon maturity or termination. The Shareholder Loan Agreement contains no maintenance or incurrence covenants.

8. Statement of current pledges and encumbrances on the Company’s assets:

There are no current pledges or encumbrances on the Company’s assets.

9. Decision of the Board of Directors and the General Assembly to offer shares:

On 2 June 2021 the Company's general assembly approved the following:

(1) offering a percentage of the Company's shares for public subscription; and

(2) submitting an application for listing all the Company’s Shares on ADX.

10. Founders Committee:

The Founders elected a committee (the “**Founders Committee**”) to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering, including dealing with the competent authorities.

The Founders Committee is composed the following individuals as representatives of ADNOC Drilling Company PJSC:

1. HE Dr. Sultan Ahmed Al Jaber (Chairman);
2. Mr. Abdulmunim AlKindi (Member);
3. Mr. Yaser Saeed Almazrouei (Member);
4. Mr. Ahmed Jasim Al Zaabi (Member);
5. Mr. Abdulrahman Abdulla Al Seiari (Member);
6. Mr. Salem Al Derei (Member);
7. Mr. Klaus Froehlich (Member); and
8. Mr. Mohamed Saif Alaryani (Member).

11. Investment Risks:

Investing in and holding the Shares involves financial risk. Prospective investors in the Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in the Company and the Shares which should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, our business, financial condition, results of operations, prospects or the price of the Shares could be materially and adversely affected and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Company and the Shares. Additional risks and uncertainties not currently known to the Company or which it currently deems immaterial may arise or become material in the future and may have a material adverse effect on the Company' business, results of operations, financial condition, prospects or the price of the Shares.

Risks Relating to Our Business and Industry

We currently derive most of our revenues from two main UAE customers, and the loss of either customer could have a material adverse impact on our business, financial condition and results of operations.

We currently derive most of our revenues and cash flow from two main customers, ADNOC Onshore and ADNOC Offshore, which form part of the ADNOC Upstream Operating Companies, and which are also controlled, by our controlling shareholder. For the six months ended 30 June 2021, ADNOC Onshore accounted for 55.7% and ADNOC Offshore accounted for 38.3% of our total revenues, respectively. All of our drilling contracts have fixed terms, but may be terminated early due to certain events or might nevertheless be lost in the event of unanticipated developments. (Please see "*Our contractual arrangements with ADNOC Onshore and ADNOC Offshore generally cover a shorter period than that specified in the Rig Services Framework Agreement and contain termination provisions, which may result in shorter effective Rig Services contracts and could have a material adverse impact on our business, financial condition and resolutions of operations"* below).

The loss of either of these customers (or their drilling contracts) or a decline in payments under these drilling contracts, could have a material adverse effect on our business, financial condition and results of operations. Similarly, any failure to renew our Rig Services Framework Agreement with ADNOC or any future change in the ownership structure of either of our two main customers whereby either of them is no longer controlled by ADNOC may impact our current arrangements with them and have a material adverse effect on our business, financial condition and results of operations.

In addition, our drilling contracts subject us to counterparty risks. The ability of each of our counterparties to perform its obligations under a contract with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the onshore and offshore drilling industry, prevailing prices for oil and natural gas, the overall financial condition of the counterparty, the day rates received and the level of expenses necessary to maintain drilling activities. Should a counterparty fail to honour its obligations under an agreement with us, we could sustain losses, which could have a material adverse effect on our business, financial condition and results of operations.

Our contractual arrangements with ADNOC Onshore and ADNOC Offshore generally cover a shorter period than that specified in the Rig Services Framework Agreement and contain termination provisions, which may result in shorter effective Rig Services contracts and could have a material adverse impact on our business, financial condition and resolutions of operations.

Our Rig Services Framework Agreement with ADNOC records the basis on which we provide, or procure the provision of, Rig Services to or on behalf of the ADNOC upstream operating companies. See "*Related Party Transactions – Rig Services Framework Agreement*". The Rig Services Framework Agreement sets out the agreed minimum initial terms and returns that we may achieve, except as otherwise provided in any current operating company contracts entered into with the ADNOC upstream operating companies. See "*Material Contracts – Customer Contracts*" and "*Related Party Transactions – Master Agreements*". These operating company contracts take the form of: These operating company contracts take the form of:

- Master agreements, consisting of the ADNOC Onshore Master Agreement and ADNOC Offshore Master Agreement (the "Master Agreements") with ADNOC Onshore and ADNOC Offshore, respectively; and
- 'Child Contracts' in respect of each rig issued under the terms and conditions of the Master Agreements
- 'Task Orders' in respect of the works and services provided in relation to such rigs, issued under the terms and conditions of the Master Agreements.

Our operating company contracts cover periods that are shorter than the 15-year base term provided under the Rig Services Framework Agreement. While all of our operating company contracts have been renewed or extended for additional terms and remain valid and effective, they nonetheless grant ADNOC Onshore and ADNOC Offshore the right to terminate the provision of Rig Services for convenience prior to the end of their respective terms.

Early termination of any of the Master Agreements or 'Child Contracts' or 'Task Orders', or failure to renew such agreements, could impact our current drilling arrangements with the ADNOC upstream operating companies and may have a material adverse impact on our business, financial condition and results of operations. See "*Related Party Transactions – Master Agreements*".

Our strategy relies on Abu Dhabi's growth plans in the oil and gas sector. Any changes to these plans could have a material adverse impact on our business, results of operations, financial condition and prospects.

In November 2020, the former Supreme Petroleum Council (now the Supreme Council for Financial and Economic Affairs) approved a AED 448 billion (approx. USD 122 billion) budget for spending on oil and natural gas over the next five years and reaching gas self-sufficiency by 2030. Accordingly, ADNOC plans to raise daily capacity of crude oil to 5 million barrels by 2030 from approximately 4 million barrels in 2020. Our forecasts and growth strategy have, in part, been based on the plan to capitalise on ADNOC's growth plans to increase crude oil production to 5 million barrels and produce 1 billion cubic feet of unconventional gas, in each case, per day by 2030. Should, however, any changes occur to ADNOC's growth plan, which may lead to a reduction in the anticipated activity levels of the ADNOC Upstream Operating Companies (including our two main customers), this may have a material adverse impact on our business, results of operations, financial condition and prospects. See "*– Risks Relating to Our Business and Industry – Any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC's oil production and therefore adversely affect drilling activity and potentially our revenues, cash flows and profitability*" and "*– Risks Relating to Our Business and Industry –* w*e currently derive most of our revenues from two main UAE customers, and the loss of either customer could have a material adverse impact on our business, financial condition and results of operations*".

Fluctuations in oil and natural gas prices could adversely affect drilling activity and potentially our revenues, cash flows and profitability.

Our operations depend on the level of spending by ADNOC Upstream Operating Companies for exploration, development and production activities. Both short-term and long-term trends in oil and natural gas prices affect these activity levels. Oil and natural gas prices, as well as the level of drilling, exploration and production activity, have been highly volatile over the past few years and are expected to continue to be volatile for the foreseeable future. Declines in oil prices are primarily caused by, among other things, an excess of supply of crude oil in relation to demand. Worldwide military, political and economic events, including initiatives by the Organization of Petroleum Exporting Countries ("OPEC") and OPEC+, affect both the supply of and demand for oil and natural gas. In addition, weather conditions, governmental regulation (both in the United States and elsewhere), levels of consumer demand for oil and natural gas, general economic conditions, oil and gas production levels by non-OPEC countries, decisions by more expensive production sources to continue producing oil and gas despite excess supply, the availability and demand for drilling equipment and pipeline capacity, availability and pricing of alternative energy sources, and other factors beyond our control may also affect the supply of and demand for oil and natural gas.

Lower oil and natural gas prices also could adversely impact our cash forecast models used to determine whether the carrying values of our long-lived assets exceed our future cash flows, which could result in future impairment to our long-lived assets. Lower oil and natural gas prices also could affect our ability to retain skilled rig personnel and affect our ability to access capital to finance and grow our business. There can be no assurances as to the future level of demand for our services or future conditions in the oil and natural gas and oilfield services industries.

The drilling industry has historically been cyclical and is impacted by oil and gas price levels and volatility. There have been periods of high demand, short rig supply and high day rates, followed by periods of low demand, excess rig supply and low day rates. Changes in commodity prices can have a dramatic effect on rig demand, and periods of excess rig supply may intensify competition in the industry and result in rigs being idle for long periods of time. In addition, certain competitors may be better suited to withstand periods of low utilisation and compete more effectively on the basis of price. Additionally, since our business depends on the level of activity in the oil and natural gas industry, any improvement in or new discoveries of alternative energy technologies that increase the use of alternative forms of energy and reduce the demand for oil and natural gas could have a material adverse effect on our business, financial condition and results of operations.

Any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC's oil production and therefore adversely affect drilling activity and potentially our revenues, cash flows and profitability.

Despite Abu Dhabi's growth plans in the oil and gas sector and ADNOC's plans to increase crude oil and natural gas production, any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC's oil production level and therefore adversely affect our business, financial condition and results of operations. See ("*– Risks Relating to Our Business and Industry – Our strategy relies on Abu Dhabi's growth plans in the oil and gas sector. Any changes to these plans could have a material adverse impact on our business, results of operations, financial condition and prospects*". On 12 April 2020, OPEC+ agreed to cut production by 9.7 billion barrels per day in May and June 2020, and on 6 June 2020 extended the production cut through July 2020. On 15 July 2020, OPEC+ agreed to reduce existing oil production caps by approximately 1.6 million barrels a day starting in August 2020. On 19 July 2021, OPEC+ agreed to extend the April 2020 agreement until 31 December 2022 with a further upward adjustment of overall production by 500,000 barrels per day. OPEC+ members also agreed to assess market developments and OPEC+ members' performance in December 2021 and endeavor to end production adjustments by the end of September 2022, subject to market conditions. In July 2021, it was reported that an agreement was reached among OPEC+ members for Abu Dhabi's production to be increased from 3.176 million barrels to 3.65 million barrels from April 2022. Due to the existing volatility of crude oil prices, we are unable to fully predict the level of exploration, drilling and production activities of our customers and whether some of our customers and/or vendors will be able to sustain their operations and fulfil their commitments and obligations. If oil prices decrease and/or global economic conditions deteriorate, there could be a material adverse impact on the liquidity and operations of some of our customers, vendors and other business partners, which in turn could have a material impact on our business, financial condition and results of operations.

We face risks associated with creating and executing new business models.

We aim to explore innovative business models with customers and partners in order to expand our share of the value chain, while simultaneously creating better outcomes for our customers and long-term resilience of our business through increased customer collaboration, differentiation and utilisation. Although such business model innovation is intended to offer further earnings opportunities for us, there are risks associated with creating and executing new business models, particularly when such business models involve a risk profile, remuneration, or financial scheme that is different from our core business model. For example, we are aiming to increase the number of rigs performing unconventional drilling and to move towards higher-margin business, including more integrated drilling services and oil field services as part of our strategy to become a regional leader in unconventional and biogenic development. We believe this will open up additional revenue streams for us. However, we do not enjoy any legal/regulatory advantage vis-à-vis our competitors in providing these services in Abu Dhabi or elsewhere. In addition, the development of unconventional fields, which is a key growth driver especially for the oilfield services segment, is still in appraisal phase and may therefore not yield the forecasted outcomes. Should we be unsuccessful in executing our new business models, this could have a material adverse effect on our business, financial condition and results of operations.

Expanding regionally exposes us to lower margins and more competition and risks.

We are the sole provider of drilling rig hire services and certain associated rig-related services to ADNOC Upstream Operating Companies. All rigs required for exploration operations must be procured from or through us. We, therefore, operate in "captive" market conditions which, depending on the level of activity of our customers, provide stability.

Moreover, the anticipated benefits of any strategic expansion may not be fully realized, or may be realized more slowly than expected, and may result in operational and financial consequences, including, but not limited to, the loss of key customers, suppliers or employees, or the disposition of certain assets or operations, which may have an adverse effect on our business, financial condition and results of operations.

In addition, the drilling industry outside of the UAE market is highly competitive with numerous industry participants. Drilling contracts are generally awarded on a competitive bid basis. Intense price competition is often the primary factor in determining which qualified contractor is awarded a job, although rig availability and the quality and technical capability of services and equipment are also considered. Contract drilling companies compete primarily on a regional basis, and competition may vary significantly from region to region at any particular time. Additionally, when entering into new contracts with customers outside of the UAE, we may not be afforded the same level of protection that we currently benefit from under our contracts in the UAE, which may in turn expose us to greater risks than we normally assume in our UAE operations. Most rigs and drilling-related equipment can be moved from one region to another in response to changes in levels of activity and market conditions, which may result in an oversupply of such rigs and drilling related equipment in certain areas, and accordingly, increased price competition. In addition, an important factor in determining job awards is our ability to maintain a strong safety record. If we are unable to remain competitive based on these and/or other competitive factors, we may be unable to bid competitively within external markets, which could adversely affect our business, financial condition, results of operations and cash flows.. Additionally, in Abu Dhabi, we are not required to hold certain licences to operate our business as the authority to conduct our business is provided under our establishment law. However, in the case of regional expansion, we would be required to obtain, maintain and renew certain operating licences in order to carry out drilling services. There is no assurance that we would be able to obtain, maintain and/or renew all required licences and this may in turn adversely affect our business, financial condition and results of operations.

Our insurance coverage may be inadequate to cover potential losses we could suffer in the case of regional expansion into markets outside of the UAE.

We procure and maintain all of our insurance through a group-wide, centralized insurance function administered by ADNOC. However, we are not fully insured against all risks incident to our business should we expand our operations regionally, and we may be unable to obtain or maintain insurance with the coverage that we desire at reasonable rates. As a result of market conditions, the premiums and deductibles for certain of our insurance policies have increased and could continue to do so. Certain insurance coverage could become unavailable or available only for reduced amounts of coverage. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our business, financial condition and results of operations. See "*Business Description—Operations—Insurance*".

Any expansion into markets outside of the UAE may increase the compliance risk associated with applicable anti-bribery and anti-corruption laws, and applicable trade sanctions.

Any expansion into markets outside of the UAE may subject us to the requirements of anti-bribery and anti-corruption laws in other jurisdictions. We are committed to doing business in accordance with applicable anti-bribery and anti-corruption laws and have adopted policies and procedures which are designed to promote legal and regulatory compliance therewith.

Additionally, to support our business operations, we source labour, equipment, and parts from a variety of countries, including the U.S. and countries within the European Union and Asia-Pacific. Due to the international movement of assets, goods, people, and funds inherent in our operations, we are subject to economic and trade sanctions and export control laws and regulations. Under economic and trade sanctions laws and regulations, relevant authorities may seek to restrict business practices and modify compliance programmes, which may consequently restrict our business, increase compliance costs, and, in the event of any violations, subject us to fines, penalties, and other sanctions.

We are committed to doing business in accordance with applicable sanctions and export control laws and regulations and have adopted policies and procedures which are designed to promote legal and regulatory compliance therewith. However, if we were to fail to comply with applicable sanctions through our foreign trade control compliance programmes, we could be subject to substantial fines, sanctions, deferred settlement agreements, penalties, or curtailment of operations in certain jurisdictions, which could adversely affect our business, financial condition and results of operations. Similarly, our reliance on third party subcontractors to perform some parts of our projects create additional compliance risk, as such third parties' non-compliance may expose us to additional sanctions or penalties.

We rely on Baker Hughes to provide us with certain exclusive equipment to operate our business and Baker Hughes requires their consent to use their equipment outside of the UAE.

We rely on Baker Hughes to provide us with exclusive direction drilling, logging while drilling (LWD) and wireline equipment, as well as some exclusive drilling and completion fluid chemicals and cementing slurries/chemicals as set out in the Baker Hughes commercial framework agreement for use in the UAE. Baker Hughes also provides us with maintenance services and operational procedures with respect to said equipment. Additionally, Baker Hughes provides us with all necessary software to operate the provided equipment. (See "*Material Contracts – Agreements with Baker Hughes – Baker Hughes Commercial Framework Agreement*"). Baker Hughes performs certain services and provide certain equipment in areas where we do not have the requisite expertise. The failure or inability of Baker Hughes to provide us with required equipment could adversely affect our ability to manage our business, which could adversely affect our business, financial condition and results of operations. Notwithstanding the above, on and from 1 January 2022, to the extent Baker Hughes, is unable to supply us with any required equipment, we will be entitled to procure such required equipment from third party suppliers.

Additionally, the use of integrated drilling services equipment, spare parts, consumables and software supplied by a member of the Baker Hughes group outside of the UAE is subject to certain conditions, including Baker Hughes having profit sharing rights under the relevant customer contracts. If we use or permit the use of any of these proprietary goods and services outside of the UAE or by any third party in contravention with the provisions of the commercial framework agreement, then we would be liable to make certain payments to Baker Hughes depending on the price of such goods and Baker Hughes would be entitled to take certain actions such as refuse to provide maintenance, spare parts and/or any related services to us in respect of such goods, which may limit our ability to conduct our operations outside of the UAE and may in turn adversely affect our business, financial condition and results of operations.

We depend on ADNOC to provide us with certain services to operate our business and our operations are conducted under the ADNOC brand name pursuant to a brand usage agreement with ADNOC.

On or prior to Listing, we will enter into a Shareholder Services Agreement with ADNOC pursuant to which ADNOC will agree to provide us with certain treasury, insurance and other services to support our business. If ADNOC were to fail to provide these services, we would be required either to contract with another provider of these services, or to develop the capability to perform these services internally, either of which could take a considerable amount of time and increase our costs. Consequently, ADNOC's inability or unwillingness to provide these services to us could have a material adverse effect on our business, financial condition and results of operations. See "*Related Party Transactions—Shareholder Services Agreement*".

Additionally, we believe that the success of our operations is dependent in part on the continuing favourable reputation, market value and name recognition associated with the ADNOC brand. In addition to our operations, the ADNOC brand is associated with the operations of ADNOC and numerous other ADNOC-affiliated companies. Erosion of the value of the ADNOC brand for any reason or any negative events or developments that adversely affect the market perception or value of the ADNOC brand, including due to the activities and operations of these other ADNOC-affiliated companies over which we have no control, could have a material adverse effect on our business, financial condition and results of operations. There can be no assurance that we will be successful in negotiating the continued use of the ADNOC brand name, or that the royalties we will be obligated to pay to ADNOC will not have a material adverse effect on our results of operations or our financial condition. See "*Related Party Transactions—Brand Usage Agreement*".

Under most agreements, we will be required to indemnify ADNOC for damages it may incur in connection with its performance of services.

We are required to indemnify ADNOC and its affiliates, directors, officers, employees and representatives from any claims or demands arising out of our breach of the Brand Usage Agreement, including (but not limited to) any such breach which results in damage to the reputation of ADNOC or its goodwill associated with its trademarks.

Damage to our reputation and business relationships may have an adverse effect on the business.

Our business depends in part on maintaining good relationships with customers, partners, suppliers, employees and regulators. In addition to certain events or circumstances having a direct monetary impact on us, such circumstances or events may also publicly damage the reputation or damage our business relationships. Damage to our reputation and/or relationships could result in future loss of business, which could materially adversely affect our business, financial condition and results of operations.

We rely on third-party suppliers, manufacturers and service providers to secure equipment, components and parts used in rig operations, conversions, upgrades and construction.

Our reliance on third-party suppliers, manufacturers and service providers to provide equipment and services exposes us to volatility in the quality, price and availability of such items. Certain components, parts and equipment that we use in our operations may be available only from a small number of suppliers, manufacturers or service providers. The failure of one or more third-party suppliers, manufacturers or service providers to provide equipment, components, parts or services, whether due to capacity constraints, production or delivery disruptions, price increases, quality control issues, recalls or other decreased availability of parts and equipment, is beyond our control and could materially disrupt our operations or result in the delay, renegotiation or cancellation of drilling contracts, thereby causing a loss of contract drilling backlog and/or revenue to us, as well as an increase in operating costs.

Our operations also rely on consumable spare parts and equipment to maintain and repair our fleet. We also rely on the supply of ancillary services, including supply boats and helicopters. Shortages in materials, manufacturing defects, delays in the delivery of necessary spare parts, equipment or other materials, or the unavailability of ancillary services could negatively impact our future operations and result in increases in rig downtime and delays in the repair and maintenance of our fleet.

Additionally, our suppliers, manufacturers, and service providers could be negatively impacted by changes in industry conditions or global economic conditions. If certain of our suppliers, manufacturers or service providers were to curtail or discontinue their business as a result of such conditions, it could result in a reduction or interruption in supplies or equipment available to us and/or a significant increase in the price of such supplies and equipment, which could adversely impact our business, financial condition and results of operations.

A decline in our safety performance could result in lower demand for our services.

Standards for accident prevention in the oil and natural gas industry are governed by safety policies and procedures, accepted industry safety practices, customer-specific safety requirements, and health and safety legislation. Safety is a key factor that customers consider when selecting a drilling company. A decline in our safety performance could result in lower demand for services, and this could have a material adverse effect on our business, financial condition, results of operations. We are subject to various health and safety laws, rules, legislation and guidelines which can impose material liability, increase our costs or lead to lower demand for our services.

Our business involves numerous operating hazards, which may subject us to reputational damage and, in some instances, liability claims.

Our operations are subject to the usual hazards inherent in the drilling of oil and gas wells, such as blowouts, reservoir damage, loss of production, loss of well control, lost or stuck drill strings, equipment defects, fires, explosions and pollution, which may be damaging to our reputation (See "*Investment Risks – Risks Relating to Our Business and Industry – Damage to our reputation and business relationship may have an adverse effect on the business*"). Contract drilling requires the use of heavy equipment and exposure to hazardous conditions, which may subject us to liability claims by employees, customers and other parties. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations. Our offshore fleet is also subject to hazards inherent in marine operations, either while on site or during mobilisation, such as capsizing, sinking, grounding, collision, piracy, damage from severe weather and marine life infestations. Operations may also be suspended because of machinery breakdowns, abnormal drilling conditions, failure of subcontractors to perform or supply goods or services or personnel shortages, all of which may have an adverse impact on our business, financial condition and results of operations.

We expect to require additional debt financing to achieve our business plan and there can be no assurance that we will be able to obtain such financing on attractive terms, or at all.

We expect to require additional debt financing to achieve our business plan and there can be no assurance that we will be able to obtain such financing on attractive terms, or at all. However, our ability to access capital markets and debt financing could be limited or adversely affected by, among other things, oil and gas prices, our existing capital structure, our credit ratings, interest rates and the health or market perceptions of the drilling and overall oil and gas industry and the global economy. In addition, many of the factors that affect our ability to access capital markets, such as the liquidity of the overall capital markets and the state of the economy and oil and gas industry, are outside of our control. No assurance can be given that we will be able to access capital markets or debt financing on terms acceptable to us, or at all, when required to do so, which could adversely affect our business, liquidity and results of operations.

Substantial capital and operating expenditure is required to maintain the operating capacity of our fleet, and we may be required to make significant capital expenditures to execute growth plans, each of which could negatively affect our business, financial condition and result of operations.

We must make substantial capital and operating expenditures to maintain and replace, over the long-term, the operating capacity of our fleet. For example, a portion of our fleet is relatively older in age and would therefore require replacement over time. including amounts for replacing current drilling rigs at the end of their useful lives. Maintenance and replacement capital expenditures include capital expenditures for maintenance (including special classification surveys) and capital expenditure associated with modifying an existing drilling rig, including to upgrade its technology, extending the useful life of existing drilling rigs, acquiring a new drilling rig or otherwise replacing current drilling rigs at the end of their useful lives to the extent these expenditures are incurred to maintain or replace the operating capacity of our fleet. These expenditures could vary significantly from quarter to quarter, and from year to year, and could increase as a result of changes in the following:

- the cost of labour and materials;
- customer requirements;
- fleet size;
- the cost of replacement drilling rigs;
- the cost of replacement parts for existing drilling rigs;
- the geographic location of the drilling rigs;
- length of drilling contracts;
- governmental regulations and technical standards relating to safety, security or the environment; and
- industry standards.

Changes in onshore and offshore drilling technology, customer requirements for new or upgraded equipment and competition within our industry may require us to make significant capital expenditures in order to maintain our competitiveness. In addition, changes in governmental regulations, safety or other equipment standards, as well as compliance with standards imposed by the competent authorities, may require us to make additional unforeseen capital expenditures. As a result, we may be required to take our rigs out of service for extended periods of time, with corresponding losses of revenues, in order to make such alterations or to add such equipment. In the future, market conditions may not justify these expenditures or enable us to operate our older rigs profitably during the remainder of their economic lives.

Failure to comply with or changes to governmental and environmental laws could adversely affect our business.

Many aspects of our operations are subject to various laws and regulations in the UAE, including those relating to drilling practices and comprehensive and frequently changing laws and regulations relating to the safety and to the protection of human health and the environment. Environmental laws apply to the oil and gas industry including those regulating air emissions, discharges to water, and the transport, storage, use, treatment, disposal and remediation of, and exposure to, solid and hazardous wastes and materials. These laws can have a material adverse effect on the drilling industry, including our operations, and compliance with such laws may require us to make significant capital expenditures, such as the installation of costly equipment or operational changes, and may affect the resale values or useful lives of our drilling rigs. If we fail to comply with these laws and regulations, we could be exposed to substantial penalties and/or delays in permitting or performance of projects. Violations of environmental laws may also result in liabilities for personal injuries, property and natural resource damage and other costs and claims.

Additional legislation or regulation and changes to existing legislation and regulation may reasonably be anticipated, and the effect thereof on our operations cannot be predicted. To the extent new laws are enacted or other governmental actions are taken that prohibit or restrict drilling in areas where we operate or impose additional environmental protection requirements that result in increased costs to the oil and gas industry, in general, or the drilling industry, in particular, our business or prospects could be materially adversely affected.

Our shipyard projects and operations are subject to delays and cost overruns.

Our rigs will undergo shipyard projects from time to time, which include maintenance and underwater inspection and "class" inspections (see "*Investment Risks- If any of our offshore drilling rigs fails to maintain its class certification or fails any required survey, that drilling rig would be potentially unable to operate, thereby reducing revenues and profitability*"). These shipyard projects are subject to the risks of delay or cost overruns inherent in any such construction project resulting from numerous factors, including the following:

- shipyard availability, failures and difficulties;
- shortages of equipment, materials or skilled labour;
- unscheduled delays in the delivery of ordered materials and equipment;
- design and engineering problems, including those relating to the commissioning of newly designed equipment;
- latent damages or deterioration to hull, equipment and machinery in excess of engineering estimates and assumptions;
- unanticipated actual or purported change orders;
- disputes with shipyards and suppliers;
- failure or delay of third-party vendors or service providers;
- availability of suppliers to recertify equipment for enhanced regulations;
- strikes, labour disputes and work stoppages;
- customer acceptance delays;
- adverse weather conditions, including damage caused by such conditions;
- terrorist acts, war, piracy and civil unrest;
- unanticipated cost increases; and
- difficulty in obtaining necessary permits or approvals.

These factors may contribute to cost variations and delays in the delivery of our rigs undergoing shipyard projects. Delays in the delivery of these units would result in delay in contract commencement, resulting in a loss of revenue to us, and may also cause customers to terminate or shorten the term of the drilling contract for the rig pursuant to applicable late delivery clauses. In the event of termination of any of these drilling contracts, we may not be able to secure a replacement contract on as favourable terms, if at all.

The coronavirus pandemic has affected our business, results of operations and financial condition.

The impact of the coronavirus pandemic continues to unfold which creates material uncertainty across the oil and gas market in the UAE, the region and globally. Our operations are susceptible to declines in oil prices and lower demand as a result of the coronavirus pandemic. We have taken steps to mitigate the impact of the coronavirus pandemic on our business, however, there is no assurance that these measures will be sufficient to offset the full impact of the coronavirus pandemic. Our Offshore-Island segment was impacted by the coronavirus pandemic in terms of the stacking of certain assets, including the deactivation of certain machinery/equipment and the reduction of crew members on rigs. The Offshore-Island segment experienced operational constraints such as a large number of assets being stacked to comply with our customers' revised production requirements. See "*Business – Impact of the Coronavirus Pandemic*". Additionally, we incurred increased costs related to polymerase chain reaction ("PCR") testing for our employees, expenses arising out of quarantine periods, overtime and overstay payments, as well as expenses related to travel of additional personnel to cater for rotational cycles at our rigs. We were also required to incur increased costs related to our inventory for drilling and completion services to cater for any possible business disruptions due to lock down restrictions. Even after the coronavirus pandemic has passed, the impact of this pandemic on consumer behaviour and their preferences may continue in the medium to longer-term. This could result in diminished demand for our services and impact our ability to obtain new contracts or renew existing ones. Any of the foregoing, including a prolonged period of travel, commercial or other similar restrictions, as well as any resulting deterioration in general economic conditions or change in customer behaviour, could have a material adverse effect on our business, results of operations and financial condition.

We may not be able to keep pace with a significant step-change in technological development. Additionally, new technologies may cause our drilling methods and equipment to become less competitive and it may become necessary to incur higher levels of capital expenditures in order to keep pace with the disruptive trends in the drilling industry. Growth through the building of new drilling rigs and improvement of existing rigs is not assured.

The market for our services is affected by significant technological developments that have resulted in, and will likely continue to result in, substantial improvements in equipment functions and performance throughout the industry. As a result, our future success and profitability will be dependent in part on our ability to:

- provide existing services, rigs and equipment;
- address the increasingly sophisticated needs of our customers;
- anticipate major changes in technology and industry standards and respond to technological developments on a timely basis.

Although we take measures to ensure that we develop and use advanced oil and natural gas drilling technology, changes in technology or improvements by competitors could make our equipment less competitive. There can be no assurance that we will:

- have sufficient capital resources to improve existing rigs or build new, technologically advanced drilling rigs;
- avoid cost overruns inherent in large fabrication projects resulting from numerous factors such as shortages or unscheduled delays in delivery of equipment or materials, inadequate levels of skilled labour, unanticipated increases in costs of equipment, materials and labour, design and engineering problems, and financial or other difficulties;
- successfully deploy idle, stacked, new or upgraded drilling rigs;
- effectively manage the increased size or future growth of our organization and drilling fleet;
- maintain crews necessary to operate existing or additional drilling rigs; or
- successfully improve our financial condition, results of operations, business or prospects as a result of improving existing drilling rigs or building new drilling rigs.

In the event that we are successful in developing new technologies for use in our business, there is no guarantee of future demand for those technologies. Customers may be reluctant or unwilling to adopt our new technologies. We may also have difficulty negotiating satisfactory terms for our technology services or may be unable to secure prices sufficient to obtain expected returns on our investment in the research and development of new technologies.

If we are not successful in upgrading existing rigs and equipment or building new rigs in a timely and cost effective manner suitable to customer needs, demand for our services could decline and we could lose market share. One or more technologies that we may implement in the future may not work as we expect and our business, financial condition, results of operations and reputation could be adversely affected as a result. Additionally, new technologies, services or standards could render some of our services, drilling rigs or equipment obsolete, which could reduce our competitiveness and have a material adverse impact on our business, financial condition and results of operations.

If any of our offshore drilling rigs fails to maintain its class certification or fails any required survey, that drilling rig would be potentially unable to operate, thereby reducing revenues and profitability.

Every offshore drilling rig must be "classed" by a classification society. The classification society certifies that the drilling rig is "in-class," signifying that such drilling rig has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the drilling rig's country of registry and the international conventions of which that country is a member. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake such surveys on application or by official order, acting on behalf of the authorities concerned. While more than half of our drilling jack up rigs are less than ten years old, seven of our drilling jack up rigs are over 30 years old. We maintain and service our drilling rigs regularly; however, if any drilling rig does not maintain its class and/or fails any annual survey or special survey, this may impact the navigation licences granted to our offshore rigs and the drilling rigs will be unable to carry on operations and will be unemployable and uninsurable. Any such inability to carry on operations or be employed could have a material adverse impact on our business, financial condition and results of operations.

There may be limits to our ability to mobilise rigs between geographic areas, and the duration, risks and associated costs of such mobilisations may be material to us.

The offshore drilling industry is a global market as rigs can, depending on the technical capability of a rig to relocate and operate in various environments, as well as a rig's regulatory compliance with local technical requirements, be moved from one area to another. However, mobilisation of rigs is expensive and time-consuming and can be impacted by several factors including, but not limited to, governmental regulation and customs practices, availability of tugs and dry tow vessels, weather, currents, political instability, civil unrest, and military actions and rigs may as a result become stranded. Some jurisdictions enforce strict technical requirements on the rigs, requiring substantial physical modification to the rigs before they can be utilised. Such modifications may require significant capital expenditures, and as a result, may limit the use of the rigs to those jurisdictions in the future. In addition, mobilisation always carries the risk of damage to the rig. Failure to mobilise a rig in accordance with the deadlines set by a specific customer could result in a loss of compensation, liquidated damages or the cancelation or termination of the contract. Our current costs matrix does not always contemplate mobilisation costs (when it comes to moving rigs outside of Abu Dhabi), which we aim to mitigate by developing a new operating cost model for day rates to ensure the mobilisation costs are built into the day rate. In some cases, we may not be paid for the time that a rig is out of service during mobilisation. In addition, in the hope of securing future contracts, we may choose to mobilise a rig to another geographic location without a customer contract in place. If no customer contracts are acquired, we would be required to absorb these costs. Mobilisation and relocating activities could therefore potentially have a material adverse effect on our business, financial condition and results of operations.

Reactivation of stacked rigs is subject to risks, including delays and cost overruns, which could have an adverse impact on our available cash resources and results of operations.

We expect to reactivate those rigs that are currently stacked once such rigs are contracted, and may consider reactivating additional rigs in anticipation of expected positive economic returns on such reactivation. Reactivation projects are subject to execution risks, including cost overruns or delays, which may adversely affect our business, financial condition and results of operations. Capital expenditures and deferred costs for reactivation of stacked rigs could also exceed our planned capital expenditure. Failure to complete a reactivation on time may, in some circumstances, result in the delay, renegotiation or cancellation of a drilling contract and could put at risk planned arrangements to commence operations on schedule, exposing us to contractual penalties. A successful reactivation project could be impacted if incorrect or insufficient preservation processes were used during the stacking period, causing increased costs and/or delays for reactivation beyond that budgeted.

We have a significant carrying amount of long-lived assets, which is subject to impairment testing (if there are indicators of impairment), and may be required to recognize losses on impairment of long-lived assets.

The carrying amount of our property and equipment was USD 3,253 million and USD 3,180 million , representing 59.9% and 63.6% of our total assets at 30 June 2021 and 30 June 2020, respectively. In accordance with our critical accounting policies, we review our property and equipment for impairment when events or changes in circumstances indicate that the aggregate carrying amount of our assets held and used may not be recoverable. Future expectations of lower day rates or rig utilisation rates or changes in market conditions could lead us to believe that the carrying amount of our long-lived assets is unrecoverable. If we determine that the carrying amount is not recoverable, we could be required to recognize losses on impairment of our long-lived asset group, which could adversely affect our business, financial condition and results of operations.

Regulation of greenhouse gases and climate change could have a negative impact on our business, financial condition and results of operation.

In 2015, the UAE Green Agenda 2015-2030 was adopted as the implementation framework of the UAE Green Growth Strategy. In 2016, the UAE Council on Climate Change and Environment (MOCCAE) was formed and the UAE ratified the Paris Climate Agreement. The Climate Plan aims to manage emissions, to ensure that climate action furthers the achievement of economic goals for the UAE while meeting its climate change objectives by decoupling emissions from economic growth. In line with Vision 2021 and National Agenda, the UAE needs to generate 27% of the energy requirements from clean energy sources, reduce its per capita greenhouse gas emissions and achieve average oil consumption of 5 tonnes per person by 2021. These measures are aimed at reducing reliance on and future demand for oil, which could have a material impact on our business. Laws, regulations, treaties and international agreements related to greenhouse gases and climate change may unfavourably impact our business, suppliers and customers, may result in increased compliance costs and operation restrictions, and could reduce drilling in the oil and gas industry and natural gas industry, all of which would have an adverse impact on our business, financial condition and results of operations.

Our operations are subject to risks of litigation and other legal and regulatory proceedings.

We may in the future be, from time to time, involved in various litigation matters. These matters may include, among other things, contract disputes, personal injury claims, environmental claims or proceedings, asbestos claims, employment matters, governmental claims for duties and other litigation that arises in the ordinary course of our business. We cannot predict with certainty the outcome or effect of any claim or other litigation matter, and the ultimate outcome of any litigation or the potential costs to resolve them may have a material adverse effect on us. Insurance may not be applicable or sufficient in all cases, insurers may not remain solvent and policies may not be located. To the extent that one or more pending or future litigation matters is not resolved in our favour and is not covered by insurance, a material adverse effect on our business, financial condition and results of operations.

Some of our drilling contracts may not permit us to fully recoup cost increases in the event of an increase in expenses.

Some of our drilling contracts have day rates that are fixed over the contract term. In order to mitigate the effects of inflation on revenues from these term contracts, we have included and will continue to aim to include escalation provisions in our new drilling contracts. These provisions allow us to adjust the day rates based on certain published indices and our historical costs. These provisions are designed to compensate us for certain cost increases, including wages, insurance and maintenance costs. However, actual cost increases may result from events or conditions that do not cause correlative changes to the applicable indices. Furthermore, certain indices may be outdated at the time of adjustment. In addition, the adjustments are normally performed only periodically. For these reasons, the timing and amount received as a result of the adjustments may differ from the timing and amount of expenditures associated with actual cost increases, which could adversely affect our business, financial condition and results of operations. Notwithstanding the above, certain of our future drilling contracts may not include such provisions, which would further expose our results of operations to the effects of inflation on our expenses.

Our operating and maintenance expenses include fixed costs that may not decline in proportion to decreases in rig utilisation and day rates or fluctuate in proportion to changes in operating revenues.

Our drilling services operating expense includes all direct and indirect costs associated with the operation, maintenance and support of our drilling equipment, which is often not affected by changes in day rates and utilisation. During periods of reduced revenue and/or activity, certain of our fixed costs (such as depreciation) may not decline and often we may incur additional costs. Additionally, our operating and maintenance expenses will not necessarily fluctuate in proportion to changes in operating revenues. During times of reduced utilisation, reductions in costs may not be immediate as we may incur additional costs associated with maintaining and cold stacking a rig, or we may not be able to fully reduce the cost of our support operations in a particular geographic location due to the need to support the remaining drilling rigs in that region. Accordingly, a decline in revenue due to lower day rates and/or utilisation may not be offset by a corresponding decrease in drilling services and solutions expense, which could have a material adverse impact on our business, financial condition and results of operations.

Failure to recruit and retain key personnel as well as inability to attract talent could hurt operations.

We depend on the continuing efforts of highly skilled personnel to operate and provide technical services and support for our business. Historically, competition for the personnel required for drilling operations has intensified as the number of rigs activated, added to fleets or under construction increased, leading to shortages of qualified personnel in the industry and creating upward pressure on wages and higher turnover. We may experience a reduction in the experience level of the personnel involved in our operations as a result of any increased turnover, which could lead to higher downtime and more operating incidents, which in turn could decrease revenues and increase costs. If increased competition for qualified personnel were to intensify in the future, we may experience increases in costs or limits on operations.

Our labour costs and the operating restrictions under which we operate could increase as a result of changes in labour laws and regulations.

A number of factors could increase our labour costs and potentially affect other costs of operations. During historic periods of growth within the industry, the cost of qualified personnel and equipment has increased substantially. Even during periods of low growth within the industry, personnel and operating costs related to specific operations may increase as a result of increasingly-stringent local requirements, which require personnel, services, and equipment to be sourced from the UAE.

Information technology systems are subject to cybersecurity risks and threats.

We depend on digital technologies to conduct our offshore and onshore operations, to collect payments from customers and to pay vendors and employees. Threats to our information technology systems associated with cybersecurity risks and cyber incidents or attacks continue to grow. In addition, breaches to our systems could go unnoticed for some period of time. Risks associated with these threats include disruptions of certain systems on our rigs; other impairments of our ability to conduct our operations; loss of intellectual property, proprietary information or customer data; disruption of our customers' operations; loss or damage to our customer data delivery systems; and increased costs to prevent, respond to or mitigate cybersecurity events. If such a cyber-incident were to occur, it could have a material adverse effect on our business, financial condition and results of operations.

We do not own the land on which our assets are located. As a result, we are subject to the possibility of the loss of, or increased costs to retain, necessary land use which would adversely affect our results of operations and financial condition.

All of the properties used by us, including industrial land, office space, warehouse space and accommodation for our employees, are leased from either the Abu Dhabi Government or entities owned by the Abu Dhabi Government and mainly by ADNOC. We are subject to the possibility that rent increases under any of these leases or subleases will increase our operating costs. Our inability to maintain the right to utilise the properties on which we operate our businesses on acceptable terms, or increased costs to maintain such rights, could have a material adverse effect on our business, financial condition and results of operations. See "*Business - Properties*" and "*Related Party Transactions*".

Because of the restrictions on land granted to us and in our agreements with ADNOC, we are not able to, and are not able to require ADNOC to, sell, transfer, mortgage or otherwise take actions that might monetise the value of the land on which we conduct our operations, and no value is attributed to this land in our statement of financial position.

We may be unsuccessful in enhancing the integrity, reliability and efficiency of our internal control over financial reporting

Our business relies on internal controls and procedures that regulate customer and management information, finance, credit exposure and other aspects of our business. Our financial auditors have not recorded any material gaps in our internal controls in their financial reporting audits. However, there can be no assurances that these controls and procedures will be adequate for our requirements generally or our requirements as a publicly-owned company.

If material weaknesses in our internal control over financial reporting occur in the future, our financial statements may contain material misstatements, we would be required to restate our financial results and investors could lose confidence in our reported financial information. In addition, if we are unable to produce accurate and timely financial statements, the market price of our shares may be adversely affected.

Risks Relating to the UAE and to the MENA Region

General economic, financial and political conditions, especially in Abu Dhabi and elsewhere in the UAE, where we conduct substantially all of our operations, may materially adversely affect our results of operations and financial condition.

General economic, financial, and political conditions, especially in Abu Dhabi and elsewhere in the UAE where we conduct substantially all of our operations, may have a material adverse effect on our business, results of operations, financial condition and prospects. Declines in consumer confidence and/or consumer spending, changes in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the economy and our markets, including the market for our products and services, and lead to demand or cost pressures that could negatively and adversely impact our business, results of operations, financial condition and prospects. The UAE's economy may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. In particular, a global shift in policies, including towards protectionism, with lower global growth due to reduced trade, migration and crossborder investment flows, could slow non-oil growth in the UAE and Abu Dhabi. These conditions could affect all of our business segments. Examples of such conditions could include:

- a general or prolonged decline in, or shocks to, regional or broader macro-economies;
- regulatory changes that could impact the markets in which we operate; and
- deflationary economic pressures, which could hinder our ability to operate profitably in view of the challenges inherent in making corresponding deflationary adjustments to our cost structure.

The nature of these types of risks make them unpredictable and difficult to plan for or otherwise mitigate, compounding their potential impact on our business, results of operations, financial condition and prospects. See "*—Risks Relating to Our Business and Industry— The coronavirus pandemic has affected the Company's business, results of operations and financial condition*".

Abu Dhabi's economy is significantly affected by volatility in international crude oil prices and its economy has in the past been, and is likely in the future to continue to be, materially adversely affected by lengthy periods of low crude oil prices.

Abu Dhabi's economy is significantly impacted by international crude oil prices and is highly dependent upon its hydrocarbon-related revenue. The hydrocarbon sector accounted for 50% of Abu Dhabi's nominal GDP in 2020 compared to 40.8% in 2019 and 41.7% in 2018, with the growth generally reflecting increasing crude oil prices (source: Statistics Centre Abu Dhabi 2020). Crude oil prices have historically fluctuated in response to a variety of factors beyond our control, including (without limitation):

- economic and political developments both in oil-producing regions, particularly in the Middle East, and globally (see "*—General economic, financial and political conditions, especially in Abu Dhabi and elsewhere in the UAE, where we conduct substantially all of our operations, may materially adversely affect our results of operations and financial condition*");
- global and regional supply and demand, and expectations regarding future supply and demand, for oil and gas products;
- the ability of the members of OPEC and OPEC+ to agree upon and maintain specified global production levels and prices (See "*—Risks Relating to Our Business and Industry— Fluctuations in oil and natural gas prices could adversely affect drilling activity and potentially our revenues, cash flows and profitability - and - Any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC's oil production and therefore adversely affect our drilling contracts*");
- the impact of international environmental regulations designed to reduce carbon emissions, and global weather and environmental conditions (See "*—Risks Relating to Our Business and Industry— Failure to comply with or changes to governmental and environmental laws could adversely affect our business*"); and
- prices, availability and trends relating to the use of alternative fuels and technologies (See "*—Risks Relating to Our Business and Industry— Fluctuations in oil and natural gas prices could adversely affect drilling activity and potentially our revenues, cash flows and profitability*").

Many economic sectors within Abu Dhabi and the wider UAE, including Dubai, remain in part dependent, directly or indirectly, on crude oil prices, so extended periods of low crude oil prices may have a negative impact across the economic landscape of Abu Dhabi and other Emirates. For example, the Abu Dhabi, Dubai or other Emirati governments may decide to reduce government expenditures in light of the budgetary pressures caused by lower crude oil prices, which may, in turn reduce fiscal spending on infrastructure and other projects that create revenue streams for both public and private entities. Local financial institutions may experience lower liquidity (if significant government and government-owned company deposits are withdrawn to fund deficits) or higher loan losses or impairments. Furthermore, businesses that are dependent on household consumption, including consumer products, education, healthcare and housing, may be adversely affected by lower levels of economic activity created by extended periods of low crude oil prices.

On 6 March 2020, OPEC met with OPEC+ to discuss the need to cut oil supply to balance oil markets as demand concerns intensified in response to the spread of what the WHO would soon identify as the COVID-19 pandemic. No agreement was reached among OPEC+ members at this meeting and, on 7 March 2020, Saudi Aramco, a Saudi Arabian multinational petroleum and natural gas company, cut its official selling prices, prioritising market share considerations over pricing implications. As a result, crude oil prices fell materially. On 12 April 2020, OPEC+ agreed to cut production by 9.7 billion barrels per day in May and June 2020, and on 6 June 2020 extended the production cut through July 2020. On 15 July 2020, OPEC+ agreed to reduce existing oil production caps by approximately 1.6 million barrels a day starting in August 2020. As a result of the foregoing OPEC+ discussions and agreements, crude oil prices have stabilised, although they are expected to continue to be subject to significant volatility and may decline given ongoing demand concerns, particularly if there are additional waves of the COVID-19 pandemic or resurgences thereof. In addition, according to Fitch, OPEC+ is likely to face the continued challenge of trying to balance the need for higher oil prices with the risk of losing market share to U.S. shale as a result of the above. In November 2020, Fitch reported that renewed European lockdowns is likely to delay demand recovery in the global oil market. Moreover, in January 2021, Fitch reported that although demand remained subdued due to the coronavirus pandemic, oil prices have increased materially since October 2020 due to OPEC+ production cuts, reduced oil inventories and increased investor optimism, supported by the vaccine roll-out in many countries. On March 4, OPEC+ rolled over existing production quotas until April 2021 (Kazakhstan and Russia were allowed marginal production increases) and Saudi Arabia committed to keeping its voluntary cuts. According to Fitch, this should accelerate inventory normalisation and support prices. Once inventories have been normalised, Fitch expect OPEC+ to adjust its production in line with demand to avoid significant deficits or surpluses. On 19 July 2021, OPEC+ agreed to extend the April 2020 agreement (see above) until 31 December 2022 with a further upward adjustment of overall production by 500,000 barrels per day. OPEC+ members also agreed to assess market developments and OPEC+ members' performance in December 2021 and endeavor to end production adjustments by the end of September 2022, subject to market conditions. In July 2021, it was reported that an agreement was reached among OPEC+ members for Abu Dhabi's production to be increased from 3.176 million barrels to 3.65 million barrels from April 2022.

As lockdown measures and restrictions on international and domestic travel and transport are eased globally, oil-producing countries may further increase output to meet recovering demand, which may result in further volatility of crude oil prices, both in the UAE and globally. See "—*Risks Relating to Our Business and Industry— The coronavirus pandemic has affected the Company's business, results of operations and financial condition*".

Any of the factors described above, including further developments with respect to the COVID-19 pandemic (and the possibility of additional waves or resurgences thereof) and OPEC or OPEC+ agreements, could have a material adverse effect on the economic, political and fiscal position of Abu Dhabi (and the UAE generally, including Dubai), and may consequently have a material adverse effect on our business, results of operations, financial condition and prospects and the trading prices of the Shares.

Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect our results of operations and financial condition.

Although Abu Dhabi and the wider UAE enjoy domestic political stability and generally healthy international relations, since 2011 there has been political unrest in a number of countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, Libya, Syria, Tunisia and Yemen. The unrest has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has given rise to a number of regime changes and increased political uncertainty across the region. It is not possible to predict the occurrence of events or circumstances such as war or other hostilities, or the impact that such events or occurrences might have on Abu Dhabi and the UAE. The MENA region currently is subject to a number of armed conflicts including those in Yemen, Syria (in which multiple state and non-state actors are involved, such as the US, Russia, Turkey and Iran), Iraq and Palestine, as well as conflicts with militants associated with the Islamic State.

Abu Dhabi, Dubai and the other Emirates are, and will continue to be, affected by political developments in or affecting the UAE and the wider MENA region, and investors' reactions to developments in any country in the MENA region may affect securities of issuers in other markets, including the UAE. On 14 September 2019, the Abqaiq processing facility and the Khurais oil field in Saudi Arabia were significantly damaged in attacks by unmanned aerial vehicles and missiles, which caused an immediate significant reduction in the oil output of Saudi Aramco. In January 2020, direct confrontation occurred between the US and Iran when a targeted drone strike killed a senior Iranian military commander in Iraq which was followed by an Iranian attack using ballistic missiles on a US military base in Iraq. In the course of this confrontation, the government of Iran confirmed that it would no longer adhere to the terms of the Joint Comprehensive Action Plan in respect of Iran's nuclear power programme. On 11 April 2021, a major power failure occurred at the Natanz complex south of Tehran, Iran, as a result of an explosion which has been reported to be caused by an attack on the Natanz complex. Although the UAE has not experienced terrorist attacks or armed conflict such as those experienced by a number of other countries in the MENA region, there can be no assurance that extremists or terrorist groups will not initiate terrorist or other violent activity in the UAE, or that the UAE will not be impacted by any escalation of regional armed conflict. Any terrorist incidents in or affecting Abu Dhabi or the UAE and increased regional geopolitical instability (whether or not directly involving Abu Dhabi or the UAE), or any heightened levels of military conflict in the region, may have a material adverse effect on Abu Dhabi and the UAE's attractiveness for foreign investment and capital, their ability to engage in international trade, their tourist industry, and, consequently, their economic, external and fiscal positions, and therefore could adversely impact our business, results of operations, financial condition and prospects and the trading prices of the Shares.

Furthermore, the UAE is dependent on expatriate labour, including unskilled labourers as well as highly skilled professionals in a range of industry sectors, and has made significant efforts in recent years to attract high volumes of foreign businesses and tourists to the country. These steps make the UAE potentially more vulnerable should regional instability increase, foreign militants commence operations in the Emirate, or extremist or terrorist groups engage in activities in the country. In addition, as the government endeavours to further diversify the UAE's economy into other sectors, including tourism, the exposure to broader regional and global economic trends and geopolitical developments likely will increase.

Abu Dhabi and the UAE may introduce new laws and regulations, including the introduction of a corporate income tax, which could adversely affect the way in which we are able to conduct our businesses and our results of operations and financial condition.

Emerging market economies generally and the UAE in particular are characterised by less comprehensive legal and regulatory environments than are found in more developed regions. However, as these economies mature, and in part due to the desire of certain countries in the MENA region, including in particular the UAE, to accede to the World Trade Organisation, the governments of these countries have begun, and we expect will continue, to implement new laws and regulations which could impact the way we conduct our business and have a material adverse effect on our business, results of operations, financial condition and prospects.

Changes in investment policies or in the prevailing political climate in the UAE could result in the introduction of changes to government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

We are not currently subject to corporate income tax in the UAE, although some consideration has been given to the introduction of a corporate income tax in Abu Dhabi. See "*Taxation—UAE Taxation*". There can be no assurance that the introduction of a corporate income tax or any other changes to current laws would not increase our costs or otherwise materially adversely affect our business, results of operations, financial condition and prospects.

The UAE's Emiratisation initiative may increase our costs and may reduce our ability to rationalise our workforce.

Emiratisation is an initiative by the UAE government to employ its citizens in a meaningful and efficient manner in the public and private sectors and to reduce its reliance on foreign workers. Under the initiative, companies are encouraged to employ Emiratis in management, administrative and technical positions. However, the cost of employing UAE nationals typically is significantly higher than the cost of employing foreign workers. In addition, meeting and maintaining our Emiratisation targets reduces our flexibility to rationalise our workforce, which limits our ability to reduce costs in many areas of our operations and may be made further difficult as a result of the COVID-19 pandemic (particularly if additional waves or resurgences thereof occur). See "*—Risks Relating to Our Business and Industry— The coronavirus pandemic has affected the Company's business, results of operations and financial condition*". As a result, there can be no assurance that meeting and maintaining our Emiratisation targets will not have a material adverse effect on our business, results of operations, financial condition and prospects.

A downgrade in the credit rating of Abu Dhabi could adversely affect us.

As at the date of this Prospectus, ADNOC holds 95% of our issued share capital, and immediately following the Offering, ADNOC will continue to hold 87.5% of our share capital, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. ADNOC is owned by the government of Abu Dhabi. Abu Dhabi has a long-term foreign currency debt rating of "AA" with a stable outlook from Standard & Poor's Financial Services ("S&P"), a long-term foreign currency issuer default rating of "AA" with a stable outlook from Fitch Ratings ("Fitch"), and a long-term credit rating of "Aa2" from Moody's Investor Service ("Moody's"). Any downgrade or withdrawal at any time of a credit rating assigned to Abu Dhabi by any rating agency could have a material adverse effect on their cost of borrowing and could limit their access to debt capital markets, which could in turn adversely affect companies owned by the Abu Dhabi government, including ADNOC and us, or companies which have significant operations in the UAE. There can be no assurance that the credit ratings of Abu Dhabi will remain for any given period of time or that any such credit rating will not be downgraded or withdrawn entirely by any of the rating agencies in the future. Any such downgrade or withdrawal could have a material adverse effect on borrowing costs and access to debt capital markets for us, which could negatively impact our ability to grow and execute our strategy, and result in a material adverse effect on our business, results of operations, financial condition and prospects.

Our financial condition and results of operations may be materially adversely affected if the USD/AED exchange rate were to change.

Most of our revenue and certain of our expenses are denominated in USD. In addition, all of the indebtedness under our term loan facility agreement is denominated in USD. Although the UAE dirham has been pegged to the US dollar at a rate of AED 3.6725 to USD 1.00 since 1997, there can be no assurance that the UAE Central Bank will continue to maintain this fixed rate in the future, particularly if there continues to be increased demand for the US dollar as a result of the COVID-19 pandemic and any additional waves or resurgences thereof. The existing fixed rate may be adjusted in a manner that exposes us to volatility in rates or an increase in repayment obligations under our term loan and revolving credit facilities that we unable to hedge through our interest rate swaps or otherwise. Any change to the USD/AED exchange rate could increase the costs that we pay for our products or to service our indebtedness, or could cause our results of operations and financial condition to fluctuate due to currency translation effects, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

Risks Relating to the Offering and to the Shares

After the Offering, ADNOC will continue to be able to exercise control over us, our management and our operations.

As at the date of this Prospectus, ADNOC holds 95% of our issued share capital, and immediately following the Offering ADNOC will continue to hold at least 75% of our share capital, assuming that the Selling Shareholder sells all of the Shares being offered and the Offering size is not increased. As a result, ADNOC will be able to exercise control over our management and operations and over matters requiring the consent of our shareholders, such as in relation to the payment of dividends and the election of the members of our Board of Directors and other matters. There can be no assurance that the interests of ADNOC will coincide with the interests of purchasers of the Shares. On or prior to Listing, we will enter into a relationship agreement (the "Relationship Agreement") with ADNOC that records the principal terms of the relationship between us and ADNOC. See "*Related Party Transactions*" and "*Relationship Agreement*".

Furthermore, ADNOC's significant Share ownership may (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company), (ii) deprive shareholders of an opportunity to receive a premium for their Shares as part of a sale of the Company, and (iii) affect the liquidity of the Shares, any of which could have a material adverse effect on the market price of the Shares. In addition, there may be circumstances where our businesses compete directly or indirectly with ADNOC's businesses, and ADNOC may take decisions with respect to those businesses that are adverse to the interests of our other shareholders.

Substantial sales of Shares by ADNOC could depress the price of the Shares.

Sales of a substantial number of Shares by ADNOC following the completion of the Offering may significantly reduce our share price. ADNOC has agreed in the Underwriting Agreement to certain restrictions on its ability to sell, transfer and otherwise deal in its Shares for a period of twelve (12) months from the Closing Date, except in certain limited circumstances, unless otherwise consented to by the Joint Global Coordinators (such consent not to be unreasonably withheld or delayed). See "*Lock-up Arrangements*". Nevertheless, we are unable to predict whether substantial amounts of Shares (in addition to those which will be available in the Offering) will be sold in the open market following the completion of the Offering. Any sales of substantial amounts of Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Shares.

The Offering may not result in an active or liquid market for the Shares, and trading prices of the Shares may be volatile and may decline. In addition, the ADX is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares.

Prior to the Offering, there has been no public trading market for the Shares. We cannot guarantee that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the offer price. The trading price of the Shares may be subject to wide fluctuations in response to many factors, as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of our actual performance or conditions in the UAE.

The Company has applied for the Shares to be listed on the ADX. The ADX was established in 2000, but its future success and liquidity in the market for the Shares cannot be guaranteed. The ADX is substantially smaller in size and trading volume than other established securities markets, such as those in the United States and the United Kingdom. As of 30 June 2021, there were 78 companies with securities traded on the ADX with a total market capitalisation of approximately AED 1,191 billion. The ADX had a total regular trading volume of AED 64 billion in 2020. Brokerage commissions and other transaction costs on the ADX are generally higher than those in Western European countries.

These factors could generally decrease the liquidity and increase the volatility of share prices on the ADX, which in turn could increase the price volatility of the Shares and impair the ability of a holder of Shares to sell any Shares on the ADX in the desired amount and at the price and time achievable in more liquid markets.

We may not pay cash dividends on the Shares. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them.

While we intend to pay dividends in respect of the Shares, there can be no assurance that we will do so. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors and will depend on, among other things, applicable law and regulations, our results of operations, financial condition, cash requirements, contractual restrictions (including, in particular, those contained in the debt financing), our future projects and plans and other factors that our Board of Directors may deem relevant. As a result, you may not receive any return on an investment in the Shares unless you sell your Shares for a price greater than that which you paid for them. See "*Dividend Policy*".

It may be difficult for shareholders to enforce judgments against us in the UAE, or against our directors and senior management.

The Company is a public joint stock company incorporated in the UAE. All of our directors and all of our officers reside outside the United States, the United Kingdom and the European Economic Area ("**EEA**"). In addition, all of our assets and the majority of the assets of our directors and senior management are located outside the United States, the United Kingdom and the EEA. As a result, it may not be possible for investors to effect service of process outside the UAE upon the Company or our directors and senior management or to enforce judgments obtained against them in courts outside the UAE, including judgments predicated upon the civil liability provisions of the securities laws of the United States, the United Kingdom or the EEA.

Holders of the Shares in certain jurisdictions outside of the UAE, including the United States, may not be able to exercise their preemptive rights if we increase our share capital.

Under our Articles of Association to be adopted in connection with the Global Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of our ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. US holders of the Shares may not be able to exercise their preemptive rights unless a registration statement under the Securities Act is effective with respect to such rights and the related ordinary shares or an exemption from the registration requirements of the Securities Act is available. Similar restrictions exist in certain other jurisdictions outside the UAE. We currently do not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable US or other holders of the Shares to exercise their preemptive rights or, if available, that we will utilise such exemption. To the extent that the US or other holders of the Shares are not able to exercise their preemptive rights, the preemptive rights would lapse and the proportional interests of such US or other holders would be reduced.

UAE Taxation

The following comments are general in character and are based on the current applicable tax regime in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.

Taxation of Corporates and Individuals

There is no corporate tax legislation at the federal UAE level. However, corporate tax legislation has been enacted in some of the Emirates (including Abu Dhabi) through their own decrees. These tax decrees are currently only enforced on foreign oil companies and branches of foreign banks. However, it should be noted that there is no guarantee that tax will not be enforced on other corporate entities at some time in the future since there is no specific legislation that grants an exemption from tax to entities which are not foreign oil companies and branches of foreign banks.

There is currently no personal tax levied on individuals in the UAE.

Taxation of purchase of Shares

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of Shares by the shareholders. If a shareholder is tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Offering may be characterised differently and may be subject to tax in that other jurisdiction.

There are no transfer taxes in the UAE on the purchase of Shares. Accordingly, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations.

Taxation of dividends and capital gains on sale

Based on the tax practice within the UAE outlined above, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE, provided they are not subject to tax in the UAE by virtue of them being a foreign oil company or branch of a foreign bank. Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations.

Based on the same principles as outlined above, UAE resident shareholders who are not subject to tax in the UAE or jurisdictions outside the UAE (both corporate and individual), should not currently be taxed on the receipt of dividend income and gains on the future sale of the Shares.

Shareholders who are subject to tax in the UAE by virtue of being a foreign oil company or branch of a foreign bank, or tax resident in jurisdictions outside the UAE, as well as shareholders tax resident in the UAE but also subject to tax in jurisdictions outside the UAE (both corporate and individual), should consult their own tax advisers as to the taxation of dividend income and gains on the future sale of the Shares under the relevant applicable local laws in those jurisdictions.

There is currently no withholding tax in the UAE and as such, any dividend payments made by the Company should be made free of any UAE or Abu Dhabi withholding tax, unless the applicable tax regime changes.

It is important to note that the UAE corporate tax treatment applicable to foreign oil companies or branches of a foreign bank referred to above, applies to Emirate level (Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Fujairah, Um Al Quwain, Ajman) taxation only. In this regard, a new corporate Federal tax law was under discussion, however, the UAE Ministry of Finance has confirmed that no Federal corporate tax will be introduced within the next few years.

UAE VAT

The UAE has adopted an excise tax, which was effective on 1 October 2017, and implemented a VAT, which was effective on 1 January 2018. The excise tax imposes a 50% tax on carbonated beverages and a 100% tax on tobacco products and energy drinks. On 27 August 2017, the VAT Law was published on the website of the Federal Tax Authority. The executive regulations of the VAT Law were issued on 28 November 2017 under Cabinet decision No. 52 of Federal Decree Law No. (8). The executive regulations provide more detail about products and services that are subject to VAT and which particular products are zero-rated or exempted. The executive regulations of the VAT Law outline the conditions and parameters of such VAT treatment. The GCC VAT Framework Agreement, which is a country level agreement between all the GCC States, sets out broad principles that should be followed by all the GCC countries in their VAT laws while providing individual member states some discretion to adopt a different VAT treatment in respect of certain matters. Each GCC country will enact its own domestic VAT legislation based on the underlying principles in this common framework.

VAT applies on the sale of goods and services in the UAE and on imports to the UAE. Unless the supply of goods and services falls within a category that is specifically exempt or is subject to the zero rate of VAT. VAT will apply at the standard rate. The standard VAT rate in the UAE is 5%.

The mandatory registration threshold is AED 375,000 and the voluntary registration threshold is AED 187,500. Businesses must register for VAT if they have annual turnover that exceeds the mandatory registration threshold and an option to register for VAT is available if the taxable supply and imports are below the mandatory registration threshold but exceed the voluntary registration threshold.

The supply of goods or services by VAT registered businesses is subject to VAT at either the standard rate or zero rate. Businesses are entitled to claim a credit for VAT paid on their purchases if they relate to a supply that is standard rated or zero-rated. However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed.

Article 42 of the executive regulations outlines the scope of financial services classified as exempt and, on this basis, no VAT would be applied on any transfer of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would be standard rated at 5%.

Lock-up Arrangements

Pursuant to the terms of the Underwriting Agreement, we have contractually agreed, for a period of twelve (12) months after Listing, not to (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant, or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of, directly or indirectly, any Shares or other shares of the Company, or securities convertible or exchangeable into or exercisable for any Shares or warrants or other rights to purchase Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, or file any registration statement under the Securities Act or any similar document with any other securities regulator, stock exchange, or listing authority with respect to any of the foregoing, (ii) enter into any swap, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Shares, in each case, whether any such transaction is to be settled by delivery of Shares or other securities, in cash or otherwise, or (iii) publicly announce such an intention to effect any such transaction, in each case, without the prior written consent of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed.

Third section: Financial disclosures

Summary of the Company's Financial Statements and a Summary of Key Notes and Key Financial Indicators as of and for the Years Ended 31 December 2019 (with comparative financials for the year ended 31 December 2018) and 31 December 2020, and for the six-month period ended 30 June 2021 (and the comparative financials for the six-month period ended 30 June 2020).

The following discussion and analysis should be read in conjunction with the Company's audited financial statements, including the notes thereto, included in this Prospectus as at and for the years ended 31 December 2019 (with comparative financial information as at and for the year ended 31 December 2018) and 2020 and the Company's reviewed interim financial statements as at and for the six-month period ended 30 June 2021 (and the comparative financials for the six-month period ended 30 June 2020) included in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section entitled "Investment Risks".

EBITDA and Net debt are Non-IFRS measures and were calculated by the Company based on data derived from the Company's Financial Statements.

1. Selected Financial Information and Operating Data

The selected financial information set forth below shows our historical financial information and other unaudited operating information as at and for the years ended 31 December 2018, 2019 and 2020 and as at and for the six-month period ended 30 June 2021.

The financial information set forth below under the captions "Statement of Profit or Loss Data", "Statement of Financial Position Data", "Statement of Changes in Equity Data" and "Statement of Cash Flows Data" has been derived from, and should be read in conjunction with, the Financial Statements included elsewhere in this Prospectus.

2. Statement of Profit or Loss Data

	For the years ended 31 December						For the six months ended 30 June			
	2020		2019		2018		2021		2020	
	USD'000	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*
Revenue	2,097,860	7,704,391	2,061,717	7,571,655	1,961,355	7,203,076	1,123,475	4,125,962	1,001,840	3,679,257
Direct cost	(1,291,942)	(4,744,657)	(1,264,319)	(4,643,212)	(1,102,414)	(4,048,615)	(683,695)	(2,510,870)	(578,400)	(2,124,174)
Gross Profit	**805,918**	**2,959,734**	**797,398**	**2,928,443**	**858,941**	**3,154,461**	**439,780**	**1,615,092**	**423,440**	**1,555,083**
General and administrative expenses	(215,305)	(790,708)	(194,533)	(714,422)	(180,978)	(664,640)	(158,540)	(582,238)	(109,552)	(402,330)
Other income, net	2,895	10,632	29,997	110,165	13,622	50,028	9,010	33,089	4,270	15,682
Finance cost, net	(24,474)	(89,881)	(49,509)	(181,820)	(6,808)	(25,004)	(8,662)	(31,811)	(15,627)	(57,390)
Profit for the year/period	**569,034**	**2,089,777**	**583,354**	**2,142,366**	**684,777**	**2,514,845**	**281,588**	**1,034,132**	**302,531**	**1,111,045**
Other comprehensive income for the year/period	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year/period.	**569,034**	**2,089,777**	**583,354**	**2,142,366**	**684,777**	**2,514,845**	**281,588**	**1,034,132**	**302,531**	**1,111,045**

3. Statement of Financial Position Data

	As at 31 December						As at 30 June	
	2020		2019		2018		2021	
	USD'000	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*
ASSETS								
Non-current assets								
Property and equipment	3,261,436	11,977,624	3,243,086	11,910,232	3,262,078	11,979,983	3,252,854	11,946,106
Right-of-use assets	39,301	144,333	15,941	58,542	-	-	43,196	158,637
Advance to a related party	408	1,498	146,954	539,690	300,041	1,101,900	8,464	31,084
Advance payments	4,250	15,608	5,751	21,119	8,131	29,860	3,502	12,861
Total non-current assets	**3,305,395**	**12,139,063**	**3,411,731**	**12,529,583**	**3,570,250**	**13,111,743**	**3,308,016**	**12,148,689**
Current assets								
Inventories	177,053	650,227	124,176	456,036	84,356	309,796	162,863	598,114
Trade and other receivables	139,296	511,565	63,133	231,855	33,238	122,066	123,590	453,884
Due from related parties	902,601	3,314,802	1,688,981	6,202,782	644,715	2,367,717	1,412,891	5,188,842
Cash and cash equivalents	953,465	3,501,600	133,808	491,409	324,573	1,191,995	419,246	1,539,681
Total current assets	**2,172,415**	**7,978,194**	**2,010,097**	**7,382,082**	**1,086,882**	**3,991,574**	**2,118,590**	**7,780,522**
Total assets	**5,477,810**	**20,117,257**	**5,421,828**	**19,911,665**	**4,657,132**	**17,103,317**	**5,426,606**	**19,929,211**
EQUITY AND LIABILITIES								

	As at 31 December						As at 30 June	
	2020		2019		2018		2021	
	USD'000	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*
Equity								
Share Capital	108,918	400,001	108,918	400,000	108,918	400,000	108,918	400,001
Retained Earnings	3,142,893	11,542,275	3,273,654	12,022,496	2,741,794	10,069,237	2,724,481	10,005,656
Total equity	**3,251,811**	**11,942,276**	**3,382,572**	**12,422,496**	**2,850,711**	**10,469,237**	**2,833,399**	**10,405,658**
Non-current liabilities								
Borrowings	1,500,000	5,508,750	1,500,204	5,509,500	1,500,204	5,509,500	1,500,000	5,508,750
Lease liabilities	28,389	104,259	15,995	58,743	-	-	15,196	55,807
Provisions for employees' end of service benefits	86,460	317,524	87,492	321,315	77,549	284,799	110,549	405,991
Total non-current liabilities	**1,614,849**	**5,930,533**	**1,603,692**	**5,889,558**	**1,577,753**	**5,794,299**	**1,625,745**	**5,970,549**
Current liabilities								
Trade and other payables	413,789	1,519,640	394,051	1,447,151	200,450	736,154	370,361	1,360,151
Lease liabilities	11,723	43,053	3,370	12,378	-	-	22,278	81,816
Due to related parties	185,638	681,756	38,143	140,082	28,217	103,627	574,823	2,111,037
Total current liabilities	**611,150**	**2,244,448**	**435,565**	**1,599,611**	**228,667**	**839,781**	**967,462**	**3,553,004**
Total liabilities	**2,225,999**	**8,174,981**	**2,039,256**	**7,489,169**	**1,806,421**	**6,634,080**	**2,593,207**	**9,523,553**
Total equity & liabilities	**5,477,810**	**20,117,257**	**5,421,828**	**19,911,665**	**4,657,132**	**17,103,317**	**5,426,606**	**19,929,211**

4. Statement of Cash Flow Data

	For the years ended 31 December					
	2020		2019		2018	
	USD'000	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*
Cash flows from operating activities						
Profit for the year	569,034	2,089,777	583,354	2,142,366	684,777	2,514,845
Adjustments for:						
Depreciation of property and equipment	357,037	1,311,218	374,936	1,376,951	380,363	1,396,884
Depreciation of right-of-use assets	9,177	33,703	7,519	27,614	-	-
Provision for employees' end of service benefit	12,691	46,608	15,119	55,526	9,565	35,129
Reversal of provision for employees end of service benefit	(2,537)	(9,317)	-	-	-	-
Credit note issued to a related party	41,717	153,206	-	-	-	-
(Reversal)/allowance for slow moving and obsolete inventories	(1,939)	(7,121)	226	829	3,496	12,840
Loss on disposal property and equipment	616	2,262	1,004	3,689	454	1,668
Finance cost	25,346	93,083	53,328	195,846	8,766	32,192
Finance income	(872)	(3,202)	(3,819)	(14,026)	(1,957)	(7,188)
	1,010,270	3,710,217	1,031,666	3,788,795	1,085,465	3,986,370
Changes in working capital						
Increase in inventories	(50,934)	(187,055)	(40,046)	(147,069)	(11,049)	(40,576)
Decrease/(increase) in advance payments	1,501	5,512	2,380	8,741	(4,044)	(14,853)
Increase in trade and other receivables	(76,163)	(279,709)	(29,895)	(109,789)	(1,529)	(5,614)
Decrease/(increase) in due from related parties	744,664	2,734,779	(1,044,265)	(3,835,065)	(191,097)	(701,805)
Increase/(decrease) in trade and other payables	22,986	84,416	94,160	345,803	(54,911)	(201,661)
Increase/(decrease) in due to related parties	147,494	541,672	9,926	36,455	(35,132)	(129,024)
Employees' end of service benefit paid	(11,190)	(41,095)	(5,176)	(19,010)	(4,830)	(17,738)
Net cash generated from operating activities	**1,788,628**	**6,568,736**	**18,750**	**68,861**	**782,872**	**2,875,099**
Cash flows from investing activities						
Additions to property and equipment	(146,565)	(538,260)	(33,371)	(122,554)	(48,177)	(176,930)
Advance to a related party	(86,141)	(316,353)	(71,050)	(260,931)	(300,041)	(1,101,900)
Finance income received	872	3,202	3,819	14,026	1,957	7,188
Net cash used in investing activities	**(231,834)**	**(851,410)**	**(100,601)**	**(369,459)**	**(346,261)**	**(1,271,642)**
Cash flows from financing activities						
Repayment of related party loan	-	-	-	-	(313,043)	(1,149,649)
Borrowings	-	-	-	-	1,500,204	5,509,500
Lease liabilities paid on principal	(11,791)	(43,302)	(4,094)	(15,035)	-	-
Dividends paid	(700,000)	(2,570,750)	(51,493)	(189,107)	(1,572,213)	(5,773,953)
Finance cost paid	(25,346)	(93,083)	(53,328)	(195,846)	(1,859)	(6,826)
Net cash used in financing activities	**(737,137)**	**(2,707,136)**	**(108,914)**	**(399,988)**	**(386,910)**	**(1,420,928)**
Net increase/(decrease) in cash and cash equivalents	**819,657**	**3,010,190**	**(190,765)**	**(700,586)**	**49,702**	**182,529**
Cash and cash equivalents at the beginning of the year	133,808	491,410	324,573	1,191,995	274,872	1,009,466
Cash and cash equivalents at end of the year	**953,465**	**3,501,600**	**133,808**	**491,409**	**324,573**	**1,191,995**
Non-cash transactions:						
Recognition of right of use assets under IFRS 16/ Additions and modification right-of-use assets and lease liabilities	**32,537**	**119,492**	23,460	86,156	-	-
Additions to property and equipment against advances paid to a related party	**232,687**	**854,543**	224,136	**823,141**	**-**	**-**
Additions to property and equipment against payables			99,440	365,194	50,261	184,585
Accrued interest	-	-	-	-	6,907	25,366
Transfers from inventory to property & equipment	-	-	-	-	15,289	56,148

	For the six months ended 30 June			
	2021		2020	
	USD'000	*AED'000*	*USD'000*	*AED'000*
Cash flows from operating activities				
Profit for the period	**281,588**	**1,034,132**	**302,531**	**1,111,045**
Adjustments for:				
Depreciation of property and equipment	194,308	713,596	172,716	634,300
Depreciation of right-of-use assets	14,963	54,952	5,364	19,699
Provision for employees' end of service benefit	26,815	98,478	7,475	27,452
Allowance/(reversal) for slow moving and obsolete inventory	6,036	22,167	(270)	(992)
Finance cost	9,099	33,416	16,134	59,252
Finance income	(437)	(1,605)	(507)	(1,862)
	532,372	**1,955,136**	**503,443**	**1,848,894**
Changes in working capital				

	For the six months ended 30 June			
	2021		2020	
	USD'000	*AED'000*	*USD'000*	*AED'000*
Decrease/(increase) in inventories	8,154	29,946	(12,750)	(46,824)
Decrease in advance payments	748	2,747	726	2,666
Decrease/(increase) in trade and other receivables	15,706	57,680	(48,335)	(177,510)
(Increase)/decrease in due from related parties	(120,290)	(441,765)	579,730	2,129,058
Increase/(decrease) in trade and other payables	45,829	168,307	(61,339)	(225,267)
(Decrease)/increase in due to related parties	(815)	(2,993)	18,828	69,146
Employees' end of service benefit paid	(2,726)	(10,011)	(2,387)	(8,766)
Net cash generated from operating activities	**478,978**	**1,759,047**	**977,916**	**3,591,397**
Cash flows from investing activities				
Payments for purchase of property and equipment	(245,249)	(900,677)	(19,148)	(70,321)
Advance issued to a related party	(37,664)	(138,321)	(59,860)	(219,836)
Finance income received	437	1,605	507	1,862
Net cash used in investing activities	**(282,476)**	**(1,037,393)**	**(78,501)**	**(288,295)**
Cash flows from financing activities				
Payment for principal and interest portion on lease liabilities	(22,022)	(80,876)	-	-
Dividends paid	(700,000)	(2,570,750)	(700,000)	(2,570,750)
Finance cost paid	(8,699)	(31,947)	(15,926)	(58,488)
Net cash used in financing activities...	**(730,721)**	**(2,683,573)**	**(715,926)**	**(2,629,238)**
Net (decrease)/increase in cash and cash equivalents	**(534,219)**	**(1,961,919)**	**183,489**	**(673,863)**
Cash and cash equivalents at the beginning of the period	953,465	3,501,600	133,808	(491,410)
Cash and cash equivalents at the end of the period...........................	**419,246**	**1,539,681**	**317,297**	**1,165,273**
Non-cash transactions:				
Transfer of capital spares from inventory to property and equipment	-	-	830	3,048
Additions and modification right-of-use assets and lease liabilities	18,858	69,256	16,355	60,064

5. Statement of Changes in Equity Data

Statement of changes in equity for the six-month period ended 30 June 2021

	Share capital USD'000	Share capital AED'000	Retained earnings USD'000	Retained earnings AED'000	Total equity USD'000	Total equity AED'000
Balance at 1 January 2020 (audited)	108,918	400,001	3,273,859	12,023,247	3,382,777	12,423,249
Total comprehensive income for the period	-	-	302,531	1,111,045	302,531	1,111,045
Dividends	-	-	(700,000)	(2,570,750)	(700,000)	(2,570,750)
Balance at 30 June 2020 (unaudited)	108,918	400,001	2,876,390	10,563,542	2,985,308	10,963,544
Balance at 1 January 2021 (audited)	108,918	400,001	3,142,893	11,542,275	3,251,811	11,942,276
Total comprehensive income for the period	-	-	281,588	1,034,132	281,588	1,034,132
Dividends	-	-	(700,000)	(2,570,750)	(700,000)	(2,570,750)
Balance at 30 June 2021 (unaudited)	**108,918**	**400,001**	**2,724,481**	**10,005,656**	**2,833,399**	**10,405,658**

Statement of changes in equity for the year ended 31 December 2020

	Share capital USD'000	Share capital AED'000	Retained earnings USD'000	Retained earnings AED'000	Total equity USD'000	Total equity AED'000
At 1 January 2019	108,918	400,001	2,741,997	10,069,984	2,850,915	10,469,985
Total comprehensive income for the year	-	-	583,355	2,142,371	583,355	2,142,371
Dividends paid	-	-	(51,493)	(189,108)	(51,493)	(189,108)
At 1 January 2020	108,918	400,001	3,273,859	12,023,247	3,382,777	12,423,249
Total comprehensive income for the year	-	-	569,034	2,089,777	569,034	2,089,777
Dividends paid	-	-	(700,000)	(2,570,750)	(700,000)	(2,570,750)
At 31 December 2020	**108,918**	**400,001**	**3,142,893**	**11,542,275**	**3,251,811**	**11,942,276**

Statement of changes in equity for the year ended 31 December 2019

	Share capital USD'000	Share capital AED'000	Retained earnings USD'000	Retained earnings AED'000	Total equity USD'000	Total equity AED'000
At 1 January 2018	108,918	400,000	3,629,229	13,328,345	3,738,147	13,728,345
Total comprehensive income for the year	-	-	684,777	2,514,845	684,777	2,514,845
Dividends declared	-	-	(1,572,213)	(5,773,953)	(1,572,213)	(5,773,953)
At 1 January 2019	108,918	400,000	2,741,794	10,069,237	2,850,711	10,469,237
Total comprehensive income for the year	-	-	583,354	2,142,366	583,354	2,142,366
Dividends declared	-	-	(51,493)	(189,107)	(51,493)	(189,107)
At 31 December 2019	**108,918**	**400,000**	**3,273,654**	**12,022,496**	**3,382,572**	**12,422,496**

6. Other Financial Information

For the years ended 31 December						For the six months ended 30 June			
2020		2019		2018		2021		2020	
USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000

	For the years ended 31 December						For the six months ended 30 June			
	2020		2019		2018		2021		2020	
EBITDA[(1)]	959,722	3,524,579	1,015,317	3,728,751	1,071,949	3,936,733	499,521	1,834,491	496,238	1,822,434
Net debt[(2)]	(546,535)	(2,007,150)	(1,366,192)	(5,018,091)	(1,175,427)	(4,317,505)	(1,080,754)	(3,969,069)	(1,182,703)	(4,343,477)

(1) In this Prospectus, we present EBITDA as a measure to assess the financial performance of our business. EBITDA represents earnings for the period before interest, tax, and depreciation and amortisation. EBITDA is termed a "non IFRS measure" because it excludes amounts that are included in, and includes amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, being profit for the period. Information regarding EBITDA is sometimes used by investors to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. We use EBITDA in assessing our growth and operational performance. There are no generally accepted principles governing the calculations of EBITDA, and the criteria upon which EBITDA is based can vary from company to company. EBITDA does not by itself provide a sufficient basis to compare our performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity. In addition, this measure should not be used instead of, or considered as an alternative to, our historical financial results. We have presented this non-IFRS measure because we believe it is helpful to investors and financial analysts in highlighting trends in our overall business. EBITDA has limitations as an analytical tool. Some of these limitations are: (a) it does not reflect cash expenditures or future requirements for capital expenditure or contractual commitments; (b) it does not reflect changes in, or cash requirements for, our working capital needs; (c) it does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; (d) although depreciation and amortisation are non cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and (e) it is not adjusted for all non cash income or expense items that are reflected in our statements of cash flows. The table below sets forth a reconciliation of EBITDA to profit for each period presented:

	For the years ended 31 December						For the six months ended 30 June			
	2020		2019		2018		2021		2020	
	USD'000	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*	*USD'000*	*AED'000*
Profit for the year/period	**569,034**	**2,089,777**	**583,354**	**2,142,366**	**684,777**	**2,514,845**	**281,588**	**1,034,132**	**302,531**	**1,111,045**
Finance cost - net	24,474	89,881	49,509	181,820	6,808	25,004	8,662	31,811	15,627	57,390
Depreciation included in direct cost	356,702	1,309,988	376,724	1,383,519	377,819	1,387,542	186,203	683,831	166,612	611,883
Depreciation included in general and administrative expenses	9,512	34,933	5,731	21,046	2,544	9,342	23,068	84,717	11,468	42,116
EBITDA	**959,722**	**3,524,579**	**1,015,317**	**3,728,751**	**1,071,949**	**3,936,733**	**499,521**	**1,834,491**	**496,238**	**1,822,434**

(2) Net debt represents total borrowings (including current and non-current borrowings) less cash and cash equivalents. Net debt is sometimes used by investors to evaluate a company's level of indebtedness after taking into account its available cash. We use net debt in assessing our capital structure. For purposes of calculating the net debt amount, an exchange rate of USD 1: AED 3.673 was used for total borrowings for the years ended 31 December 2018 and 2019 which amounted to USD 1.5 billion at the end of each period.

Dividend Policy

Our ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and our capital expenditure plans and other cash requirements in future periods, and there is no assurance that we will pay dividends or, if a dividend is paid, what the amount of such dividend will be. See "*Investment Risks —Risks Relating to the Global Offering and to the Shares—We may not pay cash dividends on the Shares. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them*." 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 our Board of Directors.

Subject to the foregoing, our Board has approved a dividend payment of USD 360.3 million, reflecting the dividends for the first half of 2021, to be distributed to existing shareholders ahead of the Offering. We intend to pay dividends twice each fiscal year after the Offering, with an initial payment in April and a second payment in October of each year. Subject to the foregoing, we expect to pay a fixed dividend amount of USD 325 million for the second half of 2021, to be paid in April 2022. Thereafter, we expect to grow the dividend amount from USD 650 million (annualized dividend of second half of 2021), by a growth rate of 5% per annum on a dividend per share basis over the next five years (2022 – 2026). This dividend policy is designed to reflect our expectation of strong cash flow and our expected long-term earnings potential, while allowing us to retain sufficient capital to fund ongoing operating requirements and continued investment for long-term growth. This dividend policy is subject to consideration by our Board of Directors of the cash management requirements of our business for operating expenses, interest expense, and anticipated capital expenditures. In addition, we expect that our Board of Directors also will consider market conditions, the then current operating environment in our markets, and the Board of Directors' outlook for our business.

Material events and contracts concluded by the Company (including related party agreements)

The following is a summary of certain terms of our material contracts. The following summaries do not purport to describe all of the applicable terms and conditions of such contracts and are qualified in their entirety by reference to the actual agreements.

Principal Shareholders and Selling Shareholder

The following table sets forth our shareholder holding our Shares (i) as at the date of this Prospectus, with a total share capital of 16,000,000,000 shares of AED 0.10 each, and (ii) immediately following the Offering, assuming that the Selling Shareholder sells all of the Shares being offered:

	As at the date of this Prospectus		**Immediately following the Offering(1)**	
	Number of Shares	**Percentage**	**Number of Shares**	**Percentage**
Shareholder				
ADNOC	15,200,000,000	95%	14,000,000,000	87.5%
Baker Hughes	800,000,000	5%	800,000,000	5%

(1) Assumes that the maximum number of Shares offered by the Selling Shareholder in the Offering are sold and the Offering size is not increased.

Prior to Listing, pursuant to the Recapitalization, we increased the number of Shares from 4,000,000 to 16,000,000,000 through the capitalization of AED 1,200,000,000 of retained earnings and the reduction of the par value per Share from AED 100 to AED 0.10. The Recapitalization has no impact on our cash position or our total shareholders' equity.

ADNOC is wholly owned by the government of Abu Dhabi. No Shares have voting rights that differ from those of any other Shares. As at the date of this Prospectus, the Company is not aware of any arrangements that may result in a change in control of the Company.

Founders Committee

The Founders Committee is a committee elected by the Founders to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering, including dealing with the competent authorities. The Founders Committee is composed of the following individuals as representatives of the Company:

1. HE Dr. Sultan Ahmed Al Jaber (Chairman);
2. Mr. Abdulmunim AlKindi (Member);
3. Mr. Yaser Saeed Almazrouei (Member);
4. Mr. Ahmed Jasim Alzaabi (Member);
5. Mr. Abdulrahman Abdulla Al Seiari (Member);
6. Mr. Salem Al Derei (Member);
7. Mr. Klaus Froehlich (Member); and
8. Mr. Mohamed Saif Alaryani (Member).

Related Party Transactions

We are and have been a party to various agreements and other arrangements with related parties comprising ADNOC and certain of its other subsidiaries and Baker Hughes. The most significant of these transactions are described below. For details of the impact of related party transactions on our financial position and financial results as at and for the years ended 31 December 2018, 2019 and 2020, as at 30 June 2021, and for the six months ended 30 June 2020 and 2021, please refer to the note in relation to related party transactions of the financial statements, included elsewhere in this Prospectus.

Relationship Agreement

We intend to enter into the Relationship Agreement with ADNOC on or prior to Listing. For a description of the principal terms of this agreement, please see "*Relationship Agreement*".

Brand Usage Agreement

In October 2018, we entered into a brand usage agreement (the "**Brand Usage Agreement**") with ADNOC pursuant to which ADNOC had granted us a limited, royalty-bearing, non-exclusive licence to use certain of ADNOC's trademarks, logo and materials in Africa, Europe and the GCC, in connection with the provision of certain services in respect of drilling wells and related services that the Company is engaged in. ADNOC also granted us the right to sub-licence the rights and licences granted under the Brand Usage Agreement to certain parties (including its affiliates and third-party franchisees). The licence granted under the Brand Usage Agreement is royalty-free for the first four years. Thereafter, ADNOC has the right to charge a licence fee to be agreed in good faith among the parties. The Brand Usage Agreement will continue in force unless terminated (i) on 12 months' prior written notice by either party in the event the parties are unable to agree a licence fee, or (ii) by ADNOC on 12 months' prior written notice to the Company.

Shareholder Services Agreement

On or prior to Listing, we will enter into a Shareholder Services Agreement with ADNOC on an arms' length basis pursuant to which ADNOC will provide us with, or procure the provision of, certain administrative services and other support in the areas such as communications, tax, legal and compliance support, HR, logistics, information technology, procurement, insurance, risk management, record keeping, reporting and other services, to the extent required and determined by us based on our business requirements. Pursuant to the terms of the Shareholder Services Agreement, we will be entitled to request that additional services be performed or procured by ADNOC in order to supplement our own capabilities. ADNOC will provide or procure the provision of such services (or additional services) through the use of highly qualified and experiences personnel of third-party services providers (as appropriate for the agreed service or additional service). In consideration for the performance of the services by ADNOC, we will pay to ADNOC an amount equal to the actual cost incurred by ADNOC, provided that in each year of the term of the Shareholder Services Agreement, the fees shall not exceed an amount equal to the applicable budgeted service fee plus 15%. The Shareholder

Services Agreement has an initial four-year term which may be terminated earlier or extended by agreement of us and ADNOC.

Lease Agreements entered into with ADNOC

All properties used by, including industrial land, office space, warehouse space and accommodation for our employees, are leased or subleased from ADNOC. Please see "*Business Description – Properties*".

ADNOC VAT Group Risk Management Deed

On or prior to Listing, we will enter into the ADNOC VAT Group Risk Management Deed with ADNOC (in its capacity as the "Representative Member" of the ADNOC VAT group) and other members of the ADNOC VAT group as set out therein. We will enter into the ADNOC VAT Group Risk Management Deed to record certain matters relating to the joint and several liability of the ADNOC VAT group. Pursuant to the ADNOC VAT Group Risk Management Deed, when determining the liability for VAT, Supplies (as defined below) will not be automatically deemed to have been made by or to the Representative Member but will instead be attributed to the relevant VAT group member that was a party to that Supply. Under the ADNOC VAT Group Risk Management Deed, we, along with the other VAT group members signatories to this deed, agree and acknowledge that we will be severally (and not jointly) liable for any VAT imposed, on or in connection with, any errors included in, any omissions from, any late or incomplete submission of, or any failure to submit, any VAT return, in each case to the extent that such error, omission or other compliance failing relates to a supply of goods or a supply of services as interpreted under the relevant VAT law and executive regulations ("Supply" or "Supplies") to which the relevant VAT group member was a party or results from the conduct of that member. We along with the VAT group members signatories to this deed also agree that the Representative Member will not be liable for any VAT imposed on or in connection with any errors, omissions or other compliance failing in respect of any VAT return. We, along with the other VAT group members, also agree to indemnify and hold harmless the Representative Member against any and all claims, losses, damages, costs, expenses and liabilities arising in respect of or in connection with VAT, any VAT return, and the Representative Member's role as representative member for the purposes of VAT law of the ADNOC VAT group.

Shareholder Loan Agreement

We entered into the Shareholder Loan Agreement on 16 August 2021. Please see "*Statement of Company's loans, credit facilities and indebtedness and the most significant conditions thereof*"

Master Agreements

We entered into master agreement no. 15672.00 with ADNOC Onshore on 1 October 2015 for the provision of drilling, workover and water well services ("ADNOC Onshore Master Agreement") for an initial period of three years, up to 30 September 2018. The ADNOC Onshore Master Agreement has been renewed for additional short terms since then. All of the 'Child Contracts' and 'Task Orders' between us and ADNOC Onshore are issued under the terms and conditions of the ADNOC Onshore Master Agreement. We also entered into contract no. 15067 for hoist services with ADNOC Onshore on 15 July 2012 for a period of 10 years.

We also entered into master agreement no. 39648 with ADNOC Offshore on 5 November 2002 for the provision of drilling and workover services ("ADNOC Offshore Master Agreement") for an initial period of three years (with an effective date of 1 July 2001). The ADNOC Offshore Master Agreement has been renewed for additional short terms since then. All of the 'Child

Contracts' and 'Task Orders' between us and ADNOC Offshore are issued under the terms and conditions of the ADNOC Offshore Master Agreement. We also entered into contract no. CTDR UZ900954 for the hire of cluster type onshore drilling rigs dated 18 May 2011 with ADNOC Offshore ("UZ Project Contract"). The contracts based on the UZ Project Contract are not due to expire until 22 January 2023.

The ADNOC Onshore Master Agreement, ADNOC Offshore Master Agreement and UZ Project Contract contain certain early termination provisions. Upon a termination for convenience, we are entitled to receive:

(i) stacking costs:
   a. in relation to rigs leased under the ADNOC Offshore Master Agreement and the UZ Project Contract, the daily standby / non-operating rates for:
      i. if 60-days' notice of termination is given, 90 days;
      ii. if 180-days' notice of termination is given, 30 days;
   b. in relation to rigs leased under the ADNOC Onshore Master Agreement, for 30 days (or until we secure other services for the rig);

(ii) moving costs associated with the move of the rigs to a different location;

(iii) repatriation and mothballing costs (either as a lump sum (in the case of the ADNOC Offshore Agreement) or based on actual documented costs (in the case of the ADNOC Onshore Agreement)), provided that, such costs are payable if we are unable to secure other work for the rig in question within one month of termination;

(iv) for rigs leased under the ADNOC Onshore Master Agreement: (a) the net book value of the rig (being the purchase cost less accumulated depreciation up to the termination date), which is due 12 months following termination in cases where we could not secure alternative revenue from the sale, use or hire of such rig, and (b) in respect of certain rigs, if such rigs are released at the end of the term of the ADNOC Onshore Master Agreement but prior to completion of 15 years of operations, the abovementioned costs in (i)(b) to (iii) and the shortfall from the sale below the net book value of the rig and relevant equipment at the time of termination, if and when we sell the rigs;

(v) for rigs leased under the ADNOC Offshore Master Agreement, the costs mentioned in items (i)(a), (ii) and (iii) above, and if and when we sell the rig, the shortfall from the sale of the rig below the net book value or the rig at the time of termination, provided that, in the event we sell or secure other work for such rig within twelve months following the expiry date of the contract, ADNOC Offshore is not liable to pay such shortfall; and

(vi) for rigs leased under the UZ Project Contract, the costs mentioned in items (i)(a) and (ii) above, repatriation costs and, if and when we sell the rig, the shortfall from the sale of the rig below the net book value at the time of termination. In the event we do not sell or secure other work for such rig within 24 months following the termination of the contract, ADNOC Offshore is not liable to pay such shortfall. ADNOC Offshore is liable to pay the applicable early termination charges after two years of the early termination date.

Rig Services Framework Agreement

We entered into a rig services framework agreement (the "Rig Services Framework Agreement") with ADNOC on 8 October 2018 in order to record the basis on which we will continue to provide, or procure the provision of, Rig Services to or on behalf of the ADNOC Upstream Operating Companies (i.e., any current and future upstream, exploration or drilling company controlled by ADNOC that requires the performance of any Rig Services, including (a) ADNOC Offshore, (b) ADNOC Onshore, (c) ADNOC Sour Gas, (d) Al Dhafra, and (e) Al Yasat). Except as may otherwise be set out in any current operating company contract entered into with the ADNOC Upstream Operating Companies, during the "Initial Rig Base Term" (being, with respect to any rig owned by us, the period commencing on the date of initial delivery of such rig by us to an ADNOC upstream operating company and expiring on the 15th anniversary of such date, the rates charged by us for the Rig Services provide for the recovery of no less than a 11% IRR and no more than a 13% IRR in respect of any offshore rig and no less than a 10% IRR and no more than a 12% IRR in respect of any onshore rig, as determined by us at our sole discretion, on our capital and operational costs incurred during the relevant period.. Following the expiry of the Initial Rig Base Term, the rates we charge for the Rig Services:

(i) in respect of onshore rigs, provide for the recovery of operating costs on a cost-plus basis to allow for no less than 15% EBIT Margin and no more than 17% EBIT Margin (as determined by us at our sole discretion); and

(ii) in respect of offshore rigs, the higher of:

(a) the GCC average rate for all active contracts (as set out in the RigLogix database) and excluding any contracted rig owned by us (and any duplications or anomalies) following application of a 16% discount; and

(b) rates which provide for the recovery of operating costs on a cost-plus basis to allow for no less than 15% EBIT Margin and no more than 17% EBIT Margin (as determined by us at our sole discretion).

Pursuant to the Rig Services Framework Agreement, we will be entitled, at any time, to review the rates charged by us to any operating company under any future operating company contracts to ensure that the agreed minimum IRR (our nominal rate of return for the provision of the relevant service) and EBIT Margins (in relation to the relevant service, our earnings before interest and taxes divided by total revenue) set out in the Rig Services Framework Agreement are maintained, provided that, the rates relating to the provision of services for (i) offshore rigs are reviewed at least on an annual basis, and (ii) onshore rigs are reviewed at least every three years. If upon such review, we determine that our actual IRR or EBIT Margin is lower than the agreed minimum, we are entitled to immediately adjust the rates charged by us to any ADNOC upstream operating company under any future operating company contracts (and ADNOC agreed to procure that such ADNOC upstream operating company agrees to such adjusted rates) to maintain the agreed minimum IRR and EBIT Margins set out in the Rig Services Framework Agreement. The term of the Rig Services Framework Agreement is 40 years from the effective date, unless terminated earlier (or extended) by mutual agreement.

Integrated Drilling Services Framework Agreement

We entered into an integrated drilling services framework agreement (the "IDS Framework Agreement") with ADNOC on 8 October 2018 in order to record the basis on which ADNOC will procure that the ADNOC Upstream Operating Companies (i.e., any current and future upstream, exploration or drilling company controlled by ADNOC that may require or benefit from any integrated drilling services, including (a) ADNOC Offshore, (b) ADNOC Onshore, (c) ADNOC Sour Gas, (d) Al Dhafra, and (e) Al Yasat) procure integrated drilling services from us, and for us to provide, or procure the provision of, integrated drilling services to or on behalf of the ADNOC Upstream Operating Companies. Pursuant to the terms of the IDS Framework Agreement, ADNOC agreed to procure that the ADNOC Upstream Operating Companies procure integrated drilling services (or any service equivalent or identical to, or performing the same function as, any integrated drilling service) from us for the development of conventional wells and unconventional wells, provided that we are able to provide such integrated drilling services to the ADNOC Upstream Operating Companies. Under the IDS Framework Agreement, the intention of the parties is to achieve, within seven complete financial years following the effective date (being, the completion date as defined in the share sale and purchase agreement entered in between ADNOC (as seller) and Baker Hughes (as purchaser) on 8 October 2018), no less than 50% of all of the conventional wells to be developed by or on behalf of the ADNOC Upstream Operating Companies on the basis of integrated drilling services performed by us. The term of the IDS Framework Agreement is 40 years from the effective date, unless terminated earlier (or extended) by mutual agreement.

Relationship Agreement

On or prior to Listing, we will enter into a Relationship Agreement with ADNOC pursuant to which ADNOC will agree, for so long as the Shares are listed on the ADX and ADNOC owns or controls more than 50% of the Shares, to take or not to take certain specified actions. These include: (a) not to take certain actions that might interfere with our status as an independent company, including (i) ADNOC will not take any action that would interfere with our ability to comply with our obligations under certain ADX and SCA listing and governance rules, and (ii) ADNOC will conduct all transactions with us on arms' length terms and on a commercial basis and will allow us to carry out our business independently; (b) not to terminate, and to renew at our request, any real estate lease or land-use agreement, the Brand Usage Agreement, and the Shareholder Services Agreement, in each case so long as we are not in material default of our obligations under those agreements; and (c) to acquire or lease, on our behalf and at our expense, any real estate needed for the operation of our business, and to enter into a corresponding lease agreement, sub-lease agreement or land use agreement with us for such land, save that if ADNOC ceases to hold the majority of the Company's shares, it shall continue to adhere to the provisions described in (b) and (c) as if it still held such majority, subject to any instruction or direction from a Governmental Authority, until such time as an alternative arrangement giving effect to the same can be entered into. In addition, ADNOC will agree not to seek to induce certain specified senior employees to become engaged (whether as an employee, consultant or otherwise) with ADNOC for a period of twelve months from the listing date.

Pursuant to the Relationship Agreement, we also will agree to enter into transactions with ADNOC and other members of the ADNOC group only with the approval of a majority of our directors, including a majority of the independent non-executive directors (other than transactions that, in accordance with our delegation of authority, do not require Board approval). Any enforcement of the provisions of the Relationship Agreement against ADNOC requires approval by our Board of Directors. However, for so long as ADNOC holds the majority of the Company's shares, ADNOC will agree to procure that there shall be a majority of independent non-executive directors appointed to the Board at all times and, and, if the overall size of the Board increases, that the number of independent non-executive directors appointed to the Board shall, if necessary, also be increased so they amount to more than half of the total number of directors on the Board.

Material Contracts

We entered into the Facility Agreement on 8 November 2018.

Agreements with Baker Hughes

Baker Hughes invested in our business and agreed with ADNOC to an activity- and milestone-based deferred consideration mechanism, beginning in 2023, linked to the development of ADNOC's new conventional and unconventional development program. Any payments under this deferred consideration mechanism would be between ADNOC and Baker Hughes, and would not result in any payments to or from us.

Simultaneously, Baker Hughes entered into a series of agreements with us to enable us to become the first provider of integrated drilling services in the region, acting as the sole interface with customers. The partnership with Baker Hughes added oil field services equipment, services, technology and further manpower capabilities to our existing in-house rig rental and rig management capabilities.

Baker Hughes Commercial Framework Agreement

On 8 October 2018 we entered into a commercial framework agreement ("**CFA**") with Baker Hughes relating to integrated drilling services (i.e. rig-hire services, rig related services, drilling and completion services and project management services). The CFA, amongst other things, sets out the terms of the relationship between us and Baker Hughes, and contemplates a series of other framework agreements which govern specific aspects of the commercial arrangement between us and Baker Hughes, specifically the:

(i) Framework Purchase Agreement for the purchase of goods;

(ii) Framework AMO Services Agreement for AMO services;

(iii) Framework Consultancy Agreement for training services and consulting services;

(iv) Framework Software License Agreement for the provision / licensing of software; and

(v) Framework Software Support Agreement for the provision of software services,

(together the "**Baker Hughes Framework Agreements**") each as discussed below.

Under the CFA, we may not, without the prior express written consent of Baker Hughes: (i) resell or offer to resell any of Proprietary Goods whether inside or outside of the UAE, or (ii) use or allow the use of the proprietary goods outside of the UAE, unless we are providing integrated drilling services using proprietary goods to (a) ADNOC or a person controlled by ADNOC, or (b) a person controlled by the Government of Abu Dhabi (other than ADNOC) or in which the Government of Abu Dhabi holds directly or indirectly a set percentage of the voting rights. If we were to use the proprietary goods or provide services to persons that utilize, incorporate or disclose any proprietary goods outside of the UAE, then we would be required to pay Baker Hughes a set percentage of the net profits in respect of the contract entered into with such persons (which varies depending on whether the contract is entered into with a person under limb (a) or (b) above).

Framework Purchase Agreement

Pursuant to the CFA, we entered into a Framework Purchase Agreement with Baker Hughes on 8 October 2018. The Framework Purchase Agreement sets out the terms and conditions which Baker Hughes agrees to supply goods to us (e.g. certain new and refurbished equipment, and new spare parts or consumables related to the provision of integrated drilling services). The Framework Purchase Agreement is a master agreement under which the parties may execute purchase orders for the supply of goods.

Framework AMO Services Agreement

We entered into a framework AMO services agreement (the "Framework AMO Services Agreement") with Baker Hughes on 8 October 2018 in accordance with the terms of the CFA for the provision of integrated drilling services and associated products and services. Pursuant to the relevant articles of the CFA, we agreed to enter into the Framework AMO Services Agreement for assembly, maintenance and/or overhaul services, in relation to integrated drilling services on certain goods related to the provision of integrated drilling services purchased from Baker Hughes by us, for the term of the CFA. The parties may from time to time during the term of the Framework AMO Services Agreement execute separate “call-off orders”, in the form attached to the Framework AMO Services Agreement, regarding each desired service. The “call-off orders” form an integral part of the Framework AMO Services Agreement and are binding on the parties upon execution. We pay Baker Hughes the fees in accordance with the terms of the applicable “call-off order”, in consideration for providing the works. The Framework AMO Services Agreement will remain in full force and effect, unless terminated earlier pursuant to its terms. If the CFA is terminated, either party may, on written notice to the other party terminate the Framework AMO Services Agreement, provided that the effective date of the termination may not be earlier than the date of termination of the CFA.

Framework Consultancy Agreement

We entered into a framework consultancy agreement (the “Framework Consultancy Agreement”) with Baker Hughes on 8 October 2018 involving the provision of training services and consulting services, in relation to integrated drilling services. Pursuant to the Framework Consultancy Agreement, Baker Hughes agreed to perform and complete the works and services and any other deliverables to be performed pursuant to a “call-off order”, in the form attached to the Framework Consultancy Agreement, for our benefit. Separate “call-off orders” are required to be entered into between the parties in respect of each desired service unless varied in accordance with the terms of the Framework Consultancy Agreement. The “call-off orders” form an integral part of the Framework Consultancy Agreement and are binding on the parties upon execution. Under the Framework Consultancy Agreement, we have the right to request Baker Hughes to carry out a variation of an agreed “call-off order” with respect to the works or the requirements for the works, as long as it is within the ambit of the scope of work, by providing a written request describing the nature of the variation. No variation, however, will in any way invalidate the terms of the Framework Consultancy Agreement. We pay Baker Hughes the fees in accordance with the terms of the applicable “call-off order”, in consideration for providing the works. The Framework Consultancy Agreement will remain in full force and effect, unless terminated earlier pursuant to its terms. If the CFA is terminated, either party may, by written notice to the other party, terminate the Framework Consultancy Agreement, provided that the effective date of the termination may not be earlier than the date of termination of the CFA.

Framework Guarantee

As part of the CFA and the other Baker Hughes framework agreements, we entered into a deed of guarantee with Baker Hughes HoldingsLLC (“Baker Hughes Guarantor”) whereby the Baker Hughes Guarantor unconditionally and irrevocably guarantees the obligations of Baker Hughes under the Baker Hughes Framework Agreements (including all payment obligations). The guarantee is continuing and remains in full force and effect until all obligations, warranties, duties and undertakings under the CFA and the Baker Hughes Framework Agreements have been satisfied or performed in full.

Framework Software License Agreement

Pursuant to the CFA, we entered into a Framework Software License Agreement with Baker Hughes on 8 October 2018. The agreement sets out the terms and conditions upon which Baker Hughes licenses software to the Company. The software licensed by Baker Hughes under the agreement includes commercial software, internal software and non-commercial software. Third party software (i.e. software that is owned and licensed by third parties to Baker Hughes) is excluded from the agreement, and if such third-party software is provided to us as part of the

Baker Hughes software, then Baker Hughes has no liability towards us in relation to the use of such third party software.

Framework Software Support Agreement

Pursuant to the CFA, we entered into a Framework Software Support Agreement with Baker Hughes on 8 October 2018. The agreement sets out the terms and conditions upon which Baker Hughes will supply certain software services in relation to the software provided under the Software License Agreement. The services include maintenance services and certain works required to be performed in relation to the software provided under the Software License Agreement.

Customer Contracts

We entered into the ADNOC Onshore Master Agreement and ADNOC Offshore Master Agreement in relation to the provision of Rig-hire Services to our customers, ADNOC Onshore and ADNOC Offshore. The Rig-hire Services performed under the Master Agreements are performed pursuant to 'Child Contracts' or 'Task Orders' issued under specified terms and conditions, or pursuant to specific amendments to terms and conditions applicable to specific portions of said services. See "*Related Party Transactions – Master Agreements*".

Supply Contracts

We receive certain goods, equipment and services, and we lease equipment and vehicles from third party suppliers in connection with the performance of our business. The majority of our supply contracts are based on our standard terms and conditions, which vary depending on whether the supply contract concerns the supply of goods or equipment, the provision of services or the lease of equipment and vehicles. The majority of our supply of goods contracts are pricing agreements valid for terms of two to three years and all such pricing agreements have an option to extend the term upon the mutual agreement of the parties. The majority of the supply of services contracts are valid for terms of three to four years, however one of our supply of services contract with Abu Dhabi Oil Refinery Company TAKREER is valid for an initial term of 15 years (subject to automatic extensions thereafter). The majority of equipment leases are valid for terms of two to three years.

Fifth section: Other details

1. The Company's proposed management structure

- **Company's Board structure**

The Board consists of seven Directors, six of whom are independent, pursuant to Article 19 (Second) of the Chairman of Authority's Board of Directors' Decision no. (3/Chairman) of 2020 concerning Approval of Joint Stock Companies Governance Guide.The management expertise and experience of each of the Directors is set out below:

Name	Experience
H.E. Dr. Sultan Ahmed Al Jaber	His Excellency Dr. Sultan Ahmed Al Jaber has served as Group Chief Executive Officer and Managing Director of ADNOC since February 2016. Prior to taking on the leadership position at ADNOC, Dr. Al Jaber served as Chief Executive Officer of the Energy platform, of Mubadala Development Company. Dr. Al Jaber is a member of the UAE Federal Cabinet, Minister of Industry and Advanced Technology, a position he has held since July 2020, and the UAE's special envoy for climate change. He also holds several additional leadership roles and advisory positions and counsels on issues related to Energy, Economics, Strategic Communications and Sustainable Development. In July 2020, Dr. Al Jaber was appointed Chairman of Emirates Development Bank, a key partner in providing financial services for the sustainable economic and social development of the UAE. In December 2020, Dr. Al Jaber was appointed as a board member to the Abu Dhabi Supreme Council for Financial and Economic Affairs. He is an active member of the Emirates Diplomatic Academy Board of Trustees, and Chairman of the Board of Trustees of the Mohamed bin Zayed University of Artificial Intelligence and holds a Ph.D. in Business and Economics from Coventry University, UK, an MBA from California State University, USA, and a BSc in Chemical and Petroleum Engineering from the University of Southern California, USA.
Mr. Abdulmunim Saif Hamoud Ahmed AlKindi	Mr. Abdulmunim Saif Hamoud Ahmed AlKindi has served as our Chairman from March 2016 to immediately prior to Admission. Mr. AlKindi serves as Executive Director, People Technology and Corporate Support Directorate at ADNOC since January 2020. Prior to that, from March 2016 to January 2020, Mr. AlKindi served as Executive Director, ADNOC Upstream Directorate. Mr. AlKindi also serves as a member of the Board of Directors of several ADNOC-affiliated companies. Mr. AlKindi holds an MBA from Brunel University, UK.
Mr. Yaser Saeed Ahmed Omran Almazrouei	Mr. Yaser Saeed Ahmed Omran Almazrouei has served as Executive Director, Upstream Directorate, at ADNOC since January 2020. He also served as the Chief Executive Officer of ADNOC Onshore from May 2018 through January 2020. Mr. Almazrouei also serves as a member of the Board of Directors of

	several ADNOC-affiliated companies. Mr. Almazrouei holds a Master's Degree in Petroleum Engineering from the University of London, UK.
Mr. Ahmed Jasim Yousif Naser Al Zaabi	Mr. Ahmed Jasim Yousif Naser Al Zaabi has served as Group Chief Financial Officer of ADNOC since December 2019, and as Director, Finance & Investments Directorate of ADNOC from February to December 2019. He also serves as a member of the Board of Directors of Khalifa Fund for Enterprise Development, Abu Dhabi Oil Refining Company (ADNOC Refining), Abu Dhabi National Oil Company for Distribution PJSC (ADNOC Distribution) as well as several ADNOC-affiliated companies. Mr. Al Zaabi holds a Master's degree in Economics Science with Honors from University of Aberdeen, UK.
Mr. Mohamed Saif Ali Abed Alaryani	Mr. Mohamed Saif Ali Abed Alaryani has served as Senior Vice President, Strategic Investments at ADNOC since 2019. Mr. Alaryani is a CFA Charter holder and holds a Bachelor's and Master's degree in Chemical Engineering from Imperial College (London University), UK.
Ms. Muna Khalifa Mohamed Hazeem Almheiri	Ms. Muna Khalifa Mohamed Hazeem Almheiri is the Chief Executive Officer of Ruwais Fertilizer Industries LLC (Fertil). Ms. Almheiri held various senior positions in ADNOC Onshore, where she served as Senior Vice President (Terminals and Pipelines Operations) from July 2019 to January 2020. From 2017 to July 2019, Ms. Almheiri served as Senior Vice President (Strategy and Business Support) and from 2015 to September 2017, she served as Senior Vice President (Corporate Support). Ms. Almheiri holds a Bachelor's degree in Chemical Engineering and a Master's degree in Business Administration from United Arab Emirates University, UAE.
Mr. Omar Ahmed Hassan Suwaina Alsuwaidi	Mr. Omar Ahmed Hassan Suwaina Alsuwaidi currently serves as an Undersecretary at the Ministry of Industry and Advanced Technology. Mr. Alsuwaidi held various positions in ADNOC, starting as a geologist in 1990. From October 2020 to February 2021, Mr. Alsuwaidi served as a Director, Commercial and In-Country Value. Prior to that, Mr. Alsuwaidi served as a Director, The Executive Office Directorate, from May 2017 to November 2020. Mr. Alsuwaidi holds a BSc in Geological Engineering from Colorado School of Mines, USA.

- **Senior Management**

- In addition to the members of the Board of Directors, the day-to-day management of our operations is conducted by our senior management team, as follows:

Name	Year of birth	Position	Date of appointment

Mr. Abdulrahman Abdulla Hasan Bamajboor AlSeiari	1964	Chief Executive Officer	2020
Mr. Fuad Shamekh Al Shamekh AlBadi	1973	Senior Vice President, Onshore	2018
Mr. Ahmed Rashid Juma AlMughanni AlHmoudi	1970	Senior Vice President, Administration	2020
Hamad Saleh Hamad Saleh Aljneibi	1975	Senior Vice President, Offshore	2016
Mr. Ali Essa Hoor Alqushairi AlMahri	1973	Senior Vice President, Technical	2018
Mr. Emri Mahmoud Yousri Mohamed Zeineldin	1969	Senior Vice President, Oil Field Services	2018
Mr. Alexander Kennedy Urquhart	1971	Chief Financial Officer	2018
Ms. Alaina Ramsay	1983	General Counsel	2018

- The management expertise and experience of each of the senior management team is set out below:

- Mr. Abdulrahman Abdulla AlSeiari has over 42 years of onshore and offshore drilling experience within the ADNOC upstream group companies, with his most recent appointment being in 2020 as our Chief Executive Officer. From 1999 to 2019, Mr. Alseiari held numerous senior positions within ADNOC Onshore and within the Company, including ADNOC Drilling Assistant General Manager and Acting General Manager for operations onshore and offshore from 2000-2008. Thereafter Mr. Alseiari was appointed as Senior Vice President of operations, where he was responsible for and had full oversight of the company's entire onshore and offshore operations. Mr. Alseiari was also responsible for a number of efficiency objectives within the Company, including camp centralisation initiatives, training centre set up and optimisation of rig moves across the fleet. From 2016 to 2019, Mr. Alseiari was appointed as Senior Vice President of drilling within ADNOC Onshore, where we had oversight of all major drilling operations in the company's largest and most complex fields. During his appointment with ADNOC Onshore, Mr. Alseiari was involved in some of the company's major achievements to date including rig stacking strategies, enhancing performance driven culture, as well as the development of young UAE national talent.

- Mr. Fuad AlBadi joined us in 2018 as Senior Vice President, Operations (Land). Prior to that, Mr. Al Badi served as Drilling Department Manager in ADNOC, where he was responsible for developing ADNOC upstream drilling strategies, policies, short and long-term goals in order to enhance the drilling activities, optimise the drilling cost, maximise well quality and minimise drilling risks. Prior to that, Mr. Al Badi served as Vice President, Crisis Management & Business Continuity at ADNOC Onshore, where he was responsible for the development of business strategy and operational plans for the quality and performance improvement team as well as the development of and continuous improvement in Health, Safety and Crisis Management in accordance with the company's business management system, strategy, mission and vision. Prior to that, Mr. Al Badi held numerous senior positions within the ADNOC group companies and the Abu Dhabi Tawteen Council where he gained a wealth of experience in the implementation of drilling and production operations as well as project management. Mr. Al Badi holds a Bachelor of Science in Petroleum Engineering from UAE University.

- Mr. Ahmed AlMughanni joined us in 2019 as Senior Vice President, Human Capital and Shared Services. Before joining us, Mr. Almughanni was Senior Vice President, Strategy & Corporate Support at ADNOC Gas Processing, where he was responsible for guiding the development of the company's corporate strategy, long-term business plans, and corporate balance scorecard in line with the corporate vision and mission. Prior to that, Mr. Almughanni was Vice President, Information Technology at ADNOC Onshore, where he was responsible for developing the company's information and technology vision, mission, plans and programs in accordance with its corporate strategy and business plan. Prior to that, Mr. Almughanni was Head, Plant & Engineering Solutions at ADNOC LNG, where he was responsible for planning, directing and supervising the activities of the Manufacturing and Knowledge Management IS solutions department. Mr. Almughanni holds a Bachelor of Business in Management Information Systems from the University of Toledo.

- Mr. Hamad AlJneibi joined us in January 2016 as Senior Vice President, Operations, with oversight and responsibility over our offshore jack up, island rig and marine service divisions. Mr. Al Junaibi has a wealth of drilling operational experience, with his experience focused on drilling operations from both service provider and operator perspectives. Prior to his appointment with us, Mr. Al Junaibi served in ADNOC Offshore as a Drilling Supervisor, located on site for over 7 years. Mr. Al Junaibi has since held several senior operational positions within ADNOC Offshore, overseeing their drilling operations, including Senior Drilling Engineer, Drilling Engineering Manager and Senior Drilling Engineering Manager. Mr. Al Junaibi holds a Petroleum Engineering degree from UAE University and an MBA from Abu Dhabi University.

- Mr. Ali AlMahri joined us in 2018 as Senior Vice President, Technical, with responsibility over our Engineering, Projects, Maintenance, Business Development and Asset Integrity Departments. Prior to that, Mr. Al Mehri served as Vice President, Drilling, in ADNOC Offshore from 2017 to 2018 with responsibility over their offshore and islands drilling activities in their various field concessions. From 2015 to 2017, Mr. Al Mehri served as Vice President, Drilling, in Upper Zakum Development Co. (ZADCO) with responsibility over the Extended Reach Drilling (ERD) project. Mr. Al Mehri holds a Bachelor degree in Petroleum Engineering from the National University of UAE.

- Mr. Emri Zeineldin joined us in December 2018 as Senior Vice President, Oil Field Services. Before joining us, Mr. Zeineldin held various senior positions within the Baker Hughes oilfield services division from 2003 to December 2018, including as Director and General Manager of BHGE in the UAE and Yemen from 2017 to 2018, where he was responsible for all the BHGE activities for OFS, OFE, Turbomachinery & Digital business. Prior to that, from 2016 to 2017, Mr. Zeineldin was the Managing Director and General Manager for the UAE, Qatar & India geomarket. From 2014 to 2016 Mr. Zeineldin held the position of Director of sales, marketing & business development for the Middle East & Asia Pacific Region while being based in Dubai, UAE. Prior to that, from 2009 to 2014, Mr. Zeineldin held various senior roles in the Baker Hughes OFS organization, Director of Technical & Sales for the Egyptian geomarket until 2011 during which time he was based in Cairo, Egypt.. From 2003 to 2009 Mr. Zeineldin also held various managerial roles within the Baker Hughes Oil Field Services Organization. Prior to his time with Baker Hughes, Mr. Zeineldin was the country manager in the UAE for Smith International while being based in Abu Dhabi from 1997 to 2003. Prior to his time with Smith International, Mr. Zeineldin worked as a geophysicist with Schlumberger in Cairo until 1997. Mr. Zeineldin holds a Bachelor Degree with Honors and a Masters Degree in Geophysics from Ain Shams University, Egypt, where he also worked as an assistant lecturer from 1991 - 1996.

- Mr. Alexander Urquhart joined us in 2018 as Deputy Chief Financial Officer, and has served as our Chief Financial Officer since 2020. Before joining us, Mr. Urquhart had a long career with BP spanning 23 years where he held various finance positions across BP businesses and geographies with his last one being Vice President of Finance for BP's Global Exploration Function. Mr. Urquhart holds a Master's degree in Engineering from Imperial College, Master of Business Administration from London Business School and is a Fellow of the Institute of Global Management Accountants.

- Ms. Alaina Ramsay joined us in 2018 as General Counsel and Board Secretary. Before joining us, Ms. Ramsay was General Counsel and Board Secretary within National Petroleum Services from 2017, where she was responsible for the company's regional legal, governance and compliance matters. Prior to that Ms. Ramsay held several senior positions within Transocean PLC., across several of the Transocean business and geographies, including UKCS, MENA and Asia Pacific. Prior to her time with Transocean, Ms. Ramsay was working within the Wood organization, where she had legal oversight of the company's aero and gas turbine division in the UK and Europe. Ms. Ramsay holds a BA Honors in Law and Management; a BA in Law and a Diploma in Legal practice from the Robert Gordon University, Scotland. Ms. Ramsay is an active member of the Law Society of Scotland

- **Company's Organization Chart**

  The Company does not have any subsidiaries.

- **Employment positions of members of the senior executive in subsidiaries and other joint stock companies:**

  Not applicable.

- **Employment positions of members of the board of directors in subsidiaries and other joint stock companies:**

  Not applicable.

- **Conditions of eligibility, election, removal and proposed names of the Company's first Board formation:**

  Board members will be elected by an Ordinary General Assembly Meeting by cumulative voting by secret ballot. However, the first appointment of the Directors was made by the Founders.

- **Director's competencies and responsibilities:**

  The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the General Meeting of Shareholders by law or by the Company's Articles of Association.

  The key responsibilities of the Board include:

  - determining the Company's strategy, budget and structure;
  - approving the fundamental policies of the Company;
  - implementing and overseeing appropriate financial reporting procedures, risk management policies and other internal and financial controls;
  - proposing the issuance of new ordinary shares and any restructuring of the Company;
  - appointing executive management;
  - determining the remuneration policies of the Company and ensuring the independence of Directors and that potential conflicts of interest are managed; and
  - calling Shareholder meetings and ensuring appropriate communication with

Shareholders.

Members of the Board are appointed by the Shareholders for three-year terms. Board members may serve any number of consecutive terms.

2. Board Committees

In line with the Governance Rules, the Board will be assisted by two Board-level committees: Audit Committee and Nomination and Remuneration Committee.

- **Audit Committee**

  The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Company's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Company's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Company's internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The Audit Committee will give due consideration to the applicable laws and regulations of the UAE, the Authority and the ADX, including the provisions of the Governance Rules.

  The Governance Rules, as reflected in the Audit Committee Terms of Reference, require that the Audit Committee must be comprised of at least three members who are non-executive Directors, at least two of whom must be independent. One of the independent members must be appointed as the Chairman of the Audit Committee. In addition, at least one member is required to have recent and relevant audit and accounting experience. The Audit Committee will be chaired by one of the independent members and will include other members elected by the Board. The Audit Committee will meet not less than four times a year.

  The Audit Committee has taken appropriate steps to ensure that the Company's Auditors are independent of the Company as required by the Governance Rules and has obtained written confirmation from the Company's Auditors that they comply with guidelines on independence issued by the relevant accountancy and auditing bodies.

- **Nomination and Remuneration Committee**

  The Nomination and Remuneration Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board and, in particular, for monitoring the independent status of the independent Non-Executive Directors. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors or committee members as the need may arise. In addition, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, setting the over-arching principles, parameters and governance framework of our remuneration policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors and senior management.

  The Governance Rules, as reflected in the Nomination and Remuneration Committee Terms of Reference, require the Nomination and Remuneration

Committee to be comprised of at least three non-executive Directors, at least two of whom must be independent. The chairman of the Nomination and Remuneration Committee must be chosen from amongst the independent committee members, and its other members will be appointed by the Board.The Nomination and Remuneration Committee will meet based on the Company's requirement from time to time.

3. Internal Audit Committee

An external, independent auditor will be appointed to undertake our internal control review function, and in the long-term we expect to create our own internal control review function.

4. Shareholders' rights and responsibilities

The Shareholders' key rights as per the Companies Law and the Articles of Association are as follows:

- The right to dividend distributions determined by the General Assembly.
- The priority right to subscribe for new shares in the case of a share capital increase of the Company offerings and to receive their share of the assets upon liquidation of the Company.
- The right to attend General Assembly Meetings and receive a copy of the Company's financial statements.
- The right to request the nullity of any resolutions passed at the General Assembly and to prosecute the board members.
- The right to be nominated as a member of the Board of Directors.
- The right to appoint the auditors of the Company and determine their remuneration.
- The right to act in any way with respect to the shares, in accordance with the law.
- The limitation of liability of each Shareholder to the payment of the purchased share value, but not for the Company's debts except within the limits of the nominal value of his shares.

5. Articles of Association

The full text of the Articles of Association of the Company are annexed to the Prospectus.

6. Legal matters

The following summary is qualified by the relevant provisions of the Company's Articles of Association and the Companies Law.

- **Articles of Association**

  The Company's Articles of Association describe the rights and obligations associated with the ownership of the Shares in detail.

- **Attending General Assembly and voting rights**

  Each Shareholder shall have the right to attend the General Assembly meetings and shall have a number of votes equal to the number of his Shares.

- **Share register**

  Upon listing on the ADX, the Shares will be dematerialized and the share register will be maintained by the ADX.

- **Financial information**

  A Shareholder is entitled to request a copy of the annual audited financial statements of the Company.

- **Financial year**

  The financial year of the Company will start on the 1st of January and end on 31st of December of each year.

- **Dividends and liquidation proceeds**

  The Company shall pay dividends on Shares in compliance with the regulations and decisions issued by the Authority. Eligible Shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's assets in accordance with Article 169 of the Companies Law.

- **Interim Dividends**

  Subject to the shareholders' approval, the Company may distribute interim dividends on a semiannual or quarterly basis.

- **General Assembly**

  The Board may convene a General Assembly whenever it deems necessary. The Shareholders may also require the Board to convene a meeting if it is requested by a number of Shareholders holding not less than 10% (ten per cent). of the Company's issued share capital. In any event, the General Assembly must convene at least once a year upon an invitation by the Board within the four (4) months following the end of the financial year at the place and the time specified in the invitation to the meeting.

  Any resolution adopted by the General Assembly without consideration to the Company's interests in favor of a particular group of Shareholders, causing damage to them or providing a private benefit to the members of the Board or to third parties, may be revoked.

  The judgment annulling a resolution of an Ordinary General Assembly shall consequently lead to the resolution being considered as non-existent vis a vis all Shareholders. The Board must publish the annulment judgment in two local daily newspapers published in the Arabic language.

  Proceedings for annulment are time barred on the expiry of one year from the date of adopting the resolution contested. Initiating the proceedings will not prevent the implementation of the resolution unless the court decides otherwise.

- **Liability of the Board**

  The Board shall be liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of power, violation of the law or the Company's Articles of Association, in addition to mismanagement. The Company shall have the right to initiate proceedings against the members of the Board claiming damages suffered by the Shareholders as a result of the Board's abuse of power, violation of the law or the Company's Articles of Association and mismanagement. A resolution of the General Assembly shall be adopted specifying who shall initiate the proceedings on behalf of the Company.

Any Shareholder may independently initiate proceedings if the Company fails to do so, if the Board's acts have caused a particular damage to the initiating Shareholder. However, he must notify the Company of his intention to initiate proceedings beforehand.

- **Appointment of the Chairman and the Powers of the Chairman**

  The Articles of Association provide that the Board of Directors shall elect, from amongst their members, a chairman and a vice-chairman. The chairman shall represent the Company before the courts and shall execute the resolutions adopted by the Board of Directors. In the event that there is an equality of votes by the directors, then the Chairman shall have a casting vote.

7. Independent Auditors

Deloitte & Touche (M.E.), undertook the task of auditing the Company's financial statements for the year ended 31 December 2020 and reviewing the interim, unaudited financial statements for the six-month period ended 30 June 2021, as described in their report which is attached as in Annex 1.

PricewaterhouseCoopers (Abu Dhabi Branch) undertook the task of auditing the Company's reissued financial statements for the year ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018), as stated in their report (which contains an emphasis of matter paragraph drawing attention to Notes 2.1.2 and 27 to the financial statements which describe the details of amendments made to the previously issued financial statements for the year ended 31 December 2019 and which contains an emphasis of matter paragraph drawing attention to Notes 2.12 and 4(g) to the financial statements which sets out the key considerations and judgements applied by management in the treatment of the shares and dividend loans which is classified as equity).

<u>For the year ended 31 December 2020 and six-month period ended 30 June 2021</u>	<u>For the year ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018)</u>
Deloitte & Touche (M.E.) 11 Floor, Al Sila Tower, ADGM Square P.O. Box 990 Telephone Number: +971 (0)2 408 2424 Fax Number: +971 (0)2 408 2525 Abu Dhabi, United Arab Emirates	**PricewaterhouseCoopers (Abu Dhabi Branch)** Al Khatem Tower, Level 25, Al Maryah Island Abu Dhabi Global Market, P.O. Box 45263 Abu Dhabi, United Arab Emirates

8. Details of any employee ownership scheme

Other than the Offering of Shares to the ADNOC Group Companies Employees under the Third Tranche, as set out in this Prospectus, the Company does not have any employee ownership scheme.

Acknowledgement issued by the Founders Committee and members of the Board

The members of the Founders Committee and members of the Board of **ADNOC Drilling Company PJSC** (a public joint stock company), in their joint and several capacity, hereby acknowledge full responsibility with respect to the validity of the data and information contained in the subscription Prospectus. Having exercised the standard of care of a reasonable person, we confirm that there is no material facts or information the lack of which in the Prospectus will make any statement contained therein to be misleading or influential in the investment decision of the Subscribers.

They are committed to the issuance and disclosure rules issued by the Authority and undertake to notify the Authority of any material events or changes that may affect the financial position of the Company as of the date of submitting the application to offer the Shares for public subscription to the Authority until the date of starting the subscription process. They also confirm that they applied adequate diligence in concluding agreements that determine the duties and responsibilities of the parties participating in the subscription process according to the best terms available at the contractual date and pursuant to the requirements issued by the Authority.

Upon any change or amendment in the subscription information or conditions, they undertake to notify the Authority immediately and to obtain the approval of the Authority on the advertisements, publication and promotional campaigns that the company may wish to publish to promote and introduce the subscription.

Upon the completion of the subscription, they undertake to convene the constitutive general assembly on the date, time and place mentioned in this Prospectus and to complete the registration and listing of the subscribed Shares with the competent bodies within a period not exceeding the time appointed by the Authority.

Chairman of the Founders Committee

Annex 1 – Financial Statements

ADNOC Drilling Company P.J.S.C.

Directors' report and reissued financial statements for the year ended 31 December 2019

ADNOC Drilling Company P.J.S.C

Directors' report and reissued financial statements for the year ended 31 December 2019

ADNOC Drilling Company P.J.S.C.

Directors' report for the year ended 31 December 2019

The Directors are pleased in submitting their report, together with the audited financial statements for the year ended 31 December 2019.

Principal Activity

ADNOC Drilling Company P.J.S.C ("the Company") is engaged in providing drilling services and supporting marine equipment, and the hiring out of onshore and offshore drilling rigs to parties involved in onshore and offshore oil and gas exploration and production.

During the year our focus remained on growing our core businesses, starting a new integrated drilling services division, consolidating and accelerating diversification initiatives, as well as pursuing regional expansion and cost-saving initiatives.

Financial highlights

Statement of financial position:

The Company's financial position remains very healthy showing net assets at the end of year 2019 of AED 12.4bn (2018: AED 10.5bn) with an increase in total net assets due to this year profit of AED 2.1 bn.

Statement of comprehensive income:

The Company recorded total revenue for the year of AED 7.6bn (2018: AED 7.2bn). The net profit is AED 2.1bn (2018: AED 2.5bn), the decrease is due to a slight reduction on chargeable rates for ADNOC Onshore and Offshore.

Cash flow:

Net cash generated from operating activities amounted to AED 69m (2018: AED 2.9bn), the decrease is mainly due to the transfer of cash surplus to ADNOC for an amount of AED 3.4bn. Net cash used in investing activities amounted to AED 369m (2018: AED 1.3bn) which relates to additions to property and equipment, advance to a related party, and finance income.

Gearing ratio:

The gearing ratio is 29% as of 31 December 2019 as the Company total net debt increased from 4.3bn to 5bn during the current year. Despite of the slight decrease in the gearing ratio during the year, the current gearing shows a healthy position as of 31 December 2019.

ADNOC Drilling Company P.J.S.C.

Directors' report for the year ended 31 December 2019 (continued)

Future Outlook

The Company is continuing to pursue its strategy for sustainable growth, focusing on delivery of profitable growth in its core business and the new integrated drilling services division. We continue to further optimize the growth potential that the UAE offers. We also continue to enhance the Company's operating capabilities, and remain focused on improving operating and cost efficiencies. Furthermore, we have a strong financial position that can support our expansion plans. Although regional economic uncertainty and commodity market volatility suggests challenges, we remain optimistic on the Company's prospects for future revenue and profit growth. Our ability to succeed and survive in this current challenging business environment is the outcome of the strategy that encompasses vision, enhanced quality and customer satisfaction.

Subsequent Events

As of the date of this report, no major events, other than those mentioned in Note 26, have occurred that may have significant impact on the Financial Statements for the year ended 31 December 2019.

Financial reporting framework

The Directors of the Company, to the best of their knowledge, believe that:

- The financial statements, prepared by the management of the Company, fairly present its state of affairs, the results of its operation, cash flows and changes in equity.
- The Company has maintained proper books of accounts.
- Appropriate accounting policies have been consistently applied in the preparation of financial statements unless otherwise stated, and accounting estimates are based on reasonable and prudent judgment.
- The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and comply, where appropriate with the local laws.

On behalf of the Board

....

Chairman
10 May 2021

pwc

Independent auditor's report to the shareholder of ADNOC Drilling Company P.J.S.C

Report on the audit of the financial statements

Our opinion

In our opinion, the financial statements present fairly, in all material respects the financial position of ADNOC Drilling Company P.J.S.C (the "Company") as at 31 December 2019, and its financial performance and its cash flows for the year then ended in accordance with the International Financial Reporting Standards.

What we have audited

The Company's financial statements comprise:

- the statement of financial position as at 31 December 2019;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of the financial statements section of our report.*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Emphasis of Matter

1- We draw attention to Note 2.12 and 4 (g) to the financial statements which sets out the key considerations and judgements applied by management in the treatment of the Shares and Dividend Loans, which is classified as equity.

2- We draw attention to Notes 2.1.2 and 27 to the financial statements which describe the details of amendments made to the previously issued financial statements for the year ended 31 December 2019. The previous financial statements issued on 16 February 2020 have been amended primarily to change the accounting treatment of revenues and direct cost for certain contracts with third parties entered on behalf of related party customers in the ADNOC Group, and certain other prior period amendments and disclosure enhancements. Notes 2.1.2 and 27 provide further details on the nature of these changes. We issued our unqualified independent auditor's report on the previously issued financial statements on 19 March 2020. Following these changes, we provide this new report on the reissued financial statements.

Our opinion is not modified in respect of these matters.

Independent auditor's report to the shareholder of ADNOC Drilling Company P.J.S.C (continued)

Report on the audit of the financial statements (continued)

Other information

The directors are responsible for the other information. The other information comprises the Director's report (but does not include the financial statements and our auditor's report thereon).

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the International Financial Reporting Standards and their preparation in compliance with the applicable provisions of the articles of association of the Company, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent auditor's report to the shareholder of ADNOC Drilling Company P.J.S.C (continued)

Report on other legal and regulatory requirements

Further, as required by the Resolution of the Chairman of the Abu Dhabi Accountability Authority No. (1) of 2017 pertaining to Auditing the Financial Statements of Subject Entities, we report that based on the procedures performed and information provided to us, nothing has come to our attention that causes us to believe that the Authority has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the financial statements as at 31 December 2019:

- Law No. 15 of 2017 concerning the Establishment of the Company which would materially affect its activities or its financial position; and
- Relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations.

PricewaterhouseCoopers,

19 May 2021

Rami Sarhan
Registered Auditor Number 1152
Abu Dhabi, United Arab Emirates

ADNOC Drilling Company P.J.S.C

Statement of financial position

	Note	As at 31 December 2019 AED'000	2018 AED'000 (restated)
ASSETS			
Non-current asset			
Property and equipment	5	11,910,232	11,979,983
Right of use assets	6	58,542	-
Advance payment to a related party	14	539,690	1,101,900
Advance payments		21,119	29,860
		12,529,583	13,111,743
Current assets			
Inventories	7	456,036	309,796
Trade and other receivables	8	231,855	122,066
Due from related parties	14	6,202,782	2,367,717
Cash and cash equivalents	9	491,409	1,191,995
		7,382,082	3,991,574
Total assets		19,911,665	17,103,317
EQUITY AND LIABILITIES			
EQUITY			
Capital and reserves			
Share capital	10	400,000	400,000
Retained earnings		12,022,496	10,069,237
Total equity		12,422,496	10,469,237
LIABILITIES			
Non-current liabilities			
Long term borrowings	11	5,509,500	5,509,500
Lease liability	6	58,743	-
Provision for employees' end of service benefits	12	321,315	284,799
		5,889,558	5,794,299
Current liabilities			
Trade and other payables	13	1,447,151	736,154
Lease liability	6	12,378	-
Due to related parties	14	140,082	103,627
		1,599,611	839,781
Total liabilities		7,489,169	6,634,080
Total equity and liabilities		19,911,665	17,103,317

These financial statements were authorised for issuance by the Board of Directors on 10 May 2021 and signed on its behalf by:

....	....	....
Chairman	Chief Executive Officer	Chief Financial Officer

The notes on the pages 12 to 55 form an integral part of these financial statements

ADNOC Drilling Company P.J.S.C

Statement of comprehensive income

	Note	For the year ended 31 December 2019 AED'000	2018 AED'000 (restated)
Revenue	15	7,571,655	7,203,076
Direct cost	16	(4,643,212)	(4,048,615)
Gross profit		2,928,443	3,154,461
General and administrative expenses	17	(714,422)	(664,640)
Other income, net		110,165	50,028
Operating profit		2,324,186	2,539,849
Finance cost, net	19	(181,820)	(25,004)
Profit for the year		2,142,366	2,514,845
Other comprehensive income for the year		-	-
Total comprehensive income for the year		2,142,366	2,514,845
Earnings per share for profit attributable to the ordinary equity holders of the Company:			
Basic earnings per share		536	629

ADNOC Drilling Company P.J.S.C

Statement of changes in equity

	Note	Share capital AED'000	Retained earnings AED'000	Total AED'000
At 1 January 2018		400,000	13,328,345	13,728,345
Total comprehensive income for the year		-	2,514,845	2,514,845
Dividends declared	20	-	(5,773,953)	(5,773,953)
At 31 December 2018		400,000	10,069,237	10,469,237
Total comprehensive income for the year			2,142,366	2,142,366
Dividends declared	20		(189,107)	(189,107)
At 31 December 2019		400,000	12,022,496	12,422,496

ADNOC Drilling Company P.J.S.C

Statement of cash flows

	Note	For the year ended 31 December 2019 AED'000	2018 AED'000 (restated)
Cash flows from operating activities			
Profit for the year		2,142,366	2,514,845
Adjustments for:			
Depreciation of property and equipment	5	1,376,951	1,396,884
Depreciation of right of use assets	6	27,614	-
Provision for employees' end of service benefit	12	55,526	35,129
Allowance for slow moving and obsolete inventory	7	829	12,840
Loss on disposal property and equipment		3,689	1,668
Finance cost	19	195,846	32,192
Finance income	19	(14,026)	(7,188)
		3,788,795	3,986,370
Changes in working capital:			
Inventories		(147,069)	(40,576)
Advance payments		8,741	(14,853)
Trade and other receivables		(109,789)	(5,614)
Due from related parties		(3,835,065)	(701,805)
Trade and other payables		345,803	(201,661)
Due to related parties		36,455	(129,024)
Net cash generated from operating activities before payments of employees' end of service benefits		87,871	2,892,837
Employees' end of service benefit paid	12	(19,010)	(17,738)
Net cash generated from operating activities		68,861	2,875,099
Cash flows from investing activities			
Additions to property and equipment	5	(122,554)	(176,930)
Advance payment to a related party		(260,931)	(1,101,900)
Finance income received		14,026	7,188
Net cash used in investing activities		(369,459)	(1,271,642)
Cash flows from financing activities			
Repayment of related party loan		-	(1,149,649)
Borrowings		-	5,509,500
Lease liabilities paid		(15,035)	-
Dividends paid		(189,107)	(5,773,953)
Finance cost paid		(195,846)	(6,826)
Net cash used financing activities		(399,988)	(1,420,928)
Net (decrease)/increase in cash and cash equivalents		(700,586)	182,529
Cash and cash equivalents, 1 January		1,191,995	1,009,466
Cash and cash equivalents, at 31 December	9	491,409	1,191,995

The notes on the pages 12 to 55 form an integral part of these financial statements

Statement of cash flows (continued)

	Note	For the year ended 31 December 2019 AED'000	2018 AED'000
Non-cash transactions			
Recognition of right-of-use assets under IFRS 16	25	86,156	-
Additions to property and equipment against payables		365,194	184,585
Additions to property and equipment against advances paid to a related party		823,141	-
Accrued interest		-	25,366
Transfers from inventory to property & equipment	27	-	56,148

1 General information

ADNOC Drilling Company P.J.S.C ("the Company") formally is a public joint stock company, incorporated in 1972 by a resolution of the Council of Ministers of the Government of Abu Dhabi. The Company is registered in Abu Dhabi, United Arab Emirates and is a subsidiary of Abu Dhabi National Oil Company ("ADNOC"), which is wholly owned by the Government of Abu Dhabi.

Pursuant to a share sale and purchase agreement dated 8 October 2018 between ADNOC and Baker Hughes Holding SPV Ltd. ("BHGE") (the "Agreement"), the Company has agreed to sell 5% of the entire issued share capital of the Company to BHGE.

The principal activities of the Company are providing drilling services and supporting marine equipment, and the hiring out of onshore and offshore drilling rigs to related parties involved in onshore and offshore oil and gas exploration.

The registered address of the Company is P.O. Box 4017 Abu Dhabi, United Arab Emirates. During the year ended 31 December 2019, the Company has not purchased or invested in any shares. Furthermore, the Company has not made any social contributions during the same year.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1.1 Basis of preparation

The significant accounting policies adopted by the Company in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS), under the historical cost convention.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4.

2 Summary of significant accounting policies (continued)

2.1.1 Basis of preparation (continued)

(a) New standards and amendments adopted by the Company for the first time for their annual reporting period commencing 1 January 2019

- IFRS 16 was issued in January 2016. It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short-term and low-value leases. The accounting for lessors will not significantly change. The standard will affect primarily the accounting for the Company's operating leases.

Some of the commitments may be covered by the exception for short-term and low-value leases and some commitments may relate to arrangements that will not qualify as leases under IFRS 16.

The impact of the IFRS 16 on these financial statements of the Company has been disclosed in Note 25.

The following amended standards became effective from 1 January 2019, but did not have any material impact on the Group:

- IFRIC 23 "Uncertainty over Income Tax Treatments" (issued on 7 June 2017 and effective for annual periods beginning on or after 1 January 2019).
- Prepayment Features with Negative Compensation – Amendments to IFRS 9 (issued on 12 October 2017 and effective for annual periods beginning on or after 1 January 2019).
- Amendments to IAS 28 "Long-term Interests in Associates and Joint Ventures" (issued on 12 October 2017 and effective for annual periods beginning on or after 1 January 2019).
- Annual Improvements to IFRSs 2015-2017 cycle – amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23 (issued on 12 December 2017 and effective for annual periods beginning on or after 1 January 2019).
- Amendments to IAS 19 "Plan Amendment, Curtailment or Settlement" (issued on 7 February 2018 and effective for annual periods beginning on or after 1 January 2019).

(b) New standards and interpretations not yet adopted

- Definition of materiality – Amendments to IAS 1 and IAS 8 (issued on 31 October 2018 and effective for annual periods beginning on or after 1 January 2020). The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS.

2 Summary of significant accounting policies (continued)

2.1.1 Basis of preparation (continued)

(b) New standards and interpretations not yet adopted (continued)

- Definition of a business – Amendments to IFRS 3 (issued on 22 October 2018 and effective for acquisitions from the beginning of annual reporting period that starts on or after 1 January 2020). The amendments revise definition of a business. A business must have inputs and a substantive process that together significantly contribute to the ability to create outputs. The new guidance provides a framework to evaluate when an input and a substantive process are present, including for early stage companies that have not generated outputs.
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28 (issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture.
- IFRS 17 "Insurance Contracts"(issued on 18 May 2017 and effective for annual periods beginning on or after 1 January 2021). IFRS 17 replaces IFRS 4, which has given companies dispensation to carry on accounting for insurance contracts using existing practices.
- Amendments to IFRS 17 and an amendment to IFRS 4 (issued on 25 June 2020 and effective for annual periods beginning on or after 1 January 2023). The amendments include a number of clarifications intended to ease implementation of IFRS 17, simplify some requirements of the standard and transition.
- Interest rate benchmark (IBOR) reform - Phase 1 amendments to IFRS 9, IAS 39 and IFRS 7 (issued on 26 September 2019 and effective for annual periods beginning on or after 1 January 2020). The amendments were triggered by replacement of benchmark interest rates such as LIBOR and other inter-bank offered rates ('IBORs'). The amendments provide temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by the IBOR reform.
- Interest rate benchmark (IBOR) reform – phase 2 amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (issued on 27 August 2020 and effective for annual periods beginning on or after 1 January 2021). The Phase 2 amendments address issues that arise from the implementation of the reforms, including the replacement of one benchmark with an alternative one. The amendments cover the following areas: (i) Accounting for changes in the basis for determining contractual cash flows as a result of IBOR reform; (ii) End date for Phase 1 relief for non contractually specified risk components in hedging relationships; (iii) Additional temporary exceptions from applying specific hedge accounting requirements; (iv) Additional IFRS 7 disclosures related to IBOR reform.
- Classification of liabilities as current or non-current – Amendments to IAS 1 (issued on 23 January 2020 and effective for annual periods beginning on or after 1 January 2022).These narrow scope amendments clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are non-current if the entity has a substantive right, at the end of the reporting period, to defer settlement for at least twelve months.

2 Summary of significant accounting policies (continued)

2.1.1 Basis of preparation (continued)

(b) New standards and interpretations not yet adopted (continued)

- Proceeds before intended use, Onerous contracts – cost of fulfilling a contract, Reference to the Conceptual Framework – narrow scope amendments to IAS 16, IAS 37 and IFRS 3, and Annual Improvements to IFRSs 2018-2020 – amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41 (issued on 14 May 2020 and effective for annual periods beginning on or after 1 January 2022). The amendment to IAS 16 prohibits an entity from deducting from the cost of an item of PPE any proceeds received from selling items produced while the entity is preparing the asset for its intended use. The amendment to IAS 37 clarifies the meaning of 'costs to fulfil a contract'. The amendment explains that the direct cost of fulfilling a contract comprises the incremental costs of fulfilling that contract; and an allocation of other costs that relate directly to fulfilling. IFRS 3 was amended to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination.

The Company is currently assessing the impact of these standards, and amendments on the future financial statements and intends to adopt these, if applicable, when they become effective.

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2019 reporting periods and have not been early adopted by the Company. These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

2.1.2 Reissuance

The previously issued financial statements of the Company for the year ended 31 December 2019 dated 19 March 2020 have been withdrawn and are replaced by these financial statements. The revision was necessary to change the accounting treatment of revenues and direct cost for certain contracts with third parties entered on behalf of related party customers in the ADNOC Group, and certain other prior period amendments and disclosure enhancements as detailed in Note 27.

2.2 Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The historical cost consists of expenses related directly to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred.

2 Summary of significant accounting policies (continued)

2.2 Property and equipment (continued)

Depreciation is calculated so as to write off the cost of property and equipment over the useful lives of these assets as follows:

	Years
Building and yards	10-20
Drilling rigs and equipment	8-20
Camps and equipment	4-10
Motor vehicles	4
Furniture, fixtures and office equipment	4

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 2.5).

The repair and maintenance expenses are included in the statement of comprehensive income when incurred.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognized in the statement of comprehensive income.

2.3 Leases under IFRS 16 'leases'

The Company has various leases such as office, equipment and vehicles. Rental contracts are typically made for fixed periods of six months to six years, but may have extension options as described below. Contracts may contain both lease and non-lease components. The Company allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions. The lease agreements do not impose any covenants other than the security interests in the leased assets that are held by the lessor. Leased assets may not be used as security for borrowing purposes.

Until the year ended 31 December 2018, leases of property and equipment were classified as operating leases, see Note 25 for details. From 1 January 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

2 Summary of significant accounting policies (continued)

2.3 Leases under IFRS 16 'leases' (continued)

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

1) fixed payments, less any lease incentives receivable,
2) variable lease payment that are based on an index or a rate, initially measured using the index or rate as at the commencement date,
3) amounts expected to be payable by the Company under residual value guarantees,
4) the exercise price of a purchase option if the Company is reasonably certain to exercise that option, and
5) payments of penalties for terminating the lease, if the lease term reflects the Company exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Company , the lessee's incremental borrowing rate is used, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

To determine the incremental borrowing rate, the Company :

1) where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
2) uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk for leases held by the Company, which does not have recent third party financing, and
3) makes adjustments specific to the lease, country, currency and security.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Right-of-use assets are measured at cost comprising the following:

1) the amount of the initial measurement of lease liability,
2) any lease payments made at or before the commencement date less any lease incentives received,
3) any initial direct costs, and
4) restoration costs.

2 Summary of significant accounting policies (continued)

2.3 Leases under IFRS 16 'leases' (continued)

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Company . These are used to maximise operational flexibility in terms of managing the assets used in the Company 's operations. The majority of extension and termination options held are exercisable only by the Company and not by the respective lessor.

2.4 Capital work in progress

Capital work in progress is included in property and equipment at cost on the basis of the percentage completed at the reporting date. The capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the above policies when construction of the asset is completed and commissioned.

2.5 Impairment of non-financial assets

Assets that are subject to depreciation or amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

2.6 Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and includes invoice value, freight and other expenses incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

2 Summary of significant accounting policies (continued)

2.7 Trade and other receivables

Trade and other receivables are amounts due from customers and related parties for goods sold or services performed in the ordinary course of business. They are generally due for settlement in one year or less and therefore are all classified as current. If not, they are classified as non-current assets. Trade receivables are recognised initially at the amount of consideration, unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

2.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, current accounts and bank deposits with original maturities of three months or less, net of margin deposits and bank overdrafts, if any.

2.9 Value added tax

Value added tax ('VAT') represents a standard rate of 5% that shall be imposed on any supply or import pursuant to Article (2) of the Federal Decree Law No. (8) of 2017 on the value of the supply or import as specified in the provisions of this Decree Law, effective from 1 January 2018.

- VAT payable, is payable to the Tax Federal Authority upon collection of receivables from customers. VAT on purchases, which have been settled at the date of the statement of financial position, are deducted from the amount payable.

- VAT receivable, relates to purchases which have not been settled at the date of the statement of financial position, VAT receivable is reclaimable against sales VAT upon payment of the purchases.

2.10 Financial instruments

Financial assets and liabilities are recognised on the Company's statement of financial position when the Company becomes a part of the contractual provision of the instruments.

(a) Financial assets

The Company classifies its financial assets in accordance with IFRS 9. The Company financial assets consist of trade and other receivables less prepayments and advances, due from related parties and cash and cash equivalents.

2 Summary of significant accounting policies (continued)

2.10 Financial instruments (continued)

(a) Financial assets (continued)

Classification of financial assets

The Company classifies its financial assets as financial assets held at amortised cost. The classification is on the basis of the business model of the Company for managing the financial assets, and contractual cash flow characteristics.

The Company measures financial assets at amortised cost when it is within the business model to hold assets in order to collect contractual cash flows, and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Recognition and measurement

At initial recognition, financial assets are measured at their fair value. Trade receivables are recognised initially at the amount of consideration that is unconditional, unless they contain significant financing components, when they are recognised at fair value. Financial assets at amortised cost are subsequently carried at amortised cost using the effective interest method.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (ECL) on financial assets measured at amortised cost. The amount of expected credit losses is updated at the end of each reporting period to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Company recognises lifetime expected credit loss for trade receivables and contract assets, using the simplified approach. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Impairment losses on trade receivables and contract assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

For all other financial assets, the Company recognises lifetime expected credit loss when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12 months ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the end of the reporting period or an actual default occurring.

2 Summary of significant accounting policies (continued)

2.10 Financial instruments (continued)

(a) Financial assets (continued)

Impairment of financial assets (continued)

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either but not limited to the following main criteria are generally not recoverable.

- when there is a breach of financial covenants by the counterparty; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collaterals held by the Company).

A significant increase in credit risk is presumed if a debtor is more than 30 days past due in making a contractual payment. The Company considers that the customer is in default when a financial asset is more than 365 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Trade receivables are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, and a failure to make contractual payments for a period of greater than 365 days past due.

Credit impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

(a) significant financial difficulty of the issuer or the borrower;
(b) a breach of contract, such as a default or past due event
(c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
(d) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
(e) the disappearance of an active market for that financial asset because of financial difficulties.

2 Summary of significant accounting policies (continued)

2.10 Financial instruments (continued)

(a) Financial assets (continued)

Derecognition

A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- The rights to receive cash flows from the asset have expired
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

(b) Financial liabilities

Classification, initial recognition and subsequent measurement

Financial liabilities mainly comprise borrowings, trade and other payables and due to related parties. Financial liabilities are initially measured at fair value and subsequently carried at amortized cost using the effective interest method. The Company's financial liabilities are classified as financial liabilities at amortized costs.

Derecognition

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled or expires. A substantial change in the terms of a debt instrument is considered as an extinguishment of the original liability and the recognition of a new financial liability.

The Company accounts for substantial modification of terms of an existing liability or part of it as an extinguishment of the original financial liability and the recognition of a new liability. It is assumed that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective rate is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability. If the modification is not substantial, the difference between: (1) the carrying amount of the liability before the modification; and (2) the present value of the cash flows after modification is recognised in the statement of comprehensive income as a modification gain or loss.

2 Summary of significant accounting policies (continued)

2.11 Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

2.12 Equity instrument and dividends

Shares and Dividend Loans are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

A liability is recognised for the amount of any dividends payable or Dividend Loans only if free cash is made available for distribution. Free cash is defined as the amount of free cash generated by the Company after having made reasonable provisions and reserves for debt service (but excluding any Dividend Loan) and the Company's capital expenditure and working capital requirements.

Refer to 4(g) for the judgement in classification of shares and Dividend Loans.

2.13 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the statement of comprehensive income over the period of the loans using the effective interest method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

2.14 Provision for employees benefits

Provision is made for the estimated liability for employees' entitlement to annual leave as a result of services rendered by eligible employees up to the reporting date.

Provision is also made for the full amount of end of service benefits due to non-UAE national employees in accordance with the UAE Labour Law for their period of service up to the reporting date.

The provision relating to annual leave and leave passage is disclosed as a current liability within 'trade and other payables', while that relating to end of service benefits is disclosed as a non-current liability.

2 Summary of significant accounting policies (continued)

2.15 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payable are classified as current liabilities if the payments' due date is within one year or less. If not, they will be classified as non-current liabilities. Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.16 Provisions

Provisions are recognized when the Company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.17 Revenue

The Company recognizes revenues when control of a good or service promised in a contract is transferred to a customer. Control is obtained when a customer has the ability to direct the use of and obtain substantially all of the remaining benefits from that good or service. The timing of revenue recognition may differ from the timing of invoicing to customers and these timing differences result in receivables, contract assets, or contract liabilities, as appropriate on the Company's statement of financial position.

The Company's drilling services provided under each drilling rig contract is a single performance obligation satisfied over time and is comprised of a series of distinct time increments or service periods in which we provide drilling services, for example daily services.

Variable consideration is only recognized as revenues to the extent that it is probable that a significant reversal will not occur during the contract term. When determining if variable consideration should be recognized, management considers whether there are factors outside of the Company's control that could result in a significant reversal of revenues as well as the likelihood and magnitude of a potential reversal of revenue.

Revenue from owned rigs

Revenues is generated from rigs either operated directly by the Company or through third party contractors. through day rates charged to its customers, who are mainly related parties, for the provision of drilling services.

The Company's contracts with customers contain multiple day rates and the actual day rate earned during a period could vary based on the actual operations. The day rate invoices billed to the customer are typically determined based on the varying rates applicable to the specific activities performed.

2 Summary of significant accounting policies (continued)

2.17 Revenue (continued)

Revenue from owned rigs (continued)

The Company may earn lump-sum fees relating to mobilization, demobilization in certain drilling contracts.

Mobilization fees are generally billable to the customer in the initial phase of a contract and generate contract liabilities (deferred revenue) until they are recognized as revenue. These activities are not considered to be distinct within the context of the contract, therefore, the associated revenues are recorded as a contract liability and amortized on a straight-line basis over the firm contract term.

Revenues earned for demobilization of the rig are accrued as operating revenues over the contract duration if they are unconditional and if there is no significant risk of potential material cumulative revenue reversal in the future. In most contracts, there is uncertainty as to the amount of expected demobilization revenues due to contractual provisions that stipulate certain conditions must be present at contract completion for such revenues to be received. Therefore, the demobilization fees are recorded when it becomes probable that there will not be a material cumulative revenue reversal. Variable consideration generally relates to distinct service periods during the contract term and is recognized in the period when services are performed.

Revenue when the Company is acting as an agent

In certain contracts with its customers the Company enters into back to back arrangements with third party contractors and its customers for the provision of drilling services. The nature of these contracts is such that the Company does not control the underlying drilling services which are being provided to its customers, as such the Company is acting as an agent for the arrangement of those services on behalf of its customers. Revenue earned through these arrangements is recognised on a net basis.

2.18 Employees' pension

The Company makes pension contributions on behalf of UAE citizens in accordance with the Emirate of Abu Dhabi Law No. 2 of 2000. The contributions are treated as payments to a defined contribution pension plan. A defined contribution plan is a pension plan under which fixed contributions are paid into a separate pension entity fund.

The Company has no legal or constructive obligations to pay further contributions if the Abu Dhabi Retirement Pensions & Benefits Fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

2 Summary of significant accounting policies (continued)

2.19 Borrowing costs

Interest bearing loans from a related party is recorded at the proceeds received less any repayments made.

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as profit or loss in the period in which they are incurred.

2.20 Foreign currency translation

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in UAE Dirham, which is the Company's functional and presentation currency.

All values are rounded to the nearest thousand (AED'000) except when otherwise indicated.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the statement of comprehensive income.

3 Financial risk management

3.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk.

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Company audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

(a) *Market risk*

(i) Foreign exchange risk

Foreign exchange risk is limited as the Company's transactions are principally in UAE Dirhams or US Dollars. As the UAE Dirham is pegged to the US Dollar at a rate of 3.6725, balances in US Dollars are not considered to represent significant currency risk.

(ii) Price risk

The Company has no significant exposure to commodity price risk.

(iii) Cash flow and fair value interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk on its interest bearing liabilities which carry variable interest rates (bank borrowings).

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all other variables held constant, of the Company's profit.

	Effect on profit AED'000
2019	
+10 increase in basis points	(5,581)
-10 decrease in basis points	5,581
2018	
+10 increase in basis points	(5,510)
-10 decrease in basis points	5,510

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(a) *Market risk* (continued)

(iii) Cash flow and fair value interest rate risk (continued)

The fair values of the Company's financial instruments are not materially different from their carrying amounts.

(b) *Credit risk*

The Company exposes itself to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.

Credit risk arises from current accounts and deposits with banks and financial institutions, trade receivables, due from related parties and other receivables. The Company assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are based on management's assessment on a case-by-case basis. The utilisation of credit limits is regularly monitored by management.

For banks, only independently rated parties and banks with good credit history are accepted. For trade receivables, the Company assesses the credit quality of the customers, taking into account their financial position, past experience and other factors. Individual risk limits are set in accordance with limits set by the management. The compliance with credit limits by customers is regularly monitored by management. Refer to Note 14 for concentration of credit risk on due from related parties – trade receivables.

The Company's maximum exposure to credit risk at the reporting date is as follows:

	31 December 2019 AED'000	31 December 2018 AED'000
Cash and cash equivalents	491,409	1,191,995
Trade receivables	12,333	123
Due from related parties – trade receivables	1,080,190	1,599,689
Due from related parties – other receivables	5,122,592	768,028
Other receivables	92,031	79,421
	6,798,555	3,639,256

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) *Credit risk* (continued)

Current accounts and short-term deposits are held with high-credit-quality financial institutions. The table below presents an analysis of cash and cash equivalents by rating agency designation at the end of reporting period based on moody's ratings or its equivalent for the main banking relationships:

Bank name	**Credit Rating (Moody's)**	**2019 AED'000**	**2018 AED'000**
First Abu Dhabi Bank	A3	481,176	210,379
Union National Bank	Baa3	6,255	977,786
Abu Dhabi Islamic Bank	Ba1	3,055	3,040
		490,486	1,191,205

Impairment of financial assets

The Group has four types of financial assets that are subject to the expected credit loss model:

- trade receivables and due from related parties from revenue transactions (trade receivables);
- due from related parties (other than revenue transactions); and
- cash and bank balances (including cash and cash equivalents and margin and fixed deposits).
- Other receivables

Trade receivables and due from related parties trade receivables and unbilled revenue

As mentioned in Note 2.10, the Company's trade receivables and due from related parties are subject to the expected credit model.

For trade receivables (including due from related parties and unbilled revenue), the Company applies the simplified approach to provide for expected credit losses prescribed by IFRS 9, which permits the use of the lifetime expected credit loss provision for all trade receivables based on a provision matrix. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(b) Credit risk (continued)

Trade receivables and due from related parties trade receivables and unbilled revenue (continued)

The expected loss rates are based on the roll rates of receivables over a period of 36 months before 31 December 2019 or 31 December 2018 respectively and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and credit rating to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

Based on management's impairment assessment, there is no provision required in respect of trade receivables and due from related parties from revenue transactions, as these balances are considered to have low credit risk and the Company has not experienced any material default from these related parties. Refer to note 14 for information on balances and transactions.

Other due from related parties, cash and bank balances and other receivables

With respect to credit risk arising from other financial assets of the Company, which comprise amounts due from related parties, and cash and bank balances, the Company applies the general model to determine the impairment.

Due from related parties (other than revenue transactions), cash and bank balances and other receivables are considered to have low credit risk; therefore, 12 months expected loss model was used for impairment assessment. Based on management's impairment assessment, there is no provision required in respect of these balances for all the years presented.

Refer note 14 for further information on related parties.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

3 Financial risk management (continued)

3.1 Financial risk factors (continued)

(c) Liquidity risk (continued)

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a short term period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The Company has entered into a Funds Management Agreement (treasury management agreement) with its parent company, ADNOC HQ, where the Company's surplus funds are placed in a Surplus Funds Account at ADNOC HQ. The funds in the Surplus Funds Account are available to meet the Company's liquidity needs and payable on Company's demand within 30 days (Note 14).

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

	Note	Carrying value	Contractual cash out flows	1 year or less	More than 1 year
		AED'000	AED'000	AED'000	AED'000
At 31 December 2019					
Lease liability	6	71,121	(72,115)	(10,175)	(61,940)
Bank borrowing	11	5,509,500	(6,287,441)	(194,485)	(6,092,956)
Trade and other payables	13	1,447,151	(1,447,151)	(1,447,151)	-
Due to related parties	14	140,082	(140,082)	(140,082)	-
Total		7,167,854	(7,946,789)	(1,791,893)	(6,154,896)
At 31 December 2018					
Trade and other payables	13	736,154	(736,154)	(736,154)	-
Bank borrowing	11	5,509,500	(6,481,927)	(194,485)	(6,287,441)
Due to related parties	14	103,627	(103,627)	(103,627)	-
Total		6,349,281	(7,321,708)	(1,034,266)	(6,287,441)

3 Financial risk management (continued)

3.2 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The policies are based on management's assessment of available options, in conjunction with the shareholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

The Company monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total equity plus net debt. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity as shown in the statement of financial position plus net debt.

The gearing ratios as at 31 December 2019 and 2018 were as follows:

	2019 AED'000	2018 AED'000
Borrowings	5,509,500	5,509,500
Less: cash and cash equivalents	(491,429)	(1,191,995)
Net debt	5,018,071	4,317,505
Equity	12,422,496	10,469,237
Capital	17,440,567	14,786,742
Gearing ratio	29%	29%

4 Key judgement and source of estimation and uncertainty

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. The major estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are:

4 Key judgement and source of estimation and uncertainty (continued)

(a) Useful lives and residual values

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

The useful lives and residual values of assets are assessed using the following indicators to inform potential future use and value from disposal:

- The condition of the asset based on the assessment of experts employed by the Company.
- The nature of the asset, its susceptibility and adaptability to changes in technology and processes.
- The nature of the processes in which the asset is deployed.
- Availability of funding to replace the asset.
- Changes in the market in relation to the asset.

(b) Impairment of balances due by related parties

As noted under note 14, the Company has significant exposure to related parties. The Company's business is concentrated in the oil industry, this would be the most significant consideration in assessing impairment of such balances. However, management has applied judgement that given the counterparties strong credit worthiness it is not expected that the impact of oil prices at this stage would result in a material impact.

(c) Provision for slow moving and obsolete inventories

Management has assessed when inventories become obsolete and other indicators that there is a decline in net realisable value. An estimate is made of their net realisable value and inventory is written down to this value. In performing is assessment management considered the age and condition of the inventory. Provision for obsolete and slow moving inventories at 31 December 2019 amounted to AED 81,955 (2018: AED 82,936).

(d) Impairment of non-financial assets

The Company reviews and tests the carrying value of non-financial assets when events or changes in circumstances suggest that there may be a reduction in the future service potential that can reasonably be expected to be derived from the asset. Where indicators of possible impairment are present, the Company undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount. The estimation of these inputs into the calculation relies on the use of estimates and assumptions.

Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying amount of the related asset.

During 2019, there were no indicators of impairment as such no impairment test is required.

4 Key judgement and source of estimation and uncertainty (continued)

(e) Capitilisation of capital maintenance

Management uses their judgment in reference to IAS 16 (Property, Plant and Equipment) in capitalising or expensing maintenance costs depending on whether the maintenance activity will result in an increase in the life or the efficiency of the asset.

(f) Definition of a lease and the lease term

Given the nature of the business undertaken by the Company, consideration was given as to whether the provision of the rig services contains a lease or should merely be considered a service contract. Management have applied their judgement and considered the terms and conditions of the contracts as well as industry practice. It was concluded that such contracts do not convey the right to direct the use of the asset and as such the contracts do not contain a lease. This is further support by industry practice for similar entities providing such services.

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Certain of the lease contracts contain extension options (or periods after termination options) and management have applied judgement in determining if the lease is reasonably certain to be extended (or not terminated).

If there is a significant event or a significant change in circumstances occurs, management reassess such leases. During the year ended 31 December 2019, no significant events or significant change in circumstances occurred that caused the management to reassess the lease term.

(g) Classification of shares and Dividend Loans

The Articles of Association and Shareholders' Agreement ("SHA") provides a right to the Shareholders to procure a dividend payment where the Company has Distributable Profits equal to or greater than the Target Dividend (as defined in the SHA). The payment of a dividend is permitted from Free Cash, and if it is determined that Free Cash is below the value of the Target Dividend/Distributable Profits, then the Shareholders will provide a Dividend Loan in lieu of the dividend. The SHA does not allow for the Shareholders to refuse to provide the Dividend Loan and yet continue to procure a cash dividend payment.

Dividend Loans are provided on an interest free basis and repayment of Dividend Loans is excluded from the definition of Free Cash. As a result, it is considered that repayment of Dividend Loans is at the Board's discretion and should be made from Free Cash or otherwise. In reaching a judgment as to whether the shares and Dividend Loans should be classified as liabilities or equity interests, management has considered the wide discretion of the board of directors to determine whether any portion of the amount of cash available to the Company constitutes free cash. In the event that there is no free cash, as determined by the Board of Directors, the Company does not have a contractual obligation to make a dividend or Dividend Loan payment. Accordingly, management has concluded that the terms of the SHA does not represent a contractual obligation on the Company to deliver cash and therefore the shares and Dividend Loans should be classified as equity within the financial statements.

4 Key judgement and source of estimation and uncertainty (continued)

(h) Contract Modifications

The Company, from time to time and in the normal course of business, amends its revenue contracts with related parties. Significant judgment is required to determine whether such amendments are contract modifications or separate contracts and as such whether revenue is recognised as a cumulative catch up or prospectively.

5 Property and equipment

	Building and yards AED'000	Drilling rigs and equipment AED'000	Camps and equipment AED'000	Motor vehicles AED'000	Furniture fixtures and office equipment AED'000	Construction work- in-progress AED'000	Total AED'000
Cost							
At 1 January 2018	326,868	18,339,008	933,299	157,454	169,076	-	19,925,705
Additions during the year	597	156,255	3,681	1,377	15,020	-	176,930
Disposals	-	(13,181)	-	-	-	-	(13,181)
Transfers from capital spares (note 27)	-	56,148	-	-	-	-	56,148
At 31 December 2018 (restated)	327,465	18,538,230	936,980	158,831	184,096	-	20,145,602
Additions during the year	-	706,957	44,422	56	6,733	552,721	1,310,889
Disposals	-	(146,621)	(10,977)	(1,054)	(1,129)		(159,781)
At 31 December 2019	327,465	19,098,566	970,425	157,833	189,700	552,721	21,296,710
Accumulated depreciation							
At 1 January 2018	182,145	5,945,371	371,770	142,311	138,651	-	6,780,248
Charge for the year	11,189	1,305,346	58,505	7,629	14,215	-	1,396,884
Disposals	-	(11,513)	-	-	-	-	(11,513)
At 31 December 2018	193,334	7,239,204	430,275	149,940	152,866	-	8,165,619
Charge for the year	11,125	1,284,967	65,104	5,266	10,489	-	1,376,951
Disposals		(144,330)	(9,913)	(1,054)	(795)	-	(156,092)
At 31 December 2019	204,459	8,379,841	485,466	154,152	162,560	-	9,386,478
Net book amount							
At 31 December 2019	123,006	10,718,725	484,959	3,681	27,140	552,721	11,910,232
At 31 December 2018 (restated)	134,131	11,299,026	506,705	8,891	31,230	-	11,979,983

5 Property and equipment (continued)

The depreciation is allocated as follows:

	2019 AED'000	2018 AED'000
Direct cost (Note 16)	1,365,706	1,387,542
Selling, general and administrative expenses (Note 17)	11,245	9,342
	1,376,951	1,396,884

6 Right of use assets and lease liabilities

i) Amounts recognised in the statement of financial position

	As at 31 December 2019 AED'000	As at 1 January 2019 AED'000
Right of use assets:-		
Building and yards	48,980	58,781
Motor vehicles	9,468	27,055
Camps and equipment	94	320
	58,542	86,156
Lease liability:-		
Current balance	12,378	27,375
Non-current balance	58,743	58,781
	71,121	86,156

ii) Amounts recognised in the statement of comprehensive income

	2019 AED'000
Depreciation charged:-	
Building and yards	9,801
Motor vehicles	17,587
Camps and equipment	226
	27,614
Direct cost (Note 16)	17,813
Selling, general and administrative expenses (Note 17)	9,801
	27,614

Total interest expense recognized during the year amounted to AED 944 thousand.

7 Inventories

	2019 AED'000	2018 AED'000 (restated)
Inventories at warehouses	505,571	373,227
Inventories at rigs	32,420	19,505
Allowance for slow moving or obsolete inventories	(81,955)	(82,936)
	456,036	309,796

The movement in the allowance for slow moving or obsolete inventory during the year was as follows:

	2019 AED'000	2018 AED'000
At 1 January	82,936	99,108
Charge during the year	829	12,840
Write off	(1,810)	(29,012)
As at 31 December	81,955	82,936

Inventories represent spare parts and consumables as of 31 December 2019 and 2018.

8 Trade and other receivables

	2019 AED'000	2018 AED'000
Trade receivables	12,333	123
Advances to suppliers	97,641	5,377
Advances to staff	77,404	64,939
Accrued revenue	21,707	28,977
Insurance Prepayment	8,143	8,168
Other receivables	14,627	14,482
	231,855	122,066

9 Cash and cash equivalents

	2019 AED'000	2018 AED'000
Current accounts	490,486	217,066
Cash on hand	923	790
Short-term deposits	-	974,139
	491,409	1,191,995

Short-term deposits with banks which have original maturities of less than three months and carry interest rates were nil in 2019 (2.1% to 2.4% per annum in 2018).

10 Share capital

	2019 AED'000	2018 AED'000
Authorised, issued and fully paid up 4,000,000 shares of AED 100 each	400,000	400,000

The Company has not purchased any shares during the year ended 31 December 2019. Details of dividend policy and related key judgments are disclosed in Note 2.12 and 4 (h) respectively.

11 Borrowings

	2019 AED'000	2018 AED'000
Syndicated loan	5,509,500	5,509,500
	5,509,500	5,509,500

During the year 2018, the Company obtained syndicated loan from multiple banks, as listed below, to finance the payment of dividends to the shareholder which was declared and paid during the year ended 31 December 2019 (Note 20).

The facility carries a fixed margin of 0.9% and six-month LIBOR interest rate of 2.63%. The loan matures in a lump sum amount after 5 years from utilisation facility request date with each respective bank.

	2019 AED'000	2018 AED'000
First Abu Dhabi Bank (Note 14)	1,377,375	1,377,375
Sumitomo Mitsui Banking Corporation	1,377,375	1,377,375
Union National Bank PJSC (Note 14)	734,600	734,600
Abu Dhabi Commercial Bank (Note 14)	642,775	642,775
Bank of America Merrill Lynch International Limited	275,475	275,475
Citibank	275,475	275,475
Mizuho Bank	275,475	275,475
Sgbtci SA	275,475	275,475
UniCredit Bank Austria AG	275,475	275,475
	5,509,500	5,509,500

The below table sets out an analysis of net debt and the movements in net debt for each of the periods presented:-

	2019 AED'000	2018 AED'000
Cash and cash equivalents	491,409	217,856
Margin deposits	-	974,139
Lease liabilities – repayable before one year	(12,378)	-
Lease liabilities – repayable after one year	(58,743)	-
Term loans – repayable after one year	(5,509,500)	(5,509,500)
	(5,089,212)	(4,317,505)

11 Borrowings (continued)

	Assets		Financing activities			
	Margin deposit AED'000	Cash and cash equivalents AED'000	Lease liabilities – repayable before one year AED'000	Lease liabilities – repayable after one year AED'000	Term loans – repayable after one year AED'000	Total AED'000
Net debt						
1 January 2018	-	636,493	-	-	4,547,174	5,183,667
Cash flows	974,139	(418,637)	-	-	(10,056,674)	(9,501,172)
31 December 2018	974,139	217,856	-	-	(5,509,500)	(4,317,505)
Cash flows	(974,139)	273,553	15,035	-	-	(685,551)
Non cash movements	-	-	(27,413)	(58,743)	-	(86,156)
31 December 2019	-	491,409	(12,378)	(58,743)	(5,509,500)	(5,089,212)

12 Provision for employees' end of service benefits

The movement in the provision for employees' end of service benefit is as follows:

	2019 AED'000	2018 AED'000
At 1 January	284,799	267,408
Charge during the year	55,526	35,129
Paid during the year	(19,010)	(17,738)
As at 31 December	321,315	284,799

13 Trade and other payables

	2019 AED'000	2018 AED'000
Accrued expenses	1,247,572	476,552
Trade payable	143,551	160,821
Retention payable	13,936	46,086
Accrual for employees benefits	26,644	37,762
Pension payable	1,891	1,384
Other payables	13,557	13,549
	1,447,151	736,154

The average credit period on purchases is 60 days. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

14 Related parties balances and transactions

Related parties represent the shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties and the Government of the Emirate of Abu Dhabi and its related parties. Pricing policies and terms of these transactions are approved by the Company's management.

The Company's transaction with other entities owned or controlled, either directly or indirectly by the Government of Abu Dhabi, included in the statement of financial position are as follows:

	2019 AED'000	2018 AED'000
Current balances		
Due from related parties (a)	1,080,190	1,599,689
Other balances due from related parties (b)	5,122,592	768,028
	6,202,782	2,367,717
Non-current balances		
Advance payment to a related party (c)	539,690	1,101,900
	6,742,472	3,469,617

14 Related parties balances and transactions (continued)

(a) Due from related parties

	2019 AED'000	2018 AED'000
ADNOC Offshore (ADMA & ZADCO)	607,046	882,484
ADNOC Onshore (ADCO)	470,537	683,791
ADNOC Sour Gas	924	28,461
Abu Dhabi National Oil Company (ADNOC)	1,197	4,936
Abu Dhabi National Oil Company for Distribution	-	17
ADNOC Gas processing	17	-
ADNOC Refining	469	-
	1,080,190	1,599,689

At 31 December 2019, the Company had a significant concentration of credit risk, with two customers representing 99% (2018: two customers 98%) of related parties receivables outstanding at that date. Prices are as per contractually agreed upon between the two parties.

Management has considered the concentration of credit risk will not result in any loss to the Company considering the credit history of these customers and the fact that those balances are due from sister companies owned by ADNOC "Parent Company".

Expected credit losses identified as a result of applying the expected credit risk model on the due from related party balances were immaterial and hence the Company has not provided for expected credit losses.

As at 31 December, the ageing of related party balances was as follows:

	2019 AED'000	2018 AED'000
Not past due	621,209	932,196
Due from 31 to 60 days	111,514	202,052
Due from 61 to 90 days	245,406	145,886
Due for more than 91 days	102,061	319,555
	1,080,190	1,599,689

The carrying amounts of the Company's due from related parties approximate their fair value as of 31 December 2019. Due from related parties are denominated in UAE dirhams.

14 Related parties balances and transactions (continued)

(b) Other balances due from related parties

	2019 AED'000	2018 AED'000
Other balances due from related parties (including unbilled revenue)		
ADNOC Offshore (ADMA & ZADCO) – unbilled revenue	815,034	406,237
ADNOC Onshore (ADCO) – unbilled revenue	744,313	283,752
Abu Dhabi National Oil Company (ADNOC)	3,562,648	75,103
ADNOC Sour Gas	444	2,936
Al Dhafra	153	-
	5,122,592	768,028

During the year ended 31 December 2019, the Company had a due from balance from their Parent Company, ADNOC, amounting to AED 3,562,648 which relates to cash surplus which was transferred to ADNOC in accordance with the treasury management agreement between the two parties dated 8 May 2008.

This balance is non-interest bearing and payable at the request of the Company within 30 days. The full amount was collected from ADNOC subsequent to year end.

In terms of other balances from related parties, no expected credit loss was recognised as amounts were not material.

(c) Advance payment to a related party

	2019 AED'000	2018 AED'000
Baker Hughes	539,690	1,101,900

During the year ended 31 December 2019, the Company paid an advance of USD 71 million to Baker Hughes as part of Zenith agreement to expand the Company's drilling services.

	2019 AED'000	2018 AED'000
Due to related parties		
Abu Dhabi National Oil Company for Distribution	45,391	53,781
Abu Dhabi National Oil Company (ADNOC)	44,204	35,024
Petroleum Services Company (ESNAAD)	42,972	8,974
Abu Dhabi Oil Refining Company (TAKREER)	6,896	4,633
ADNOC Onshore (ADCO)	619	1,215
ADNOC Offshore (ADMA & ZADCO)	-	-
	140,082	103,627

The current balances due from/to related parties are non-interest bearing and receivable/payable on demand.

14 Related parties balances and transactions (continued)

Loan from related parties

	2019 AED'000	2018 AED'000
First GulfAbu Dhabi Bank (Note 11)	1,377,375	1,377,375
Union National Bank PJSC (Note 11)	734,600	734,600
Abu Dhabi Commercial Bank (Note 11)	642,775	642,775
	2,754,750	2,754,750

The above related parties are part of the lenders under the syndicated facility.

Transactions with related parties during the year were as follows:

	2019 AED'000	2018 AED' 000 (restated)
Revenue		
ADNOC Onshore (ADCO))*	4,101,951	3,804,372
ADNOC Offshore (ADMA & ZADCO))*	3,462,963	3,393,810
Abu Dhabi Gas Development Ltd (Al Hosn Gas))*	5,904	4,817
Abu Dhabi National Oil Company for Distribution*	-	77
ADNOC Refining*	469	-
Al Dhafra*	351	-
ADNOC Gas Processing (GASCO))*	17	-
	7,571,655	7,203,076
Purchases		
Abu Dhabi National Oil Company for Distribution*	336,292	292,524
Abu Dhabi National Oil Company (ADNOC))**	129,420	73,040
Petroleum Services Company (ESNAAD))*	71,670	21,846
Abu Dhabi Oil Refining Company (TAKREER))*	9,654	4,909
ADNOC Onshore (ADCO))*	3,291	1,255
	550,327	393,574

* These entities are considered sister entities of the Company under common control.

** This is the parent entity of the Company.

Compensation of key management personnel

The compensation of key management personnel was as follows:

	2019 AED'000	2018 AED' 000
Compensation of key management personnel	11,373	8,040
	11,373	8,040
Board of Directors members	7	7
Key management personnel	4	4

14 Related parties balances and transactions (continued)

Compensation of key management personnel (continued)

Compensation of key management personnel includes salaries and other benefits.

During the current year, the Company has not provided any loans to its Directors and their related parties.

15 Revenue

(a) Disaggregation of revenue from contracts with customers

The Company derives revenue from the transfer of drilling services over time. From the following major product line:

	2019 AED'000	2018 AED'000 (restated)
Contractual		
Drilling services - owned rigs	7,543,177	7,180,862
Drilling services - third party contracts	28,478	22,214
	7,571,655	7,203,076

16 Direct cost

	2019 AED'000	2018 AED'000 (restated)
Staff costs (Note 18)	1,652,582	1,540,880
Depreciation of property and equipment (Note 5)	1,365,706	1,387,542
Repairs and maintenance	1,200,494	878,224
Depreciation of right of use assets (Note 6)	17,813	-
Hire of equipment	187,372	199,292
Other direct cost	59,635	42,677
Chemicals	159,610	-
	4,643,212	4,048,615

17 General and administrative expenses

	2019 AED'000	2018 AED'000
Staff costs (Note 18)	462,712	397,174
Depreciation of property and equipment (Note 5)	11,245	9,342
Depreciation of right of use assets (Note 6)	9,801	-
Other general and administrative expenses	230,664	258,124
	714,422	664,640

18 Staff costs

	2019 AED'000	2018 AED' 000
Salaries and allowances	1,499,165	1,425,584
End of service benefits	55,526	35,129
Pension	57,809	55,980
Other employees' benefits	502,794	421,361
	2,115,294	1,938,054

Staff costs are allocated as follows:

	2019 AED'000	2018 AED' 000
Direct cost (Note 16)	1,652,582	1,540,880
General and administrative expenses (Note 17)	462,712	397,174
	2,115,294	1,938,054

19 Finance cost, net

	2019 AED'000	2018 AED'000
Finance income	14,026	7,188
Less: finance costs	(195,846)	(32,192)
	(181,820)	(25,004)

20 Dividends declared

As at 28 February 2019, shareholders approved a declaration of dividends of AED 189,107 thousand (2018: AED 5,773,953 thousand) in accordance with the Shareholder Agreement in the relevant portions of AED 179,650 thousand (2018: AED 5,773,953 thousand) for ADNOC and AED 9,457 thousand (2018: AED nil) for Baker Hughes Holdings SPV LTD.

21 Earnings per share

Basic earnings per share for the year are calculated by dividing profit for the year by the weighted average number of ordinary shares outstanding during the year.

	2019 AED'000	2018 AED'000
Profit for the year attributable to the shareholders of the Company	2,142,366	2,514,845
Number of shares during the year (shares '000)	4,000	4,000
Basic earnings per share	536	629

The Company has no dilutive potential ordinary shares; therefore, the diluted earnings per share equals the basic earnings per share.

22 Segment Reporting

Information regarding the Company's operating segments is set out below in accordance with IFRS 8 Operating Segments. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Executive Officer, as the chief operating decision maker, in order to allocate resources to the segment and to assess its performance. Information reported to the Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segment and Property and Equipment only. No information that includes the segments' assets (excluding Property and Equipment) and liabilities are reported to the Chief Executive Officer. The Chief Executive Officer primarily uses a measure of earnings before interest, tax, depreciation and amortisation (EBITDA, see below) to assess the performance of the operating segments.

For management purpose the Company is organized into four operating segments, all of which are based on business units:

Onshore segment is the largest segment and represents the business with ADNOC Onshore, with land rigs, waterwells and workover rigs

Offshore Jackup rigs is the second largest segment with twenty owned Jackups and some rentals meeting the ADNOC Offshore drilling needs

Offshore Island rigs is the third largest segment representing the Island part of ADNOC Offshore's requirement.

Oil Field Services (OFS) segment was created through the partnership with Baker Hughes in late 2018 and provides other services.

The Company operates primarily in United Arab Emirates and accordingly does not generate revenue or hold any material non-current assets outside the country.

22 Segment Reporting (continued)

The revenue reported above represents revenue generated from external customers only. There were no inter-segment sales in current or previous year.

Earnings before interest, tax, depreciation and amortisation "EBITDA" is the measure of the profitability being reviewed by CODM.

For revenue from major customers refer to Note 14.

	Onshore	Offshore Jackup	Offshore Island	OFS	Total
31 December 2019	**AED'000**	**AED'000**	**AED'000**	**AED'000**	**AED'000**
Revenue	3,929,439	2,468,515	816,309	357,392	7,571,655
Direct cost	(2,581,907)	(1,195,098)	(502,086)	(364,121)	(4,643,212)
Gross profit	**1,347,532**	**1,273,417**	**314,223**	**(6,729)**	**2,928,443**
General and administrative expenses	(422,488)	(197,008)	(94,926)	-	(714,422)
Other income, net	57,173	35,917	11,875	5,200	110,165
Finance cost, net	(107,523)	(50,137)	(24,160)	-	(181,820)
Profit for the year	**874,694**	**1,062,189**	**207,012**	**(1,529)**	**2,142,366**
EBITDA for the year is analysed as follows:					
EBITDA	**1,642,515**	**1,633,829**	**423,715**	**28,692**	**3,728,751**
Depreciation included in Direct Cost	(647,627)	(515,909)	(189,751)	(30,232)	(1,383,519)
Depreciation included in General and administrative expense	(12,666)	(5,593)	(2,787)	-	(21,046)
Total depreciation	**(660,293)**	**(521,502)**	**(192,538)**	**(30,232)**	**(1,404,565)**
Finance Cost	**(107,523)**	**(50,137)**	**(24,160)**	**-**	**(181,820)**
Profit for the year	**874,699**	**1,062,190**	**207,017**	**(1,540)**	**2,142,366**
31 December 2018					
Revenue	3,778,367	2,547,837	835,156	41,716	7,203,076
Direct cost	(2,351,186)	(1,159,820)	(497,032)	(40,577)	(4,048,615)
Gross profit	**1,427,181**	**1,388,017**	**338,124**	**1,139**	**3,154,461**
General and administrative expenses	(363,868)	(196,736)	(104,036)	-	(664,640)
Other income, net	26,240	17,694	5,799	295	50,028
Finance cost, net	(13,687)	(7,400)	(3,917)	-	(25,004)
Profit for the year	**1,075,866**	**1,201,575**	**235,970**	**1,434**	**2,514,845**

22 Segment Reporting (continued)

EBITDA for the year is analysed as follows:

31 December 2018	Onshore AED'000	Offshore Jackup AED'000	Offshore Island AED'000	OFS AED'000	Total AED'000
EBITDA	**1,737,842**	**1,743,556**	**443,631**	**11,704**	**3,936,733**
Depreciation included in Direct Cost	(643,169)	(531,914)	(202,281)	(10,178)	(1,387,542)
Depreciation included in General and administrative expense	(5,116)	(2,666)	(1,465)	(95)	(9,342)
Total depreciation	**(648,285)**	**(534,580)**	**(203,746)**	**(10,273)**	**(1,396,884)**
Finance Costs	**(13,687)**	**(7,400)**	**(3,917)**	**-**	**(25,004)**
Profit for the year	**1,075,870**	**1,201,576**	**235,968**	**1,431**	**2,514,845**

The following table represents segment assets for the Company's operating segments as reviewed by Chief Operating Decision maker

31 December 2019	Onshore AED'000	Offshore Jackup AED'000	Offshore Island AED'000	OFS AED'000	Total AED'000
Property and Equipment	4,192,548	5,813,072	1,115,742	788,870	11,910,232
31 December 2018					
Property and Equipment	4,217,139	5,847,123	1,122,278	793,443	11,979,983

23 Commitments and contingencies

	2019 AED'000	2018 AED'000
Capital commitments - rigs procurement	293,542	121,666
Bank guarantees outstanding	175	175

The above commitments, bank guarantees and letters of credit were issued in the normal course of business.

24 Financial instruments by category

	2019 AED'000	2018 AED'000
Financial assets		
Trade and other receivables	26,960	1,172
Due from related parties	4,532,380	1,599,689
Cash and cash equivalents	491,409	1,191,995
	5,050,749	2,792,856
Financial liabilities		
Long term borrowings	5,509,500	5,509,500
Trade and other payables	1,447,151	736,154
Due to related parties	140,082	103,627
	7,096,733	6,349,281

For the purpose of financial instruments disclosure, non-financial assets amounting to AED 2,414,987 thousands (2018: AED 1,990,822 thousands) have been excluded from trade and other receivables and due from related parties. All financial instruments are measured at amortised cost.

25 Change in accounting policy policies

This note explains the impact of the adoption of IFRS 16 Leases on the Company's financial information.

As indicated in Note 2.3, the Company has adopted IFRS 16 from 1 January 2019, and has not restated comparatives for the 2018 reporting period, as permitted under the specific transition provisions in the standard.

The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet as of 1 January 2019, therefore, it is not comparable to the information presented for 2018 under IAS 17'lease ("IAS17"). The new accounting policies are disclosed in Note 2.1.1.

On adoption from 1 January 2019 of IFRS 16, the Company recognised lease liabilities in relation to leases which had previously been classified as 'operating leases' under the principles of IAS 17 Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate as of 1 January 2019. The weighted average lessee's incremental borrowing rate applied to the lease liabilities on 1 January 2019 was 1.5%.

For leases previously classified as finance leases the entity recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of IFRS 16 are only applied after that date. Remeasurements to the lease liabilities were recognised as adjustments to the related right-of-use assets immediately after the date of initial application, if any.

25 Change in accounting policies (continued)

(i) Practical expedients applied,

In applying IFRS 16 for the first time, the Company has used the following practical expedients permitted by the standard:

1) applying a single discount rate to a portfolio of leases with reasonably similar characteristics,
2) relying on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 January 2019,
3) accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2019 as short-term leases,
4) excluding initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
5) using hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The Company has also elected not to reassess whether a contract is, or contains a lease at the date of initial application. Instead, for contracts entered into before the transition date the Company relied on its assessment made applying IAS 17 and interpretation 4 determining whether an arrangement contains a Lease.

(ii) Reconciliation of operating lease commitments under IAS 17 to lease liability under IFRS 16 as on 31 December 2019,

	As at 1 January 2019 AED'000
Operating lease commitments disclosed as at 31 December 2018	-
Add/(less): adjustments as a result of a different treatment of extension and termination options	86,156
	86,156

	As at 1 January 2019 AED'000
Of which are:	
Current lease liability	27,375
Non-current lease liabilities	58,781
	86,156

The change in accounting policy affected the following items in the condensed statement of financial position on 31 December 2019:

- Right of use assets - increased by AED 86,156 thousands.
- Lease liability - increased by AED 86,156 thousands.

26 Subsequent events

a) COVID 19 outbreak

After the outbreak of Coronavirus Disease 2020 ("COVID-19 outbreak") in early 2020, a series of precautionary and control measures have been and continued to be implemented across the world and have affected the business and economic activities to some extent. With the increasing market uncertainty regarding the impact of COVID-19 outbreak, the Company will pay close attention to the development of the COVID-19 outbreak and evaluate the impact on its future financial position and operating results. As at the date on which the financial statements were authorised for issue, the Company was not aware of any material adverse effects on the 2019 financial statements as a result of the COVID-19 outbreak.

b) Contract Modifications

During the year ended 31 December 2020, certain contract negotiations with ADNOC Offshore were concluded which resulted in the issuance of a credit note amounting to AED 153,206 thousand. Management have concluded that the negotiations were concluded in the year ended 31 December 2020, and at 31 December 2019 it was not highly probable any credit notes would be issued in the future based on past services. Accordingly, the credit note reduced the revenue for the year ended 31 December 2020 by AED 153,206 thousand. Had management concluded that it was highly probable that at 31 December 2019, there would be a future reversal in cumulative revenue recognised, revenue for the year ended 31 December 2019 would have been reduced by an amount based on management's best estimate of future probable reversals at that date.

c) Dividend declarations

i - On 16 February 2020, the Board of Directors approved a declaration of dividend amounting to AED 2,570,750 thousand (USD 700,000 thousand) in accordance with the Shareholder's Agreement in the relevant shareholding portions of AED 2,442,212 thousand (USD 665,000 thousand) for ADNOC and AED 128,538 thousand (USD 35,000 thousand) for Baker Hughes Holdings SPV LTD. The dividend was fully paid during the year.

ii - On 16 March 2021, the Board of Directors approved a declaration of dividend amounting to AED 2,570,750 thousand (USD 700,000 thousand) in accordance with the Shareholder's Agreement in the relevant shareholding portions of AED 2,442,212 thousand (USD 665,000 thousand) for ADNOC and AED 128,538 thousand (USD 35,000 thousand) for Baker Hughes Holdings SPV LTD.

27 Restatement of Comparative Figures

In accordance with the reissuance note 2.1.2, comparatives were restated to reflect certain prior period restatements. The note sets out the details of adjustments and the line items in the statement of comprehensive income, statement of financial position and statement of cash flows that have been impacted.

Revenue

Management has reassessed the accounting treatment for contracts with related party customers, where third parties are used to provide drilling services. These contracts are entered into with third parties, on behalf of related party customers in the ADNOC Group. Previously management had concluded that the Company was principal in these arrangements and had recorded revenue and costs relating to these contracts on a gross basis. Upon reassessment of these contracts, management has considered certain aspects of the arrangements, in particular, back to back arrangements and tri-party arrangements, between third parties and the related party customers. The terms and conditions of such arrangements do not give the Company control over drilling services which are being provided to the related party customers. As such the Company is acting as an agent whereby it is arranging for the procurement of the drilling services rather than being in control of the drilling services.

Accordingly, the comparative figures for revenue and direct costs in the statement of profit or loss and other comprehensive income have been restated. There was no impact on the statement of financial position or cash flow statement in the prior period.

	As previously reported AED'000	Adjustment AED'000	As restated AED'000
Statement of profit or loss and other comprehensive income for the year ended 31 December 2018			
Revenue	7,723,336	(520,260)	7,203,076
Direct costs	(4,568,875)	520,260	(4,048,615)

<u>Advance payment to a related party</u>

This balance relates to an advance payment for asset purchases which were included in current balances as a "due from related parties'. The balances are non-current and as such have been corrected and reclassified to non-current assets from current assets. The adjustment had no impact on the balance as 1 January 2018. Refer [1] below for the impact of the adjustment.

<u>Inventory reclassification</u>

Within the inventory balances there were certain balances which are non-current and as such not considered inventory. The balances should be accounted for as property and equipment and have been corrected and reclassified to property plant and equipment as of 31 December 2018 and 1 January 2018. Refer [2] below for the impact of the adjustment.

27 Restatement of Comparative Figures (continued)

	As previously reported AED'000	Adjustment AED'000	As restated AED'000
Statement of financial position as at 31 December 2018			
Non-current assets			
Property and equipment [2]	11,923,835	56,148	11,979,983
Advance payment to a related party [1]	-	1,101,900	1,101,900
Current assets			
Inventories [2]	365,944	(56,148)	309,796
Due from related parties [1]	3,469,617	(1,101,900)	2,367,717
Statement of cash flows for the year ended 31 December 2018			
Due from related parties	(1,803,705)	1,101,900	(701,805)
Net cash generated from operating activities	1,773,199	1,101,900	2,875,099
Advance to a related party	-	(1,101,900)	(1,101,900)
Net cash used in investing activities	(169,742)	(1,101,900)	(1,271,642)

The above reclassifications had no effect on the profit reported in the statement of profit or loss and other comprehensive income for the year ended 31 December 2018.

	As previously reported AED'000	Adjustment AED'000	As restated AED'000
Statement of financial position as at 1 January 2018			
Non-current assets			
Property and equipment [2]	13,145,457	48,318	13,193,775
Current assets			
Inventories [2]	338,208	(48,318)	289,890

The reclassification of the advance to a related party from due from related parties had no effect on the balances as at 1 January 2018.

27 Restatement of Comparative Figures (continued)

Disclosures changes

On reissuance of the financial statements, certain disclosures were enhanced in respect of financial instruments, revenue and related parties. In addition, disclosures relating to segment reporting and earnings per share were included.

ADNOC DRILLING COMPANY P.J.S.C.

Reports and financial statements
for the year ended 31 December 2020

ADNOC DRILLING COMPANY P.J.S.C.

Reports and financial statements
for the year ended 31 December 2020

Directors' report
for the year ended 31 December 2020

The Directors are pleased in submitting their report, together with the audited financial statements of ADNOC Drilling Company P.J.S.C. ("the Company") for the year ended 31 December 2020.

Principal activity

The Company is engaged in providing drilling services and supporting marine equipment, and the hiring out of onshore and offshore drilling rigs to parties involved in onshore and offshore oil and gas exploration and production.

The Company has continued to deliver strong performance and demonstrated once again its agility and resilience in a difficult environment which highlights the stewardship capabilities of the Company.

During the year, our focus remained on growing our core businesses, starting a new integrated drilling services division, consolidating and accelerating diversification initiatives, as well as pursuing regional expansion and cost-saving initiatives.

Financial highlights

Statement of financial position:

The Company's financial position remains very healthy showing net assets at 31 December 2020 of USD 3,251,811 thousand (2019: USD 3,382,777 thousand) with the decrease in total net assets due to the declaration and payment of dividends of USD 700,000 thousand.

Statement of profit or loss and other comprehensive income:

The Company recognised revenue for the year of USD 2,097,860 thousand (2019: USD 2,061,717 thousand). Profit for the year was USD 569,034 thousand (2019: USD 583,355 thousand). The increase in revenue is due to additional drilling services provided to ADNOC Onshore and Offshore.

Statement of cash flows:

Net cash generated from operating activities amounted to USD 1,788,628 thousand (2019: USD 18,754 thousand), the increase is mainly due to decrease in due from related party balances. Net cash used in investing activities amounted to USD 231,834 thousand (2019: USD 100,602 thousand) which relates to additions to property and equipment, advance to a related party and finance income.

Future outlook

The Company is continuing to pursue its strategy for sustainable growth, focusing on delivery of profitable growth in its core business and the new integrated drilling services division. We continue to further optimise the growth potential that the UAE offers. We also continue to enhance the Company's operating capabilities and remain focused on improving operating and cost efficiencies. Furthermore, we have a strong financial position that can support our expansion plans. Although regional economic uncertainty and commodity market volatility suggests challenges, we remain optimistic on the Company's prospects for future revenue and profit growth. Our ability to succeed and survive in this current challenging business environment is the outcome of the strategy that encompasses vision, enhanced quality and customer satisfaction.

Directors' report
for the year ended 31 December 2020 (continued)

Subsequent events

As of the date of this report, no major events have occurred that may have significant impact on the financial statements for the year ended 31 December 2020.

Financial reporting framework:

The Directors of the Company, to the best of their knowledge, believe that:

- The financial statements, prepared by the management of the Company, fairly present its state of affairs, the results of its operation, cash flows and changes in equity;
- The Company has maintained proper books of accounts;
- Appropriate accounting policies have been consistently applied in the preparation of financial statements unless otherwise stated, and accounting estimates are based on reasonable and prudent judgment; and
- The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), and comply, where appropriate with the local laws.

On behalf of the Board of Directors

____
Chairman
Abu Dhabi, UAE
10 May 2021

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDER OF ADNOC DRILLING COMPANY P.J.S.C.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of ADNOC Drilling Company P.J.S.C. ("the Company"), which comprise the statement of financial position as at 31 December 2020, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the other ethical requirements that are relevant to our audit of the Company's financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matter

The financial statements of the Company for the year ended 31 December 2019, were audited by another auditor who expressed an unmodified opinion on those statements on 19 March 2020. Subsequent to this date, the financial statements were reissued and the other auditor expressed an unmodified opinion on the reissued financial statements on 19 May 2021.The reissued financial statements included certain restatements described in note 2.1.2.

Other Information

Management is responsible for the other information. The other information comprises the Directors' report, which we obtained prior to the date of this auditor's report. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Deloitte.

Other Information (continued)

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs and their preparation in compliance with the applicable provisions of the articles of association of the Company, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risk, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDER OF ADNOC DRILLING COMPANY P.J.S.C. (continued)

Auditor's Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Further, as required by the Decree of the Chairman of the Abu Dhabi Accountability Authority No. (1) of 2017 pertaining to Auditing the Financial Statements of Subject Entities, we report that based on the procedures performed and information provided to us, nothing has come to our attention that causes us to believe that the Company has not complied, in all material respects, with any of the provisions of the following laws, regulations and circulars as applicable, which would materially affect its activities or the financial statements as at 31 December 2020:

- Law No. 15 of 2017 concerning the establishment of the Company which would materially affect its activities or its financial position; and
- Relevant provisions of the applicable laws, resolutions and circulars organising the Company's operations.

Deloitte & Touche (M.E.)

Rama Padmanabha Acharya
Registration No. 701
20 May 2021
Abu Dhabi
United Arab Emirates

Statement of financial position as at 31 December 2020

	Notes	2020 USD'000	2019 USD'000
ASSETS			
Non-current assets			
Property and equipment	5	**3,261,436**	3,243,082
Right-of-use assets	6	**39,301**	15,941
Advance to a related party	14	**408**	146,954
Advance payments		**4,250**	5,751
Total non-current assets		**3,305,395**	3,411,728
Current assets			
Inventories	7	**177,053**	124,180
Trade and other receivables	8	**139,296**	63,133
Due from related parties	14	**902,601**	1,688,982
Cash and cash equivalents	9	**953,465**	133,808
Total current assets		**2,172,415**	2,010,103
Total assets		**5,477,810**	5,421,831
EQUITY AND LIABILITIES			
Equity			
Share capital	10	**108,918**	108,918
Retained earnings		**3,142,893**	3,273,859
Total equity		**3,251,811**	3,382,777
Non-current liabilities			
Borrowings	11	**1,500,000**	1,500,000
Lease liabilities	6	**28,389**	15,996
Provision for employees' end of service benefits	12	**86,460**	87,496
Total non-current liabilities		**1,614,849**	1,603,492
Current liabilities			
Trade and other payables	13	**413,789**	394,048
Lease liabilities	6	**11,723**	3,370
Due to related parties	14	**185,638**	38,144
Total current liabilities		**611,150**	435,562
Total liabilities		**2,225,999**	2,039,054
Total equity and liabilities		**5,477,810**	5,421,831

Chairman **Chief Executive Officer** **Chief Financial Officer**

The accompanying notes form an integral part of these financial statements.

All parties consent to this document being signed electronically -FCD/INT/2021/1759

Statement of profit or loss and other comprehensive income for the year ended 31 December 2020

	Notes	2020 USD'000	2019 USD'000
Revenue	15	**2,097,860**	2,061,717
Direct cost	16	**(1,291,942)**	(1,264,319)
Gross profit		**805,918**	797,398
General and administrative expenses	17	**(215,305)**	(194,533)
Other income, net		**2,895**	29,999
Finance cost, net	19	**(24,474)**	(49,509)
Profit for the year		**569,034**	583,355
Other comprehensive income for the year		**-**	-
Total comprehensive income for the year		**569,034**	583,355
Earnings per share:			
Basic and diluted	25	**0.142**	0.146

The accompanying notes form an integral part of these financial statements.

Statement of changes in equity
for the year ended 31 December 2020

	Share capital USD'000	Retained earnings USD'000	Total equity USD'000
At 1 January 2019	108,918	2,741,997	2,850,915
Total comprehensive income for the year	-	583,355	583,355
Dividends paid	-	(51,493)	(51,493)
At 1 January 2020	108,918	3,273,859	3,382,777
Total comprehensive income for the year	-	569,034	569,034
Dividends paid	-	(700,000)	(700,000)
At 31 December 2020	**108,918**	**3,142,893**	**3,251,811**

The accompanying notes form an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2020

	2020	2019
	USD'000	USD'000
Cash flows from operating activities		
Profit for the year	**569,034**	583,355
Adjustments for:		
Depreciation of property and equipment	**357,037**	374,936
Depreciation of right-of-use assets	**9,177**	7,519
Provision for employees' end of service benefit	**12,691**	15,119
Reversal of provision for employees end of service benefit	**(2,537)**	-
Credit note issued to a related party	**41,717**	-
(Reversal)/allowance for slow moving and obsolete inventories	**(1,939)**	226
Loss on disposal property and equipment	**616**	1,006
Finance cost	**25,346**	53,328
Finance income	**(872)**	(3,819)
	1,010,270	1,031,670
Changes in working capital		
Increase in inventories	**(50,934)**	(40,046)
Decrease in advance payments	**1,501**	2,380
Increase in trade and other receivables	**(76,163)**	(29,895)
Decrease/(increase) in due from related parties	**744,664**	(1,044,265)
Increase in trade and other payables	**22,986**	94,160
Increase in due to related parties	**147,494**	9,926
Employees' end of service benefit paid	**(11,190)**	(5,176)
Net cash generated from operating activities	**1,788,628**	18,754
Cash flows from investing activities		
Additions to property and equipment	**(146,565)**	(33,371)
Advance to a related party	**(86,141)**	(71,050)
Finance income received	**872**	3,819
Net cash used in investing activities	**(231,834)**	(100,602)
Cash flows from financing activities		
Lease liabilities paid on principal	**(11,791)**	(4,094)
Dividends paid	**(700,000)**	(51,493)
Finance cost paid	**(25,346)**	(53,328)
Net cash used in financing activities	**(737,137)**	(108,915)
Net increase/(decrease) in cash and cash equivalents	**819,657**	(190,763)
Cash and cash equivalents at beginning of the year	**133,808**	324,571
Cash and cash equivalents at end of the year	**953,465**	133,808
Non-cash transactions:		
Additions to property and equipment against advances paid to a related party	**232,687**	224,137
Additions and modification to right-of-use assets and lease liabilities	**32,537**	23,460

The accompanying notes form an integral part of these financial statements.

Notes to the financial statements
for the year ended 31 December 2020

1 General information

ADNOC Drilling Company P.J.S.C ("the Company") formally is a public joint stock company, incorporated in 1972 by a resolution of the Council of Ministers of the Government of Abu Dhabi. The Company is registered in Abu Dhabi, United Arab Emirates and is a subsidiary of Abu Dhabi National Oil Company ("ADNOC"), which is wholly owned by the Government of Abu Dhabi. The Company is exempt from the provisions of Federal Commercial Companies Law No. 2 of 2015.

Pursuant to a share sale and purchase agreement dated 8 October 2018 between ADNOC and Baker Hughes Holding SPV Ltd. ("BHGE") (the "Agreement"), the Company sold 5% of the entire issued share capital of the Company to BHGE.

The principal activities of the Company are providing drilling services and supporting marine equipment, and the hiring out of onshore and offshore drilling rigs to related parties involved in onshore and offshore oil and gas exploration.
The registered address of the Company is P.O. Box 4017 Abu Dhabi, United Arab Emirates.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

2.1 New and amended IFRS applied with no material effect on the financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2020, have been adopted in these financial statements. The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

New and revised IFRSs	Effective for annual periods beginning on or after
Definition of Material – Amendments to IAS 1 *Presentation of Financial Statements* and IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors*	1 January 2020
The new definition states that, 'Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity.'	
Definition of a Business – Amendments to IFRS 3 *Business Combinations*	1 January 2020
The amendments clarify that to be considered a business, an integrated set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create output. IASB also clarify that a business can exist without including all of the inputs and processes needed to create outputs. That is, the inputs and processes applied to those inputs must have 'the ability to contribute to the creation of outputs' rather than 'the ability to create outputs'.	

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.1 New and amended IFRS applied with no material effect on the financial statements (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to *References to the Conceptual Framework in IFRS Standards* Amendments to References to the Conceptual Framework in IFRS Standards related IFRS 2, IFRS 3, IFRS 6, IFRS 14, IAS 1, IAS 8, IAS 34, IAS 37, IAS 38, IFRIC 12, IFRIC 19, IFRIC 20, IFRIC 22, and SIC-32 to update those pronouncements with regard to references to and quotes from the framework or to indicate where they refer to a different version of the Conceptual Framework.	1 January 2020
IFRS 7 Financial Instruments: Disclosures and IFRS 9 — Financial Instruments Amendments regarding pre-replacement issues in the context of the IBOR reform	1 January 2020
Covid-19-Related Rent Concessions – amendments to IFRS 16 The amendment provides lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification.	1 June 2020

2.2 New and amended IFRSs in issue but not yet effective and not early adopted

The Company has not applied the following new and revised IFRSs that have been issued but are not yet effective.

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to IAS 1 – *Classification of liabilities as current or non-current* The amendments to IAS 1 affect only the presentation of liabilities as current or non-current in the statement of financial position and not the amount or timing of recognition of any asset, liability, income or expenses, or the information disclosed about those items. The amendments clarify that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period, specify that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability, explain that rights are in existence if covenants are complied with at the end of the reporting period, and introduce a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are applied retrospectively for annual periods beginning on or after 1 January 2023, with early application permitted.	1 January 2023

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	**Effective for annual periods beginning on or after**
Amendments to IAS 37 – *Onerous Contracts—Cost of Fulfilling a Contract*	1 January 2022
The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract consist of both the incremental costs of fulfilling that contract (examples would be direct labour or materials) and an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).	
The amendments apply to contracts for which the entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which the entity first applies the amendments. Comparatives are not restated.	
Instead, the entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.	
Annual Improvements to IFRS Standards 2018–2020	1 January 2022
The Annual Improvements include amendments to four Standards, of which the below apply to the Company:	
IFRS 9 *Financial Instruments* and IFRS 16 *Leases.*	
IFRS 9 *Financial Instruments*	1 January 2022
The amendment clarifies that in applying the '10 per cent' test to assess whether to derecognise a financial liability, an entity includes only fees paid or received between the entity (the borrower) and the lender, including fees paid or received by either the entity or the lender on the other's behalf.	
The amendment is applied prospectively to modifications and exchanges that occur on or after the date the entity first applies the amendment.	
The amendment is effective for annual periods beginning on or after 1 January 2022, with early application permitted.	

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
IFRS 16 *Leases*	1 January 2022
The amendment removes the illustration of the reimbursement of leasehold improvements. As the amendment to IFRS 16 only regards an illustrative example, no effective date is stated.	
Amendments to IAS 16 – *Property, Plant and Equipment—Proceeds before Intended Use*	1 January 2022

The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced before that asset is available for use, i.e. proceeds while bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Consequently, an entity recognises such sales proceeds and related costs in profit or loss. The entity measures the cost of those items in accordance with IAS 2 *Inventories.*

The amendments also clarify the meaning of 'testing whether an asset is functioning properly'. IAS 16 now specifies this as assessing whether the technical and physical performance of the asset is such that it is capable of being used in the production or supply of goods or services, for rental to others, or for administrative purposes.

If not presented separately in the statement of comprehensive income, the financial statements shall disclose the amounts of proceeds and cost included in profit or loss that relate to items produced that are not an output of the entity's ordinary activities, and which line item(s) in the statement of comprehensive income include(s) such proceeds and cost.

The amendments are applied retrospectively, but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments.

The entity shall recognise the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of that earliest period presented.

The amendments are effective for annual periods beginning on or after 1 January 2022, with early application permitted.

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and amended IFRSs in issue but not yet effective and not early adopted (continued)

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements of the Company in the period of initial application.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRSs as issued by the International Accounting Standard Board (IASB).

Basis of preparation

The financial statements have been prepared in United States Dollar (USD), which is the Company's functional and presentation currency and all values are rounded to the nearest thousands (USD'000) except when otherwise stated.

During the year ended 31 December 2020, the Company changed its presentation currency to USD whereas in the prior year the financial statements were presented in AED.

These financial statements have been prepared on historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets

The principal accounting policies adopted are set out below:

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment losses, if any. The historical cost consists of expenses related directly to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Expenditure incurred to replace a component of an item of property and equipment that is accounted for separately is capitalised and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalised only when it increases future economic benefits of the related item of property and equipment. All other expenditure is recognised in the statement of profit or loss as incurred.

3 Summary of significant accounting policies (continued)

Property and equipment (continued)

Depreciation is calculated based on the estimated useful lives of the applicable assets on a straight-line basis commencing when the assets are ready for their intended use. The estimated useful lives, residual values and depreciation methods are reviewed at each statement of financial position date, with the effect of any changes in estimate accounted for on a prospective basis. Depreciation is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	Years
Building and yards	10 – 20
Drilling rigs and equipment	8 – 20
Camps and equipment	4 – 10
Motor vehicles	4
Furniture, fixtures and office equipment	4

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The repair and maintenance expenses are included in the statement of profit or loss and other comprehensive income when incurred.

An item of property and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the statement of profit or loss and other comprehensive income.

Capital work in progress

Capital work in progress is included in property and equipment at cost on the basis of the percentage completed at the reporting date. The capital work in progress is transferred to the appropriate asset category and depreciated in accordance with the above policies when construction of the asset is completed and the asset is commissioned and available for use.

Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its property and equipment and rights of use to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

3 Summary of significant accounting policies (continued)

Impairment of non-financial assets (continued)

The recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is determined on the weighted average basis and includes invoice value, freight and other expenses incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business, less applicable variable selling expenses.

Value added tax

Value added tax (‘VAT’) represents a standard rate of 5% that shall be imposed on any supply or import pursuant to Article (2) of the Federal Decree Law No. (8) of 2017 on the value of the supply or import as specified in the provisions of this Decree Law, effective from 1 January 2018.

- VAT payable, is payable to the Tax Federal Authority upon collection of receivables from customers. VAT on purchases, which have been settled at the date of the statement of financial position, are deducted from the amount payable.
- VAT receivable, relates to purchases which have not been settled at the date of the statement of financial position, VAT receivable is reclaimable against sales VAT upon payment of the purchases.

Leases

The Company as lessee

The Company assesses whether contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

3 Summary of significant accounting policies (continued)

Leases (continued)

The Company as lessee (continued)

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is presented as a separate line item in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- the lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revise discount rate is used).
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

The right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use of asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use of assets are presented as a separate line in the statement of financial position.

The Company applies IAS 36 to determine whether a right-of-use asset is impaired and accounts for an identified impairment loss as described in the ‘Impairment of tangible and intangible assets’ policy.

3 Summary of significant accounting policies (continued)

Leases (continued)

The Company as lessee (continued)

As a practical expedient, IFRS 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

Employee benefits

Provision is made for the estimated liability for employees' entitlement to annual leave and leave passage as a result of services rendered by eligible employees up to the reporting date. Provision is made for the full amount of end of service benefits due to employees in accordance with the UAE Labour Law, for their period of service up to the end of the reporting date.

With respect to its UAE national employees, the Company makes contributions to the Abu Dhabi Retirement Pension and Benefits Fund (the "Fund") calculated in accordance with the Fund's regulations. With respect to its GCC national employees, the Company makes contributions to the pension funds or agencies of their respective countries. The Company's obligations are accrued over the period of employment.

The provision relating to annual leave and leave passage is disclosed as a current liability, while that relating to end of service benefit is disclosed as a non-current liability.

Provisions

Provisions are recognised when the Company has an obligation (legal or constructive) arising from a past event, and the costs to settle the obligation are both probable and able to be reliably measured.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Revenue

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

<u>Drilling services</u>

The drilling services represent drilling contracts that includes rig packages, including crews and support equipment, to its customers. Contracts may be for a single well, multiple wells or a fixed term.

The Company's drilling services provided under each drilling rig contract is a single performance obligation satisfied over time and is comprised of a series of distinct time service periods in which the Company provides drilling services.

3 Summary of significant accounting policies (continued)

Revenue (continued)

Drilling services (continued)

Variable consideration is assessed to the extent that it is probable that a significant reversal will not occur during the contract term. When determining if variable consideration should be recognised, management considers whether there are factors outside of the Company's control that could result in a significant reversal of revenue as well as the likelihood and magnitude of a potential reversal of revenue.

Revenue from reimbursable goods and services

Revenue from reimbursable goods and services represents mark-ups on certain equipment, materials and supplies, third party services and other expenses acquired at the request of the customer.

Foreign currencies

For the purpose of these financial statements United States Dollar (USD) is the functional and the presentation currency of the Company.

Transactions in currencies other than USD (foreign currencies) are recorded at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

Financial instruments

Financial assets and financial liabilities are recognised in the Company's statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the statement of profit or loss and other comprehensive income.

Financial assets

All recognised financial assets are measured subsequently in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. The Company does not currently have any financial assets that are measured at fair value.

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Financial assets designated at amortised cost

Financial assets that meet the following conditions are measured subsequently at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Amortised cost and effective interest rate method

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

Interest income is recognised using the effective interest method for debt instruments measured subsequently at amortised cost. For financial instruments other than purchased or originated credit-impaired financial assets, interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that have subsequently become credit-impaired (see below). For financial assets that have subsequently become credit-impaired, interest income is recognised by applying the effective interest rate to the amortised cost of the financial asset. If, in subsequent reporting periods, the credit risk on the credit-impaired financial instrument improves so that the financial asset is no longer credit-impaired, interest income is recognised by applying the effective interest rate to the gross carrying amount of the financial asset.

For purchased or originated credit-impaired financial assets, the Company recognises interest income by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition. The calculation does not revert to the gross basis even if the credit risk of the financial asset subsequently improves so that the financial asset is no longer credit-impaired.

Interest income is recognised in the statement of profit or loss and other comprehensive income.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses on trade receivables and due from related parties. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

The Company always recognises lifetime ECL for trade receivables and due from related parties The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

(i) Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Company considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

The Company regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

The Company assumes that the credit risk on a financial instrument has not increased significantly since initial recognition if the financial instrument is determined to have low credit risk at the reporting date. A financial instrument is determined to have low credit risk if:

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

(i) Significant increase in credit risk (continued)

- The financial instrument has a low risk of default;
- The borrower has a strong capacity to meet its contractual cash flow obligations in the near term, and
- Adverse changes in economic and business conditions in the longer term may, but will not necessarily, reduce the ability of the borrower to fulfil its contractual cash flow obligations.

(ii) Definition of default

The Company considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that financial assets that meet either of the following criteria are generally not recoverable:

- when there is a breach of financial covenants by the debtor; or
- information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Company, in full (without taking into account any collateral held by the Company).

Irrespective of the above analysis, the Company considers that default has occurred when a financial asset is more than 365 days past due unless the Company has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

(iii) Write-off policy

The Company writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery.

Derecognition of financial assets

The Company derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss.

3 Summary of significant accounting policies (continued)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Financial liabilities measured subsequently at amortised cost

All financial liabilities are measured subsequently at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost of a financial liability.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

3 Summary of significant accounting policies (continued)

Employees' pension

The Company makes pension contributions on behalf of UAE citizens in accordance with the Emirate of Abu Dhabi Law No. 2 of 2000. The contributions are treated as payments to a defined contribution pension plan. A defined contribution plan is a pension plan under which fixed contributions are paid into a separate pension entity fund.

The Company has no legal or constructive obligations to pay further contributions if the Abu Dhabi Retirement Pensions & Benefits Fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expenses when they are due. Prepaid contributions are recognized as an asset to the extent that a cash refund or a reduction in future payments is available.

4 Key judgement and source of estimation and uncertainty

The preparation of the financial statements in compliance with IFRSs requires the management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and contingent liabilities. Future events may occur which will cause the assumptions used in arriving at the estimates to change. The effects of any change in estimates are reflected in the financial statements as they become reasonably determinable.

Judgments and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:

<u>Revenue presentation</u>

Third party rig rental contracts are those which are entered into with third parties for the benefit of related parties. In such contracts, the Company neither has control over the rigs or services provided by the third party nor takes delivery of the rigs prior to its deployment by the related parties. In addition, the Company enters into back to back arrangements with related parties on the same term as it does with the third parties (which is contractually acknowledged by the third parties). Consequently, management has concluded that it is acting as an agent in these arrangements. Accordingly, revenue and cost relating to these services are presented on a net basis. Had management concluded that they were acting as principal in these transactions, revenue and direct costs would have been higher by USD 306,355 thousand in the current year (2019: USD 205,119 thousand).

4 Key judgement and source of estimation and uncertainty (continued)

Critical accounting judgments (continued)

Contract modifications

The Company, from time to time and in the normal course of business, amends its revenue contracts with related parties. Significant judgment is required to determine whether, based on the status of ongoing negotiations, it is highly probable that a significant reversal in the amount of cumulative revenue recognised will occur at the conclusion of such negotiations.

In the current year, certain contract negotiations (which commenced prior to 1 January 2020) with ADNOC Offshore were concluded which resulted in the issuance of a credit note amounting to USD 41,717 thousand. The credit notes related to services in prior years as a result of retrospective reduction in certain rig rates. Management have concluded that the negotiations were concluded in the current year and at 31 December 2019, it was not highly probably any credit notes would be issued in the future based on past services. Accordingly, the credit note reduced current year revenue by USD 41,717 thousand. Had management concluded that it was highly probable that at 31 December 2019, there would be a future reversal in cumulative revenue recognised, prior year revenue would have been reduced by an amount based on management's best estimate of future probable reversals at that date.

Determining the lease term

Certain leases are entered into with a related party which contain clauses for automatic annual renewal of the lease term unless either party provides a notice to not extend the lease. In determining the lease term, management considers all facts and circumstances that create an economic incentive to not exercise a termination option. Periods after termination options are only included in the lease term if the lease is reasonably certain to be not terminated. Management consider all facts and circumstances that create an economic incentive to not terminate the lease to determine the appropriate lease terms.

During the year ended 31 December 2020, no significant events or significant change in circumstances occurred that caused the management to reassess the lease term of such contracts.

Classification of share capital

The Articles of Association and Shareholders' Agreement ("SHA") provides a right to the shareholders to procure a defined dividend payment where the Company has Distributable Profits equal to or greater than the Target Dividend (as defined in the SHA) and the available Free Cash.

Free Cash is defined as the cash generated by the Company after reasonable provisions have been made for debt service (but excluding any Dividend Loan) and the Company's capital expenditure and working capital requirements). Management concluded that it has full discretion to determine what the Free Cash will be at each year because it has full discretion in regards to the capital expenditure and the determination of minimum working capital requirements as neither of these metrics are limited or restricted in the SHA.

4 Key judgement and source of estimation and uncertainty (continued)

Critical accounting judgments (continued)

Classification of share capital (continued)

The Target Dividend is defined in the SHA and is a fixed multiple of the purchase price paid by the minority shareholder to acquire its 5% equity interest in the Company.

If it is determined that Free Cash is below the value of the Target Dividend or Distributable Profits, then management is not required to make a dividend payment. Instead, the Company will credit the shareholders with a Dividend Loan in lieu of the dividend. The Dividend Loans are interest free and do not result in the Company receiving any cash from the shareholders instead it represents the shareholders rights to unpaid minimum dividends calculated based on the Target Dividend formula. As at December 31, 2020 and 2019 no Dividend Loans have been issued as all Target Dividends have been paid.

In reaching a judgment as to whether the shares should be classified as liabilities or equity interests, management has considered the wide discretion of the Board of Directors to determine whether any portion of the amount of cash available to the Company constitutes Free Cash as described above. Accordingly, management has concluded that the terms of the SHA does not represent a contractual obligation on the Company to deliver cash and therefore the shares as well as any unpaid dividend converted into a Dividend Loan should be classified as equity.

Capitilisation of capital maintenance

Management uses their judgment in reference to IAS 16 *Property, Plant and Equipment* in capitalising or expensing maintenance costs depending on whether the maintenance activity will result in an increase in the life or the efficiency of the asset.

Key sources of estimation uncertainty

Impairment of property and equipment

Property and equipment are assessed for impairment based on assessment of cash flows on individual cash generating units when there is indication of impairment. Management did not identify any impairment indicators in the current or prior year for property and equipment.

Provision for slow moving or obsolete inventories

When inventories become old or obsolete, an estimate is made of their net realisable value. Inventory items are categorised based on their aging and accordingly for each category are recognised as a provision for obsolete and slow-moving inventories. Provision for obsolete and slow-moving inventories at 31 December 2020 amounted to USD 20,377 thousand (2019: USD 22,316 thousand).

4 Key judgement and source of estimation and uncertainty (continued)

Key sources of estimation uncertainty (continued)

COVID-19

In March 2020, the World Health Organization (WHO) declared a new strain of coronavirus (COVID-19) as a pandemic outbreak after finding the increase in exposure and infections across the world. To contain the outbreak in the United Arab Emirates, the government enforced restriction of movement for both people and goods including the closure of both inbound and outbound flights to and from the country.

The outbreak comes with unpredictable human and economic consequences and its evolution remains unknown at the date of the issuance of the financial statements. As the situation is rapidly evolving, the impact on the Company's activities and operations remains extraordinarily uncertain.

The Company regularly assesses the impact of COVID-19 on its operations, business continuity, liquidity and legal obligations.

The impact of this outbreak has had no material impact on the loss allowance on trade receivables and due from related parties. The Company will continue to closely monitor the impact of COVID 19 and a prolonged continuation of the situation and/or another lockdown may lead to further provisions and/or impairment in future periods.

The Company has a documented business continuity plan (BCP) that has been activated to ensure the safe and stable continuation of its business operations as well as the safety of its employees and customers. The Company has also introduced proactive comprehensive measures to address and mitigate key operational and financial issues arising from the current situation and has reasonably managed several areas of operational risks identified and implemented various measures that ensured continuity of the operations.

Notes to the financial statements
for the year ended 31 December 2020 (continued)

5 Property and equipment

	Building and yards USD'000	Drilling rigs and equipment USD'000	Camps and equipment USD'000	Motor vehicles USD'000	Furniture fixtures and office equipment USD'000	Capital work- in progress USD'000	Total USD'000
Cost							
At 1 January 2019	89,167	5,047,850	255,134	43,250	50,128	-	5,485,529
Additions during the year	-	192,496	12,096	15	1,834	150,503	356,944
Disposals	-	(39,924)	(2,989)	(287)	(307)	-	(43,507)
At 1 January 2020	89,167	5,200,422	264,241	42,978	51,655	150,503	5,798,966
Additions during the year	273	119,370	-	145	1,528	254,691	376,007
Disposals	(743)	(1,871)	-	-	(16)	-	(2,630)
Transfers	-	93,879	-	78	9,804	(103,761)	-
Reclassification	(249)	264,323	(264,241)	(14,751)	13,157	1,761	-
At 31 December 2020	**88,448**	**5,676,123**	**-**	**28,450**	**76,128**	**303,194**	**6,172,343**
Accumulated depreciation							
At 1 January 2019	52,644	1,971,192	117,162	40,828	41,625	-	2,223,451
Charge for the year	3,029	349,889	17,727	1,434	2,857	-	374,936
Eliminated on disposals	-	(39,300)	(2,699)	(287)	(217)	-	(42,503)
At 1 January 2020	55,673	2,281,781	132,190	41,975	44,265	-	2,555,884
Charge for the year	2,760	347,166	-	770	6,341	-	357,037
Eliminated on disposals	(297)	(1,701)	-	-	(16)	-	(2,014)
Reclassification	-	133,794	(132,190)	(14,550)	12,946	-	-
At 31 December 2020	**58,136**	**2,761,040**	**-**	**28,195**	**63,536**	**-**	**2,910,907**
Carrying amount							
At 31 December 2020	**30,312**	**2,915,083**	**-**	**255**	**12,592**	**303,194**	**3,261,436**
At 31 December 2019	33,494	2,918,641	132,051	1,003	7,390	150,503	3,243,082

In the current year, management no longer viewed camps and equipment as a separate item of property and equipment and reallocated the previous costs and accumulated depreciation to other categories (mainly drilling rigs and equipment). Other immaterial adjustments were made to reclassify certain motor vehicles to furniture, fixtures and office equipment.

5 Property and equipment (continued)

The depreciation is allocated as follows:

	2020 USD'000	2019 USD'000
Direct cost (note 16)	**348,573**	371,874
General and administrative expenses (note 17)	**8,464**	3,062
	357,037	374,936

Property and equipment include assets that are still in use and which are fully depreciated amounting to USD 776,311 thousand (2019: USD 169,108 thousand).

6 Right-of-use assets and lease liabilities

Amounts recognised in the statement of financial position:

	2020 USD'000	2019 USD'000
Right-of-use assets		
At 1 January	**15,941**	23,460
Additions during the year	**15,960**	-
Lease modification	**16,577**	-
Depreciation for the year	**(9,177)**	(7,519)
At 31 December	**39,301**	15,941
Lease liabilities		
At 1 January	**19,366**	23,460
Additions during the year	**15,960**	-
Lease modification	**16,577**	-
Accretion of interest	**521**	257
Payments	**(12,312)**	(4,351)
At 31 December	**40,112**	19,366
Disclosed as follows:		
Current	**11,723**	3,370
Non-current	**28,389**	15,996
	40,112	19,366

6 Right-of-use assets and lease liabilities (continued)

Amounts recognised in the statement of profit or loss and other comprehensive income

	2020	2019
	USD'000	USD'000
Direct cost (note 16)	**8,129**	4,850
General and administrative expenses (note 17)	**1,048**	2,669
	9,177	7,519

During the year, the Company and lessor agreed to amend the annual lease payments for the remaining 5 years for lease of office building. The Company accounted it as a lease modification and remeasured the lease liability to reflect the modified lease payments discounted at a revised incremental borrowing rate ("IBR") of 1.5%. This resulted in lease modification amounting to USD 16,577 thousand.

7 Inventories

	2020	2019
	USD'000	USD'000
Inventories at warehouses	**188,586**	137,668
Inventories at rigs	**8,844**	8,828
Allowance for slow moving or obsolete inventories	**(20,377)**	(22,316)
	177,053	124,180

The movement in the allowance for slow moving or obsolete inventories during the year was as follows:

	2020	2019
	USD'000	USD'000
At 1 January	**22,316**	22,583
(Reversal)/charge during the year	**(1,939)**	226
Write off	**-**	(493)
At 31 December	**20,377**	22,316

Notes to the financial statements
for the year ended 31 December 2020 (continued)

8 Trade and other receivables

	2020 **USD'000**	2019 USD'000
Trade receivables	**20,028**	3,358
Advances to supplier	**44,514**	26,587
Advances to staff	**23,195**	21,077
Accrued revenue	**10,159**	5,911
Insurance prepayment	**5,306**	2,217
Other receivables	**36,094**	3,983
	139,296	63,133

9 Cash and cash equivalents

	2020 **USD'000**	2019 USD'000
Cash in bank	**953,152**	133,556
Cash on hand	**313**	252
	953,465	133,808

Included within cash in bank is an amount of USD 934,043 thousand (2019: nil) held by ADNOC. Cash held by ADNOC are funds held on behalf of the Company and are available on demand.

10 Share capital

	2020 **USD'000**	2019 USD'000
Authorised, issued and fully paid up		
4,000,000 shares of AED 100 each (USD: 27.2294)	**108,918**	108,918

Notes to the financial statements
for the year ended 31 December 2020 (continued)

11 Borrowings

	2020 USD'000	2019 USD'000
Non-current		
Syndicated loan	**1,500,000**	1,500,000

During the year 2018, the Company obtained syndicated loan from multiple banks, as listed below, to finance the payment of dividends to the shareholder which was declared and paid during the year ended 31 December 2019 and also in 2020.

The borrowings presented in the statement of financial position consist of the following:

Type	Currency	Interest rate	Year of maturity	2020 USD'000	2019 USD'000
Syndicated loan	**USD**	**LIBOR + 0.9%**	**2023**	**1,500,000**	1,500,000

The facility carries a fixed margin of 0.9% and six month LIBOR interest rate. The loan matures in a lump sum amount after 5 years from utilisation facility request date with each respective bank.

	2020 USD'000	2019 USD'000
First Abu Dhabi Bank (note 14)	**375,000**	375,000
Sumitomo Mitsui Banking Corporation	**375,000**	375,000
Abu Dhabi Commercial Bank (note 14)	**375,000**	375,000
Bank of America Merrill Lynch International Limited	**75,000**	75,000
Citibank	**75,000**	75,000
Mizuho Bank	**75,000**	75,000
Sgbtci SA	**75,000**	75,000
UniCredit Bank Austria AG	**75,000**	75,000
	1,500,000	1,500,000

The below table sets out an analysis of net debt and the movements in net debt for each of the year presented:

Notes to the financial statements
for the year ended 31 December 2020 (continued)

11 Borrowings (continued)

	2020 **USD'000**	2019 USD'000
Cash and cash equivalents	**953,465**	133,808
Prepaid loan arrangement fees	**(4,250)**	(5,751)
Borrowings repayable after 1 year	**(1,500,000)**	(1,500,000)
	(550,785)	(1,371,943)

	Assets		**Financing activities**		
	Margin deposit USD'000	**Cash and cash equivalents USD'000**	**Term loans – repayable after 1 year USD'000**	**Prepaid loan arrangement fees USD'000**	**Total USD'000**
31 December 2020					
Net debt					
At 1 January 2020	-	133,808	(1,500,000)	(5,751)	**(1,371,943)**
Cash flows	-	819,657	-	-	**819,657**
Non-cash movements	-	-	-	1,501	**1,501**
At 31 December 2020	**-**	**953,465**	**(1,500,000)**	**(4,250)**	**(550,785)**

	Assets		Financing activities		
	Margin deposit USD'000	Cash and cash equivalents USD'000	Term loans – repayable after 1 year USD'000	Prepaid loan arrangement fees USD'000	Total USD'000
31 December 2019					
Net debt					
At 1 January 2019	-	324,571	(1,500,000)	(8,131)	(1,183,560)
Cash flows	-	(190,763)	-	-	(190,763)
Non-cash movements	-	-	-	2,380	2,380
At 31 December 2019	-	133,808	(1,500,000)	(5,751)	(1,371,943)

12 Provision for employees' end of service benefits

The movement in the provision for employees' end of service benefit is as follows:

	2020 **USD'000**	2019 USD'000
At 1 January	**87,496**	77,553
Charge during the year	**12,691**	15,119
Paid during the year	**(11,190)**	(5,176)
Reversal during the year	**(2,537)**	-
At 31 December	**86,460**	87,496

13 Trade and other payables

	2020 **USD'000**	2019 USD'000
Accrued expenses	**322,595**	339,706
Trade payable	**66,361**	39,088
Retention payable	**3,818**	3,795
Accrual for employees' benefits	**14,678**	7,255
Pension payable	**3,707**	515
Other payables	**2,630**	3,689
	413,789	394,048

The average credit period on purchases is 60 days. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

14 Related party balances and transactions

Related parties represent the shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties and the Government of the Emirate of Abu Dhabi and its related parties. Pricing policies and terms of these transactions are approved by the Company's management.

The Company's transaction with other entities owned or controlled, either directly or indirectly by the Government of Abu Dhabi, included in the statement of financial position are as follows:

Notes to the financial statements
for the year ended 31 December 2020 (continued)

14 Related party balances and transactions (continued)

	2020 USD'000	2019 USD'000
Due from related parties (a)	**136,924**	294,130
Other balances due from related parties (b)	**765,677**	1,394,852
	902,601	1,688,982

	2020 USD'000	2019 USD'000
(a) Due from related parties		
ADNOC Offshore	**135,569**	165,295
Abu Dhabi National Oil Company (ADNOC)	**933**	326
ADNOC Refining	**128**	128
Abu Dhabi National Oil Company for Distribution	**126**	-
ADNOC Sour Gas	**96**	252
Al Dhafrah JV	**54**	-
ADNOC Gas Processing	**18**	5
ADNOC Onshore	**-**	128,124
	136,924	294,130

At 31 December 2020, the Company had a significant concentration of credit risk, with one of the customer representing 99% (2019: two customers representing 99%) of related parties receivables outstanding at that date.

Management is confident that this concentration of credit risk will not result in any loss to the Company considering the credit history of these customers and the fact that those balances are due from sister companies majority owned by ADNOC, which is wholly owned by the Government of Abu Dhabi . Fitch Ratings has given ADNOC Group a standalone credit rating of AA+ and a long-term issuer default rating of AA with a stable outlook, in line with the sovereign rating of Abu Dhabi.

Due from related party balances that are less than one month from invoice date are not considered impaired. As at 31 December 2020, related party balances of USD 89,880 thousand (2019: USD 169,151 thousand) were neither past due nor impaired.

As at 31 December, the ageing of related party balances was as follows:

	2020 USD'000	2019 USD'000
Not past due	**89,880**	169,151
Due from 31 to 60 days	**13**	30,365
Due from 61 to 90 days	**9,242**	66,823
Due from more than 91 days	**37,789**	27,791
	136,924	294,130

14 Related party balances and transactions (continued)

	2020 USD'000	2019 USD'000
(b) Other balances due from related parties (i)		
ADNOC Onshore	**575,768**	202,672
ADNOC Offshore (ii)	**189,332**	221,929
ADNOC Sour Gas	**482**	121
Al Dhafra JV	**95**	42
Abu Dhabi National Oil Company (ADNOC)	**-**	970,088
	765,677	1,394,852
Advance to a related party		
Baker Hughes Holding SPV Ltd.	**408**	146,954

Advance to a related party represents advance paid as part of Commercial Framework Agreement to expand the Company's drilling service capabilities.

(i) Other balances due from related parties represents revenue generated from providing drilling services but not yet billed. Billing will occur based on the terms of the contract. These primarily relate to the Company's rights to consideration for the provided drilling services to the Company's clients but not billed at the reporting date.

(ii) This balance is presented net of an amount of USD 41,717 thousand (2019: nil) for a credit note issued in the current year (note 15).

	2020 USD'000	2019 USD'000
Due to related parties		
ADNOC Onshore	**102,655**	169
Abu Dhabi National Oil Company for Distribution	**44,852**	12,360
Abu Dhabi National Oil Company (ADNOC)	**34,593**	12,036
ADNOC Logistics & Services	**3,538**	-
Petroleum Services Company (ESNAAD)	**-**	11,701
ADNOC Refining	**-**	1,878
	185,638	38,144

The balances due to/from related parties are non-interest bearing and are payable/receivable on demand.

	2020 USD'000	2019 USD'000
Loan from related parties (note 11)		
First Abu Dhabi Bank	**375,000**	375,000
Abu Dhabi Commercial Bank	**375,000**	375,000
	750,000	750,000

Notes to the financial statements
for the year ended 31 December 2020 (continued)

14 Related party balances and transactions (continued)

Significant transactions with related parties during the year are as follows:

	2020 USD'000	2019 USD'000
Revenue		
ADNOC Onshore	**1,156,899**	1,112,092
ADNOC Offshore	**881,669**	898,726
Abu Dhabi National Oil Company (ADNOC)	**900**	-
ADNOC Sour Gas	**498**	-
Al Dhafrah JV	**51**	96
Abu Dhabi Gas Development Ltd	**-**	1,608
ADNOC Refining	**-**	128
Abu Dhabi Gas Processing	**-**	5
	2,040,017	2,012,655

	2020 USD'000	2019 USD'000
Purchases		
Abu Dhabi National Oil Company (ADNOC)	**33,191**	35,240
ADNOC Logistics & Services	**15,075**	-
ADNOC Distribution	**42,571**	91,570
ADNOC Onshore	**23**	597
ADNOC Refining	**-**	2,629
Petroleum Services Company (ESNAAD)	**-**	19,515
	90,860	149,551
Lease payments		
Abu Dhabi National Oil Company (ADNOC)	**12,113**	4,313
Key management compensation		
Compensation of key management personnel	**2,960**	3,097
Board of Directors members	**7**	7
Key management personnel	**6**	4

15 Revenue

The Company derives revenue from the transfer of drilling services over time. From the following major product line:

	2020 USD'000	2019 USD'000
Drilling services	**2,080,462**	2,053,963
Facilitation of rigs rental	**17,398**	7,754
	2,097,860	2,061,717

Included in revenue for drilling services for the year ended 31 December 2020 is a discount of USD 41,717 thousand (2019: nil) related to a credit note issued by the Company to a related party for past services performed. The credit note issued resulted from commercial negotiations with the related party which were concluded during the year (refer to note 4).

As at 31 December 2020, Management does not have unsatisfied performance obligations that will be recognised as revenue during the next financial year. The amount disclosed above does not include variable consideration which is constrained.

16 Direct cost

	2020 USD'000	2019 USD'000
Staff costs (note 18)	**429,008**	449,988
Depreciation of property and equipment (note 5)	**348,573**	371,874
Repairs and maintenance	**328,809**	326,887
Depreciation of right-of-use assets (note 6)	**8,129**	4,850
Hire of equipment	**12,887**	51,020
Other direct cost	**117,345**	16,238
Chemicals	**47,191**	43,462
	1,291,942	1,264,319

Notes to the financial statements
for the year ended 31 December 2020 (continued)

17 General and administrative expenses

	2020 USD'000	2019 USD'000
Staff costs (note 18)	**178,492**	125,994
Depreciation of property and equipment (note 5)	**8,464**	3,062
Depreciation of right-of-use assets (note 6)	**1,048**	2,669
Other expenses	**27,301**	62,808
	215,305	194,533

18 Staff costs

	2020 USD'000	2019 USD'000
Salaries and allowances	**408,603**	408,214
End of service benefits (note 12)	**12,691**	15,119
Pension	**22,524**	15,741
Other employees' benefits	**163,682**	136,908
	607,500	575,982

19 Finance cost, net

	2020 USD'000	2019 USD'000
Finance income	**872**	3,819
Less: finance costs	**(25,346)**	(53,328)
	(24,474)	(49,509)

20 Dividends

On 16 February 2020, the Board of Directors approved a declaration of dividend amounting to USD 700,000 thousand (2019: USD 51,493 thousand) in accordance with the Shareholders' Agreement in the relevant shareholding portions of USD 665,000 thousand (2019: USD 48,918 thousand) for ADNOC and USD 35,000 thousand (2019: USD 2,575 thousand) for Baker Hughes Holdings SPV LTD. The dividend was fully paid during the year.

On 16 March 2021, the Board of Directors approved a declaration of dividend amounting to USD 700,000 thousand in accordance with the Shareholders' Agreement in the relevant shareholding portions of USD 665,000 thousand for ADNOC and USD 35,000 thousand for Baker Hughes Holdings SPV LTD.

21 Commitments and contingencies

	2020 USD'000	2019 USD'000
Capital commitments – rigs procurement	**66,350**	79,930
Bank guarantees	**48**	48

The above commitments, bank guarantees and letters of credit were issued in the normal course of business.

22 Financial instruments by category

	2020 USD'000	2019 USD'000
Financial assets		
Trade and other receivables	**56,122**	7,341
Due from related parties	**136,924**	294,130
Cash and cash equivalents	**953,465**	133,808
	1,146,511	435,279
Financial liabilities		
Borrowings	**1,500,000**	1,500,000
Trade and other payables	**413,789**	394,048
Due to related parties	**185,638**	38,144
Lease liabilities	**40,112**	19,366
	2,139,539	1,951,558

23 Financial instruments

Financial risk management

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow and fair value interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Market risk

Foreign exchange risk

Foreign exchange risk is limited as the Company's transactions are principally in UAE Dirhams or US Dollars. As the UAE Dirham is pegged to the US Dollar, balances in AED are not considered to represent significant currency risk.

23 Financial instruments (continued)

Financial risk management (continued)

Market risk (continued)

Price risk

The Company has no significant direct exposure to commodity price risk. Reduction in oil prices may lead to reduction in the level of future drilling services procured by customers who have significant exposure to oil and gas prices.

Cash flow and fair value interest rate risk

The following table demonstrates the sensitivity to reasonably possible changes in interest rates, with all other variables held constant, of the Company's profit.

	Effect on profit USD'000
2020	
+10 increase in basis points	**(1,500)**
-10 increase in basis points	**1,500**
2019	
+10 increase in basis points	(1,500)
-10 increase in basis points	1,500

The fair values of the Company's financial instruments are not materially different from their carrying amounts.

Credit risk

Credit risk arises from balances with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables, due from group companies and committed transactions. Management assesses the credit quality of its customers, taking into account financial position, past experience and other factors. Individual risk limits are based on management's assessment on a case-by-case basis. The utilisation of credit limits is regularly monitored.

The Company's policy is to place cash and cash equivalents with reputable banks and financial institutions and the Company's management does not expect any losses from non-performance of its counterparties as it believes that adequate allowance has been created against the impaired receivables.

The Company's trade receivable balances are monitored on an ongoing basis with the result that the Company's exposure to bad debts is not significant. The maximum exposure is the carrying amount of the trade receivables as disclosed in note 8.

23 Financial instruments (continued)

Financial risk management (continued)

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company ensures that it has sufficient cash on demand to meet expected operational expenses for a short term period, including the servicing of financial obligations; this excludes the potential impact of extreme circumstances that cannot reasonably be predicted, such as natural disasters. The table below summarises the maturity profile of the Company's financial liabilities at 31 December 2020 and 2019 based on the contractual undiscounted payments.

	Notes	Carrying value USD'000	Contractual cash flows USD'000	1 year or less USD'000	More than 1 year USD'000
31 December 2020					
Lease liabilities	**6**	**40,112**	**40,231**	**14,691**	**25,540**
Borrowings	**11**	**1,500,000**	**1,547,104**	**15,701**	**1,531,403**
Trade and other payables	**13**	**413,789**	**413,789**	**413,789**	**-**
Due to related parties	**14**	**185,638**	**185,638**	**185,638**	**-**
		2,139,539	**2,186,762**	**629,819**	**1,556,943**
31 December 2019					
Lease liabilities	6	19,366	19,637	2,771	16,866
Borrowings	11	1,500,000	1,712,033	52,957	1,659,076
Trade and other payables	13	394,048	394,048	394,048	-
Due to related parties	14	38,144	38,144	38,144	-
		1,951,558	2,163,862	487,920	1,675,942

Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for its shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. The policies are based on management's assessment of available options, in conjunction with the shareholders.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders or issue new shares.

23 Financial instruments (continued)

Financial risk management (continued)

Capital risk management (continued)

The Company monitors capital on the basis of its gearing ratio. This ratio is calculated as net debt divided by total equity plus net debt. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as total equity as shown in the statement of financial position plus net debt.

24 Segment reporting

Information regarding the Company's operating segments is set out below in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Executive Officer, as the Chief Operating Decision Maker (CODM), in order to allocate resources to the segment and to assess its performance. Information reported to the Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segments and property and equipment only. No information that includes the segments' assets (excluding property and equipment) and liabilities are reported to the Chief Executive Officer.

For management purpose the Company is organised into four operating segments, all of which are referred to as 'business units':

Onshore Onshore segment is the largest segment with land rigs, water wells, work over rigs deployed mainly across ADNOC Onshore with a few rigs also assigned to other concessions within the ADNOC group.

Offshore Jackup with owned Jackups and some rentals predominantly meeting the ADNOC Offshore drilling needs with a few rigs also assigned to other concessions within the ADNOC group.

Offshore Island rigs is the third largest segment representing the Island part of ADNOC Offshores' requirement.

Oil Field Services (OFS) segment was created through the partnership with Baker Hughes in late 2018 and provides other services.

The Company operates primarily in United Arab Emirates and accordingly no further geographical analysis of revenue, profit, assets and liabilities has been provided.

The revenue reported represents revenue generated from external customers only. There were no inter-segment sales in current or previous year.

Earnings before interest, tax, depreciation and amortisation "EBITDA" is the measure of the profitability being reviewed by the CODM which is the profit for the year before finance cost, net (both of which are as presented in statement of profit and loss and other comprehensive income) and depreciation (notes 16 & 17).

24 Segment reporting (continued)

Refer to note 14 for analysis of revenue from major customers.

	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
31 December 2020					
Revenue	1,075,939	596,694	202,612	222,615	2,097,860
Direct cost	(647,595)	(330,279)	(110,416)	(203,652)	(1,291,942)
Gross profit	**428,344**	**266,415**	**92,196**	**18,963**	**805,918**
General and administrative expenses	(120,570)	(84,400)	(10,335)	-	(215,305)
Other income, net	1,467	814	276	338	2,895
Finance cost, net	(13,705)	(9,594)	(1,175)	-	(24,474)
Profit for the year	**295,536**	**173,235**	**80,962**	**19,301**	**569,034**

EBITDA for the year is analysed as follows:

	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
EBITDA	**476,879**	**320,100**	**125,127**	**37,616**	**959,722**
Depreciation included in direct cost (note 16)	(162,311)	(133,543)	(42,533)	(18,315)	(356,702)
Depreciation included in general and administrative expenses (note 17)	(5,327)	(3,728)	(457)	-	(9,512)
Total depreciation	**(167,638)**	**(137,271)**	**(42,990)**	**(18,315)**	**(366,214)**
Finance cost, net	(13,705)	(9,594)	(1,175)	-	(24,474)
Profit for the year	**295,536**	**173,235**	**80,962**	**19,301**	**569,034**

	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
31 December 2019					
Revenue	1,069,963	672,162	222,276	97,316	2,061,717
Direct cost	(703,038)	(325,418)	(136,715)	(99,148)	(1,264,319)
Gross profit	366,925	346,744	85,561	(1,832)	797,398
General and administrative expenses	(115,041)	(53,644)	(25,848)	-	(194,533)
Other income, net	15,568	9,780	3,235	1,416	29,999
Finance cost, net	(29,278)	(13,652)	(6,579)	-	(49,509)
Profit for the year	238,174	289,228	56,369	(416)	583,355

24 Segment reporting (continued)

EBITDA for the year is analysed as follows:

	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
31 December 2019 (continued)					
EBITDA for the year is analysed as follows:					
EBITDA	447,246	444,882	115,375	7,816	1,015,319
Depreciation included in direct cost (note 16)	(176,345)	(140,479)	(51,668)	(8,232)	(376,724)
Depreciation included in general and administrative expense (note 17)	(3,449)	(1,523)	(759)	-	(5,731)
Total depreciation	(179,794)	(142,002)	(52,427)	(8,232)	(382,455)
Finance costs, net	(29,278)	(13,652)	(6,579)	-	(49,509)
Profit for the year	238,174	289,228	56,369	(416)	583,355

The following table represents segment assets for the Company's operating segments as reviewed by CODM:

	Onshore USD'000	**Offshore Jackup USD'000**	**Offshore Island USD'000**	**OFS USD'000**	**Total USD'000**
31 December 2020					
Property and equipment	**1,031,971**	**1,520,538**	**265,460**	**443,467**	**3,261,436**
31 December 2019					
Property and equipment	1,141,615	1,582,865	303,810	214,792	3,243,082

25 Basic and diluted earnings per share

Earnings per share amounts are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of share outstanding during the year.

	2020	2019
Profit attributable to shareholders of the Company (USD’000)	**569,034**	583,355
Weighted average number of shares for the purpose of basic earnings per share (note 10)	**4,000,000**	4,000,000
Earnings per share (USD‘000)	**0.142**	0.146

There are no dilutive securities, therefore diluted EPS is the same as basic EPS.

26 Approval of the financial statements

The financial statements were approved by the management and authorised for issue on 10 May 2021.

ADNOC DRILLING COMPANY P.J.S.C.

Review report and condensed financial information for the six-month period ended 30 June 2021

ADNOC DRILLING COMPANY P.J.S.C.

Review report and condensed financial information
for the six-month period ended 30 June 2021

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REPORT ON REVIEW OF CONDENSED FINANCIAL INFORMATION TO THE SHAREHOLDERS OF ADNOC DRILLING COMPANY P.J.S.C.

Introduction

We have reviewed the accompanying condensed statement of financial position of ADNOC Drilling Company P.J.S.C. ("the Company"), as at 30 June 2021 and the related condensed statements of profit or loss and other comprehensive income, changes in equity and cash flows for the six-month period then ended. Management is responsible for the preparation and fair presentation of this condensed financial information in accordance with International Accounting Standard 34, '*Interim financial reporting*' as issued by International Accounting Standards Board (IASB). Our responsibility is to express a conclusion on this unaudited condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity".* A review of condensed financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 as issued by IASB.

Deloitte & Touche (M.E)

Rama Padmanabha Acharya
Registration No. 701
25 July 2021
Abu Dhabi
United Arab Emirate

Condensed statement of financial position
as at 30 June 2021

	Notes	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
ASSETS			
Non-current assets			
Property and equipment	5	3,252,854	3,261,436
Right-of-use assets	6	43,196	39,301
Advance to a related party	12	8,464	408
Advance payments		3,502	4,250
Total non-current assets		3,308,016	3,305,395
Current assets			
Inventories	7	162,863	177,053
Trade and other receivables	8	123,590	139,296
Due from related parties	12	1,412,891	902,601
Cash and cash equivalents	9	419,246	953,465
Total current assets		2,118,590	2,172,415
Total assets		5,426,606	5,477,810
EQUITY AND LIABILITIES			
Equity			
Share capital		108,918	108,918
Retained earnings		2,724,481	3,142,893
Total equity		2,833,399	3,251,811
Non-current liabilities			
Borrowings	10	1,500,000	1,500,000
Lease liabilities	6	15,196	28,389
Provision for employees' end of service benefits		110,549	86,460
Total non-current liabilities		1,625,745	1,614,849
Current liabilities			
Trade and other payables	11	370,361	413,789
Lease liabilities	6	22,278	11,723
Due to related parties	12	574,823	185,638
Total current liabilities		967,462	611,150
Total liabilities		2,593,207	2,225,999
Total equity and liabilities		5,426,606	5,477,810

Chief Executive Officer

Chief Financial Officer

The accompanying notes form an integral part of these condensed financial information.

Condensed statement of profit or loss and other comprehensive income for the three and six-month periods ended 30 June 2021

		Three-month ended 30 June		Six-month ended 30 June	
	Notes	**2021 USD'000 (unaudited)**	2020 USD'000 (unaudited)	**2021 USD'000 (unaudited)**	2020 USD'000 (unaudited)
Revenue	**13**	**600,834**	505,813	**1,123,475**	1,001,840
Direct cost		**(350,897)**	(273,123)	**(683,695)**	(578,400)
Gross profit		**249,937**	232,690	**439,780**	423,440
General and administrative expenses		**(81,170)**	(63,227)	**(158,540)**	(109,552)
Other income - net		**7,527**	900	**9,010**	4,270
Finance cost - net	**14**	**(4,522)**	(7,908)	**(8,662)**	(15,627)
Profit for the period		**171,772**	162,455	**281,588**	302,531
Other comprehensive income for the period		**-**	-	**-**	-
Total comprehensive income for the period		**171,772**	162,455	**281,588**	302,531
Earnings per share:					
Basic and diluted	**19**	**0.0429**	0.0406	**0.0704**	0.0756

The accompanying notes form an integral part of these condensed financial information.

Condensed statement of changes in equity
for the six-month period ended 30 June 2021

	Share capital USD'000	Retained earnings USD'000	Total equity USD'000
Balance at 1 January 2020 (audited)	108,918	3,273,859	3,382,777
Total comprehensive income for the period	-	302,531	302,531
Dividends (note 15)	-	(700,000)	(700,000)
Balance at 30 June 2020 (unaudited)	108,918	2,876,390	2,985,308
Balance at 1 January 2021 (audited)	108,918	3,142,893	3,251,811
Total comprehensive income for the period	-	281,588	281,588
Dividends (note 15)	-	(700,000)	(700,000)
Balance at 30 June 2021 (unaudited)	**108,918**	**2,724,481**	**2,833,399**

The accompanying notes form an integral part of these condensed financial information.

Condensed statement of cash flows
for the six-month period ended 30 June 2021

	Six-month ended 30 June	
	2021	2020
	USD'000	USD'000
	(unaudited)	(unaudited)
Cash flows from operating activities		
Profit for the period	**281,588**	302,531
Adjustments for:		
Depreciation of property and equipment	**194,308**	172,716
Depreciation of right-of-use assets	**14,963**	5,364
Provision for employees' end of service benefits charge	**26,815**	7,475
Allowance/(reversal) for slow moving and obsolete inventory	**6,036**	(270)
Finance cost	**9,099**	16,134
Finance income	**(437)**	(507)
	532,372	503,443
Changes in working capital		
Decrease/(increase) in inventories	**8,154**	(12,750)
Decrease in advance payments	**748**	726
Decrease/(increase) in trade and other receivables	**15,706**	(48,335)
(Increase)/decrease in due from related parties	**(120,290)**	579,730
Increase/(decrease) in trade and other payables	**45,829**	(61,339)
(Decrease)/increase in due to related parties	**(815)**	18,828
Employees' end of service benefit paid	**(2,726)**	(2,387)
Net cash generated from operating activities	**478,978**	977,916
Cash flows from investing activities		
Payments for purchase of property and equipment	**(245,249)**	(19,148)
Advance issued to a related party	**(37,664)**	(59,860)
Finance income received	**437**	507
Net cash used in investing activities	**(282,476)**	(78,501)
Cash flows from financing activities		
Payment for principal and interest portion on lease liabilities	**(22,022)**	-
Dividends paid	**(700,000)**	(700,000)
Finance cost paid	**(8,699)**	(15,926)
Net cash used in financing activities	**(730,721)**	(715,926)
Net (decrease)/increase in cash and cash equivalents	**(534,219)**	183,489
Cash and cash equivalent at the beginning of the period	**953,465**	133,808
Cash and cash equivalents at the end of the period	**419,246**	317,297
Non-cash transactions:		
Transfer of capital spares from inventory to property and equipment	-	830
Additions and modification to right-of-use assets and lease liabilities	**18,858**	16,355

The accompanying notes form an integral part of these condensed financial information.

Notes to the condensed financial information
for the six-month period ended 30 June 2021

1 General information

ADNOC Drilling Company P.J.S.C. ("the Company") is a public joint stock company, incorporated in 1972 by a resolution of the Council of Ministers of the Government of Abu Dhabi. The Company is registered in Abu Dhabi, United Arab Emirates and is a subsidiary of Abu Dhabi National Oil Company ("ADNOC"), which is wholly owned by the Government of Abu Dhabi.

Pursuant to a share sale and purchase agreement dated 8 October 2018 between ADNOC and Baker Hughes Holding SPV Ltd. ("BHGE"), ADNOC agreed to sell 5% of the entire issued share capital of the Company to BHGE.

The registered address of the Company is P.O Box 4017 Abu Dhabi, United Arab Emirates.

The principal activities of the Company are providing drilling services and supporting marine equipment, and the hiring out of onshore and offshore drilling rigs on behalf of related parties involved in onshore and offshore oil and gas exploration.

2 Application of new and revised International Financial Reporting Standards (IFRSs)

The accounting policies used in the preparation of this condensed financial information are consistent with those used in the preparation of the Company's annual financial statements for the year ended 31 December 2020, and the notes, except for the adoption of certain new and revised standards, that became effective in the current period as set out below:

2.1 New and amended standard adopted by the Company

In the current period, the Company has applied the following amendments to IFRSs issued by the International Accounting Standards Board ("IASB") that are mandatorily effective for an accounting period that begins on or after 1 January 2021. The application of these amendments to IFRSs has not had any material impact on the amounts reported for the current period but may affect the accounting for the Company's future transactions or arrangements.

- *Interest Rate Benchmark Reform –Phase 2*
  The amendments in Interest Rate Benchmark Reform- Phase 2 (Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16) introduce a practical expedient for modifications required by the reform, clarify that hedge accounting is not discontinued solely because of the IBOR reform, and introduce disclosures that allow users to understand the nature and extent of risks arising from the IBOR reform to which the entity is exposed to and how the entity manages those risks as well as the entity's progress in transitioning from IBORs to alternative benchmark rates, and how the entity is managing this transition.

- *Covid-19-Related Rent Concessions (Amendment to IFRS 16)*
  The amendment provides lessees with an exemption from assessing whether a COVID-19 related rent concession is a lease modification. These amendments didn't have any material impact on the condensed financial information of the Company.

Other than the above, there are no other material IFRSs and amendments that were effective for the first time for the financial year beginning on or after 1 January 2021.

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and revised IFRS in issue but not yet effective and not early adopted

The Company has not early adopted the following new and revised IFRSs that have been issued but are not yet effective:

- *Classification of Liabilities as Current or Non-Current - amendments to IAS 1 (effective from 1 January 2023).* The amendments aim to promote consistency in applying the requirements by helping companies determine whether, in the statement of financial position, debt and other liabilities with an uncertain settlement date should be classified as current (due or potentially due to be settled within one year) or non-current.

- *Reference to the Conceptual Framework - Amendments to IFRS 3 (effective from 1 January 2022).* The amendments update an outdated reference to the Conceptual Framework in IFRS 3 without significantly changing the requirements in the standard.

- *Property, Plant and Equipment - Proceeds before Intended Use - amendments to IAS 16 (effective from 1 January 2022).* The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in profit or loss.

- *Onerous Contracts - Cost of Fulfilling a Contract - amendments to IAS 37 (effective from 1 January 2022).* The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

- *Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures (2011)* relating to the treatment of the sale or contribution of assets from an investor to its associate or joint venture. (Effective date deferred indefinitely. Adoption is still permitted).

- *Annual Improvements to IFRS Standards 2018–2020 (effective from 1 January 2022).* The Annual Improvements include amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards (effective from January 1, 2022), IFRS 9 Financial Instruments (effective from 1 January 2022), IFRS 16 Leases (effective date not yet decided) and IAS 41 Agriculture (effective from 1 January 2022).

2 Application of new and revised International Financial Reporting Standards (IFRSs) (continued)

2.2 New and revised IFRS in issue but not yet effective and not early adopted (continued)

- *Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2 (effective from 1 January 2023).* The amendments require that an entity discloses its material accounting policies, instead of its significant accounting policies. Further amendments explain how an entity can identify a material accounting policy. Examples of when an accounting policy is likely to be material are added. To support the amendment, the Board has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process' described in IFRS Practice Statement 2.

- *Definition of Accounting Estimates - Amendments to IAS 8 (effective from 1 January 2023).* The amendments replace the definition of a change in accounting estimates with a definition of accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error.

Management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of these new standards and amendments are not expected to have a material impact on the financial statements of the Company in the period of initial application.

There are no other applicable new standards and amendments to published standards or IFRIC interpretations that have been issued that would be expected to have a material impact on the condensed financial information of the Company.

3 Summary of significant accounting policies

3.1 Statement of compliance

This condensed financial information for the six-month period ended 30 June 2021 has been prepared in accordance with IAS 34, *Interim Financial Reporting* as issued by IASB.

The condensed financial information does not include all information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2020. In addition, results for the six-month period ended 30 June 2021 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2021.

3.2 Basis of preparation

The condensed financial information is prepared in United States Dollar (USD), which is the Company's functional and presentation currency and all values are rounded to the nearest thousands (USD'000) except when otherwise indicated. Where data is labeled as "audited" that indicates that the financial information has been extracted from the Company's audited financial statements for the year ended 31 December 2020. This condensed financial information has been prepared on historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for assets at the time these were acquired.

4 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the condensed financial information requires management to make judgments, estimates and assumptions that affects the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing these condensed financial information, the significant judgments made by management in applying the Company’s accounting policies, and the key sources of estimates uncertainty were the same as those applied in the Company’s financial statements as at and for the year ended 31 December 2020.

5 Property and equipment

	30 June 2021 USD’000 (unaudited)	31 December 2020 USD’000 (audited)
Net book value at the beginning of the period/year	**3,261,436**	3,243,082
Additions	**185,726**	376,007
Disposal – net	**-**	(616)
Depreciation	**(194,308)**	(357,037)
Net book value at ending of the period/year	**3,252,854**	3,261,436

Property and equipment include capital work in progress and capital advances amounting to USD 217,607 thousand as at 30 June 2021 (31 December 2020: USD 303,194 thousand).

6 Rights-of-use assets and lease liabilities

Rights-of-use assets

	30 June 2021 USD’000 (unaudited)	31 December 2020 USD’000 (audited)
Balance at the beginning of the period/year	**39,301**	15,941
Additions during the period/year	**11,115**	15,960
Lease modification	**7,743**	16,577
Depreciation charge during the period/year	**(14,963)**	(9,177)
Balance at ending of the period/year	**43,196**	39,301

Additions during the period relate to a land lease agreement which expires on December 2025. Lease modification in the period relates to extension of vehicle leases which were originally due to expire in January 2020 and have been extended to January 2022. During the prior year, the Company and the lessor agreed to amend the annual lease payments for the remaining 5 years for lease of the office building.

Notes to the condensed financial information
for the six-month period ended 30 June 2021 (continued)

6 Rights-of-use assets and lease liabilities (continued)

Lease liabilities

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Balance at the beginning of the period/year	**40,112**	19,366
Additions	**11,115**	15,960
Accretion of interest	**526**	521
Lease modification	**7,743**	16,577
Payments	**(22,022)**	(12,312)
Balance at end of the period/year	**37,474**	40,112
Disclosed as follows:		
Current	**22,278**	11,723
Non-current	**15,196**	28,389
	37,474	40,112

7 Inventories

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Inventories	**189,276**	197,430
Allowance for obsolete and slow-moving inventories	**(26,413)**	(20,377)
	162,863	177,053

Movement in the allowance for obsolete and slow-moving inventories:

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Balance at beginning of the period/year	**20,377**	22,316
Charge/(reversal) during the period/year	**6,036**	(1,939)
Balance at end of the period/year	**26,413**	20,377

8 Trade and other receivables

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Trade receivables	**5,582**	20,028
Accrued revenue	**46,499**	10,159
VAT receivables	**26,334**	34,287
Advances	**26,414**	67,709
Prepayments	**12,551**	5,306
Other receivables	**6,210**	1,807
	123,590	139,296

9 Cash and cash equivalents

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Cash in hand	**342**	313
Cash at bank – current accounts	**418,904**	953,152
	419,246	953,465

Included within cash at bank is an amount of USD 416,910 thousand (31 December 2020: USD 951,993 thousand) held by ADNOC. Cash held by ADNOC are funds held on behalf of the Company and are available on demand.

10 Borrowings

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Non-current		
Syndicated loan	**1,500,000**	1,500,000

The borrowings presented in the condensed statement of financial position consist of the following:

Type	**Currency**	**Interest rate**	**Year of maturity**	**30 June 2021 USD'000 (unaudited)**	31 December 2020 USD'000 (audited)
Syndicated loan	**USD**	**0.9% and one month LIBOR**	**2023**	**1,500,000**	1,500,000

Notes to the condensed financial information
for the six-month period ended 30 June 2021 (continued)

10 Borrowings (continued)

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
First Abu Dhabi Bank (note 12)	**375,000**	375,000
Abu Dhabi Commercial Bank (note 12)	**375,000**	375,000
Sumitomo Mitsui Banking Corporation	**375,000**	375,000
Bank of American Merrill Lynch International Limited	**75,000**	75,000
Citibank	**75,000**	75,000
Mizuho Bank	**75,000**	75,000
Sgbtci SA	**75,000**	75,000
UniCredit Bank Austria AG	**75,000**	75,000
	1,500,000	1,500,000

11 Trade and other payables

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Accrued expenses	**260,054**	322,595
Trade payable	**91,038**	66,361
Retention payable	**8,654**	3,818
Staff accruals	**5,970**	14,678
Pension payable	**4,093**	3,707
Other payables	**552**	2,630
	370,361	413,789

The Company has financial and risk management policies in place to ensure that all payables are paid within 60 days credit period.

12 Related party balances and transactions

Related parties represent the Parent entity and its subsidiaries, directors and key management personnel of the Company and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management.

12 Related party balances and transactions (continued)

Balances with related parties at the end of reporting period comprise the following:

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Due from related parties (a)	**112,778**	136,924
Other balances due from related parties (b)	**1,300,113**	765,677
	1,412,891	902,601

(a) Due from related parties

ADNOC Offshore	**112,499**	135,569
ADNOC Refining	**128**	128
Abu Dhabi National Oil Company (ADNOC)	**72**	933
ADNOC Sour Gas	**55**	96
Al Dhafrah JV	**21**	54
ADNOC Gas Processing	**3**	18
Abu Dhabi National Oil Company for Distribution	**-**	126
	112,778	136,924

At 30 June 2021, the Company had a significant concentration of credit risk, with one customer representing 99% (2020: one customer representing 99%) of related parties receivables outstanding at that date.

The ageing of the related party balances was as follows:

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Not past due	**3,234**	89,880
Due from 31 to 60 days	**69,585**	13
Due from 61 to 90 days	**9,741**	9,242
Due from more than 91 days	**30,218**	37,789
	112,778	136,924

12 Related party balances and transactions (continued)

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
(b) Other balances due from related parties		
ADNOC Onshore	**992,753**	575,768
ADNOC Offshore (i)	**271,143**	189,332
Abu Dhabi National Oil Company (ADNOC)	**35,275**	-
ADNOC Sour Gas	**727**	482
Al Dhafra JV	**215**	95
	1,300,113	765,677
Advance to a related party – *non-current*		
Baker Hughes Holding SPV Ltd.	**8,464**	408

Advance to a related party represents advance paid as part of Commercial Framework Agreement to expand the Company's drilling service capabilities.

(i) The balance as at 31 December 2020 is presented net of an amount of USD 41,717 thousand for a credit note that was issued to a related party in the prior period (note 13).

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Due to related parties		
ADNOC Onshore	**464,104**	102,655
Abu Dhabi National Oil Company for Distribution	**78,567**	44,852
Abu Dhabi National Oil Company (ADNOC)	**27,153**	34,593
ADNOC Logistics & Services	**4,999**	3,538
	574,823	185,638

The balances due to/from related parties are non-interest bearing and are payable/receivable on demand.

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Loan from related parties (note 10)		
First Abu Dhabi Bank	**375,000**	375,000
Abu Dhabi Commercial Bank	**375,000**	375,000
	750,000	750,000

Notes to the condensed financial information
for the six-month period ended 30 June 2021 (continued)

12 Related party balances and transactions (continued)

	30 June 2021 USD'000 (unaudited)	31 December 2020 USD'000 (audited)
Cash and cash equivalents (note 9)		
Abu Dhabi National Oil Company (ADNOC)	**416,910**	951,993
First Abu Dhabi Bank	**1,869**	1,019
Abu Dhabi Commercial Bank	**125**	140
	418,904	953,152

Significant transactions with related parties during the period are as follows:

	Six-month ended 30 June	
	2021 USD'000 (unaudited)	2020 USD'000 (unaudited)
Revenue		
ADNOC Onshore	**626,311**	555,458
ADNOC Offshore	**430,798**	436,498
Abu Dhabi National Oil Company (ADNOC)	**36,592**	3,779
ADNOC Sour Gas	**246**	123
Al Dhafrah JV	**120**	48
	1,094,067	995,906
Purchases		
Abu Dhabi National Oil Company for Distribution	**32,183**	30,018
Abu Dhabi National Oil Company (ADNOC)	**21,425**	16,255
ADNOC Logistics & Services	**927**	54
	54,535	46,327
Advance		
Advance issued to Baker Hughes Holding SPV Ltd.	**37,664**	59,860
Leases		
Lease payments to a related party	**15,959**	-

12 Related party balances and transactions (continued)

	Six-month ended 30 June	
	2021	2020
	USD'000	USD'000
	(unaudited)	(unaudited)
Key management compensation		
Compensation of key management personnel	**2,627**	1,454
Board of Directors members	**7**	7
Key management personnel	**6**	6

13 Revenue

The Company derives its revenue from the transfer of drilling services over time in the following major service lines:

	Three-month ended 30 June		Six-month ended 30 June	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Drilling services	**598,176**	503,124	**1,120,467**	995,474
Facilitation of rigs rental	**2,658**	2,689	**3,008**	6,366
	600,834	505,813	**1,123,475**	1,001,840

As at 30 June 2021, the Company doesn't have any unsatisfied performance obligations that will be recognised as revenue during the next financial period.

Included in revenue for drilling services for the six-month ended 30 June 2020 is a discount of USD 41,717 thousand) related to a credit note issued by the Company to a related party for past services performed. The credit note issued resulted from commercial negotiations with the related party which were concluded during that period. No such credit notes were issued in the current period.

14 Finance cost – net

	Three-month ended 30 June		Six-month ended 30 June	
	2021	2020	**2021**	2020
	USD'000	USD'000	**USD'000**	USD'000
	(unaudited)	(unaudited)	**(unaudited)**	(unaudited)
Finance income	**243**	70	**437**	507
Less: finance costs	**(4,765)**	(7,978)	**(9,099)**	(16,134)
	(4,522)	(7,908)	**(8,662)**	(15,627)

15 Dividends

On 16 March 2021, the Board of Directors approved a declaration of dividend amounting to USD 700,000 thousand (2020: USD 700,000 thousand) in accordance with the Shareholders' Agreement in the relevant shareholding portions of USD 665,000 thousand (2020: USD 665,000 thousand) for ADNOC and USD 35,000 thousand (2020: USD 35,000 thousand) for Baker Hughes Holdings SPV LTD. The dividend was fully paid on 22 March 2021.

16 Commitments and contingencies

The Company has the following commitments and contingent liabilities outstanding at 30 June 2021 and 31 December 2020:

	30 June 2021	31 December 2020
	USD'000	USD'000
	(unaudited)	(audited)
Letters of credit and letters of guarantee	**48**	48
Capital commitments	**121,809**	66,350
	121,857	66,398

Capital commitments relate to ongoing and proposed projects towards procurement of rigs, cementing, wireline, drilling system, coil tubing and other major projects across all operating segments. The increase in capital commitment in the period is due to resumption of capital projects and activities which were deferred as part of the Company's response to the COVID-19 pandemic in 2020. Also refer to note 20 for details of impact of COVID-19.

17 Seasonality of results

The Company is not particularly exposed to seasonality of operations. Revenue and operating profits are evenly spread throughout the year.

18 Segment reporting

Information regarding the Company's operating segments is set out below in accordance with IFRS 8 *Operating Segments*. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the Chief Executive Officer, as the Chief Operating Decision Maker (CODM), in order to allocate resources to the segment and to assess its performance. Information reported to the Chief Executive Officer for the purpose of resource allocation and assessment of segment performance focuses on the financial performance of each business segment and property and equipment only. No information that includes the segments' assets (excluding property and equipment) and liabilities are reported to the Chief Executive Officer.

For management purpose the Company is organised into four operating segments, all of which are referred to as 'business units':

Onshore segment is the largest segment with land rigs, water wells, work over rigs deployed mainly across ADNOC Onshore with a few rigs also assigned to other concessions within the ADNOC group.

Offshore Jackup with owned jackups and some rentals predominantly meeting the ADNOC Offshore drilling needs with a few rigs also assigned to other concessions within the ADNOC group.

Offshore Island rigs is the third largest segment representing the Island part of ADNOC Offshore's requirement.

Oilfield Services (OFS) segment was created through the partnership with Baker Hughes in late 2018 and provides other services.

The Company operates solely in United Arab Emirates and accordingly no further geographical analysis of revenue, profit, assets and liabilities has been provided.

The revenue reported represents revenue generated from external customers only. There were no inter-segment sales in current or previous period.

Earnings before interest, tax, depreciation and amortisation "EBITDA" is the measure of the profitability being reviewed by the CODM which is the profit for the period before finance cost, net (both of which are as presented in condensed statement of profit or loss and other comprehensive income) and depreciation.

Refer to note 12 for analysis of revenue from major customers.

30 June 2021 (unaudited)	**Onshore USD'000**	**Offshore Jackup USD'000**	**Offshore Island USD'000**	**OFS USD'000**	**Total USD'000**
Revenue	567,504	293,372	105,613	156,986	1,123,475
Direct cost (excluding depreciation)	(253,184)	(79,845)	(30,482)	(133,981)	(497,492)
Gross profit	**314,320**	**213,527**	**75,131**	**23,005**	**625,983**
General and administrative expenses (excluding depreciation)	(77,274)	(42,679)	(15,519)	-	(135,472)
Other income, net	5,470	2,576	944	20	9,010
EBITDA	**242,516**	**173,424**	**60,556**	**23,025**	**499,521**

Notes to the condensed financial information for the six-month period ended 30 June 2021 (continued)

18 Segment reporting (continued)

EBITDA is reconciled to profit for the period as follows:

	Onshore USD'000	**Offshore Jackup USD'000**	**Offshore Island USD'000**	**OFS USD'000**	**Total USD'000**
EBITDA	**242,516**	**173,424**	**60,556**	**23,025**	**499,521**
Depreciation included in direct cost	(78,636)	(67,212)	(21,720)	(18,635)	(186,203)
Depreciation included in general and administrative expenses	(13,964)	(6,676)	(2,428)	-	(23,068)
Total depreciation	**(92,600)**	**(73,888)**	**(24,148)**	**(18,635)**	**(209,271)**
Finance cost, net	(5,201)	(2,541)	(920)	-	(8,662)
Profit for the period	**144,715**	**96,995**	**35,488**	**4,390**	**281,588**

30 June 2020 (unaudited)	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
Revenue	514,037	282,769	106,681	98,353	1,001,840
Direct cost (excluding depreciation)	(230,425)	(78,404)	(32,729)	(70,230)	(411,788)
Gross profit	283,612	204,365	73,952	28,123	590,052
General and administrative expenses (excluding depreciation)	(55,579)	(31,170)	(11,335)	-	(98,084)
Other income, net	2,562	1,253	455	-	4,270
EBITDA	230,595	174,448	63,072	28,123	496,238

EBITDA is reconciled to profit for the period as follows:

	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
EBITDA	230,595	174,448	63,072	28,123	496,238
Depreciation included in direct cost	(73,103)	(64,557)	(21,451)	(7,501)	(166,612)
Depreciation included in general and administrative expenses	(6,720)	(3,483)	(1,265)	-	(11,468)
Total depreciation	(79,823)	(68,040)	(22,716)	(7,501)	(178,080)
Finance cost, net	(9,375)	(4,585)	(1,667)	-	(15,627)
Profit for the period	141,397	101,823	38,689	20,622	302,531

Notes to the condensed financial information
for the six-month period ended 30 June 2021 (continued)

18 Segment reporting (continued)

The following table represents segment assets for the Company's operating segments as reviewed by Chief Operating Decision maker:

30 June 2021 (unaudited)	Onshore USD'000	Offshore Jackup USD'000	Offshore Island USD'000	OFS USD'000	Total USD'000
Property and equipment	**1,092,127**	**1,460,577**	**249,378**	**450,772**	**3,252,854**
31 December 2020 (audited)					
Property and equipment	1,031,971	1,520,538	265,460	443,467	3,261,436

19 Basic and diluted earnings per share

Earnings per share amounts are calculated by dividing the profit attributable to shareholders of the Company by the weighted average number of share outstanding during the period.

	Three-month ended 30 June		Six-month ended 30 June	
	2021 USD'000 (unaudited)	2020 USD'000 (unaudited)	**2021 USD'000 (unaudited)**	2020 USD'000 (unaudited)
Profit attributable to shareholders of the Company (USD'000)	**171,772**	162,455	**281,588**	302,531
Weighted average number of shares for the purpose of basic earnings per share	**4,000,000**	4,000,000	**4,000,000**	4,000,000
Earnings per share (USD'000)	**0.0429**	0.0406	**0.0704**	0.0756

There are no dilutive securities, therefore diluted EPS is the same as basic EPS.

20 Impact of COVID-19 pandemic

In January 2020, the World Health Organization (WHO) announced a global health emergency because of a new strain of coronavirus originating in Wuhan, China (the "COVID-19 outbreak"). Subsequently (March 2020), the WHO classified COVID-19 outbreak as a pandemic based on the rapid increase in exposure and infections across the world. The pandemic nature of this disease has necessitated global travel restrictions and total lockdown in most countries of the world, with negative implications on the global economy and social life.

Owing to this, macro-economic uncertainty has arisen with regards to prices and demand for oil, gas and products. The Company continues to assess regularly the impact of COVID-19 on its business and the second quarter continues to be challenging from an operational perspective as the Company continues to incur additional direct and indirect costs of ongoing pandemic especially manpower related costs for in-country quarantine measures and cover for stranded crew outside the country.

During 2021, global restrictions have begun to ease, management believes that the Company is gearing up to ramping up operations to emerge stronger after the pandemic by considering fundamental changes to the ways business is conducted, including developing cost containment strategies, diversifying supply chains, and making other operational modifications such as dynamic manpower optimizations to minimize impact on its operations.

21 Approval of condensed financial information

These condensed financial information were approved by the management and authorised for issue on 25 July 2021.

Annex 2 – Articles of Association

Articles of Association of **ADNOC Drilling Company PJSC** **(the "Company")**	**النظام الأساسي** **شركة أدنوك للحفر ش.م.ع.** **("الشركة")**
Introduction	**مقدمة**
On 2021 Law No. of **2021** was issued amending Law No. 21 of 2018 that was issued on 6 November 2018, replacing Law No. 4 of 1981 in respect of the incorporation of ADNOC Drilling Company (the "**Law of Establishment**"), a public joint stock company registered with the commercial register in Abu Dhabi under the commercial licence number CN-2688881 issued by Abu Dhabi Department of Economic Development.	بتاريخ **2021** صدر القانون رقم لسنة **2021** معدلاً للقانون رقم 21 لسنة 2018 الذي صدر بتاريخ 6 نوفمبر 2018 ملغياً القانون رقم 4 لسنة 1981 بشأن تأسيس شركة أدنوك للحفر ("**قانون التأسيس**")، شركة مساهمة عامة ومقيدة في السجل التجاري في أبوظبي بموجب رخصة تجارية رقم CN-2688881 الصادرة من دائرة التنمية الاقتصادية بأبوظبي.
Pursuant to a written resolution of the Shareholders (defined below) dated 2 June 2021, the Shareholders approved, among other matters, the listing of all the Company's shares on the Market (defined below) and the sale by way of offer to the public of part of the share capital of the Company held by the Founder. In addition, the same written resolution of the Shareholders approved the appointment of the Founder Committee to supervise the Company's offering of its shares for public subscription.	وبموجب قرار كتابي من المساهمون (كما هو معرف أدناه) بتاريخ 2 يونيو 2021، وافق المساهمون على إدراج أسهم الشركة في السوق (كما هو معرف أدناه) و بيع المؤسس لجزء من أسهمه في الشركة وذلك عن طريق الاكتتاب العام. إضافة لذلك وبموجب نفس القرار الكتابي فقد تمت الموافقة على تعيين لجنة تأسيس للإشراف على عملية طرح أسهم الشركة للاكتتاب العام.
It has been agreed that the following shall be the Articles of Association of the Company:	وقد تم الاتفاق على النظام الأساسي التالي للشركة:
PART ONE ***ESTABLISHING THE COMPANY***	**الباب الأول** **في تأسيس الشركة**
The following terms and expressions, when mentioned in the provisions of these Articles, shall have the following meanings:	يقصد بالألفاظ والمعاني أدناه، عند ورودها في النظام الأساسي، المعاني المرادف لكل منها:
Abu Dhabi: means the Emirate of Abu Dhabi.	**أبو ظبي:** تعني إمارة أبو ظبي.
Articles or **Articles of Association**: means these articles of association of the Company as amended from time to time.	**النظام أو النظام الأساسي:** هذا النظام الأساسي للشركة كما يتم تعديله من حين لآخر.
Auditor: means the auditor of the Company from time to time.	**مدقق الحسابات:** يعني مدقق حسابات الشركة من وقت الى آخر.
Authority: means the Securities and Commodities Authority in the UAE.	**الهيئـــة:** هيئة الأوراق المالية والسلع بدولة الإمارات العربية المتحدة.
Board Director: means a person or entity appointed to perform the function of member of the Board of Directors, and **Board Directors** shall be construed accordingly.	**عضو مجلس الإدارة**: الشخص الطبيعي أو الاعتباري الذي يتم تعيينه لشغل عضوية مجلس إدارة الشركة، و يتم تفسير **أعضاء مجلس الإدارة** على هذا الأساس.
Board of Directors: means the board of directors of the Company.	**مجلس الإدارة**: مجلس إدارة الشركة.

Chairperson: means the chairperson of the Board of Directors appointed from time to time in accordance with the provisions of these Articles.	**رئيس مجلس الإدارة:** رئيس مجلس الإدارة والذي يتم تعيينه من وقت لآخر بموجب أحكام هذا النظام.
Chief Executive Officer: means the chief executive officer of the Company.	**الرئيس التنفيذي**: الرئيس التنفيذي للشركة.
Competent Authority: means the Abu Dhabi Department of Economic Development, concerned with issuing the licence for carrying out activities in Abu Dhabi.	**السلطة المختصة:** دائرة التنمية الاقتصادية المختصة بإصدار ترخيص مزاولة النشاط في أبوظبي.
Conflict of Interest: means a situation in which the partiality in taking a decision is affected due to (i) a personal, material or moral interest, (ii) the interests of Related Parties interfering or seeming to interfere with the interests of the Company as a whole, or (iii) a person taking advantage of their professional or official position in any way with a view to achieving a personal benefit.	**تعارض المصالح**: الحالة التي يتأثر فيها الحياد اللازم لاتخاذ القرار بسبب (1) مصلحة شخصية أو مادية أو معنوية (2) تداخل أو ظهور تتداخل مصالح الأطراف ذات العلاقة مع مصالح الشركة في مجملها أو (3) عند استغلال شخص لصفته مهنية أو رسمية بطريقة ما لتحقيق منفعة شخصية.
Control: means the power to influence or control – directly or indirectly – the appointment of the majority of the members of the board of directors of a company or the decisions issued by the board of directors or by the general assembly of a company through the ownership of a percentage of shares or through an agreement or arrangement resulting in the same effect.	**السيطـــرة**: القدرة على التأثير أو التحكم، بشكل مباشر أو غير مباشر، في تعيين أغلبية أعضاء مجلس إدارة شركة أو القرارات الصادرة منه أو من الجمعيّة العموميّة للشركة، وذلك من خلال ملكية نسبة من الأسهم أو الحصص أو بإتفاق أو ترتيب آخر يؤدي إلى ذات التأثير.
Corporate Governance Rules: means the set of corporate governance rules, regulations, principles, standards and procedures issued from time to time by the Authority.	**قواعد حوكمة الشركات:** مجموعة قرارات ولوائح وضوابط ومعايير وإجراءات حوكمة الشركات التي تصدرها الهيئة من حين لآخر.
Cumulative Voting: means the voting process pursuant to which each Shareholder has a number of votes equal to the number of shares held by such Shareholder, and whereby, when voting in favour of Board Director appointments, such votes may be cast in favour of a single nominated Board Director or distributed in favour of more than one (1) nominated Board Director, provided that the number of votes cast by a Shareholder shall not exceed the number of the shares held by such Shareholder under any circumstances whatsoever.	**التصويت التراكمي:** عملية التصويت التي بموجبها يكون لكل مساهم عدد من الأصوات يساوي عدد الأسهم التي يملكها، بحيث يقوم بالتصويت بها لمرشح واحد لعضوية مجلس الإدارة أو توزيعها بين من يختارهم من المرشحين على أن لا يتجاوز عدد الأصوات التي يمنحها للمرشحين الذين اختارهم عدد الأصوات التي بحوزته بأيّ حال من الأحوال.
Dirham: means the official currency in the UAE.	**درهم**: العملة الرسمية لدولة الإمارات العربية المتحدة.
Employees Share Option Plan: has the meaning given in Article 16.6 of these Articles.	**برنامج اسهم اثابة وتحفيز العاملين**: له المعنى الوارد في المادة 16-6 من هذا النظام.
Founder: means Abu Dhabi National Oil Company, the majority shareholder in the Company prior to its public offering.	**المؤسس:** شركة بترول أبوظبي الوطني، المساهم الأكبر في الشركة قبل طرحها للاكتتاب العام.
General Assembly: means each meeting of the Shareholders (including the annual General Assembly) duly convened and held in accordance with these Articles, and **General Assemblies** shall be construed accordingly.	**الجمعيّة العموميّة:** كل اجتماع يعقده المساهمين تتم الدعوة إليه ويُعقد أصولاً بموجب هذا النظام (بما في ذلك الجمعيّة العموميّة السنوية)، ويتم تفسير **الجمعيات العمومية** على هذا الأساس.
Law: means the Federal Law No. (2) of 2015 concerning Commercial Companies and any regulations or decrees	**القانــون:** القانون الإتحادي رقم (2) لسنة 2015 في شأن الشركات التجاريّة وأيّ لوائح وقرارات تصدر تنفيذاً له وحسبما يتم تعديله أو استكماله أو إحلاله

to be enacted for its implementation or as amended, completed, substituted or re-enacted in full by subsequent laws to the extent (where the context permits) applicable to the provisions of these Articles.	أو إعادة إصداره أو سنّه بشكل كامل بواسطة قوانين لاحقة وذلك إلى الحد (حيثما يسمح السياق بذلك) الذي يسري على أحكام هذا النظام.
Law of Establishment: has the meaning given in the Introduction above.	**قانــون التأسيس:** له المعنى الوارد في المقدمة أعلاه.
Listing Rules: means the rules and requirements of listing under the Law, the regulations and resolutions issued in accordance therewith or for its implementation, including the internal regulations of the Market.	**قواعد الإدراج:** قواعد ومتطلبات الإدراج الواردة في القانون والأنظمة والقرارات الصادرة بمقتضاه أو تنفيذاً له، بما في ذلك اللوائح الداخلية الخاصة بالسوق.
Management: means the executive management of the Company comprising the Chief Executive Officer and any direct reports to the Chief Executive Officer.	**الإدارة:** الإدارة التنفيذية للشركة والتي تتكون من الرئيس التنفيذي وأيّ من الذين يقدمون تقاريرهم مباشرةً للرئيس التنفيذي.
Market: means the Abu Dhabi Securities Exchange, on which the shares of the Company shall be listed.	**الســـوق:** سوق أبوظبي للأوراق المالية الذي سيتم إدراج أسهم الشركة به.
Related Parties: means, subject to Article 33.3 of these Articles, entities and persons classified as such pursuant to the resolutions or regulations issued by the Authority.	**الأطراف ذات العلاقة:** مع مراعاة أحكام المادة 33-3 من هذا النظام الأساسي، الأشخاص والجهات التي يتم تحديدها كأطراف ذات علاقة وفقاً للقرارات أو الأنظمة الصادرة عن الهيئة.
Secretary: means the secretary of the Board of Directors from time to time.	**المقرر:** مقرر مجلس الإدارة من وقت الى اخر.
Shareholder: means a holder of shares in the Company, and **Shareholders** shall be construed accordingly.	**المساهم:** حامل أسهم في الشركة، و يتم تفسير **المساهمون** على هذا الاساس.
Special Resolution: means a resolution passed by the Shareholders owning not less than three (3) quarters of the shares represented in the General Assembly.	**القرار الخاص:** القرار الصادر بأغلبية أصوات المساهمين الذين يملكون ما لا يقل عن ثلاثة أرباع الأسهم الممثلة في اجتماع الجمعيّة العموميّة للشركة.
UAE: means the United Arab Emirates.	**الدولـــة:** دولة الإمارات العربية المتحدة.
UAE Nationals: means persons who are nationals of the UAE.	**مواطني الدولة:** مواطني دولة الإمارات العربية المتحدة.
<u>Article (1)</u>	**المادة (1)**
The name of the Company is ADNOC Drilling Company PJSC.	يكون اسم الشركة هو شركة أدنوك للحفر ش.م.ع.
<u>Article (2)</u>	**المادة (2)**
The head office of the Company and its legal place of business shall be in Abu Dhabi. The Board of Directors may establish branches, offices and agencies on behalf of the Company inside or outside of the UAE.	يكون مركز الشركة الرئيسي ومحلها القانوني في أبوظبي، ويجوز لمجلس الإدارة أن ينشئ فروعاً ومكاتب وتوكيلات نيابةً عن الشركة في داخل الدولة وخارجها.
Article (3)	**المادة (3)**
3.1 The term of the Company is one hundred (100) Gregorian years commencing on the date of the Company's establishment, unless a Special Resolution is issued by the General Assembly to dissolve the Company before the end of the term.	1-3 المدة المحددة للشركة هي (100) مائة سنة ميلادية تبدأ من تاريخ تأسيس الشركة إلا إذا أصدرت الجمعية العمومية قرار خاص بحلّ الشركة قبل نهاية تلك المدة.

3.2 The term of the Company shall be automatically renewed for similar successive terms unless a Special Resolution of the General Assembly is issued to amend the term of the Company or terminate the same.	2-3 وتجدد المدة المحددة للشركة بعد ذلك تلقائيا لمدد متعاقبة ومماثلة ما لم يصدر قرار خاص من الجمعيّة العموميّة بتعديل مدة الشركة أو إنهائها.
Article (4)	**المادة (4)**
4.1 The objects of the Company shall be in compliance with the provisions of the applicable laws, decrees, rules and regulations in force in Abu Dhabi and the UAE, and shall include:	1-4 تكون الأغراض التي أسست من أجلها الشركة متفقة مع أحكام القوانين والقرارات المعمول بها في أبوظبي والدولة وتشمل:
(i) importing, exporting, procuring, acquiring, owning, leasing, renting, transferring, selling, marketing, operating, maintaining, financing and disposing of drilling and workover rigs and maintenance, stimulation and accommodation services barges, as well as any equipment, assets, materials and machinery required to perform well services;	(i) استيراد وتصدير وشراء واقتناء وامتلاك وتأجير ونقل وبيع وتسويق وتشغيل وصيانة وتمويل والتخلص من منصات الحفر وصيانة الآبار وتحفيزها وخدمات الإقامة، وكذلك أي معدات، وأصول والمواد والآلات المطلوبة لأداء خدمات الآبار؛
(ii) performing drilling works and associated well services in relation to the development, completion and treatment of onshore, offshore and island wells, both conventional and unconventional, for the exploration and extraction of petroleum, natural gas and water;	(ii) القيام بأعمال الحفر وخدمات الآبار المرتبطة بها فيما يتعلق بتطوير وإنجاز ومعالجة الآبار البرية والبحرية والجزرية، التقليدية وغير التقليدية ، لاستكشاف واستخراج النفط والغاز الطبيعي والمياه؛
(iii) drilling works and related services pertaining to the development of discovered fields;	(iii) أعمال الحفر والخدمات المتعلقة بتطوير الحقول المكتشفة؛
(iv) producing, trading, buying, selling, distributing, marketing, managing and maintaining chemical substances and other products used in or required by the oil and gas industry, and procuring, constructing, owning, leasing, transferring, selling, operating, maintaining, financing and disposing of any facilities or assets required for such purposes;	(iv) إنتاج وتجارة وشراء وبيع وتوزيع وتسويق وإدارة وصيانة المواد الكيميائية وغيرها من المنتجات المستخدمة في أو التي تتطلبها صناعة النفط والغاز، وشراء وبناء وامتلاك وتأجير ونقل وبيع وتشغيل وصيانة والتمويل والتخلص من أي منشآت أو أصول مطلوبة لهذه الأغراض؛
(v) establishing, acquiring, dissolving or disposing of subsidiaries, businesses, joint ventures, partnerships or assets, provision of manpower and entering into contractual relationships, each in relation to the above activities;	(v) إنشاء أو الحصول على أو حل أو التخلص من الشركات التابعة أو الأعمال التجارية أو المشاريع المشتركة أو الشراكات أو الأصول، وتوفير القوى العاملة إتمام علاقات تعاقدية، في كل حالة بما يتعلق بالأنشطة المذكورة أعلاه؛
(vi) any other activities directly or indirectly related to, connected to or incidental to the above activities; including, but not limited to, rig manufacturing and engineering related activities;	(vii) أي أنشطة أخرى مرتبطة بشكل مباشر أو غير مباشر بالأنشطة المذكورة أعلاه أو عرضية لها؛ بما في ذلك، على سبيل المثال لا الحصر، تصنيع أجهزة الحفر والأنشطة ذات الصلة الهندسية؛
(vii) all of the above activities may be conducted inside and/or outside of the UAE; and	(viii) يجوز إجراء جميع الأنشطة المذكورة أعلاه داخل و / أو خارج الدولة؛ و
(viii) any other activity required by the Company, (together the "**Company Operations**")	(viii) أي نشاط آخر تقتضيه أعمال الشركة. يشار إليها إجمالاً ("أنشطة الشركة").
4.2 In the exercise of the Company Operations, the Company may carry out activities, including but not limited to:	2-4 يجوز للشركة في ممارسة أنشطتها تنفيذ الخدمات التالية على سبيل المثال لا الحصر:

(i)	rig hire services, including the provision of any rig, equipment and personnel required for drilling, testing, completion, development and/or workover of any oil and gas well and island well - both conventional and unconventional;	خدمات تأجير الحفارات، بما في ذلك توفير أي حفار ومعدات وموظفين مطلوبين للحفر والاختبار والاستكمال والتطوير و/أو صيانة أي بئر نفط وغاز وبئر جزيرة - تقليدية وغير تقليدية؛	(i)
(ii)	the provision of operational support and the provision of any other equipment and/or services which are not related to (i) above, from time to time;	توفير الدعم التشغيلي وتوفير أي معدات و/أو خدمات أخرى لا تتعلق بـ (i) أعلاه، من وقت لآخر؛	(ii)
(iii)	the provision of accommodation, barge and/or caravans, as well as storage tanks and any other equipment required for the purposes of the same;	توفير أماكن الإقامة و/أو البارجة و/أو الكرفانات، وكذلك صهاريج التخزين وأي معدات أخرى مطلوبة لتلك الأغراض؛	(iii)
(iv)	importing, procuring, acquiring, owning, leasing, transferring, selling, marketing, operating, maintaining, financing and disposing of drilling and workover rigs and maintenance and simulation and accommodation barge services, as well providing any equipment, assets, materials and machinery required to perform well services;	استيراد وشراء وحيازة وامتلاك وتأجير ونقل وبيع وتسويق وتشغيل وصيانة وتمويل والتخلص من منصات الحفر وصيانة الآبار وخدمات الصيانة والمحاكاة والإقامة، بالإضافة إلى توفير أي معدات وأصول ومواد والآلات المطلوبة لأداء خدمات الآبار؛	(iv)
(v)	performing drilling works and associated well services (which shall include but not be limited to mud services, cementing services, tubular running services, coiled tubing, directional drilling, e-line logging, fishing, liner hanger, casing, slick line and/or fracturing/stimulation) in relation to the development, completion and treatment of onshore, offshore and island wells, both conventional and unconventional, for the exploration and extraction of petroleum, natural gas and water;	أداء أعمال الحفر وخدمات الآبار المرتبطة بها (والتي تشمل على سبيل المثال لا الحصر خدمات الطين، وخدمات الإسمنت، وخدمات التشغيل الأنبوبي، والأنابيب الملتفة، والحفر الموجه، وتسجيل الخط الإلكتروني، والصيد، والliner hanger، والcasing، والslick line و/أو التكسير) فيما يتعلق بتطوير وإنجاز ومعالجة الآبار البرية والبحرية والجزرية، التقليدية وغير التقليدية، لاستكشاف واستخراج البترول والغاز الطبيعي والمياه؛	(v)
(vi)	drilling works and related services pertaining to the development of the discovered fields;	أعمال الحفر والخدمات المتعلقة بتطوير الحقول المكتشفة؛	(vi)
(vii)	producing, trading, buying, selling, distributing, marketing, managing and maintaining chemical substances and other products used in or required by the oil and gas industry, and procuring, constructing, owning, leasing, transferring, selling, operating, maintaining, financing and disposing of any facilities or assets required for such purposes;	إنتاج المواد الكيميائية والمنتجات الأخرى المستخدمة في أو التي تتطلبها صناعة النفط والغاز، والاتجار بها وشرائها وبيعها وتوزيعها وتسويقها وإدارتها وصيانتها، وشراء وبناء وامتلاك وتأجير ونقل وبيع وتشغيل وصيانة والتمويل والتخلص من أي منشآت أو أصول مطلوبة من أجل هذه الأغراض؛	(vii)
(viii)	project management services relating to the overall coordination and integration of such services;	خدمات إدارة المشروع المتعلقة بتنسيق ودمج الخدمات؛	(viii)
(ix)	establishing, acquiring, dissolving or disposing of subsidiaries, businesses, joint ventures, partnerships or assets, provision of manpower and entering into contractual relationships, each in relation to the above activities; and/or	إنشاء أو الحصول على أو حل أو التخلص من الشركات التابعة أو الأعمال التجارية أو المشاريع المشتركة أو الشراكات أو الأصول، وتوفير القوى العاملة والدخول في علاقات تعاقدية، فيما يتعلق بالأنشطة المذكورة أعلاه ؛ و/أو	(ix)
(x)	any other activities directly or indirectly related to, connected to or incidental to the above activities.	أي أنشطة أخرى مرتبطة بشكل مباشر أو غير مباشر بالأنشطة المذكورة أعلاه أو مرتبطة بها أو عرضية لها.	(x)

4.3 The Company shall carry out and perform the Company Operations and activities provided always that:	3-4 سوف تنفذ الشركة وتجري أنشطة الشركة شريطة ان:
(i) the Company shall act in accordance with decisions of the Shareholders of the Company as made in accordance with these Articles of Association or any other agreement between the Shareholders;	(1) تتصرف الشركة وفقًا لقرارات مساهمي الشركة كما تم إجراؤها وفقًا لهذا النظام الأساسي أو أي اتفاقية أخرى بين المساهمين؛
(ii) the Company may own any installation, equipment or materials erected or used for Company Operations or the facilities used for such Company Operations, provided that certain assets may be registered in the name of the Company;	(2) يجوز للشركة امتلاك أي منشآت أو معدات أو مواد تم إنشاؤها أو استخدامها لأنشطة الشركة أو المرافق المستخدمة لأنشطة الشركة، شريطة أن يتم تسجيل أصول معينة باسم الشركة؛
(iii) all Company Operations conducted by the Company shall be on a profit-making basis.	(3) تكون جميع أنشطة الشركة التي تجريها الشركة بهدف الربح.
4.4 The above objectives shall be interpreted liberally and in their widest meaning and shall not be narrowly interpreted.	4-4 تُفسَّر أغراض الشركة والموضحة في الفقرات المذكورة أعلاه بشكل متحرر وتكون لها أوسع المعاني دون أيّ تقييد.
<u>PART TWO</u> ***<u>THE CAPITAL OF THE COMPANY</u>***	**<u>الباب الثاني</u>** **<u>في رأس مال الشركة</u>**
<u>Article (5)</u>	**المادة (5)**
The issued capital of the Company is 1,600,000,000 Dirham, divided into 16,000,000,000 shares. The nominal value of each share is 0.10 Dirham. All the shares of the Company shall rank equally with one another in all aspects.	حدد رأس مال الشركة المصدر بمبلغ 1,600,000,000 درهم مقسم إلى 16,000,000,000 سهم، بقيمة اسمية 0.10 درهم لكل سهم. تكون جميع أسهم الشركة متساوية في التصنيف مع بعضها البعض من كافة الجوانب.
<u>Article (6)</u>	**المادة (6)**
All of the shares in the Company are nominal shares. The percentage of the shareholding of UAE Nationals at any time during the existence of the Company must not be less than fifty one percent (51%) of the share capital of the Company.	جميع أسهم الشركة اسمية ويجب ألا تقل نسبة الأسهم المملوكة لمواطني الدولة في أيّ وقت طوال مدة بقاء الشركة عن (51%) واحد وخمسين بالمائة من رأس مال الشركة.
<u>Article (7)</u>	**المادة (7)**
One hundred percent (100%) of the total nominal value of the shares shall be paid up in full on subscription.	تُدفع (100%) مائة بالمائة من كامل القيمة الاسمية للأسهم عند الاكتتاب.
<u>Article (8)</u>	**المادة (8)**
The Shareholders shall only be liable for the Company's liabilities and losses to the extent of the unpaid amount (if any) of the shares held by each of them. Such Shareholder liabilities may only be increased pursuant to the unanimous approval of the Shareholders.	لا يلتزم المساهمون بأية التزامات أو خسائر على الشركة إلا في حدود المبلغ غير المدفوع (إن وجد) مما يملكون من أسهم ولا يجوز زيادة التزامات المساهمين إلا بموافقتهم الجماعية.
<u>Article (9)</u>	**المادة (9)**

Ownership of any share in the Company shall be deemed an acceptance by the Shareholder to be bound by these Articles and the resolutions of the General Assemblies. A Shareholder may not request a refund for amounts paid to the Company in consideration of his/her shareholding in the capital.	يترتب على ملكية السهم قبول المساهم بنظام الشركة الأساسي وقرارات جمعياتها العمومية. ولا يجوز للمساهم أن يطلب استرداد ما دفعه للشركة كحصة في رأس المال.
Article (10)	**المادة (10)**
The shares are not divisible (i.e. a share may not be divided among more than one (1) person).	يكون السهم غير قابل للتجزئة (بمعنى انه لا يجوز تجزئة السهم على أكثر من شخص).
Article (11)	**المادة (11)**
Each share shall entitle its holder to a proportion equal to that of the other shares without distinction (i) in the ownership of the assets of the Company upon dissolution, (ii) in the profits of the Company as stated hereinafter, (iii) in the rights to attend General Assembly meetings and (iv) in voting on the resolutions thereof.	كل سهم يخول مالكه الحق في حصة معادلة لحصة غيره بلا تمييز (أ) في ملكية موجودات الشركة عند تصفيتها و(ب) في أرباح الشركة المبينة فيما بعد و(ج) في حق حضور جلسات الجمعيات العمومية و(د) في التصويت على قراراتها.
Article (12)	**المادة (12)**
12.1 The Company shall list its shares on a licensed financial market in the UAE. The Board of Directors may list the shares, or instruments representing the shares, with other financial markets abroad. When the shares of the Company are listed with financial markets in the UAE or abroad, the Company must abide by the laws, rules and regulations applicable in such markets including the laws, rules and regulations relating to the issuance and registration of the Company's shares, trading of those shares and transfer of title thereof and any rights arising therefrom without the need to amend these Articles where the provisions are contradictory to those of the applicable laws and regulations.	1-12 تقوم الشركة بإدراج أسهمها في أحد أسواق الأوراق المالية المرخصة في الدولة. كما يجوز لمجلس الإدارة إدراج الأسهم أو صكوك تمثل الأسهم في الأسواق المالية الأخرى خارج الدولة. وفي حالة إدراج أسهم الشركة في الأسواق المالية في الدولة أو في الخارج، فعلى الشركة أن تتبع القوانين والأنظمة واللوائح المعمول بها في تلك الأسواق بما في ذلك قوانين وأنظمة ولوائح إصدار وتسجيل أسهم الشركة وتداولها ونقل ملكيتها وترتيب حقوق عليها وذلك دون الحاجة إلى تعديل الأحكام الواردة في هذا النظام الأساسي في حالة تعارضها مع هذه القوانين أو الأنظمة أو اللوائح.
12.2 The Company's shares may be sold, transferred, pledged, or otherwise disposed of, in accordance with the provisions of these Articles and all such transactions shall be registered in a special register referred to as the "Share Register". Upon listing the Company's shares on the Market in accordance with the Listing Rules, such transactions shall be registered in accordance with the regulations for selling, purchasing, clearing, settling and recording, applicable in the Market.	2-12 يجوز بيع أسهم الشركة أو التنازل عنها أو رهنها أو التصرف أو التعامل فيها على أيّ وجه بمقتضى وطبقا لأحكام هذا النظام الأساسي. ويتم تسجيل أيّ من هذه التعاملات في الأسهم في سجل خاص يسمى "**سجل الأسهم**"، وعند إدراج أسهم الشركة في السوق وفقاً لقواعد الإدراج، فان تسجيل أيّ من التعاملات المذكورة أعلاه في هذه المادّة في أسهم الشركة يتمّ وفقا لأنظمة البيع والشراء والمقاصة والتسويات والقيد المتبعة لدى ذلك السوق.
12.3 In the event of the death of a Shareholder, his/her heir(s) shall be the only person(s) to be approved by the Company as having rights or interests in the shares of the deceased Shareholder. Such heir(s), for so long as they	3-12 في حالة وفاة أحد المساهمين، يكون وريثه هو الشخص الوحيد الذي توافق الشركة بأن له حقوق ملكية أو مصلحة في أسهم المتوفى ولذلك الوريث طالما أنه حامل الأسهم الحق في الأرباح والامتيازات الأخرى التي كان للمتوفى حق فيها. و يكون للوريث بعد تسجيله في الشركة وفقا لأحكام هذا النظام ذات الحقوق كمساهم التي كان يتمتع بها

hold the shares, shall be entitled to such dividends and other privileges as the deceased Shareholder would have been entitled in relation to such shares. Such heir(s), after being registered as a Shareholder in accordance with these Articles, shall have the same rights in his/her capacity as a Shareholder in the Company as the deceased Shareholder had in relation to such shares. The estate of the deceased Shareholder shall not be exempted from any obligation regarding any share held by him/her at the time of death.	المتوفى فيما يخص هذه الأسهم. ولا تعفى تركة المساهم المتوفي من أيّ التزام فيما يختص بأيّ سهم كان يملكه وقت الوفاة.
12.4 Any person who becomes entitled to rights to a share or shares in the Company as a result of the death or bankruptcy of any Shareholder, or pursuant to an attachment order issued by any competent court of law, should within thirty (30) days:	4-12 يجب على أيّ شخص يصبح له الحق في أية أسهم في الشركة نتيجة لوفاة أو إفلاس أيّ مساهم أو بمقتضى أمر حجز صادر عن أية محكمة مختصة أن يقوم خلال ثلاثين (30) يوماً:
(i) produce evidence of such right to the Board of Directors; and	(1) بتقديم البينة على هذا الحق إلى مجلس الإدارة، و
(ii) select either to be registered as a Shareholder or to nominate another person to be registered as a Shareholder of the relevant share(s).	(2) أن يختار أما أن يتم تسجيله كمساهم أو أن يسمى شخصا ليتم تسجيله كمساهم فيما يختص بذلك السهم.
<u>Article (13)</u>	**المادة (13)**
When the Company completes the listing of its shares on the Market in accordance with the Listing Rules, it shall replace its share register system and the applied system of its ownership transfer with an electronic system for the registration of the shares and transfers thereof as applicable in the Market. The data electronically recorded thereon is final and binding and cannot be challenged, transferred or altered except in accordance with the regulations and procedures followed in the Market.	تستبدل الشركة، عند اكتمال إدراج أسهمها في السوق وفقاً لقواعد الإدراج، سجل الأسهم ونظام نقل ملكية الأسهم المعمول به بنظام إلكتروني لتسجيل الأسهم وقيد نقل ملكيته وفقا للنظام المعمول به في السوق الخاص بقيد وتسجيل الأسهم. وتعتبر البيانات الواردة في هذا النظام الإلكتروني نهائية وملزمة ولا يجوز الطعن فيها أو طلب نقلها أو تغييرها إلا وفقا للنظم والإجراءات المتبعة في السوق.
<u>Article (14)</u>	**المادة (14)**
A Shareholder's heirs or creditors may not, for whatsoever reason, request the attachment of the Company's books or assets. They also may not request to divide those assets or sell them in one lot because the shares are not divisible, nor to interfere in any way whatsoever in the management of the Company. Those heirs and creditors must, when exercising their rights, rely on the Company's books, inventories, balance sheets and resolutions of the General Assembly.	لا يجوز لورثة المساهم أو لدائنيه، لأيّ سبب كان، أن يطلبوا وضع الأختام على دفاتر الشركة أو ممتلكاتها ولا أن يطلبوا قسمتها أو بيعها جملة لعدم إمكان القسمة ولا أن يتدخلوا بأية طريقة كانت في إدارة الشركة. ويجب عليهم، لدى استعمال حقوقهم، التعويل على قوائم جرد الشركة وحساباتها الختامية وعلى قرارات جمعياتها العمومية.
<u>Article (15)</u>	**المادة (15)**
The Company shall pay dividends on each share to the last holder of such share whose name is registered in the share register on the date specified by the General Assembly for payment of such dividends. Such holder shall have the sole right to the profits due on those	تدفع الشركة حصص الأرباح المستحقة عن كل سهم لآخر مالك له مقيد اسمه في سجل الأسهم بالشركة في التاريخ الذي تقرره الجمعيّة العموميّة لدفع تلك الأرباح. ويكون له وحده الحق في استلام المبالغ المستحقة عن ذلك السهم سواء كانت حصصا في الأرباح أو نصيبا في موجودات الشركة في حال تصفيتها.

shares whether these profits represent dividends or entitlements to a part of the Company's assets in the event of liquidation.	
<u>**Article (16)**</u>	**المادة (16)**
16.1 Subject to the provisions of the Law and obtaining the approval of the Authority, the share capital of the Company may be increased by issuing new shares of the same nominal value as the original shares or of the same nominal value plus a premium. The share capital of the Company may also be reduced after obtaining the approval of the Authority.	1-16 مع مراعاة أحكام القانون وبعد الحصول على موافقة الهيئة، يجوز زيادة رأس مال الشركة بإصدار أسهم جديدة بنفس القيمة الإسمية للأسهم الأصلية أو بإضافة علاوة إصدار إلى القيمة الإسمية. كما يجوز تخفيض رأس مال الشركة بعد الحصول على موافقة الهيئة.
16.2 New shares may not be issued at less than the nominal value thereof. If such shares are issued at a premium, such premium shall be added to the legal reserves even if, by doing so, the legal reserves exceed half of the issued share capital.	2-16 لا يجوز إصدار الأسهم الجديدة بأقل من قيمتها الإسمية، وإذا تم إصدارها بأكثر من ذلك، أضيف الفرق إلى الاحتياطي القانوني، ولو جاوز الاحتياطي القانوني بذلك نصف رأس مال الشركة المصدر.
16.3 An increase or a reduction of the share capital shall require approval by a Special Resolution of the General Assembly, pursuant to a recommendation of the Board of Directors in both cases, and after reviewing the Auditor's report in case of a reduction. In the case of an increase, the resolution must state the amount of the increase, the value of the shares to be issued and any pre-emption rights offered to existing Shareholders. In the case of a reduction in the share capital, the resolution must state the amount reduced and the method of its implementation.	3-16 أي زيادة في رأس مال الشركة أو تخفيضه تتطلب موافقة بقرار خاص من الجمعيّة العموميّة بناءاً على اقتراح من مجلس الإدارة في الحالتين، وبعد سماع تقرير مدقق الحسابات في حالة أيّ تخفيض، وعلى أن يبين في حالة الزيادة، مقدارها وسعر إصدار الأسهم الجديدة وحق المساهمين القدامى في أولوية الاكتتاب في هذه الزيادة. ويبين في حالة التخفيض مقدار هذا التخفيض وكيفية تنفيذه.
16.4 Any issue of new shares must first be offered to the existing Shareholders for subscription, in proportion to their existing shareholdings, before being offered to any third party, subject to the other provisions of this Article 16. Subscription for new shares shall be governed by the same rules of subscription as the existing shares.	4-16 في حالة إصدار أسهم جديدة يجب أن يتم عرضها على المساهمين الحاليين للاكتتاب فيها بما يتناسب مع حصصهم، قبل أن يتم عرضها على الغير، وفقاً لأحكام هذه المادة 16. يكون للمساهمين حق الأولوية في الاكتتاب بالأسهم الجديدة ويسري على الاكتتاب في هذه الأسهم القواعد الخاصة بالاكتتاب في الأسهم الأصلية.
16.5 In accordance with articles 223, 224, 225 and 292 of the Law, the Company may increase its capital without applying the pre-emption rights of the existing Shareholders: (a) for the purpose of the entry of a strategic partner; (b) for the purpose of capitalising the Company's debts, (c) for the purpose of converting bonds or sukuk issued by the Company into shares, and/or (d) acquiring an existing company and issuing new shares in the Company to the partners or Shareholders of that acquired company, provided that the Company obtains all the required approvals from the Authority and the General Assembly approves the relevant increase in capital by way of Special Resolution.	5-16 وفقاً لأحكام المواد (223 و224 و225 و292) من القانون يجوز زيادة رأس مال الشركة دون تطبيق حقوق الأولوية للمساهمين القائمين: (أ) لأغراض إدخال مساهم استراتيجي في الشركة، و/أو (ب) لتحويل ديون الشركة إلى راس مال، و/أو (ج) تحويل السندات أو الصكوك المصدرة من الشركة إلى أسهم و/او (د) الاستحواذ على شركة قائمة وإصدار اسهم جديدة في الشركة لصالح الشركاء او المساهمين في تلك الشركة المستحوذ عليها، وبشرط الحصول علي جميع الموافقات اللازمة من الهيئة و الجمعيّة العموميّة والموافقة على زيادة رأس المال من خلال قرار خاص للجمعيّة العموميّة.

16.6 The Company may by Special Resolution increase its share capital without triggering the pre-emption rights of existing Shareholders noted above, in order to implement a share incentive scheme for its employees ("**Employees Share Option Plan**") in light of the resolutions issued by the Authority in this respect.	6-16 يجوز أيضا للشركة عن طريق إصدار قرار خاص زيادة رأس المال المصدر الخاص بها دون تفعيل حقوق الأولوية للمساهمين القائمين المشار إليهم أعلاه في الاكتتاب بالأسهم الجديدة، لتطبيق برنامج تحفيز موظفي الشركة ("**برنامج أسهم اثابة وتحفيز العاملين**") بتملك أسهم فيها في ضوء القرارات المنظمة الصادرة عن الهيئة بهذا الشأن.
16.7 The Board of Directors shall present any Employees Share Option Plan to the General Assembly for approval by way of Special Resolution. Board Directors shall not be allowed to participate in an Employees Share Option Plan. The share capital of the Company may be increased in a five (5) year period by no more than ten percent (10%) of the issued capital for the purpose of establishing and implementing such Employees Share Option Plan. The time, number and terms upon which such shares are allocated to establish or implement the Employees Share Option Plan shall be determined by the Board of Directors from time to time.	7-16 ويعرض مجلس الإدارة أي برنامج أسهم اثابة وتحفيز العاملين بتملك أسهم فيها على الجمعيّة العموميّة للموافقة بموجب قرار خاص. ولا يجوز لأعضاء مجلس الإدارة المشاركة في برنامج أسهم اثابة وتحفيز العاملين. كما يجوز زيادة رأسمال الشركة خلال مدة خمس (5) سنوات بنسبة لا تزيد عن (10%) عشرة بالمائة من رأس المال المصدر لغرض تطبيق برنامج أسهم اثابة وتحفيز العاملين. ويحدد مجلس الإدارة من وقت لآخر وقت وعدد وشروط تخصيص الأسهم لتطبيق برنامج أسهم اثابة وتحفيز العاملين.
PART THREE ***LOAN DEBENTURES***	**الباب الثالث** ***في سندات القرض***
Article (17)	**المادة (17)**
17.1 Subject to the provisions of the Law, the General Assembly may resolve by a Special Resolution, and after obtaining the approval of the Authority, to issue tradable or non-tradable bonds or sukuk of any nature of equal value per issue whether they are convertible to shares or otherwise. The Special Resolution shall determine the value of the bonds or sukuk, the terms of issuance and their convertibility into shares. The General Assembly may also resolve to delegate to the Board of Directors the power to determine the date of issuance of such bonds or sukuks, pursuant to the terms and regulations issued by the Authority.	1-17 مع مراعاة أحكام القانون، للجمعيّة العموميّة للشركة بقرار خاص، وبعد موافقة الهيئة، أن تقرر إصدار سندات قرض من أيّ نوع أو صكوك إسلامية بقيم متساوية لكل إصدار سواء كانت قابلة أو غير قابلة للتداول وسواء كانت قابلة أو غير قابلة للتحول إلى أسهم في الشركة. ويبين القرار الخاص قيمة السندات أو الصكوك وشروط إصدارها ومدى قابليتها للتحويل إلى أسهم، ولها أن تصدر قراراً بتفويض الصلاحية الى مجلس الإدارة في تحديد موعد إصدار السندات أو الصكوك وفقًا للشروط واللوائح الصادرة من الهيئة.
17.2 Any bond or sukuk issued by the Company shall remain nominal until fully paid up. The Company may not issue "bearer" bonds or sukuks. Bonds or sukuks issued in connection with a single loan shall give equal rights to the holders of such bonds or sukuks. Any condition to the contrary shall be invalid.	2-17 أي سند أو صك تصدره الشركة يظل إسمياً حتى اكتمال سداد قيمته ولا يجوز إصدار السندات أو الصكوك لحاملها. ويُمنَح لأصحاب السندات أو الصكوك التي تصدر بمناسبة قرض واحد حقوقاً متساوية ويقع باطلاً كل شرط يخالف ذلك.
PART FOUR ***BOARD OF DIRECTORS***	**الباب الرابع** ***في مجلس الإدارة***
Article (18)	**المادة (18)**

18.1 The Company shall be managed by a Board of Directors consisting of seven Board Directors to be elected by the General Assembly via secret Cumulative Voting. A Secretary, who is not a Board Director, shall be appointed by the Board of Directors.	1-18 يتولى إدارة الشركة مجلس إدارة مكون من سبعةأعضاء تنتخبهم الجمعيّة العموميّة بالتصويت السري التراكمي. ويعيّن مجلس الإدارة مقرراً له من غير أعضائه.
18.2 In all cases, the majority of the Board Directors, including the Chairperson, shall be UAE Nationals.	2-18 ويجب، في جميع الأحوال، أن تكون أغلبية أعضاء مجلس الإدارة، بما فيهم رئيس مجلس الإدارة، من مواطني الدولة.
Article (19)	**المادة (19)**
The Board Directors may be experienced persons who are not shareholders.	يجوز أن يكون أعضاء مجلس الإدارة من ذوي الخبرة من غير المساهمين.
Article (20)	**المادة (20)**
The Company shall abide by the Corporate Governance Rules with respect to nomination for Board membership. Any candidate for Board membership shall provide the Company with the following:	تلتزم الشركة بقواعد حوكمة الشركات بشأن الترشح لعضوية مجلس الإدارة ويتعيّن على المرشح لعضوية مجلس الإدارة أن يقدم للشركة ما يلي:
(i) a curriculum vitae stating their professional experience and academic qualifications and determining the position he/she is nominated to (executive/non- executive/independent);	(1) السيرة الذاتية موضحاً بها الخبرات العملية والمؤهل العلمي مع تحديد صفة العضوية التى يترشح لها (تنفيذي/غير تنفيذي/مستقل)؛
(ii) an undertaking to abide by the Law and these Articles and to exercise his/her duties as a prudent person.	(2) إقرار بإلتزامه/التزامها بأحكام القانون والنظام الأساسي للشركة، وأنه سوف يبذل عناية الشخص الحريص في أداء عمله؛
(iii) a list of the companies and entities for which he/she works or in which he/she is a member of the board, in addition to any other competing activity he/she carries out, whether directly or indirectly.	(3) بيان بأسماء الشركات والمؤسسات التي يزاول/تزاول العمل فيها أو يشغل/تشغل عضوية مجالس إداراتها وكذلك أيّ عمل يقوم به بصورة مباشرة أو غير مباشرة يشكل منافسة للشركة؛
(iv) For representatives of corporate bodies, an official letter from the corporate body listing the names of its candidates for the Board of Directors' membership; and	(4) في حال ممثلي الشخص الإعتباري يتعيّن إرفاق كتاب رسمي من الشخص الإعتباري محدد فيه أسماء ممثليه المرشحين لعضوية مجلس الإدارة؛ و
(v) A list of the commercial companies in which he/she is a partner or a shareholder, in addition to the number of shares or stocks he/she owns.	(5) بيان بالشركات التجارية التى يساهم أو يشارك في ملكيتها وعدد الأسهم أو الحصص فيها.
Article (21)	**المادة (21)**
21.1 Every Board Director shall hold his/her position for a term of three (3) years. At the end of such term, the Board of Directors shall be reconstituted. A Board Director whose term of membership is completed may be re-elected.	1-21 يتولى كل عضو مجلس إدارة منصبه لمدة ثلاث (3) سنوات. وفي نهاية هذه المدة، يعاد تشكيل مجلس الإدارة. ويجوز إعادة إنتخاب أعضاء مجلس الإدارة الذين انتهت مدة عضويتهم.
21.2 The Board of Directors may appoint new Board Directors to fill the positions that become vacant during the year provided that such appointment is presented to the General Assembly in its first subsequent meeting to ratify such appointment or to appoint other Board Directors. If the vacant	2-21 لمجلس الإدارة أن يعيّن أعضاء جدد في المراكز التي تخلو في أثناء السنة على أن يعرض هذا التعيين على الجمعيّة العموميّة في أول اجتماع لها لإقرار تعيينهم أو تعيين غيرهم. فإذا بلغت أو تعدت المراكز الشاغرة في أثناء السنة ربع عدد أعضاء مجلس الإدارة أو أكثر، وجب على مجلس الإدارة دعوة الجمعيّة العموميّة للاجتماع خلال ثلاثين (30) يوماً على الأكثر من تاريخ شغر آخر منصب لإنتخاب

	positions during the year reach or exceed one (1) quarter of the number of the Board of Directors, the Board of Directors must call for a General Assembly to convene no later than thirty (30) days from the date of the last position becoming vacant in order to elect new Board Directors to fill the vacant positions. In all cases, the new Board Director shall complete the term of his/her predecessor and such Board Director may be re-elected once again.	من يملأ المراكز الشاغرة. وفي جميع الأحوال، يكمل عضو مجلس الإدارة الجديد مدة سلفه ويكون هذا العضو قابلا للإنتخاب مرة أخرى.	
	Article (22)	**المادة (22)**	
22.1	The Board of Directors shall elect by secret ballot, from amongst its members, a Chairperson and a vice-Chairperson. The Chairperson shall represent the Company before the courts and execute resolutions adopted by the Board of Directors. The vice-Chairperson shall act on behalf of the Chairperson in his/her absence or if the latter is otherwise incapacitated. It shall not be permissible for the same individual to contemporaneously hold the position of Chairperson and managing director or any other executive function in the Company. The Company must also have a secretary to the Board of Directors who may not be one of the Board Directors, who shall satisfy the requirements of the Corporate Governance Rules issued by the Authority and report directly to the Board of Directors. The Secretary may only be dismissed by resolution of the Board of Directors.	ينتخب مجلس الإدارة بالتصويت السري من بين أعضائه رئيس مجلس الإدارة ونائبا لرئيس مجلس الإدارة. يمثل رئيس مجلس الإدارة الشركة أمام القضاء، وعليه تنفيذ القرارات الصادرة عن مجلس الإدارة. ويقوم نائب رئيس مجلس الإدارة مقام رئيس مجلس الإدارة عند غيابه أو قيام مانع لديه ولا يجوز الجمع بين منصب رئيس مجلس الادارة ومنصب العضو المنتدب أو أي وظيفة تنفيذية أخرى بالشركة. كما يجب أن يكون للشركة مقرر لمجلس الإدارة من غير أعضائه تتوافر فيه المتطلبات المحددة في دليل الحوكمة الصادر عن الهيئة ويتبع مجلس الإدارة مباشرة، ولا يجوز عزله الا بموجب قرار من مجلس الادارة.	1-22
22.2	The Board of Directors may form one or more committees from amongst its members and/or other persons as may be designated by the Board of Directors, and delegate to such committees certain specified powers and authorities as the Board of Directors may determine.	يحق لمجلس الإدارة أن يُشكل من بين أعضائه و/او الغير لجنة أو أكثر يعهد اليها صلاحيات واختصاصات وسلطات معيّنة على النّحو الذي يقرّره مجلس الإدارة.	2-22
	Article (23)	**المادة (23)**	
23.1	The Board of Directors shall have all the powers to manage the Company and the authority to perform all deeds and acts on behalf of the Company and to carry out all the functions required by its objectives. Such powers and authorities shall not be restricted except as stipulated in the Law, the Law of Establishment, these Articles or as to be resolved by the General Assembly. The Board of Directors is further hereby expressly authorised, for the purpose of Article 154 of the Law, to conclude any loan agreements for periods in excess of three (3) years, to sell or mortgage the Company's real estate and assets, to release the Company's debtors and to conduct	لمجلس الإدارة كافة السلطات في إدارة الشركة والقيام بكافة الأعمال والتصرفات نيابة عن الشركة وممارسة كافة الصلاحيات المطلوبة لتحقيق أغراضها. ولا يحد من هذه السلطات والصلاحيات إلا ما نص عليه القانون أو قانون التأسيس أو هذا النظام الأساسي أو ما ورد بقرار من الجمعيّة العموميّة. وعلاوة على ذلك يُخوَّل مجلس الإدارة صراحةً بموجب هذا النظام ولأغراض المادّة 154 من القانون عقد القروض لآجال تزيد على ثلاث (٣) سنوات وكذلك بيع أو رهن عقارات وأصول الشركة وإبراء ذمة مديني الشركة من التزاماتهم وإجراء الصلح والاتفاق على التحكيم ورفع القضايا وتسويتها.	1-23

conciliation and agree to arbitration, and to file lawsuits and to settle the same.	
23.2 The Board of Directors shall issue regulations relating to the administrative and financial affairs of the Company, and to personnel/employee affairs and their financial entitlements. The Board of Directors shall also issue regulations to organise its business, meetings and allocation of its authorities and responsibilities.	2-23 ويضع مجلس الإدارة اللوائح المتعلقة بالشئون الإدارية والمالية وشئون عمال/موظفي الشركة ومستحقاتهم المالية. كما يضع مجلس الإدارة لائحة خاصة بتنظيم أعماله واجتماعاته وتوزيع الاختصاصات والمسئوليات.
Article (24)	**المادة (24)**
The Board of Directors may resolve to grant the right to solely represent the Company to the Chief Executive Officer and/or any Board Director under the conditions, limits and terms included in the relevant Board of Directors resolution and the provisions of the Law.	يجوز لمجلس الإدارة أن يصدر قراراً بمنح حق صفة تمثيل الشركة على انفراد للرئيس التنفيذي و/أو أياً من أعضاء مجلس الإدارة وذلك في حدود الشروط والأحكام التي يتضمنها ذلك القرار وأحكام القانون.
Article (25)	**المادة (25)**
The Board of Directors shall hold a minimum of four (4) meetings each year and shall hold its meetings at the head office of the Company, or at any other place inside the UAE as the Board Directors shall agree upon. The meetings of the Board of Directors can be held through audio or video conferencing facilities. The invitation shall be sent one week before the meeting and shall be sent together with the agenda. Each Board Director may add urgent items to the agenda.	يعقد مجلس الإدارة (4) أربع اجتماعات سنوياً على الأقل في المركز الرئيسي للشركة أو في أيّ مكان آخر داخل الدولة يوافق عليه أعضاء مجلس الإدارة. ويجوز أن تُعقد اجتماعات مجلس الإدارة عن طريق وسائل الاتصال المسموعة أو المرئية. وتوجه الدعوة قبل أسبوع على الأقل من الموعد المحدد مشفوعة بجدول الاعمال، ولكل عضو مجلس إدارة الحق في إضافة أي موضوع يرى ضرورة بحثه في الاجتماع.
Article (26)	**المادة (26)**
26.1 A meeting of the Board of Directors shall not be valid unless a notice is given to each Board Director and attended by a majority of the Board Directors in person. Attendance in person shall be satisfied if a Board Director is physically present or is present through video-conferencing or any other method as may be permitted by the Authority. A Board Director may appoint another Board Director in writing to attend and vote on his/her behalf. In such a case, such Board Director shall have two (2) votes. A Board Director may not act on behalf of more than one (1) Board Director and no Board Director shall vote by way of correspondence.	1-26 لا يكون اجتماع مجلس الإدارة صحيحاً ومكتمل النصاب إلا بعد دعوة جميع أعضائه وبحضور أغلبيتهم شخصياً. ويكون الحضور شخصياً من خلال التواجد الفعلي أو التواجد من خلال التقنية الصوتية او تقنية الصوت والفيديو او أي وسيلة أخرى تسمح بها الهيئة، ويجوز لعضو مجلس الإدارة أن ينيب عنه غيره من أعضاء مجلس الإدارة خطياً في الحضور والتصويت. وفي هذه الحالة، يكون لهذا العضو صوتان. ولا يجوز أن ينوب عضو مجلس الإدارة عن أكثر من عضو واحد من أعضاء مجلس الإدارة كما لا يجوز التصويت بالمراسلة.
26.2 The resolutions of the Board of Directors are adopted by a majority of the votes of the Board Directors present or represented. In case of a tie, the Chairperson or the person acting on his/her behalf shall have a casting vote.	2-26 وتصدر قرارات مجلس الإدارة بأغلبية أصوات أعضاء مجلس الإدارة الحاضرين والممثلين. وإذا تساوت الأصوات، رجح الجانب الذي منه الرئيس أو من يقوم مقامه.
26.3 The details of items discussed in a meeting of the Board of Directors or its committee(s) and decisions thereof, including any reservations or any dissenting opinions, shall be recorded by the Secretary or the committee in the minutes of such meetings provided all the present Board	3-26 تسجل تفاصيل المسائل التي نظر فيها والقرارات التي تم اتخاذها في محاضر اجتماعات مجلس الإدارة أو لجانه من قبل مقرر مجلس الإدارة أو اللجنة بما في ذلك أية تحفظات لأعضاء مجلس الإدارة أو آراء مخالفة عبروا عنها. ويجب توقيع كافة أعضاء مجلس الإدارة الحاضرين أو أعضاء اللجان على محاضر اجتماعات مجلس الإدارة قبل اعتمادها، على أن ترسل نسخ من هذه المحاضر لأعضاء مجلس

	Directors or committee members sign the minutes prior to endorsement. Copies of the said minutes of meeting shall be sent to the Board Directors or committee members following endorsement for their records. The minutes of meetings of the Board of Directors or its committee(s) shall be kept with the Secretary. In the event that a Board Director refuses to sign, his/her refusal, with reasoning thereof, should be noted in the minutes.	الإدارة أو أعضاء اللجان بعد اعتمادها للاحتفاظ بها. وتحفظ محاضر اجتماعات مجلس الإدارة ولجانه من قبل مقرر مجلس الإدارة. وفي حالة امتناع أحد أعضاء مجلس الإدارة عن التوقيع، يُثبت إعتراضه في المحضر وتُذكر أسباب الاعتراض في حال إبدائها.	
26.4	Without prejudice to the minimum number of Board of Directors' meetings set out above, the Board of Directors may approve certain resolutions by circulation, taking into consideration that: (1) the majority of the Board Directors agree and approve that the circumstances are sufficiently urgent to justify the issuance of a resolution by circulation, and (2) the Board Directors are provided with the resolution by circulation in writing for their approval attaching all related documents.	دون الإخلال بإلتزام مجلس الإدارة بالحد الادني لعدد إجتماعاته الواردة أعلاه، يجوز لمجلس الإدارة الموافقة على بعض قراراته بالتمرير مع مراعاه: (1) موافقة أعضاء مجلس الإدارة بالأغلبية على وجود حالة طارئة تستدعي إصدار القرار بالتمرير، و(2) تسليم أعضاء مجلس الإدارة القرار بالتمرير مكتوب خطياً للموافقة عليه مصحوباً بكافة المستندات والوثائق اللازمة لمراجعته.	4-26
26.5	The Chairperson, the Secretary and the Company's general legal counsel are hereby authorised either solely or jointly to provide certified copies of extracts taken from the minutes of any Board of Directors' meeting, by signing such extracts, identifying that it is a certified true copy of the original and providing for the date of such certification. Any party dealing with the Company may rely absolutely on such certified copy as being a true and accurate copy of the original document.	يُخَوَّل كلاً من رئيس مجلس الإدارة والمقرر والمستشار القانوني العام للشركة، سواء منفردين أو مجتمعين بتقديم نسخ مصدق عليها لمستخرجات من محضر أيّ اجتماع لمجلس الإدارة وذلك بتوقيع تلك المستخرجات والإشارة إلى إنها نسخة طبق الأصل من المحضر الأصلي مع ذكر تاريخ التصديق عليها. ويجوز لأيّ طرف يتعامل مع الشركة التعويل بشكل مطلق على تلك النسخة المصدق عليها باعتبارها نسخة طبق الأصل ودقيقة من المستند الأصلي.	5-26
	<u>Article (27)</u>	**المادة (27)**	
27.1	The Board of Directors shall review the Conflicts of Interest of the Board Directors. The Board of Directors shall resolve on such matter in the presence of a majority of the Board Directors with the Board Director having a Conflict of Interest being barred from voting on the same.	ينظر مجلس الإدارة في تعارض المصالح الموجود لدى أعضاء مجلس الإدارة. ويصدر مجلس الإدارة قراره بحضور أغلبية أعضاء مجلس الإدارة. ولا يجوز لعضو مجلس الإدارة ذو المصلحة المتعارضة الاشتراك في التصويت على هذا القرار.	1-27
27.2	Each Board Director shall notify the Board of Directors of his/her Conflicts of Interest, or any Conflict of Interest of an entity that he/she represents, in respect of a transaction or dealing that the Company is a party to. Any Conflict of Interest of a Board Director shall be referred to the Board of Directors for approval and must also be approved on an annual basis by the General Assembly. The declaration of such Board Director shall be noted in the minutes of the meeting and he/she may not vote on any resolution concerning such transaction or dealing to which the Company is a party.	على كل عضو مجلس إدارة يكون هناك أي تعارض في المصالح مع الجهة التى يمثلها فيما يتعلق بصفقة أو معاملة تكون الشركة أحد أطرافها. أي تعارض في المصالح لأي عضو مجلس إدارة يعرض على مجلس الإدارة لإتخاذ قرار بشأنه وكما يجب ان تتم الموافقة عليه بشكل سنوي من قبل الجعية العمومية للشركة. أن يُبلغ مجلس الإدارة ذلك وأن يثبت إقراره في محضر الجلسة، ولا يجوز له الإشتراك في التصويت الخاص بالقرار الصادر في شأن هذه الصفقة أو المعاملة و التي يكون الشركة طرفاً فيها.	2-27

27.3 If a Board Director fails to notify the Board of Directors of his/her Conflict of Interest in respect of a transaction or dealing that the Company is a party to, the Company or any of its Shareholders may apply to the competent court to annul such transaction or dealing and oblige the contravening Board Director to return to the Company any profit or benefit made on such contract.	3-27 إذا تخلّف عضو مجلس الإدارة عن إبلاغ مجلس الإدارة عن تعارض المصالح لديه في صفقة أو تعامل تكون الشركة أحد أطرافها جاز للشركة أو لأيّ من مساهميها عندئذٍ التقدم للمحكمة المختصة لإبطال تلك الصفقة أو التعامل وإلزام عضو مجلس الإدارة المخالف بأداء أيّ ربح أو منفعة تحققت له من التعاقد ورده للشركة. و التي يكون الشركة طرفاً فيها.
<u>Article (28)</u>	**المادة (28)**
The position of a Board Director shall become vacant in the event of the following occurring to such Board Director:	يشغر منصب عضو مجلس الإدارة في حالة وقوع أي من الأحداث التالية:
(i) death, incapacity or inability for any other reason to carry on the duties of a Board Director;	(1) الوفاة أو الإصابة بعارض من عوارض الأهلية أو العجز بأيّ صورة أخرى عن أداء مهام عضو مجلس إدارة، أو
(ii) conviction of any dishonouring offense;	(2) الإدانة بأية جريمة مخلة بالشرف والأمانة، أو
(iii) bankruptcy or ceasing to pay commercial debts, even if bankruptcy is not declared;	(3) الإفلاس أو التوقف عن دفع الديون التجاريّة حتى لو لم يقترن ذلك بإشهار الإفلاس، أو
(iv) resignation from the Board of Directors by written notice sent to the Chairperson to this effect;	(4) الإستقالة من المنصب بموجب إشعار خطي يُرسل للرئيس مجلس الإدارة بهذا المعنى، أو
(v) dismissal by a resolution of the General Assembly; or	(5) صدور قرار من الجمعيّة العموميّة بالعزل، أو
(vi) absence for three (3) successive or five (5) non-successive Board of Directors meetings without an excuse that is approved by the Board of Directors.	(6) الغياب عن حضور إجتماعات مجلس الإدارة ثلاث (3) جلسات متتالية أو خمس (5) جلسات متقطعة، خلال مدة مجلس الإدارة دون عذر يقبله مجلس الإدارة.
<u>Article (29)</u>	**المادة (29)**
The Board of Directors shall appoint the Management, including the Chief Executive Officer, and determine their authorities, the conditions of their engagement, their salaries and remunerations. Members of the Management are not allowed to work for any other company, save as otherwise permitted by the Board of Directors.	لمجلس الإدارة الحق في تعيين الإدارة، ويشمل ذلك الرئيس التنفيذي، وله أن يحدد صلاحياتهم وشروط خدماتهم ورواتبهم ومكافآتهم، ولا يجوز لأعضاء الإدارة العمل لأيّ شركة أخرى إلا إذا سُمح لهم بذلك من قِبَل مجلس الإدارة.
<u>Article (30)</u>	**المادة (30)**
Without prejudice to the provisions of Article 31 of these Articles, the Board Directors shall not be personally liable or obligated for the liabilities of the Company as a result of performing their duties as Board Directors to the extent that they have not exceeded their authority.	مع مراعاة أحكام المادّة 31 من هذا النظام الأساسي، لا يكون أعضاء مجلس الإدارة مسؤولين مسئولية شخصية فيما يتعلق بالتزامات الشركة الناتجة عن قيامهم بواجباتهم كأعضاء مجلس إدارة وذلك بالقدر الذي لا يتجاوزون فيه حدود سلطاتهم.
<u>Article (31)</u>	**المادة (31)**
31.1 The Board Directors and the Management shall be held liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of their delegated powers, and for any breach of the Law or these Articles. Any	1-31 يكون مجلس الإدارة والإدارة التنفيذية مسؤولين تجاه الشركة والمساهمين والغير عن جميع أعمال الغش وإساءة استعمال السلطة، وعن كل مخالفة للقانون وهذا النظام الأساسي، ويبطل كل شرط يقضي بغير ذلك. لا يكون أعضاء مجلس الإدارة مسؤولين مسؤولية شخصية فيما يتعلق بالتزامات الشركة الناتجة عن قيامهم بواجباتهم

	provision to the contrary shall be invalid. Board Directors shall not be personally liable in connection with the undertakings of the Company by reason of their having carried out their duties as Board Directors to the extent they do not exceed the scope of their authorities.	كأعضاء مجلس إدارة وذلك بالقدر الذي لا يتجاوزون فيه حدود سلطاتهم.	
31.2	The liability of the Board Directors referred to in the previous paragraph of this Article shall be joint if the mismanagement resulted from a unanimous resolution of the Board Directors. However, where the relevant resolution was adopted by a majority vote, the dissenting Board Directors shall not be liable provided that they have recorded their objection in the minutes of the meeting. A Board Director who was absent from the meeting in which the resolution was adopted shall not be relieved from liability unless it can be proven that he or she had no knowledge of the resolution or that he or she knew about the resolution but had not been able to object to it. The Management shall bear the liability specified in this Article if the error resulted from a decision issued by it.	تقع المسؤولية المنصوص عليها في هذه المادة على جميع أعضاء مجلس الإدارة إذا نشأ الخطأ عن قرار صدر بإجماع الآراء، أما إذا كان القرار محل المساءلة صادراً بالأغلبية فلا يُسأل عنه المعارضون متى كانوا قد أثبتوا إعتراضهم بمحضر الجلسة، فإذا تغيب أحد الأعضاء عن الجلسة التي صدر فيها القرار فلا تنتفي مسؤوليته إلا إذا ثبت عدم علمه بالقرار أو علمه به مع عدم إستطاعته الإعتراض عليه، وتقع المسؤولية المنصوص عليها في هذه المادة على الإدارة التنفيذية إذا نشأ الخطأ بقرار صادر عنها.	2-31
31.3	The Company shall (to the extent of its assets) indemnify each Board Director and manager in the Company against any liability (with the exception of criminal liability) incurred by them arising from or in relation to or in connection with the performance of their duties to the Company provided that such person was acting in good faith, and in a manner they reasonably believed to be in the best interests of the Company, and provided further that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged by a competent court to be liable to the Company.	تكون الشركة في حدود موجوداتها مسؤولة عن تعويض أي عضو في مجلس الإدارة، وأي مدير في الشركة عن أية مسؤولية يتحملها (باستثناء المسؤولية الجنائية) نتيجة للقيام بواجباته أو متصلة بذلك أو لها علاقة بالقيام به، شريطة أن يكون ذلك الشخص قد قام بذلك بحسن نية ونتيجة لاعتقاده المعقول أن ما قام به إنما هو لصالح ولا يتعارض مع مصالح الشركة. مع مراعاة أن ذلك الشخص لا يستحق أي تعويض بخصوص أية مطالبة أو مسألة ثبتت مسؤوليته عنها تجاه الشركة بمقتضى حكم صادر من محكمة مختصة.	3-31
	Article (32)	**المادة (32)**	
32.1	The Company may not provide any loans to any Board Director or execute guarantees or provide any securities in connection with any loans granted to them. A loan shall be deemed as granted to a Board Director if granted to his/her spouse, children or relative up to the second degree.	لا يجوز للشركة تقديم قروض لأيّ من أعضاء مجلس الإدارة أو عقد كفالات أو تقديم أية ضمانات تتعلق بقروض ممنوحة لهم، ويعتبر قرضاً مقدماً لعضو مجلس الإدارة كل قرض مقدم إلى زوجه أو أبنائه أو أيّ قريب لهُ حتى الدرجة الثانية.	1-32
32.2	No loan may be granted to a company where a Board Director or his/her spouse, children or relatives up to the second degree holds, jointly or severally, twenty percent (20%) or more of the share capital of that company.	لا يجوز تقديم قرض إلى شركة يملك عضو مجلس الإدارة أو زوجه أو أبناؤه أو أيّ من أقاربه، سواء مجتمعين أو منفردين، حتى الدرجة الثانية (20%) عشرين بالمائة أو أكثر من رأس مالها.	2-32
	Article (33)	**المادة (33)**	
33.1	The Related Parties shall not use any information in their possession due to their membership of the Board of Directors or	يحظر على الأطراف ذات العلاقة أن يستغل أياً منهم ما اتصل به من معلومات بحكم عضويته في مجلس الإدارة أو وظيفته في الشركة في تحقيق مصلحة له أو للغير أياً كانت نتيجة التعامل في الأوراق	1-33

employment at the Company to achieve any interest whatsoever for them or for third parties as a result of dealing in the securities of the Company or any other transactions. Such Related Party may not have a direct or indirect interest with any party entering into transactions intended to influence the price of the securities of the Company or issued thereby.	المالية للشركة أو غيرها من المعاملات، كما لا يجوز للأطراف ذات العلاقة أن يكون لهم مصلحة مباشرة أو غير مباشرة مع أيّ طرف يقوم بعمليات يراد بها إحداث تأثير في أسعار الأوراق المالية الخاصة بالشركة أو التي أصدرتها الشركة.
33.2 Subject to Article 33.3, the Company shall not: (i) conclude any transactions with Related Parties whose value does not exceed five percent (5%) of the issued share capital of the Company without the approval of the Board of Directors; and (ii) conclude any transactions with Related Parties whose value exceeds five percent (5%) of the issued share capital of the Company without the approval of the General Assembly. Further, the Company may not conclude transactions whose value exceeds five percent (5%) of the issued share capital of the Company unless such transaction has been evaluated by an assessor approved by the Authority. The Related Party, who has an interest in a transaction to be entered into with the Company may not vote in the decision relating to such transaction, either at the meeting of the Board of Directors or the General Assembly. The Auditor shall state in his annual report any Conflicts of Interest, Related Parties transactions and financial dealings that have taken place between the Company and any Related Parties, and the procedures followed in this respect.	2-33 مع مراعاة المادة 33-3، لا يجوز للشركة: (1) عقد أي صفقات مع الأطراف ذات العلاقة إلا بموافقة مجلس الإدارة فيما لا يجاوز (5%) خمسة بالمائة من رأسمال الشركة المصدر؛ (2) عقد أي صفقات مع الأطراف ذات العلاقة إلا بموافقة الجمعيّة العموميّة للشركة فيما زاد على (5%) خمسة بالمائة من رأسمال الشركة المصدر. ولا يجوز للشركة عقد صفقات مع الأطراف ذات العلاقة فيما يجاوز (5%) خمسة بالمائة من رأسمال الشركة المصدر إلا بعد تقييمها بواسطة مقيم معتمد لدى الهيئة. ولا يحق لطرف من الأطراف ذات العلاقة، ذا مصلحة في صفقة يتم إبرامها مع الشركة التصويت على قرار يتعلق بتلك الصفقة، سواء في إجتماع مجلس الإدارة أو الجمعيّة العموميّة. ويتعيّن على مدقق حسابات الشركة أن يشتمل تقريره السنوي على بيان بكافة صفقات تعارض المصالح والتعاملات المالية التي تمت بين الشركة وأياً من الأطراف ذات العلاقة والإجراءات التي أُتخذت بشأنها.
33.3 Articles 27.1, 27.2, 27.3, 33.2 and 46.1 shall not apply to transactions, or decisions relating to transactions, entered or to be entered into between the Company and the Founder, or between the Company and any other company that is directly or indirectly owned or under the Control of the Founder, or federal or local government in the UAE, or any transaction that could be challenged on the grounds of a Conflict of Interest arising out of the appointment by the Founder of a Board Director. Any such transactions entered into by the Company shall be exempt from the relevant provisions of the Law and any other related party transaction rules set out in the Chairman of the Authority's Board Resolution No. 3 RM of 2020, as may be amended from time to time.	3-33 إن المواد 27-1 و 27-2 و 27-3 و 33-2 و 46-1 عاليه لا تنطبق على الصفقات أو القرارات المتعلقة بها التي تبرمها الشركة مع المؤسس و/أو شركة مملوكة أو تحت سيطرة المؤسس أو الحكومة الإتحادية أو المحلية بشكل مباشر أو غير مباشر، أو أي معاملات التي يمكن الطعن فيها على اساس تعارض المصالح الناشئة عن تعيين المؤسس لعضو مجلس الادارة. ويتم استثناء تلك الصفقات والمعاملات من الأحكام المعنية من القانون ومن أي قواعد أخرى تتعلق بمعاملات الأطراف ذات العلاقة تم الإشارة إليها قرار رئيس مجلس إدارة الهيئة رقم 3/ر.م. لسنة 2020 كما يتم تعديله من حين لآخر.
Article (34)	**المادة (34)**
No attendance allowance shall be paid to Board Directors. The remuneration of the Board Directors in aggregate shall not exceed ten percent (10%) of the net	لا يجوز صرف بدل حضور لأعضاء مجلس الإدارة، وتتكون مكافأة أعضاء مجلس الإدارة من نسبة مئوية من الربح الصافي على أن لا تتجاوز (10%)

profits of the Company's relevant financial year. In addition, the Company may reimburse any Board Director for his/her expenses.	عشرة بالمائة من تلك الارباح للسنة المالية المعنية، كما يجوز للشركة تعويض أي عضو مجلس إدارة عن مصاريفه.
Article (35)	**المادة (35)**
The General Assembly may dismiss all or any of the Board Directors and open the nomination for Board membership and elect new Board Directors in accordance with the Corporate Governance Rules. Dismissed or removed Board Directors may not be re-nominated or be proposed as a Board Director candidate within three (3) years from the date of dismissal or removal.	يكون للجمعيّة العموميّة حق عزل كل أو بعض أعضاء مجلس الإدارة المنتخبين وفتح باب الترشح وانتخاب أعضاء جدد بدلاً منهم وفقاً لقواعد حوكمة الشركات. ولا يجوز ترشُّح أو إعادة ترشيح أعضاء مجلس الإدارة الذين تم عزلهم إلا بعد مضي (3) ثلاث سنوات من تاريخ العزل.
PART FIVE **The General Assembly**	**الباب الخامس** **في الجمعيّة العموميّة**
Article (36)	**المادة (36)**
A General Assembly shall be duly convened in Abu Dhabi by having Shareholders owning more than fifty percent (50%) of the share capital of the Company in attendance. If the quorum is not met in the first meeting, an invitation for a second General Assembly meeting shall be sent and such meeting is to be convened no earlier than five (5) days and no more than fifteen (15) days from the date of the first meeting. The second General Assembly meeting shall then be duly convened regardless of the number of Shareholders attending.	تنعقد الجمعيّة العموميّة أصولاً في أبوظبي بحضور مساهمين يمثلون ما يزيد عن (50%) خمسين بالمائة من رأس مال الشركة، فإذا لم يتوافر النصاب في الإجتماع الأول، وجب دعوة الجمعيّة العمومية إلى اجتماع ثانٍ يعقد بعد مضي مدة لا تقل عن (5) خمسة أيام ولا تجاوز (15) خمسة عشر يوماً من تاريخ الإجتماع الأول ويُعتبر الإجتماع الثاني صحيحاً أياً كان عدد المساهمين الحاضرين.
Article (37)	**المادة (37)**
37.1 Each Shareholder shall have the right to attend a General Assembly, and such Shareholder shall have a number of votes equivalent to the number of his or her shares. A Shareholder may authorise another person to attend the General Assembly on his or her behalf provided that such person is not a Board Director, employee in the Company or a brokerage company or any of its employees. Such authorisation shall be considered valid if it is confirmed by a special written proxy according to those conditions set out by the Board of Directors. The number of shares held by the representative as a proxy for several Shareholders may not exceed 5% of the Company's share capital. Incapacitated Shareholders shall be represented by their legal representatives.	1-37 لكل مساهم الحق في حضور الجمعية العمومية للمساهمين ويكون له عدد من الأصوات يعادل عدد أسهمه. ولكل مساهم أن ينيب عنه غيره في حضور الجمعية العمومية من غير أعضاء مجلس الإدارة او العاملين بالشركة او شركة وساطة في الأوراق المالية او العاملين بها. ويشترط لصحة النيابة أن تكون ثابتة بتوكيل كتابي خاص وفق الشروط التي يحددها مجلس الإدارة. يجب ألا يكون الوكيل لعدد من المساهمين حائزاً بهذه الصفة على أكثر من (5%) من رأس مال الشركة، ويمثل ناقصي الأهلية وفاقديها النائبون عنهم قانوناً.
37.2 A corporate person may delegate to a representative or those in charge of its management or any of its employees pursuant to a resolution of its board of directors or its equivalent the power to represent such corporate person in the General Assembly of the Company. The delegated person shall have	2-37 للشخص الاعتباري أن يفوض أحد ممثليه أو القائمين على إدارته او موظفيه بموجب قرار مجلس إدارته أو من يقوم مقامه ليمثله في حضور أية جمعية عمومية للشركة، ويكون للشخص المفوض الصلاحيات المقررة بموجب قرار التفويض.

the powers as determined in the delegating resolution.	
<u>Article (38)</u>	**المادة (38)**
38.1 Invitations to the Shareholders to attend the General Assembly shall be by announcement in two (2) daily local newspapers issued in Arabic and English, and by registered mail, email or sms (if available) at least twenty one (21) days before the date set for the meeting after obtaining the approval from the Authority. The invitation should contain the agenda of the General Assembly meeting. A copy of the invitation shall be sent to the Authority and the Competent Authority.	1-38 توجه الدعوة إلى المساهمين لحضور إجتماعات الجمعية العمومية بإعلان في صحيفتين يوميتين محليتين تصدران باللغة العربية والانجليزية، وبرسالة عبر البريد الالكتروني أو برسالة نصية هاتفية قصيرة أو بكتب مسجلة وذلك قبل الموعد المحدد للاجتماع بواحد وعشرين (21) يوماً على الأقل، وذلك بعد الحصول على موافقة الهيئة، ويجب أن تتضمن الدعوة جدول أعمال ذلك الاجتماع. وترسل صورة من أوراق الدعوة إلى كل من الهيئة والسلطة المختصة.
38.2 General Assembly meetings and Shareholders' participation and voting within such meeting may be conducted using electronic means that allow for remote participation, in accordance with the requirements set by the Authority.	2-38 يجوز عقد اجتماعات الجمعية العمومية واشتراك المساهم في مداولاتها والتصويت على قراراتها بواسطة وسائل التقنية الحديثة للحضور عن بعد، وفقاً للضوابط التي تضعها الهيئة في هذا الشأن.
<u>Article (39)</u>	**المادة (39)**
A General Assembly shall be called by:	تنعقد الجمعيّة العموميّة بدعوة من:
(i) the Board of Directors at least once (1) annually during the four (4) months following the end of the financial year;	(1) مجلس الإدارة مرة على الأقل في السنة خلال الأشهر الأربعة التالية لنهاية السنة المالية؛
(ii) the Board of Directors, whenever it deems fit, or upon a request of the Auditor, or if one or more Shareholders holding not less than ten percent (10%) of the share capital request a meeting, then the Board of Directors shall call for a General Assembly within five (5) days from the date of submitting the request. In such case, the meeting shall be held within a period not more than 30 days from the date of the invitation;	(2) مجلس الإدارة، كلما رأى وجهاً لذلك أو بناء على طلب مدقق الحسابات، أو إذا طلب مساهم أو أكثر يملكون (10%) عشرة بالمائة من رأس المال كحد أدنى عقد الجمعيّة العموميّة، وجب على مجلس الإدارة دعوة الجمعيّة العموميّة خلال (5) خمسة أيام من تاريخ تقديم الطلب؛ على أن يعقد الاجتماع خلال مدة لا تتجاوز (30) ثلاثين يوماً من تاريخ الدعوة للاجتماع؛
(iii) the Auditor, directly, if the Board of Directors omits to send an invitation to convene the General Assembly within five (5) days from the date of the request for a meeting submitted by the Auditor to the Board of Directors; or	(3) مدقق الحسابات مباشرة إذا اغفل مجلس الإدارة توجيه الدعوة لعقد الجمعيّة العموميّة في الاحوال التي يوجب القانون فيها دعوتها أو خلال خمسة أيام من تاريخ تقديم مدقق الحسابات طلب توجيه الدعوة لمجلس الإدارة ولم يقم بذلك؛ أو
(iv) the Authority, after five (5) days from its request to the Board of Directors, may call for the General Assembly in the following events:	(4) الهيئة، في الأحوال التالية، وبعد خمسة أيام من تاريخ طلبها، مجلس الإدارة الدعوى للجمعيّة العموميّة:
(a) the lapse of thirty (30) days after the fixed date for the meeting to be held (i.e. four (4) months after the end of the financial year) without the Board of Directors sending an invitation;	(أ) إذا مضى (30) ثلاثون يوماً على الموعد المحدد لانعقادها (وهو مضي أربعة أشهر على انتهاء السنة المالية) دون أن يقوم مجلس الإدارة بدعوتها للانعقاد؛
(b) if the number of Board Directors is less than the minimum required for its quorum;	(ب) إذا نقص عدد أعضاء مجلس الإدارة عن الحد الأدنى لصحة انعقاده؛

(c) discovery of any violation of the Law or these Articles, or any defect in the management of the Company; or	(ج) إذا تبين لها في أيّ وقت وقوع مخالفات للقانون أو لنظام الشركة أو وقوع خلل في إدارتها؛ أو
(d) if the Board of Directors fails to call for a meeting of the General Assembly despite the call from one or more Shareholders representing ten percent (10%) of the share capital of the Company.	(د) إذا تقاعس مجلس الإدارة عن دعوتها للانعقاد رغم طلب مساهم أو أكثر يمثلون (10%) عشرة بالمائة من رأس مال الشركة.
Article (40)	**المادة (40)**
The following matters shall be included on the agenda of the annual General Assembly:	يدخل في جدول أعمال الجمعيّة العموميّة في اجتماعها السنوي المسائل الآتية:
(i) to review and approve the report of the Board of Directors on the activity of the Company, its financial standing throughout the year and the report of the Auditor;	(1) سماع تقرير مجلس الإدارة عن نشاط الشركة ومركزها المالي خلال السنة وتقرير مدقق الحسابات والتصديق عليهما؛
(ii) to consider and approve the balance sheet and the account of profits and losses;	(2) مناقشة ميزانية الشركة وحساب الأرباح والخسائر والتصديق عليهما؛
(iii) to elect the Board Directors if necessary;	(3) إنتخاب أعضاء مجلس الإدارة عند الاقتضاء؛
(iv) to appoint and determine the remuneration of the Auditor;	(4) تعيين مدققي الحسابات وتحديد أتعابهم؛
(v) to consider the proposals of the Board of Directors concerning the distribution of profits;	(5) النظر في مقترحات مجلس الإدارة بشأن توزيع الأرباح؛
(vi) to consider the proposals of the Board of Directors concerning the remuneration of the Board Directors and to determine such remuneration;	(6) النظر في مقترحات مجلس الإدارة بشأن مكافأة أعضاء مجلس الإدارة وتحديدها؛
(vii) to dismiss or discharge the liability of the Board Directors and to file the liability claim against them, as the case may be; and	(7) عزل أعضاء مجلس الإدارة أو إبراء ذمتهم ورفع دعوى المسؤولية عليهم حسب الأحوال؛ و
(viii) to dismiss or discharge the liability of the Auditor and to file the liability claim against them, as the case may be.	(8) عزل مدققي الحسابات أو إبراء ذمتهم ورفع دعوى المسؤولية عليهم حسب الأحوال.
Article (41)	**المادة (41)**
41.1 Shareholders who wish to attend the General Assembly shall register their names in an electronic register made available by the Management at the meeting place within ample time before the meeting. The register shall include the name of the Shareholder, or his representative, the number of shares he holds or represents and the names of the represented Shareholders and the appropriate proxies. The Shareholder or the proxy shall be given a card to attend the meeting, which shall state the number of votes held or represented by him/her. An extract of this register showing the number of shares represented at the meeting and the percentage of attendance shall be printed and	1-41 سجل المساهمون الذين يرغبون في حضور الجمعيّة العموميّة أسماءهم في السجل الإلكتروني الذي تعده الإدارة لهذا الغرض في مكان الاجتماع قبل الوقت المحدد لانعقاد ذلك الاجتماع بوقت كاف. ويجب أن يتضمن السجل اسم المساهم أو من ينوب عنه وعدد الأسهم التي يملكها أو عدد الأسهم التي يمثلها وأسماء مالكيها مع تقديم سند الوكالة. ويعطى المساهم أو النائب بطاقة لحضور الاجتماع يذكر فيها عدد الأصوات التي يمثلها أصالة أو وكالة. ويستخرج من هذا السجل خلاصة مطبوعة بعدد الأسهم التي مثلت في الاجتماع ونسبة الحضور ويتم إلحاقها بمحضر اجتماع الجمعيّة العموميّة بعد توقيعها من قبل كل من رئيس الاجتماع ومقرر الجلسة ومدقق الحسابات.

attached to the minutes of the General Assembly after being signed by the chairperson of the meeting, the secretary and the Auditor.	
41.2 Registration shall close at the time when the chairperson of the meeting announces whether or not the quorum for such meeting has been met. No registration of any Shareholder or proxy shall be accepted thereafter and votes of those late Shareholders or proxies would not count and their views would not be taken into account in that meeting. If any of the attending Shareholders, or their representatives, withdraws from a quorate General Assembly meeting, such withdrawal shall not affect the validity of such meeting, provided that the majority required pursuant to the Law for adopting resolutions shall be calculated on the basis of the remaining shares represented at the meeting.	2-41 ويقفل باب التسجيل لحضور اجتماعات الجمعيّة العموميّة عندما يعلن رئيس الاجتماع اكتمال النصاب المحدد لذلك الاجتماع أو عدم اكتماله، ولا يجوز بعد ذلك قبول تسجيل أيّ مساهم أو نائب عنه لحضور ذلك الاجتماع كما لا يجوز الاعتداد بصوته أو برأيه في المسائل التي تطرح في ذلك الاجتماع. إذا انسحب أي من المساهمين أو ممثليهم من اجتماع الجمعية العمومية بعد اكتمال نصاب انعقادها فإن ذلك الانسحاب لا يؤثر على صحة انعقاد الجمعية العمومية، على أن يتبع في إصدار القرارات الأغلبية المقررة في قانون الشركات للأسهم المتبقية والممثلة في الاجتماع.
<u>Article (42)</u>	**المادة (42)**
The register of the Shareholders shall be closed in accordance with the procedures for transacting, set-off, settlement, transfer of title, custody of securities and the relevant rules prevailing in the Market.	يغلق سجل المساهمين طبقا للنظام الخاص بالتداول والمقاصة والتسويات ونقل الملكية وحفظ الأوراق المالية والقواعد المعنية السائدة في السوق.
<u>Article (43)</u>	**المادة (43)**
The provisions of the Law shall apply to the quorum required for convening the General Assembly and to the required majority to adopt resolutions therein.	تسري على النصاب الواجب توفره لصحة انعقاد الجمعيّة العموميّة وعلى الأغلبية اللازمة لاتخاذ القرارات أحكام القانون.
<u>Article (44)</u>	**المادة (44)**
44.1 The General Assembly shall be chaired by the Chairperson. In the absence of the Chairperson, the vice-chairperson or a Board Director appointed by the Board of Directors for that purpose shall chair the meeting.	1-44 يرأس الجمعيّة العموميّة رئيس مجلس الإدارة، وعند غيابه، يرأسها نائب رئيس مجلس الإدارة أو عضو مجلس الإدارة الذي يعيّنه مجلس الإدارة لذلك.
44.2 If the said individuals are not present, the General Assembly shall appoint one (1) of the Shareholders to chair the meeting and shall appoint a secretary for the meeting.	2-44 وفي حال غياب المذكورين عن حضور الاجتماع، تُعيّن الجمعيّة العموميّة من بين المساهمين رئيساً للاجتماع كما تُعيّن الجمعية العمومية مقرر للاجتماع.
44.3 The chairperson of the General Assembly shall appoint a teller for the meeting.	3-44 وتعيّن الجمعيّة العموميّة جامعاً للأصوات.
44.4 The Company shall keep minutes of the meetings of the General Assembly and register attendance in special books to be kept for this purpose and signed by the chairperson of the relevant meeting, the secretary, the tellers and the Auditor. The individuals who sign the minutes of the meeting shall be held liable for the accuracy of information contained therein.	4-44 وتدون الشركة محاضر اجتماعات الجمعيّة العموميّة وإثبات الحضور في دفاتر تحفظ لهذا الغرض وتوقع من قبل رئيس الاجتماع المعني ومقرر الجمعية وجامعي الأصوات ومدقق الحسابات ويكون الموقعون على محاضر الاجتماعات مسئولين عن صحة البيانات الواردة فيها.
<u>Article (45)</u>	**المادة (45)**

Voting at a General Assembly shall be in such manner as specified by the chairperson of the General Assembly, unless the General Assembly decides on a different manner of voting. Voting must be by secret ballot if it relates to the dismissal or impeachment of Board Directors.	يكون التصويت في الجمعيّة العموميّة بالطريقة التي يعيّنها رئيس الجمعيّة إلا إذا قررت ووافقت الجمعيّة العموميّة طريقة معينة للتصويت. وإذا تعلق الأمر بعزل أو بمساءلة أعضاء مجلس الادارة، فان ذلك يكون بالتصويت السري.
<u>Article (46)</u>	**المادة (46)**
46.1 Board Directors may not participate in the vote at the General Assembly meeting relating to exonerating them from liability for mis-management or conferring a private benefit upon them or which relates to a conflict of interest or dispute between them and the Company.	1-46 لا يجوز لأعضاء مجلس الإدارة الاشتراك في التصويت على قرارات الجمعيّة العموميّة الخاصة بإبراء ذمتهم من المسؤولية عن إدارتهم أو التي تتعلق بمنفعة خاصة لهم أو المتعلقة بتعارض المصالح أو بخلاف قائم بينهم وبين الشركة.
46.2 A Shareholder having the right to attend the General Assembly may not participate in voting in his personal capacity or by proxy on matters related to a personal benefit or an existing dispute between such Shareholder and the Company.	2-46 لا يجوز لمن له حق حضور إجتماعات الجمعيّة العموميّة أن يشترك في التصويت سواء بصفته الشخصية أو عن من يمثله في المسائل التي تتعلق بمنفعة خاصة أو بخلاف قائم بينه وبين الشركة.
<u>Article (47)</u>	**المادة (47)**
The General Assembly may, through a Special Resolution, decide to do the following:	يجوز للجمعيّة العموميّة بموجب قرار خاص أن تقرر القيام بما يلي:
(i) increase the share capital in any way or reduce the share capital;	(1) زيادة رأس المال بأيّ طريقة أو تخفيضه.
(ii) approve the dissolution of the Company or its merger with another company;	(2) الموافقة على حلّ الشركة أو إدماجها في شركة أخرى.
(iii) sell or otherwise dispose of all or substantially all of the business ventures, undertakings or assets of the Company;	(3) بيع أو التصرف بأيّ وجه، في جميع أو جزء كبير من أعمال الشركة أو مشاريعها أو أصولها. الذي قامت به الشركة أو أعماله أو أصوله سواء بشكل كامل أو جزء كبير منه.
(iv) extend the term of the Company;	(4) إطالة مدة الشركة.
(v) issue sukuk or bonds by the Company;	(5) إصدار صكوك أو سندات من قبل الشركة
(vi) upon the expiry of two (2) fiscal years from the date of its incorporation and after making profits, the Company may make contributions for the purpose of community services provided that such contribution may not exceed two per cent (2%) of the average net profit during the two fiscal years preceding the year of contribution;	(6) بعد انقضاء سنتين ماليتين على تأسيسها وتحقيقها أرباح، للشركة أن تقدم مساهمات طوعية لأغراض خدمة المجتمع، ويجب ألا تزيد على اثنان بالمائة (2%) من متوسط الأرباح الصافية للشركة خلال السنتين الماليتين السابقتين للسنة التي تقدم فيها تلك المساهمة الطوعية؛
(vii) amend these Articles, subject to the following restrictions:	(7) تعديل النظام الأساسي إلا ان حقها هذا ليس مطلقاً وانما هو مقيد بالقيود التالية:
(a) the amendments should not increase the Shareholders' obligations; and	(أ) ألا تؤدي التعديلات إلى زيادة أعباء المساهمين؛ و
(b) the amendments should not cause transfer of the head office out of Abu Dhabi.	(ب) ألا تؤدي التعديلات إلى نقل مركز الشركة الرئيسي إلى خارج أبوظبي.

Article (48)	**المادة (48)**
The owners of shares registered on the working day preceding the holding of the General Assembly shall be deemed to be the holders of the right to vote in that General Assembly.	يكون مالك السهم المسجل في يوم العمل السابق لانعقاد الجمعيّة العموميّة هو صاحب الحق في التصويت في تلك الجمعيّة العموميّة.
Article (49)	**المادة (49)**
49.1 Subject to the provisions of the Law and the Resolutions issued hereunder and the Articles of Association, the General Assembly shall have the responsibility to consider any issue put to it in connection with the Company. Subject to Article 49.2, the General Assembly may not consider other than the issues listed in the agenda.	1-49 مع مراعاة أحكام القانون والقرارات الصادرة بموجبه والنظام الأساسي تختص الجمعيّة العموميّة بالنظر في جميع المسائل المتعلقة بالشركة، و مع مراعاة المادة 49-2 لا يجوز للجمعيّة العموميّة المداولة في غير المسائل المدرجة بجدول الأعمال.
49.2 Notwithstanding the provisions of the above paragraph, the General Assembly shall be permitted to discuss important matters revealed during the meeting, or matters requested by the Authority to be discussed or if a Shareholder(s) representing at least five percent 5% of the share capital of the Company ask, at the start of the General Assembly, to have a specific matter included in the agenda. In such circumstances, the chairperson of the meeting shall comply with the request, pursuant to terms determined by the Authority.	2-49 استثناء من أحكام الفقرة السابقة، يجوز للجمعية العمومية حق المداولة في الوقائع الخطيرة التي تكتشف أثناء الاجتماع، وإذا طلبت الهيئة أو مساهم أو عدد من المساهمين يمثل خمسة بالمائة (5%) من رأس مال الشركة على الأقل وذلك قبل البدء في مناقشة جدول أعمال الجمعية العمومية إدراج مسائل معينة في جدول الأعمال وجب على رئيس الاجتماع إجابة الطلب وفقاً للشروط التي تحددها الهيئة في هذا الشأن. .
PART SIX ***AUDITORS***	**الباب السادس** **مدقق الحسابات**
Article (50)	**المادة (50)**
50.1 The Company shall have one or more Auditor(s) appointed by the General Assembly for a renewable term of one (1) year, upon nomination by the Board of Directors. The fees of the Auditor shall be determined by the General Assembly. The Auditor shall monitor the financial accounts for the year for which he was appointed. The Auditor should be registered with the Authority and be licensed to practice in the UAE.	1-50 يكون للشركة مدقق حسابات أو أكثر تعيّنه الجمعيّة العموميّة، وتقدر أتعابه بناءاً على ترشيح من مجلس الإدارة لمدة سنة قابلة للتجديد من تاريخ تعيينه وتحدد الجمعية العمومية أتعاب مدقق الحسابات. ويتوجب على مدقق الحسابات مراقبة حسابات السنة المالية التي عين لها ويشترط به أن يكون مسجلا لدى الهيئة ومرخص له بمزاولة المهنة في الدولة.
50.2 The Auditor shall carry out his duties from the date of the General Assembly appointing him until the following annual General Assembly is concluded.	2-50 يتولى مدقق الحسابات مهامه من نهاية إجتماع الجمعيّة العموميّة التي يتم تعيينه فيها إلى نهاية إجتماع الجمعية العمومية السنوية التالية.
50.3 The appointment of the Auditor shall not exceed the term specified in the Law.	3-50 لا تزيد مدة تعين مدقق الحسابات عن المدة التي يحددها القانون.
Article (51)	**المادة (51)**
51.1 The Auditor shall be independent from the Company and the Board of Directors and shall not be a business partner, agent or relative up	1-51 يجب أن يكون مدقق الحسابات مستقلاً عن الشركة ومجلس إدارتها. ولا يجوز له أن يكون شريكاً أو وكيلاً لأحد مؤسسي الشركة أو لأحد أعضاء مجلس الإدارة أو قريباً له حتى الدرجة الرابعة. كما لا يجوز

to the fourth degree of any of the Founder or Board Directors. The Auditor shall not be a Shareholder or be a Board Director or occupy any technical, administrative, operational or executive position at the Company.	لمدقق الحسابات أن يكون مساهماً أو أن يشغل منصب عضو مجلس الإدارة أو أيّ منصب فني أو إداري أو تشغيلي أو تنفيذي في الشركة.
51.2 The Company must take reasonable steps to verify the independence of the Auditor and that the Auditor does not suffer from any Conflict of Interest.	2-51 وعلى الشركة أن تتخذ خطوات معقولة للتأكد من استقلالية مدقق الحسابات، وأن لا تعاني كافة الأعمال التي يقوم بها من تضارب المصالح.
<u>Article (52)</u>	**المادة (52)**
52.1 The Auditor shall have the authorities and the obligations provided for in the Law. The Auditor must have the right to review, at all times, all the Company books, records, instruments and all other documents of the Company. The Auditor has the right to request clarifications as he deems necessary for the performance of his duties and he may investigate the assets and liabilities of the Company. If the Auditor is unable to perform these authorities, he must confirm the same in a written report to be submitted to the Board of Directors. If the Board of Directors fails to enable the Auditor to perform his duties, the Auditor must send a copy of the report to the Authority and the Competent Authority and present it to the General Assembly.	1-52 يكون لمدقق الحسابات الصلاحيات وعليه التقيد بالإلتزامات المنصوص عليها في القانون. ولمدقق الحسابات الحق في الإطلاع في كافة الأوقات على جميع دفاتر الشركة وسجلاتها ومستنداتها وغير ذلك من وثائق وله أن يطلب الإيضاحات التي يراها لازمة لأداء مهامه وله كذلك أن يتحقق من موجودات الشركة والتزاماتها. وإذا لم يتمكن مدقق الحسابات من استعمال هذه الصلاحيات، يُثبت ذلك كتابةً في تقرير يُقدم إلى مجلس الإدارة. فإذا لم يقم مجلس الإدارة بتمكين المدقق من أداء مهمته، وجب على المدقق أن يرسل صورة من التقرير إلى الهيئة والسلطة المختصة وأن يعرضه على الجمعيّة العموميّة.
52.2 The Auditor shall audit the accounts of the Company, inspect the balance sheet and the profit and loss account, review the Company's transactions with Related Parties, and ensure the application of the provisions of the Law and these Articles. The Auditor shall submit a report on the results of such inspection to the General Assembly and forward a copy to the Authority and the Competent Authority. When preparing his report, the Auditor shall verify the following:	2-52 يتولى مدقق الحسابات تدقيق حسابات الشركة وفحص الميزانية وحساب الأرباح والخسائر ومراجعة صفقات الشركة مع الأطراف ذات العلاقة والتأكد من تطبيق أحكام القانون وهذا النظام، وعليه تقديم تقرير بنتائج هذا الفحص إلى الجمعيّة العموميّة وإرسال صورة منه إلى الهيئة والسلطة المختصة. كما يجب عليه عند إعداد تقريره، التأكد مما يأتي:
(i) the overall accuracy of the accounting records kept by the Company; and	(1) مدى صحة السجلات المحاسبية التي تحتفظ بها الشركة، و
(ii) the extent of conformity of Company records with accounting records.	(2) مدى تطابق حسابات الشركة مع السجلات المحاسبية.
52.3 Subsidiaries of the Company and their auditors shall provide any information or clarifications as requested by the Auditor for the purposes of the audit.	3-52 تلتزم الشركات التابعة للشركة ومدققي حساباتها بتقديم أيّ معلومات أو توضيحات يطلبها مدقق الحسابات لأغراض التدقيق.
<u>Article (53)</u>	**المادة (53)**
53.1 The Auditor must submit to the General Assembly a report containing all of the particulars set out in Articles 245, 246 and 250 of the Law. The Auditor must attend the General Assembly to present his report to the Shareholders clarifying any interference or	1-53 يقدم مدقق الحسابات إلى الجمعيّة العموميّة العادية تقريرا يشتمل على البيانات المنصوص عليها في الموادّ 245 و246 و250 من القانون. وعليه أن يحضر اجتماع الجمعيّة العموميّة ليتلو تقريره على المساهمين موضحاً أية معوقات أو تدخلات من مجلس الإدارة واجهته أثناء تأدية أعماله، وأن يتسم تقريره بالاستقلالية والحيادية وأن يدلي

	difficulties from the Board of Directors during the performance of his duties. The report of the Auditor shall be independent and unbiased and present the opinion of the Auditor concerning all matters related to his duties, particularly the Company's balance sheet, its financial positions and any violations thereto.	برأيه في كل ما يتعلق بعمله وبوجه خاص في ميزانية الشركة وملاحظاته على حسابات الشركة ومركزها المالي وأيّة مخالفات بها.
53.2	The Auditor shall note in his report and the balance sheet the charitable contributions made by the Company for the purposes of serving the society, if any, during the relevant financial year. The report and the balance sheet should also indicate the beneficiary of such contributions.	2-53 وعلى مدقق الحسابات أن يذكر في تقريره وفي الميزانية العمومية للشركة المساهمات الخيرية التى قامت بها الشركة خلال السنة المالية لأغراض خدمة المجتمع "إن وجدت" وأن يحدد الجهة المستفيدة من هذه المساهمات الطوعية.
53.3	The Auditor, who acts in the capacity of an agent of the Shareholders, shall be liable for the accuracy of the particulars stated in his report. Each Shareholder may discuss the report of the Auditor and request clarifications on matters included therein during the meeting of the General Assembly.	3-53 يكون المدقق مسئولا عن صحة البيانات الواردة في تقريره بوصفه وكيلا عن مجموع المساهمين، ولكل مساهم أثناء عقد الجمعيّة العموميّة أن يناقش تقرير المدقق وأن يستوضحه عما ورد فيه.
	PART SEVEN ***THE FINANCE OF THE COMPANY***	**الباب السابع** ***مالية الشركة***
	Article (54)	**المادة (54)**
54.1	The Board of Directors shall maintain duly organised accounting books which reflect the accurate and fair position of the Company's financial status in accordance with generally accepted accounting principles internationally applied. No Shareholder will be entitled to inspect those books unless a specific authorisation to this effect is obtained from the Board of Directors.	1-54 على مجلس الإدارة أن يحتفظ بدفاتر حسابات منتظمة حسب الأصول لإعطاء صورة صحيحة وعادلة عن وضع أعمال الشركة ولتفسير تعاملاتها. تحفظ هذه الدفاتر طبقا للمبادئ المحاسبية المتعارف عليها والمطبقة دوليا. ولا يحق لأيّ مساهم في الشركة فحص دفاتر الحسابات تلك إلا بموجب تفويض بهذا المعنى صادر عن مجلس الإدارة.
54.2	The financial year of the Company shall start on the first day of January and shall end on the last day of December of every year.	2-54 تبدأ السنة المالية للشركة في أول يناير وتنتهي في آخر يوم من شهر ديسمبر من كل سنة.
	Article (55)	**المادة (55)**
55.1	The balance sheet for the financial year must have been audited at least one month before the annual General Assembly meeting, and the Board of Directors must prepare a report on the Company's activities and its financial position at the end of the financial year and the recommendations on distribution of the net profits, and send a copy of the annual financial statements and the profit and loss account with a copy from the report of the auditor, the Board of Directors report, and the governance report to the Authority, along with a draft of the annual General Assembly invitation to the shareholders of the Company to approve the	1-55 يتعين أن تكون الميزانية العمومية عن السنة المالية قد تم تدقيقها قبل الإجتماع السنوي للجمعية العمومية بشهر على األقل، وعلى المجلس إعداد تقرير عن نشاط الشركة ومركزها المالي في ختام السنة المالية والطريقة التي يقترحها لتوزيع األرباح الصافية وترسل صورة من البيانات المالية السنوية وحساب األرباح والخسائر. مع نسخة من تقرير مدقق الحسابات وتقرير مجلس اإلدارة وتقرير الحوكمة إلى الهيئة مع إرفاق مسودة من دعوة الجمعية العمومية السنوية لمساهمي الشركة للموافقة على نشر الدعوة في الصحف اليومية قبل موعد إنعقاد إجتماع الجمعية العمومية بواحد وعشرون يوما. 2-55 تنشر البيانات المالية السنوية للشركة وفق الضوابط التي تحددها الهيئة، وتودع نسخة منها لدى كل من الهيئة والسلطة المختصة.

publication of the invitation in the daily local newspapers twenty-one (21) days before the date set for the General Assembly meeting. 55.2 The annual financial statements of the Company are published pursuant to the regulations issued by the Authority, and a copy of such report shall be provided to the Authority and the Competent Authority.	
Article (56)	المادة (56)
The Board of Directors may deduct a percentage of the annual gross profits for the depreciation of the Company's assets or for compensation for the depletion in their value. These amounts shall only be utilised upon the decision of the Board of Directors and should not be distributed to the Shareholders.	لمجلس الإدارة أن يقتطع من الأرباح السنوية غير الصافية نسبة يحددها لاستهلاك موجودات الشركة أو التعويض عن انخفاض قيمتها، ويتم التصرف في هذه الأموال فقط بناءاً على قرار من مجلس الإدارة ولا يجوز توزيعها على المساهمين.
Article (57)	المادة (57)
The annual net profits of the Company shall be distributed after deducting all general expenses and other costs as follows:	توزع الأرباح السنوية الصافية للشركة بعد خصم جميع المصروفات العمومية والتكاليف الأخرى وفقا لما يلي:-
(i) ten percent (10%) of the net profits shall be deducted and allocated as the legal reserve. Such deduction shall cease to occur when the total amount of the reserve is equal to at least fifty percent (50%) of the capital of the Company. If the reserve falls below this threshold, the deduction and allocation shall resume;	(1) تقتطع (10%) عشرة بالمائة من صافي الأرباح تخصص لحساب الاحتياطي القانوني. ويوقف هذا الاقتطاع متى بلغ مجموع الاحتياطي قدرا يوازي (50%) خمسين بالمائة على الأقل من رأس مال الشركة. وإذا نقص الاحتياطي عن ذلك، تعيّن العودة إلى الاقتطاع؛
(ii) a percentage not exceeding ten percent (10%) of the net profits shall be allocated as a compensation for the Board Directors, after deducting amortisations and reserves. The compensation shall be determined by the General Assembly, upon the recommendation of the Board of Directors. Penalties imposed by the Authority or the Competent Authority on the Company due to violations by the Board of Directors of the Law or these Articles during the fiscal year that just ended shall be deducted from the remuneration of the Board of Directors. The General Assembly may resolve not to deduct such penalties if it finds that the penalties are not imposed due to any negligence or error on the part of the Board of Directors; and	(2) تخصص نسبة لا تزيد على (10%) عشرة بالمائة من الربح الصافي للسنة المالية المنتهية كمكافأة لأعضاء مجلس الإدارة وذلك بعد خصم كافة الاستهلاكات والاحتياطيات. ويقترح مجلس الإدارة المكافأة وتعرض على الجمعيّة العموميّة للنظر فيها، وتخصم من تلك المكافأة الغرامات التي تكون قد وُقّعت على الشركة من الهيئة أو السلطة المختصة بسبب مخالفات مجلس الإدارة للقانون أو للنظام الأساسي خلال السنة المالية المنتهية. وللجمعيّة العموميّة عدم خصم تلك الغرامات أو بعضها إذا تبيّن لها أن تلك الغرامات ليست ناتجة عن تقصير أو خطأ من مجلس الإدارة؛ و
(iii) the remaining amounts of the net profits are distributed among the Shareholders or shall be moved to the subsequent year, pursuant to a recommendation made by the Board of Directors, or instalments allocated to form an additional reserve, all in accordance with the General Assembly resolutions.	(3) يوزع الباقي من صافي الأرباح بعد ذلك على المساهمين أو يرحل بناءاً على اقتراح مجلس الإدارة إلى السنة المقبلة أو يخصص لإنشاء احتياطي غير عادي وفقا لما تقرره الجمعيّة العموميّة العادية.
Article (58)	المادة (58)

The legal reserve shall be used by a resolution of the Board of Directors in the best interests of the Company. The legal reserve may not be distributed among the Shareholders. However, any amount in excess of fifty percent (50%) of the paid up capital can be used to distribute dividends which shall not exceed ten percent (10%) of the paid up capital among the Shareholders during years where distribution of such percentage is not possible.	يتم التصرف في المال الاحتياطي بناء على قرار مجلس الإدارة في الأوجه التي تحقق مصالح الشركة. لا يجوز توزيع الاحتياطي القانوني على المساهمين، وإنما يجوز استعمال ما زاد منه على نصف رأس المال المدفوع لتأمين توزيع أرباح لا تزيد على (10%) عشرة بالمائة من رأس المال المدفوع على المساهمين في السنوات التي لا تسمح بتوزيع هذه النسبة.
Article (59)	**المادة (59)**
59.1 Dividends shall be paid to the Shareholders in accordance with the regulations as to trading, clearing, settlement, transfer of ownership and custody of securities and the applicable regulations of the financial market where the Company's shares are listed. 59.2 The Company may distribute quarterly and/or semi-annual dividends to the Shareholders from operating profits and/or accumulated profits. The Board of Directors shall be authorised to adopt and implement resolutions relating to the distribution of the dividends in accordance with the dividend distribution policy approved by the General Assembly.	1-59 تدفع حصص الأرباح إلى المساهمين طبقاً للنظام الخاص بالتداول والمقاصة والتسويات في نقل ملكية وحفظ الأوراق المالية والقواعد المعيّنة في السوق المالي المدرج فيه أسهم الشركة. 2-59 يجوز للشركة توزيع أرباح ربع سنوية و/أو نصف سنوية على المساهمين من الأرباح التشغيلية و/أو الأرباح المتراكمة للشركة. ويكون مجلس الإدارة مفوض ا باعتماد واتخاذ وتنفيذ القرارات المتعلقة بتوزيع الأرباح وفق ا لسياسة توزيع الأرباح المعتمدة من الجمعية العمومية
PART EIGHT ***DISPUTES***	**الباب الثامن** ***المنازعات***
Article (60)	**المادة (60)**
Civil liability against members of the Board of Directors may not be waived by resolution of the General Assembly. If the action giving rise to the liability is presented to the General Assembly in a report by the Board of Directors or the Auditor and was ratified by the General Assembly, civil claims shall be time barred by the expiry of one (1) year from the date of convening that General Assembly. However, if the alleged action constitutes a criminal offence, the proceedings for liability shall not be time barred except by the lapse of the public case.	لا يترتب على أيّ قرار يصدر عن الجمعيّة العموميّة سقوط دعوى المسؤولية المدنية ضد أعضاء مجلس الإدارة. وإذا كان الفعل الموجب للمسئولية قد عرض على الجمعيّة العموميّة بتقرير من مجلس الإدارة أو مدقق الحسابات وصادقت عليه، فإن دعوى المسئولية تسقط بمضي سنة من تاريخ انعقاد الجمعية. ومع ذلك، إذا كان الفعل المنسوب إلى أعضاء مجلس الإدارة يكون جريمة جنائية، فلا تسقط دعوى المسئولية إلا بسقوط الدعوى العمومية.
PART NINE ***DISSOLUTION OF THE COMPANY***	**الباب التاسع** ***في حل الشركة وتصفيتها***
Article (61)	**المادة (61)**
The Company shall be dissolved for any of the following reasons:	تحل الشركة لأحد الأسباب التالية:
(i) expiry of the Company's term unless it is renewed in accordance with the provisions of these Articles;	(1) انتهاء المدة المحددة للشركة ما لم تجدد وفقا للقواعد الواردة بهذا النظام الأساسي؛
(ii) fulfilment of the objectives for which the Company was established;	(2) انتهاء الغرض الذي أسست الشركة من أجله؛

(iii) a Special Resolution of the General Assembly to terminate the term of the Company;	(3) صدور قرار خاص من الجمعيّة العموميّة بإنهاء مدة الشركة؛
(iv) merging the Company with another company;	(4) اندماج الشركة في شركة أخرى؛
(v) the issuance of a court order dissolving the Company; or	(5) صدور حكم قضائي بحل الشركة؛ أو
(vi) the depletion of all or most of the Company's assets, making it impossible to beneficially invest the remainder.	(6) هلاك جميع أموال الشركة أو معظمها بحيث يتعذر إستثمار الباقي إستثماراً مجدياً.
Article (62)	**المادة (62)**
In the event the Company's accumulated losses reach 50% of the issued share capital of the Company, the Board of Directors must, within 30 (thirty) days of the date of disclosure of the Company's interim or annual financial statements to the Authority, invite the General Assembly to convene to adopt a Special Resolution to dissolve the Company before the expiry of its term or to allow it to continue its business activities.	إذا بلغت الخسائر المتراكمة للشركة نصف رأس مالها المصدر وجب على مجلس الإدارة خلال 30)ثلاثين(يوماً من تاريخ الافصاح للهيئة عن القوائم المالية الدورية او السنوية دعوة الجمعية العمومية للانعقاد لاتخاذ قرار خاص بحل الشركة قبل الاجل المحدد لها او استمراها في مباشرة نشاطها.
Article (63)	**المادة (63)**
At the end of the term of the Company or, in the event of its dissolution, before the expiry of such term, the General Assembly shall, upon recommendation by the Board of Directors, determine the method of liquidation, appoint one or more liquidators and specify the duties of the liquidator(s). The authority of the Board of Directors shall terminate with the appointment of the liquidator(s). The authority of the General Assembly shall remain in force for the duration of the liquidation process and shall last until the liquidators are absolved of their obligations.	عند انتهاء مدة الشركة أو حلها قبل الأجل المحدد، تعيّن الجمعيّة العموميّة، بناءاً على طلب مجلس الإدارة، طريقة التصفية وتعيّن مصفيا أو أكثر وتحدد سلطتهم. وتنتهي وكالة مجلس الإدارة بتعيين المصفين وتبقى سلطة الجمعيّة العموميّة قائمة طوال مدة التصفية إلى أن يتم إخلاء عهدة المصفين.
PART TEN ***FINAL PROVISIONS***	**الباب العاشر** ***الأحكام الختامية***
Article (64)	**المادة (64)**
The Board of Directors may implement an Employees Share Option Plan, and for the purpose of encouraging the Company's employees and attracting and retaining talented employees to work in the Company, and in addition to any other allocations made to the employees who are founding Shareholders, the Company's Board may have the right to implement the Employees Share Option Plan as per the following terms and conditions.	يجوز لمجلس الإدارة تنفيذ برنامج اسهم اثابة وتحفيز العاملين، ولغرض تحفيز موظفي الشركة واستقطاب والمحافظة على موظفين موهوبين للعمل بالشركة فإنه إضافة إلى أية تخصصات تمنح للموظفين الذين يكونوا مساهمين مؤسسيين، يحق لمجلس إدارة الشركة تطبيق برنامج خيار شراء أسهم الشركة طبقا للشروط والإجراءات التالية:
(i) The Company's capital shall be increased no more than ten percent (10%) of the issued capital during every five (5) years to apply the Employees Share Option Plan, and the Board of Directors shall define the number of shares offered to each employee, the price of the share option and the share option period.	(1) يجوز زيادة رأس مال الشركة بنسبة لا تزيد عن (10%) عشرة بالمائة من رأس المال المصدر كل خمس (5) سنوات وذلك لغرض تطبيق برامج خيار شراء أسهم الشركة ويحدد مجلس الإدارة عدد الأسهم الممنوحة لكل موظف وسعر خيار الشراء وفترة الخيار.

(ii) The Employees Share Option Plan shall not be applied unless approved by the General Assembly through a Special Resolution.	(2) لا يجوز تطبيق برنامج خيار شراء أسهم الشركة إلا بعد إقراره من قبل الجمعيّة العموميّة للشركة بقرار خاص.
Article (65)	**المادة (65)**
Without prejudice to Article 68 below, the provisions of the Law shall apply to any matter not specifically covered in the Law of Establishment or these Articles.	دون الإخلال بأحكام المادة 69 أدناه، تطبق أحكام القانون فيما لم يرد في شأنه نص خاص في قانون التأسيس أو هذا النظام الأساسي.
Article (66)	**المادة (66)**
The Company shall be bound by the Corporate Governance Rules which shall be considered as an integral part of these Articles.	يسري على الشركة قواعد حوكمة الشركات، ويعتبر جزءاً لا يتجزأ من النظام الأساسي ومكملاً له.
Article (67)	**المادة (67)**
In case there is any contradiction between the provisions of these Articles in the Arabic and English texts, the Arabic text shall prevail save as otherwise set out herein.	عند وجود تعارض بين نصوص المواد باللغتين العربية والإنجليزية، يغلب جانب النص العربي.
Article (68)	**المادة (68)**
The Company is exempted from Articles 117(1), 118, 149, 152(2), 207 and 279(1)(a) of the Law.	الشركة مستثناة من أحكام المواد 1/117 و118 و149 و2/152 و207 و1/279/أ من القانون.
Article (69)	**المادة (69)**
These Articles of Association shall be deposited and published in accordance with the Law.	يودع هذا النظام الأساسي وينشر طبقا للقانون.
Signatures	**التوقيعات**

Annex 3 - Receiving Banks' Branches

Lead Receiving Bank - First Abu Dhabi Bank PJSC

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Business Park, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Khalifa Park Al Qurm, PO BOX:6316
2	Al Ain New	Al Ain - Abu Dhabi	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Al Ain New PO BOX: 17822
3	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 03:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Intersection of Shaikh Khalifa street and Baniyas street, PO BOX:2993
4	Al Batin	Abu Dhabi	08: am to 03:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Street No. 9 Next to Bateen Bus Terminal and Al Bateen Mall; PO BOX:7644
5	Sheikh Rashid Road Branch	Abu Dhabi	08: am to 02:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Airport Street – Ramy Hotel Building – Abu Dhabi
6	Bur Dubai	Dubai	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Abdulla Al Rostamani Building, Khalid Bin Walid Road, Bur Dubai; PO BOX:115689
7	Sheikh Zayed Rd.	Dubai	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND ;PO BOX:52053
8	Jumeirah Branch	Dubai	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Link International Building, Jumeirah Beach Road Umm suqeim
9	Deira Branch (ABS)	Dubai	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Abu Baker Al Siddique Rd, Deira
10	Jabal Ali Branch	Dubai	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Near Gate No.5, Adjacent to Dubai Chamber Office
11	RAK (LNBAD)	RAK	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	FAB RAK (LNBAD) , Corniche Al Qawasim Road , Near to NMC Royal Medical Center , RAK
12	Fujairah	Fujairah			

			08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Opposite to Plaza Theatre Hamdan Bin Abdulla street; PO BOX:79
13	Sharjah	Sharjah	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah;PO BOX:1109
14	Umm al-Quwain	UAQ	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Building No 211, King Faisal Road Al Maidan Area, Umm Al Quwain;Po BOX:733
15	Ajman	Ajman	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Lulu Center, Al Ittihad street, Downtown, Ajman
16	Salam Street	Abu Dhabi	08:00 am to 02:00 pm Sat – Wed 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Salam Street, Abu Dhabi
17	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Near Spinneys, Khalidya Street Abu Dhabi
18	Oud Al Touba	Al Ain - Abu Dhabi	08:00 am to 02:00 pm Sat – Wed 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Oud Al Touba Area, National housing loans bulding, Ali Bin Abi Talieb street, Al Ain.
19	Ruwais	Abu Dhabi	08:00 am to 02:00 pm Sat – Wed 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Central Market, ADNOC Housung complex, Ruwaise
20	ADNOC HO	Abu Dhabi	08 am to 0300 pm (Sun - Thu)	8 am to 1 pm - Sat - Thurs.	ADNOC HQ - ABUDHABI Corniche Street
21	ZADCO - Khalifa Energy Complex	Abu Dhabi	08 am to 0300 pm (Sun - Thu)	8 am to 1 pm - Sat - Thurs.	ZADCO CASH OFFICE - Corniche Street, Abu Dhabi

Receiving Bank - Abu Dhabi Commercial Bank PJSC

S.No	Branch name	Branch Location-Area	Branch Customer Timing	IPO Subscription Timings	Branch Address
1.	Khalidiya Tower Branch	Abu Dhabi	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Corniche Road, Opp Emirates Palace Hotel P.O Box: 59919 Abu Dhabi
2.	ADNEC	Abu Dhabi	08:00 AM – 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	AD-1 Tower, ADNEC AREA P.O.Box: 939 Abu Dhabi
3.	Dalma Mall	Abu Dhabi	10:00 AM - 09:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Dalma Mall- 1st floor - Mussafah
4.	Shahama Branch	Abu Dhabi	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Dubai Abu Dhabi Road, Near Bani Yas Coop P.O.Box: 76122
5.	Hazza Bin Zayed Stadium Branch	Abu Dhabi, Al Ain	08:00 AM - 07:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Hazza Bin Zayed Stadium, Al Ain
6.	Zayed Town Branch	Abu Dhabi, Al Dhafra Region	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Zayed Town Main Street, Near Zayed Town Court P.O.Box: 50013 Zayed Town
7.	Al Riggah Branch	Dubai	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Al Riggah Road, Near Al Riggah Metro-Station P.O.Box: 5550
8.	Business Bay Branch	Dubai	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest landmark - Business Bay metro station
9.	Al Zahiya City Centre Branch	Sharjah	10:00 AM - 09:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Sheikh Mohammed Bin Zayed Street, Al Zahia City Centre, Ground level, near Entrance A, P.O.Box: 23657
10.	Ajman	Ajman	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Al Ittihad Street, Near Lulu centre P.O.Box: 1843
11.	Umm Al Quwain	UAQ	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Nesto Hypermarket King Faisal Street P.O.Box: 214 Umm Al Quwain
12.	Ras Al Khaimah	RAK	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Al Naeem Mall, New central business district P.O.Box: 1633
13.	Fujairah	Fujairah	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Hamed Bin Abdulla Street, Near ADNOC P.O.Box: 770

Receiving Bank - Abu Dhabi Islamic Bank PJSC

S. No	Branch name	Branch Location-Area	Customer Timing (Saturday-Thursday)	IPO Subscription Timings (Saturday-Thursday)	Branch Address
1	Al Bateen Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Abu Dhabi - Al Bateen king Abdulla bin AbdulAziz Al Sauod Street - near UAE Central Bank
2	Najda Street Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Next to Al Mariah Mall (on the intersection of Al Najda street and Hamdan Street).
3	Abu Dhabi Police GHQ Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Abu Dhabi police general head quarter- Al Saada Street, opposite Sheikh Khalifah University
4	Sheikh Zayed Main Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Sheikh Rashid Bin Saeed St (Old Airport Road) opposite to Hilton Capital Grand Hotel
5	Abu Dhabi Judiciary Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Al Khaleej Al Arabi Street –Judicial Department Building – Ground Floor Office (GR-A-051)
6	Sheikh Khalifa Energy Complex Branch	Abu Dhabi	8:00 AM to 3:00 pm	9:00 AM to 1:00 PM	Sheikh Khalifa Eneregy complex - Corniche Street
7	Marina Mall Branch	Abu Dhabi	10:00 AM to 10:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Corniche Street - Marina Mall - First floor, next to Yas Perfumes
8	Nation Towers Branch	Abu Dhabi	10:00 AM to 10:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Nation Towers Galleria – Corniche Road, First Floor
9	Baniyas Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Al Mafraq –Dubai Road opposite Al Mafraq Hospital - Baniyas
10	Mussafah Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Industrial Area- M9
11	Khalifa A City Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Khalifa A city, street # 16/21 southwest.
12	Shahama Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Old Shahama area near Police Station
13	Al Silaa Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Sila'a Area, opposite Al Areej School
14	Madinat Zayed Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Madinat Zayed City - Western Region
15	Ghayathi Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Ghayathi Area- Western Region
16	Al Marfaa Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Marfaa Area - Western Region

17	Ruwais Mall Branch	Abu Dhabi West (Gharbiya)	10:00 am to 10:00 pm	10:00 am to 2:00 PM 04:00 pm to 09:00 PM	First Floor of Ruwais Mall, Ruwais Area
18	Oud Al Tobba Ladies Branch	Al Ain	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Ain City - Oud Al Touba street no.133
19	Bawadi Mall Branch	Al Ain	10:00 am to 3:30 pm 04:00 pm to 09:00 pm	10:00 am to 2:00 PM 04:00 pm to 09:00 PM	Al Ain City - Al Bawadi Mall, Ground Floor, Mizyad Area
20	Al Ain Branch	Al Ain	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Ain City - Central District - Shaikh Zayed Bin Sultan Street - Near Clock Tower
21	Al Yahar Branch	Al Ain	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Ain City - Al Yahar Main Street
22	Al Hili Mall Branch	Al Ain	10:00 am to 3:30 pm 04:00 pm to 09:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Al Ain City - Hili Mall - Ground Floor
23	Al Twar Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Al Nahda Street, Al Twar Center Near to Ministry of Education
24	Al Mamzar Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Abu Hail Area - Al Wahaida Street, Hor Al Anz
25	Second of December Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Jumeirah beach street, Dubai
26	Sheikh Zayed Road Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Emarat Atrium Building, Sheikh Zayed Road
27	Dubai Internet City - Arenco Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Arenco Tower, Dubai Internet City
28	Fujairah Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Shaikh Hamad Bin Abdulla Street
29	Ras Al Khaimah Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Opposite Al Manar Mall, Al Muntasir Road
30	Dibba Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah
31	Kalba Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Al Wahda Street - Khamis Khalfan Al Zahmi Building - Block No:19
32	Al Dhaid Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Al Dhaid Main Street - Mosque Square
33	Khorfakkan Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Corniche Road, Banks Area
34	Umm Al Quwain Branch	Sharjah North East Area	08: am to 02:00 pm	9:00 AM to 1:00 PM	King Faisal Street opposite Umm Al Quwain Mall
35	Sharjah Main Branch	Sharjah North East Area	08: am to 02:00 pm	9:00 AM to 1:00 PM	Al Mussala Area opposite Etisalat building
36	Al Rahmania Mall Branch	Sharjah North East Area	10:00 am to 03:30 pm 04:00 pm to 10:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Al Rahmania Mall - First Floor

Receiving Bank - Emirates NBD PJSC

S. No	Branch name	Branch Location - Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Group Head Office Branch	Dubai	Sunday to Thursday (8:00 AM - 3:00 PM)	Sunday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai
2	Jumeirah Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suquiem 3, Jumeirah, Dubai
3	Al Qusais Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Damascus St, Near Dubai Grand Hotel, Al Qusais, Dubai
4	Al Karama Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Za'abeel Rd, Near General Post Office, Karama, Dubai
5	Hamriya Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Union Cooperative Hyper Market, Hamriya Shopping Complex, Hor Al Anz, Dubai
6	Jebel Ali Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Jebel Ali Free Zone, Next to CBD and HSBC
7	Rashidiya Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Rashidiya Central Market, Rashidiya, Dubai
8	Al Mankhool Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Nashwan Building, Al Mankhool Rd, Dubai
9	Oud Metha Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Gulf Residence Building, Oud Metha Road, Dubai
10	Sheikh Zayed Road Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Saeed Tower, Sheikh Zayed Rd, Dubai
11	Al Barsha Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Emirates NBD Building, Al Barsha 2, Dubai
12	Burj Al Arab Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Umm Suqueim 3, Opposite Jumeira Beach Hotel, Jumeira Road, Dubai
13	Abu Dhabi Main Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Al Neem Building, Shaikh Khalifa street, Abu Dhabi
14	Electra Street Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 8:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Zayed The Second Street, Near Electra Park, Abu Dhabi

15	Al Muroor Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	New Airport Road, Muroor, Abu Dhabi
16	Al Ain Main Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain
17	Sharjah Main Branch	Sharjah	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Emirates NBD Building, Immigration Road, Al Qassimia Area, Sharjah
18	Ajman Main Branch	Ajman	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Emirates NBD Building, Sheikh Rashid Bin Humaid St, Al Sawan, Ajman
19	Umm Al Quwain Branch	UAQ	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	King Faisal Road, Al Raas B, Umm Al Quwain, Near Umm Al Quwain Hospital, Umm Al Quwain
20	Fujairah Main Branch	Fujairah	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Sheikh Hamad Bin Abdullah Street, Town Centre 3, Fujairah,Opposite Al Diar Siji Hotel, Fujairah
21	Ras Al Khaimah Main Branch	Ras Al Khaimah	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Al Muntasir Road, Al Mamourah Road Intersection, Ras Al-Khaimah