

# Q4 / FY 2025 EARNINGS CALL

2 March 2026

15.00 KSA

# Disclaimer



This presentation has been prepared by Arabian Drilling (the “Company” or “AD”) based on publicly available information and non-public information to assist you in making a preliminary analysis of the content referenced herein solely for informational purposes. It should not be construed as an offer to sell or a solicitation of an indication of interest to purchase any equities, security, option, commodity, future, loan or currency including a private sale of shares in the Company.

This presentation may contain certain forward-looking statements with respect to the Company’s financial position, results of operations and business and certain of the Company’s plans, intentions, expectations, assumptions, goals and beliefs regarding such items. These statements include all matters that are not historical fact and generally, but not always, may be identified by the use of words such as “believes”, “expects”, “are expected to”, “anticipates”, “intends”, “targets”, “estimates”, “should”, “will”, “shall”, “may”, “is likely to”, “plans”, “outlook” or similar expressions, including variations and the negatives thereof or comparable terminology.

Prospective and current investors and /or analysts should be aware that forward-looking statements are not guarantees of future performance and that the Company’s actual financial position, results of operations and business and the development of the industries in which it operates may differ significantly from those made in or suggested by these forward-looking statements. In addition, even if the Company’s financial position, results of operations and business and the development of the industries in which it operates are consistent with these forward-looking statements, those results or developments may not be indicative of results or developments in subsequent periods.

For additional information on the potential risks and uncertainties that could cause actual results to differ from the results predicted please see our latest periodic reports filed with the Saudi Exchange. In light of these risks, uncertainties and assumptions, the forward-looking events described in this presentation may not occur.

The Company, their affiliates and advisors are acting solely in the capacity of an arm’s length counterparty and not in the capacity of your financial advisor or fiduciary. Such information is represented as of the date and, if applicable, time indicated and the Company, its affiliates and advisors do not accept any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and verbal forward-looking statements attributable to us or to persons acting on our behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this presentation.

In addition, this presentation includes certain “non-IFRS financial measures.” These measures are not recognized measures under IFRS and do not have standard meanings prescribed by IFRS. Rather, these measures are provided as additional information to complement IFRS measures by providing further understanding of the Company’s results of operations from management’s perspective. Accordingly, they should not be considered in isolation or as a substitute for analysis of the Company’s financial information reported under IFRS.

This presentation may be recorded, and the Company will assume that, by attending this presentation the recipient consents to such recording.

# In Today's Presentation



**Fahad Albani**

*Chief Executive Officer*

Fahad brings nearly 30 years of upstream experience in drilling engineering, unconventional resources, and operational excellence. He led major transformation and high-efficiency drilling at Saudi Aramco, most recently as VP of UR Reservoir Engineering, Drilling & Completion, where he advanced digitalization, automation, and well-delivery technologies.



**Farid Mustafayev**

*Chief Financial Officer*

Farid brings over 24 years of global corporate finance experience, including 15 years in senior leadership. He previously worked as M&A Portfolio Manager at SLB in London. Farid holds a master's in Economics from Azerbaijan State Economic University.



**Bassem ElShawy**

*IR & Communications Director*

Bassem brings over 25 years of experience in financial communications and investor relations, holding senior roles at leading companies across sectors and countries. Before joining Arabian Drilling, he served as Senior Vice President at Teneo KSA. He holds an MBA from the Maastricht School of Management.

# Full Year 2025 Financial Highlights (SAR M, Versus FY 2024)



**3,433<sub>M</sub>**

Revenue, -5.1%



**1,240<sub>M</sub>**

EBITDA, -17.8%



**36.1%**

EBITDA Margin, -5.5 pts



**39.1<sub>M</sub>**

Adj Net Income, -90.8%



**1,186<sub>M</sub>**

Operating Cash flow, -17.7%



**2.0<sub>x</sub>**

NET DEBT / TTM EBITDA

\* Before working capital changes

# Q4 2025 Financial Highlights (SAR M, Versus Q3 2025)



**824<sub>M</sub>**

Revenue, -1.3%



**263<sub>M</sub>**

EBITDA, -10.2%



**32.0%**

EBITDA Margin, -3.2 ppts



**-34.2<sub>M</sub>**

Adj Net Income, 263.2%



**257<sub>M</sub>**

Operating Cash flow, -6.6%



**2.0<sub>x</sub>**

NET DEBT / TTM EBITDA

\* Before working capital changes

# FY / Q4 2025 Highlights



**12,366M**

**BACKLOG**  
+20% YoY

- Record high and stable Backlog
- 2.6 years contract tenure
- 3.6x book-to-bill ratio



**75.0%**

**UTILIZATION**

- 45 active rigs / 60 available
- Land - 37 rigs
- Offshore - 6 rigs and SESV – 2



**1.92%**

**NPT - YTD**

- Maintaining NPT level below 2%



**0.46**

**TRIF**

- Based on 1 million manhours
- Sustained improvement trend
- 35% lower than industry standard (0.46 vs 0.7 IADC ME)



**56.00**

**RIG MOVES**  
Q4 '25

- *Slightly higher compared with Q3'26*
- *Rig move distance increase of 37% compared with Q3'25*



**4 Rigs**

**Resume operations**

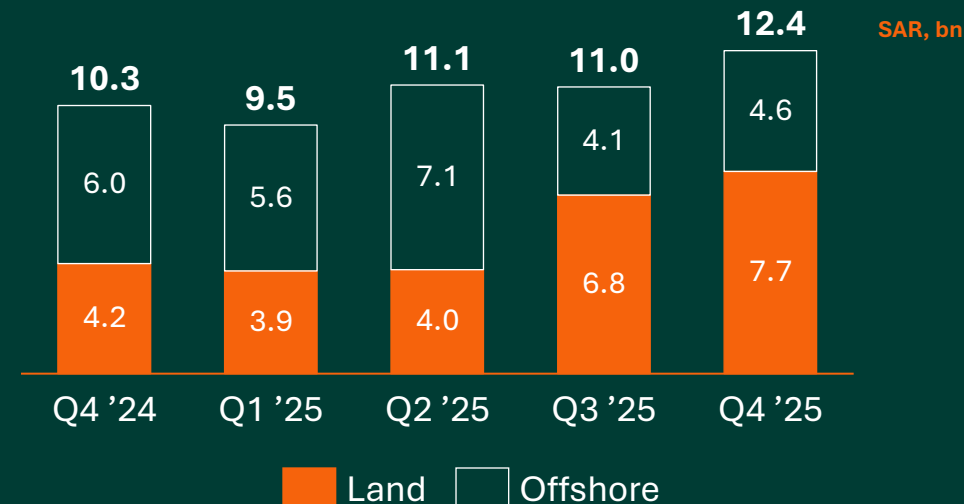
- First int'l offshore contract started in Q1 '26
- 2 land and 1 offshore rigs recalled
- Early Q2'26 offshore 100% utilization

# Backlog & Utilization Rate



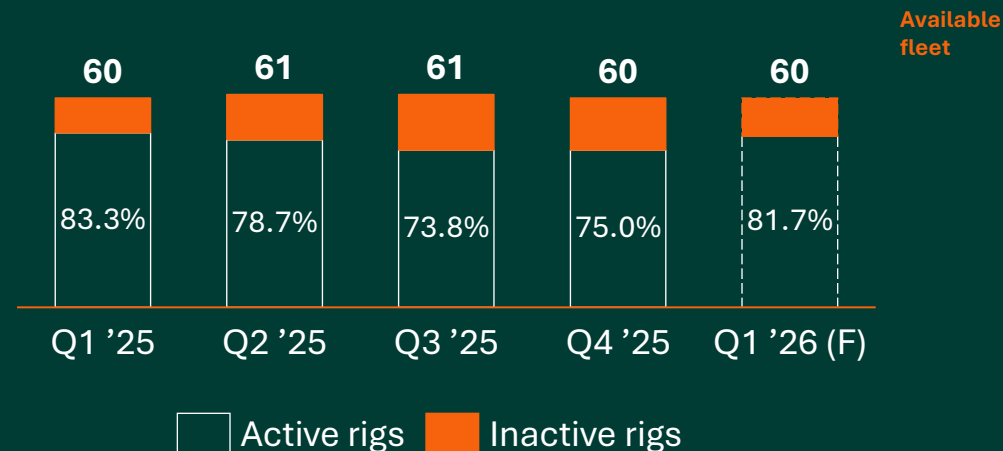
## Backlog of SAR 12,366 Bn

- Record high and stable Backlog:
  - Average remaining contracts tenure: 2.6 years
  - Strong book-to-bill ratio 3.6x
- Backlog value in Q4'25 is 20% higher compared to Q4'24



## Rig Utilization of 75.0%

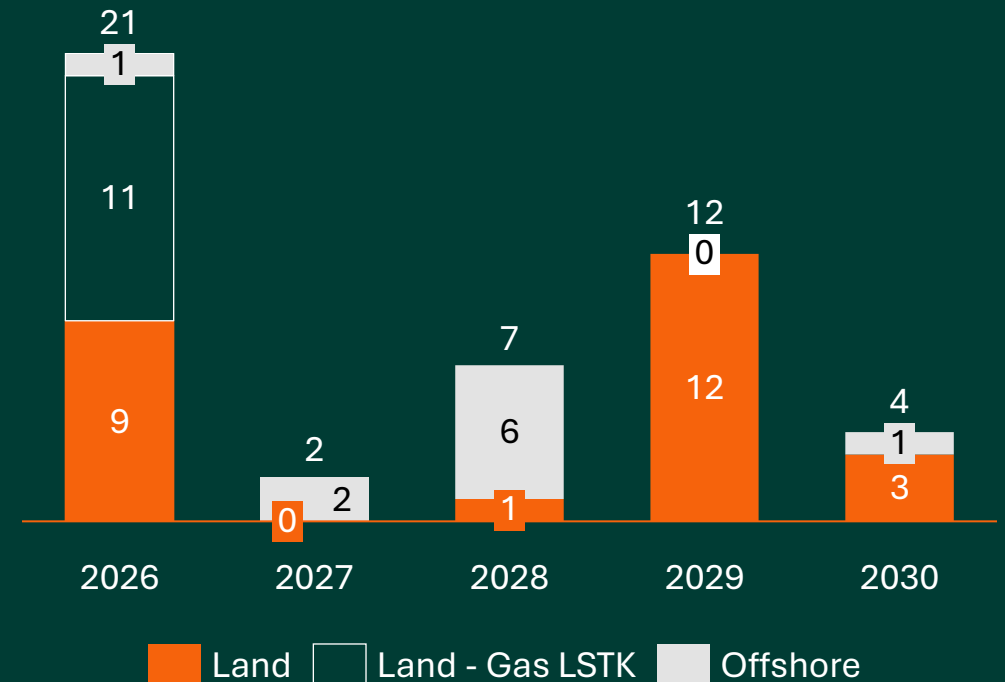
- Utilization increase QoQ after return one inactive offshore lease rig to the owner in Q4 2025
- 45 active rigs (37 Land, 8 Offshore), out of 60 available fleet size
- Total 15 inactive rigs as of 31 Dec 2025:
  - 10 rigs suspended (7 land, 3 offshore )
  - 5 rigs without contract (5 land)



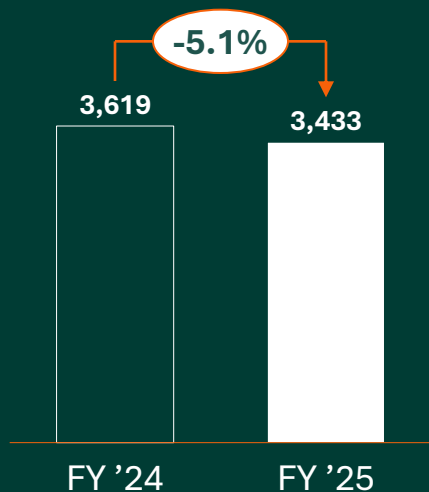
# Contract Renewals - As of 31 December 2025



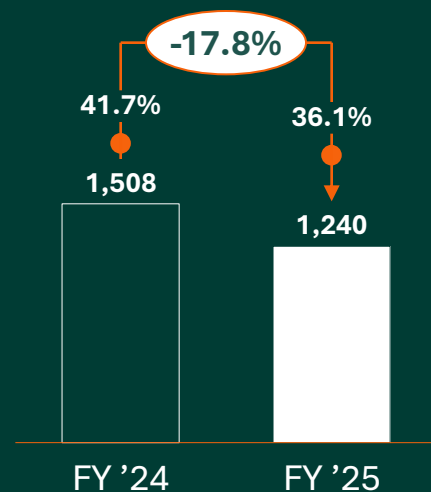
- In 2025, Arabian Drilling successfully renewed all 24 rig contracts due to expire.
- Renewals included 11 conventional gas land rigs with SLB.
- One offshore rig contract was renewed with KJO.
- 4 rig extensions announced in Q4 '25 with a total value of SAR 2.0b, two of which were set to expire in 2026.
- 3 contracts renewed in Q1 '26 with a total value of SAR 1.4b.



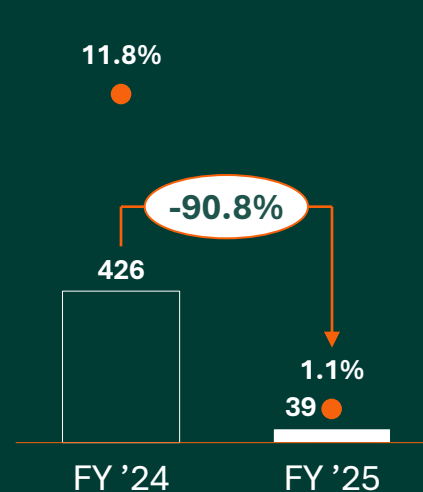
# FY 2025 Versus FY 2024



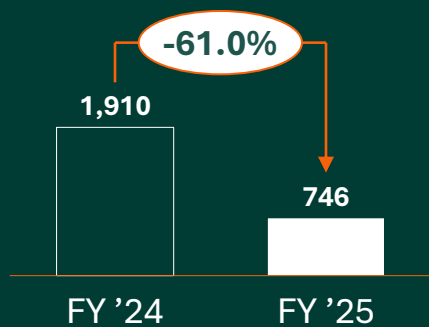
REVENUE



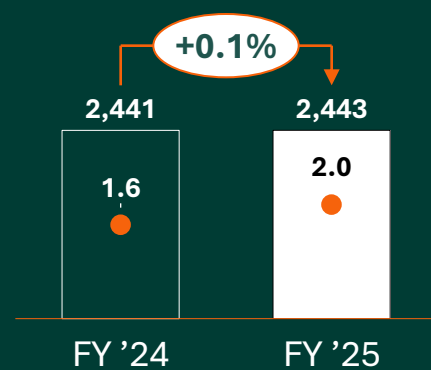
EBITDA



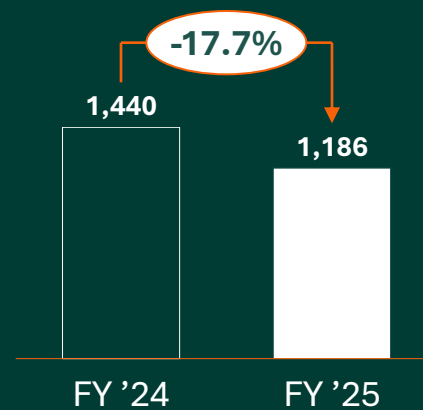
ADJ. NET INCOME \*\*



CAPEX



NET DEBT (TO TTM EBITDA)



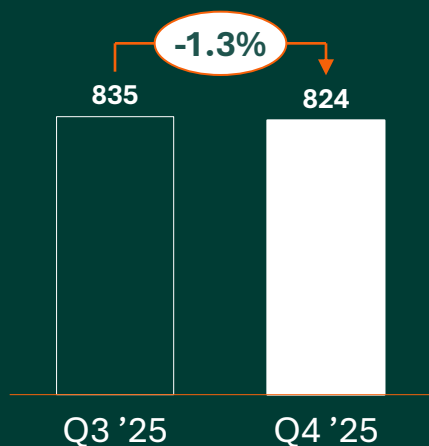
OPERATING CASH FLOW\*

- **Revenue (-5.1%):** Mainly due to lower offshore and land conventional activities, largely offset by the strength in unconventional segment .
- **EBITDA (-17.8%):** decline mainly driven by shift in activity mix.
- **Adjusted Net Income (-90.8%):** Decline in line with EBITDA and higher depreciation cost.
- **CAPEX (-61.0%):** Reflects absence of prior-year investment in unconventional rigs.

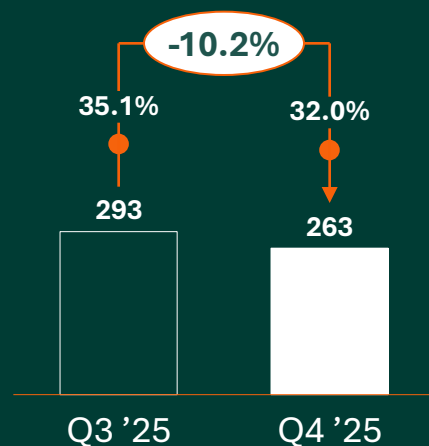
\* Net income adjusted for a non-cash asset impairment charge

\* Before working capital changes

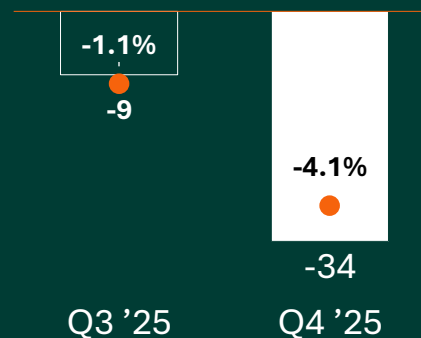
# Q4 2025 Versus Q3 2025



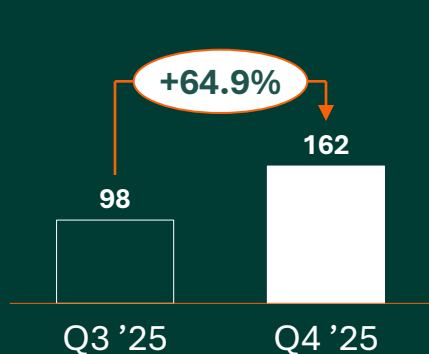
REVENUE



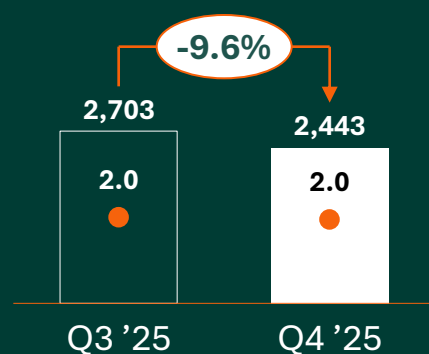
EBITDA



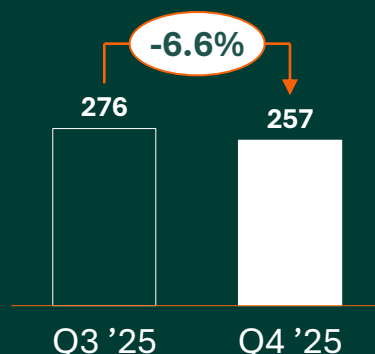
ADJ. NET LOSS\*



CAPEX



NET DEBT  
(TO TTM EBITDA)



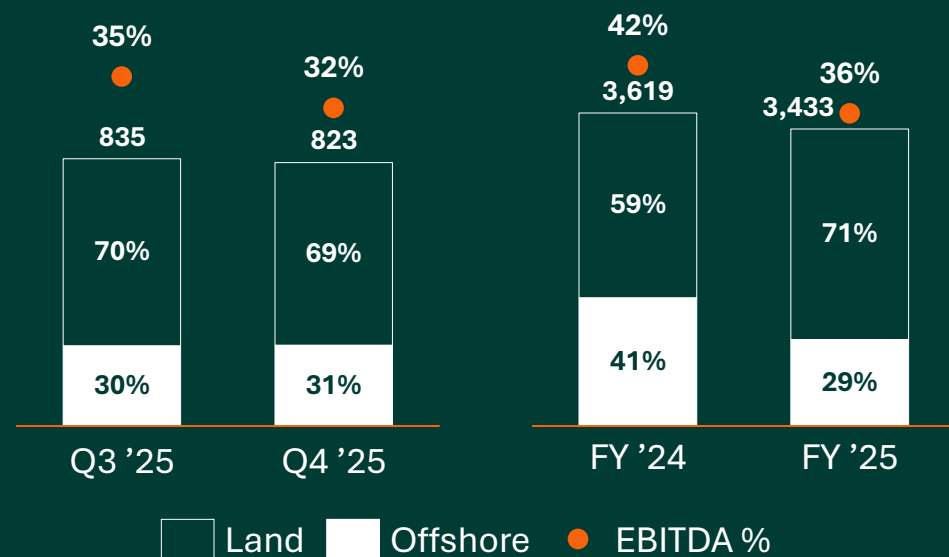
OPERATING CASH  
FLOW\*

- **Revenue (-1.3%):** Full impact of reduced rig activity during Q4, offset by longer rig moves in Q4
- **EBITDA (-10.2%):** decreased with lower activity and one-off demobilization/reactivation costs
- **Adjusted Net Loss of SAR 34m:** due to lower activity and non-recurring expenses
- **CAPEX (+64.9%):** driven mainly by reactivation spending
- **Net Debt (-9.6%):** Improved though stronger cash and loan repayments
- **Operating Cash Flow (-6.6%):** Decline in line with EBITDA

\* Net income adjusted for a non-cash asset impairment charge

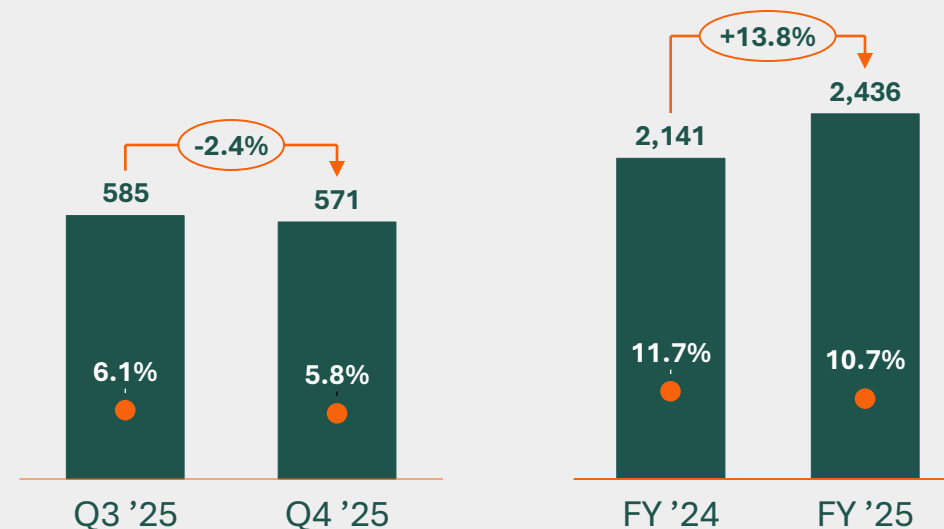
\* Before working capital changes

# Segment Analysis

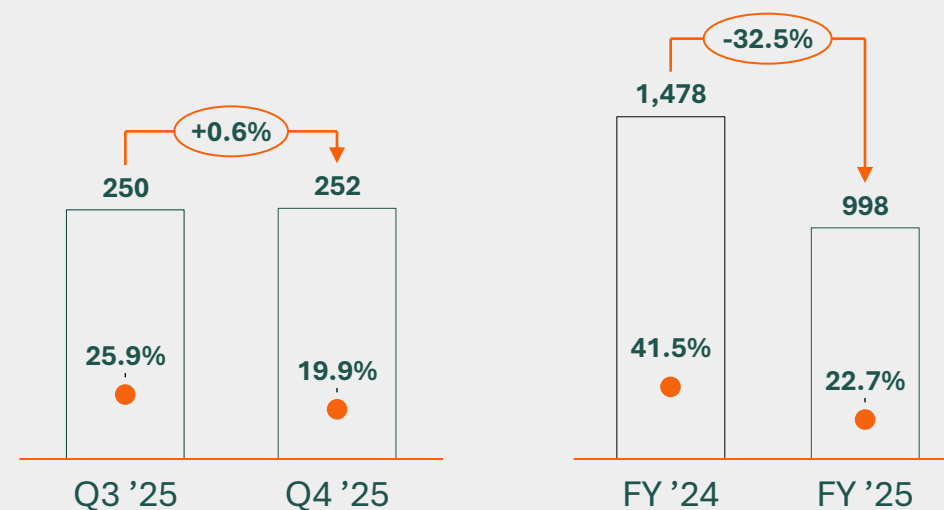


- **EBITDA margin (YoY):** Down in line with the change in segment activity mix
- **Land (YoY +13.8%):** Revenue up from unconventional activity and increased rig moves, adjusted Gross profit down due to rigs suspension in Q2 and Q3.
- **Offshore (YoY -32.5%):** Revenue and GP declines mainly due to lower utilization

## Land Segment Revenue and Adjusted GP % \*

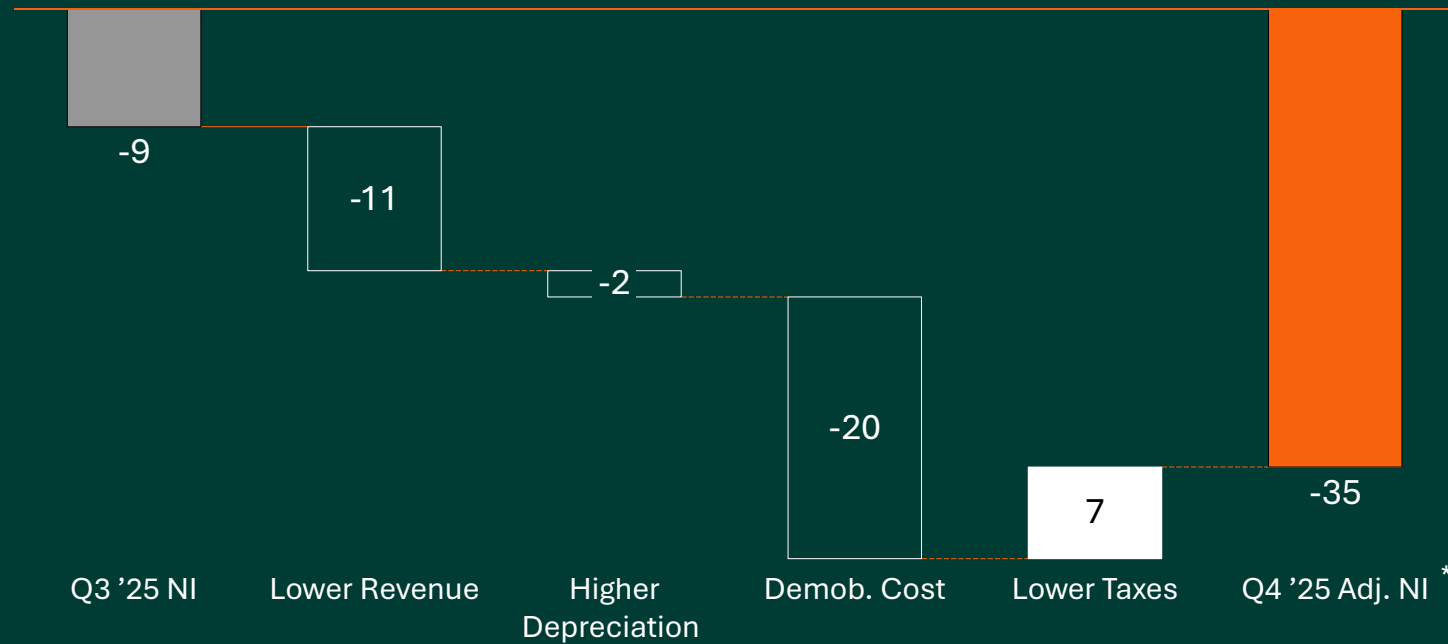


## Offshore Segment Revenue and Adjusted GP % \*



\* Gross profit adjusted for a non-cash asset impairment charge

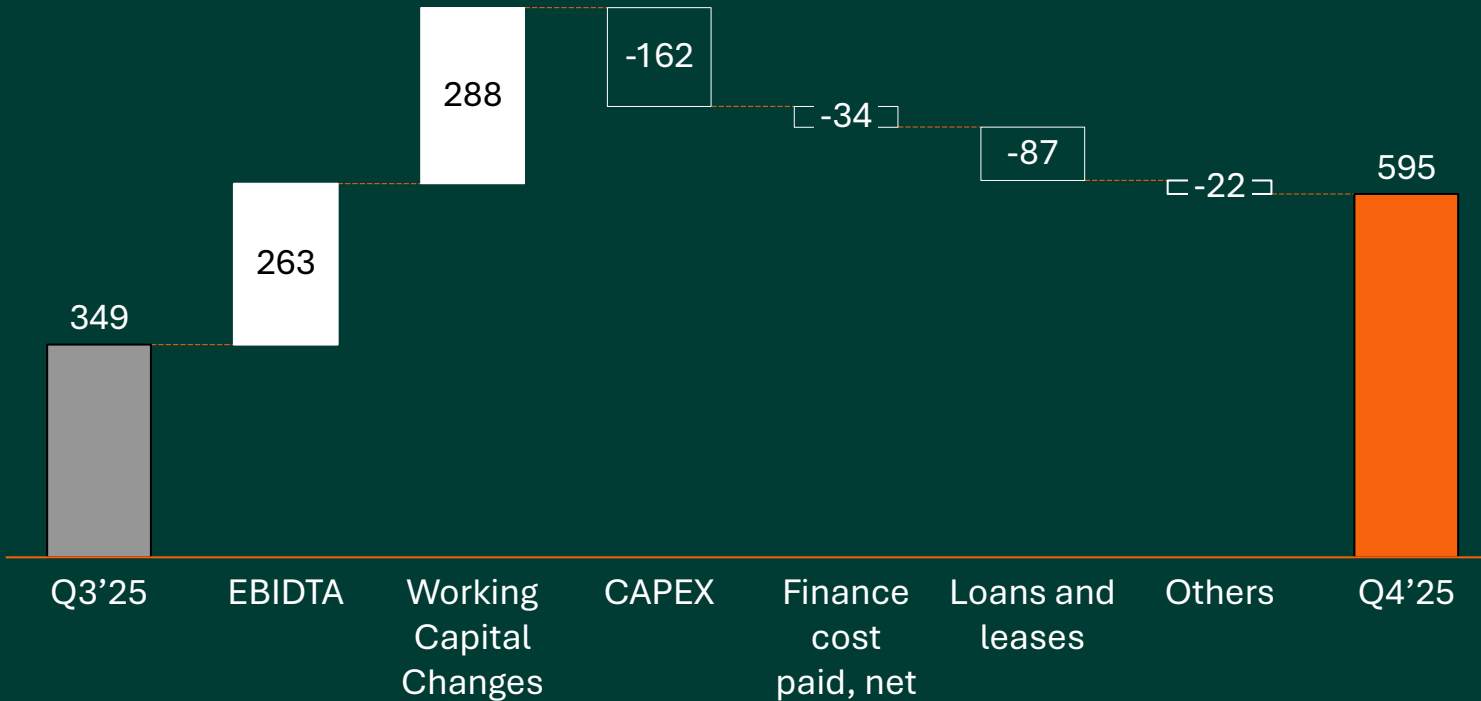
# Net Income Bridging Q4 vs. Q3



- **Revenue (-11):** marginally down on lower rig activity offset with higher rig moves.
- **Demob. Cost (-20):** expenses incurred with the return of chartered offshore rig
- **Taxes (7) :** lower current and deferred taxes due to net losses position

\* Net income adjusted for a non-cash asset impairment charge

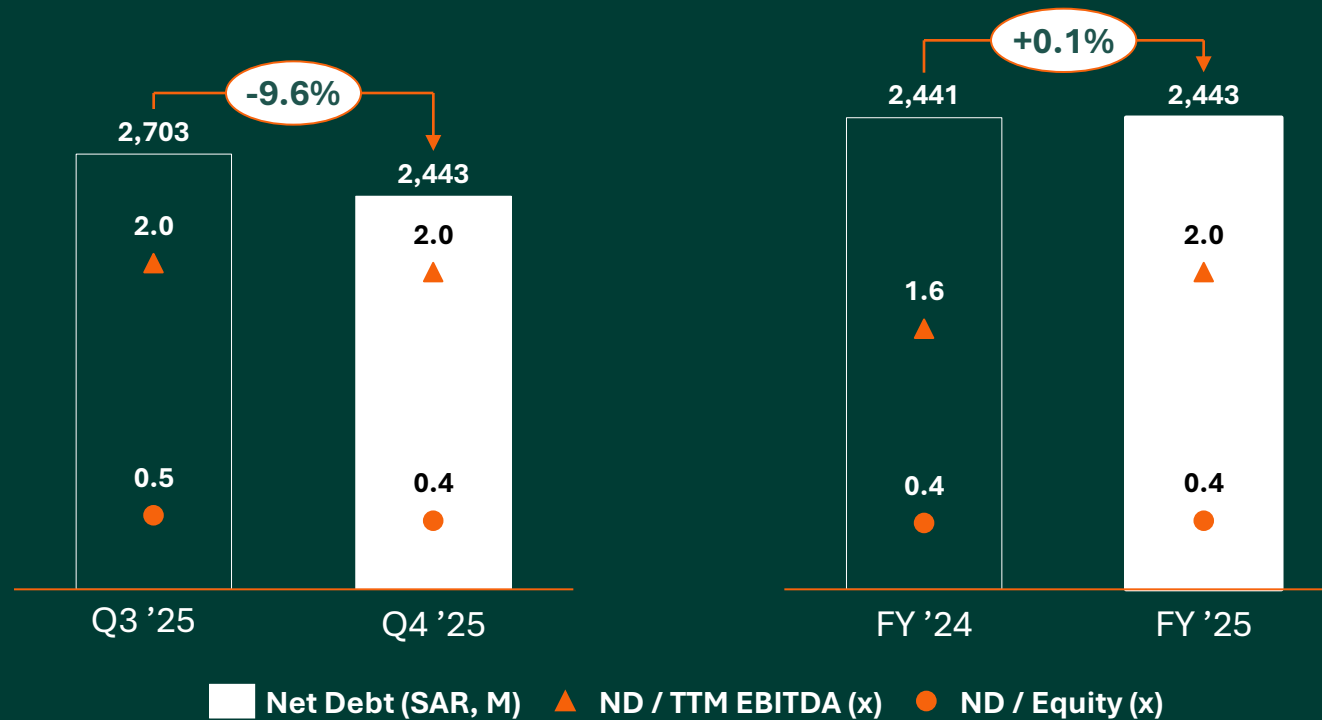
# Cash On Hand Bridging Q4 vs. Q3



Significantly stronger **Cash on hand**, with strong customer collection in Q4'25

- **EBITDA** for the forth quarter
- **Net Working Capital:**
  - Accounts Receivable declined in Q4 following improved client collections;
  - Inventory reduced to its lowest level in 2025
- **Capex:** Ongoing reactivation costs on suspended rigs due for resume in 2026
- **Finance Cost:** quarterly financial charges related to loans from Financial Institutions
- **Debt Reimb:** principal repayments and lease obligations

# Strong Debt Profile – Prudent Leverage and Strategic Flexibility



- **YoY Net debt** stable at SAR 2.4B
  - Increase from Q1 loan drawn down, offset by the principal repayments through the year.
  - Cash levels broadly unchanged
- **QoQ Net Debt** reduction driven by higher cash on hand
- **Net debt to EBITDA** at 2.0X
  - Up from 1.6x in FY'24 mainly reflecting lower EBITDA.
- No plans to take on additional debt

# Q1 2026 Outlook & Guidance



## Revenue (Quarterly)

For the first quarter of 2026, we anticipate slightly improved revenue due to rig resumptions compared to Q4 2025.

## CAPEX (Annual)

CAPEX for the full year 2026 is projected to be in the range of SAR 750 million, including reactivation CAPEX for announced rig resumptions.

# Questions And Answers



Bassem ElShawy – [bshawy@arabdrill.com](mailto:bshawy@arabdrill.com), Sarah AlQahtani – [salqahtani@arabdrill.com](mailto:salqahtani@arabdrill.com)



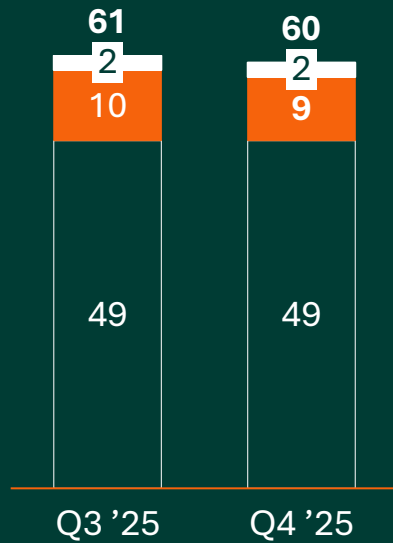
# Appendix

This document and the information contained in it are given in confidence and are only to be used by the disclosing party and the receiving party to explore business opportunities relating to Arabian Drilling; they may not be disclosed to third parties or used for any other purpose without the express written consent of the disclosing party.

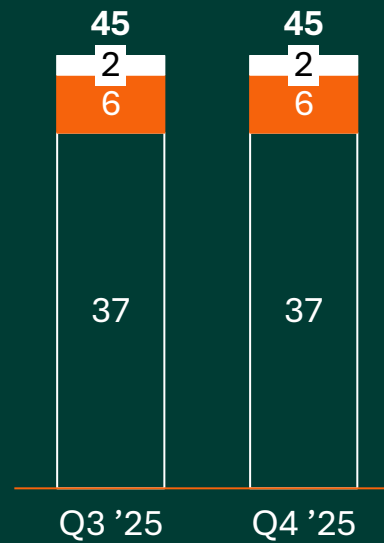
# Fleet Analysis



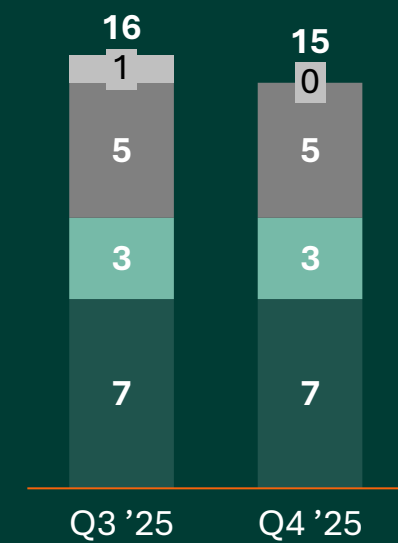
## Total Available Fleet



## Active Fleet



## Inactive Fleet



Land rig Offshore rig SESV

Land rig Offshore rig SESV

Susp'd (Land) Uncont'd (Land)  
 Susp'd (Offshore) Uncont'd (Offshore)