Arabian Drilling

Q1 2025 EARNINGS CALL

20 May 2025

In today's presentation

Ghassan Mirdad

Chief Executive Officer

With over 25 years of experience in the oil & gas sector, Ghassan brings expertise in drilling, M&A, and operations. A Sloan Fellow, he holds a master's from London Business School and a chemical engineering degree from KFUPM.

Hubert Lafeuille

Chief Financial Officer

CFO of Arabian Drilling since 2020, he brings a wealth of experience in oilfield services and offshore drilling. He has occupied leadership positions at Subsea 7, Ocean Rig, and Transocean. Holds a master's degree in Management and Finance from NEOMA Business School.

Bassem ElShawy

IR & Communications Director

Boasting over 24 years of experience in financial communications and investor relations, Bassem has occupied senior roles at leading companies across various sectors and countries. Holds an MBA from the Maastricht School of Management.

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.

Revenue meets expectations, robust EBITDA margin sustained

Q1 2025 financial highlights (SAR m, versus Q4 2024)

911.1M
REVENUE
(7.2%)

380.9M
EBITDA
(6.3%)

41.8%
EBITDA Margin
(-0.3% pts)

75.2M
NET INCOME
(7.2%)

361.0M
Operating CF*
(12.9%)

1.8x
NET DEBT / TTM EBITDA

* OCF excludes change in working capital

Enhanced Efficiency and Performance: +1 SVSE, high utilization rates, and reduced NPT

Operational Highlights

+1
Self-Elevating Service Vessel (SESV)

- Acquired an additional Service Vessel for SAR 260m, inclusive of modifications and mobilization cost
- Adds SAR 170m to Q1 '25 backlog (2Y firm contract)
- Operation to start by mid 2025

83.3%
UTILIZATION RATE

- 50 active rigs out of total available fleet of 60
- Land 85.7% (42 active out of 49)
- Offshore 72.7% (8 active out of 11)
- One offshore rig held for sale, removed from available fleet

0.95%
Non-Productive Time – YTD (NPT)

- Strong improvement compared to 2024 NPT of 1.67%

0.59
Total Recordable Incident Frequency (TRIF)

- Based over 1,000,000 manhours
- About 3.5x lower than industry average in Q1 2025

60
Rig Moves in Q1, highest on record

- Average 0.57 days saved per rig move (*), totaling 34 days
- Resulted in additional revenue of approx. SAR 5M

92.3 %
REI (Q1 '25 Average)

- Rig Efficiency Index ('REI') based on 36-month rolling average
- Majority of rigs achieving superior performance

Note (*): compared to Aramco 's KPI

Backlog & utilization rate

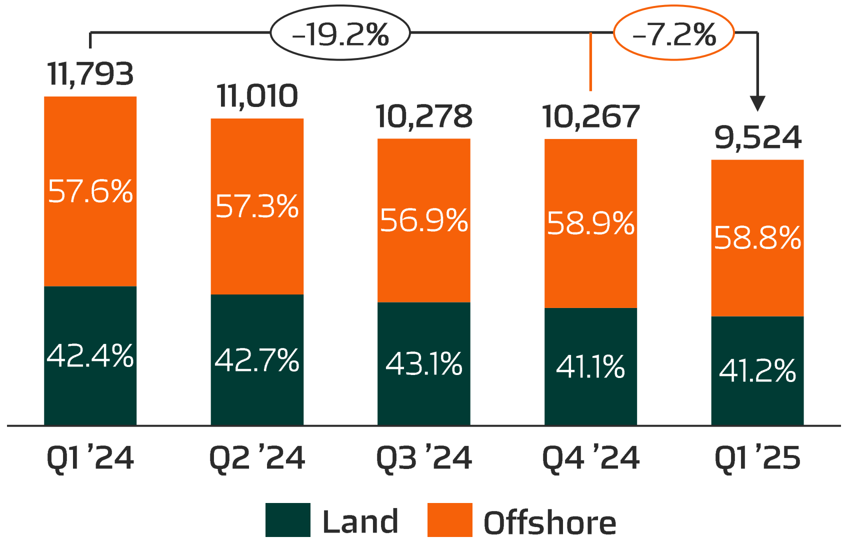
Backlog of SAR 9.5 Bn

- **Net backlog addition of SAR 170 million** on the back of acquiring a new Self Elevating Service Vessel ('SESV') with a 2-year firm contract
- SESV backlog addition offset one suspended offshore rig contract terminated in Q1 2025
- Average remaining tenure of **2.0 years per rig with book-to-bill ratio of 2.7x**
- **Backlog uptick in Q2** due to recent announcement on 2 each Land Rig 10Y extension as well as other extensions expected to close in Q2

Rig Utilization of 83.3%

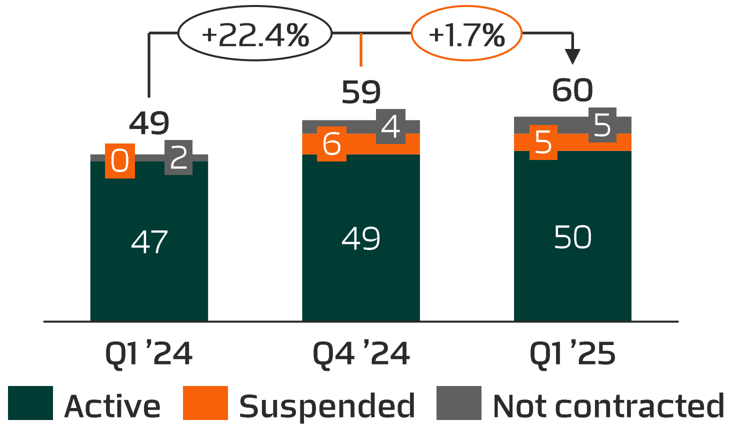
- **50 active rigs** out of 60 available fleet size, 8 Offshore and 42 Land active rigs
- Total of **10 rigs not active** as of 31 March 2025:
  - 5 rigs suspended, 2 Offshore and 3 Land
  - 5 rigs without a contract, 1 Offshore (leased) and 4 Land
- One offshore rig removed from the fleet as held for sale (under process)
- New SESV in startup mode and due to commence operations by mid year 2025. **Not counted in active fleet.**

5-Quarter Backlog by Segment (EoP)



YoY
QoQ

Fleet Analysis



Rig contract renewal in 2025

Five less rigs rolling off contract (as of Q1'25 EoP)

- **2 land rigs on** oil LSTK project were successfully renewed for a 1-year extension
- **2 suspended rigs, 1 land and 1 offshore,** rolled over into 2026 after adding the suspension period to the contract
- **1 Land rig** ended its contract with KJO in Q1, warm stacked for potential new engagements.

19 rig contracts to be renewed (as of Q1'25 EoP)

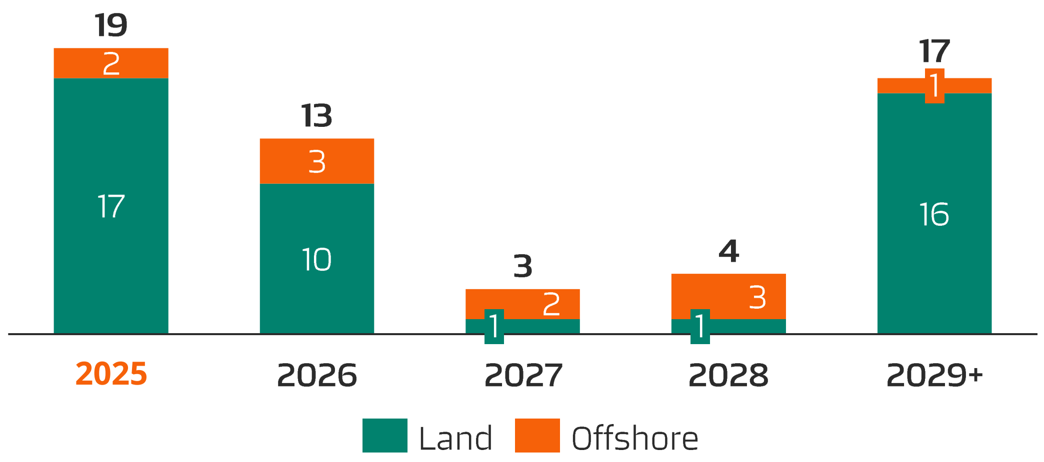
17 Land

- 11 rigs contracted with SLB on gas LSTK project, with a **1-year option likely to be exercised** shortly
- 6 rigs contracted with Aramco, **2 renewed in Q2** (10Y extension each) and remaining 4 negotiations for extensions being finalized

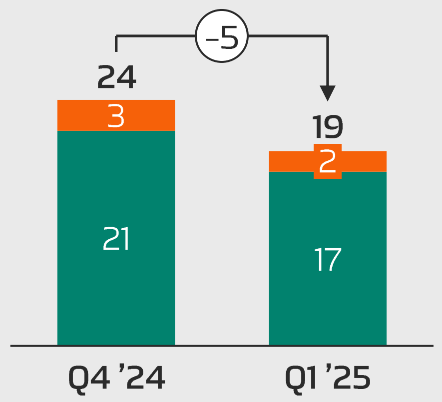
2 Offshore

- **1 rig contracted with KJO**, expect to close the extension soon.
- **1 rig contracted with Aramco**, leased rig with a 1-year option and back-to-back lease extension option. Flexibility to extend or terminate the lease based on renewal status.

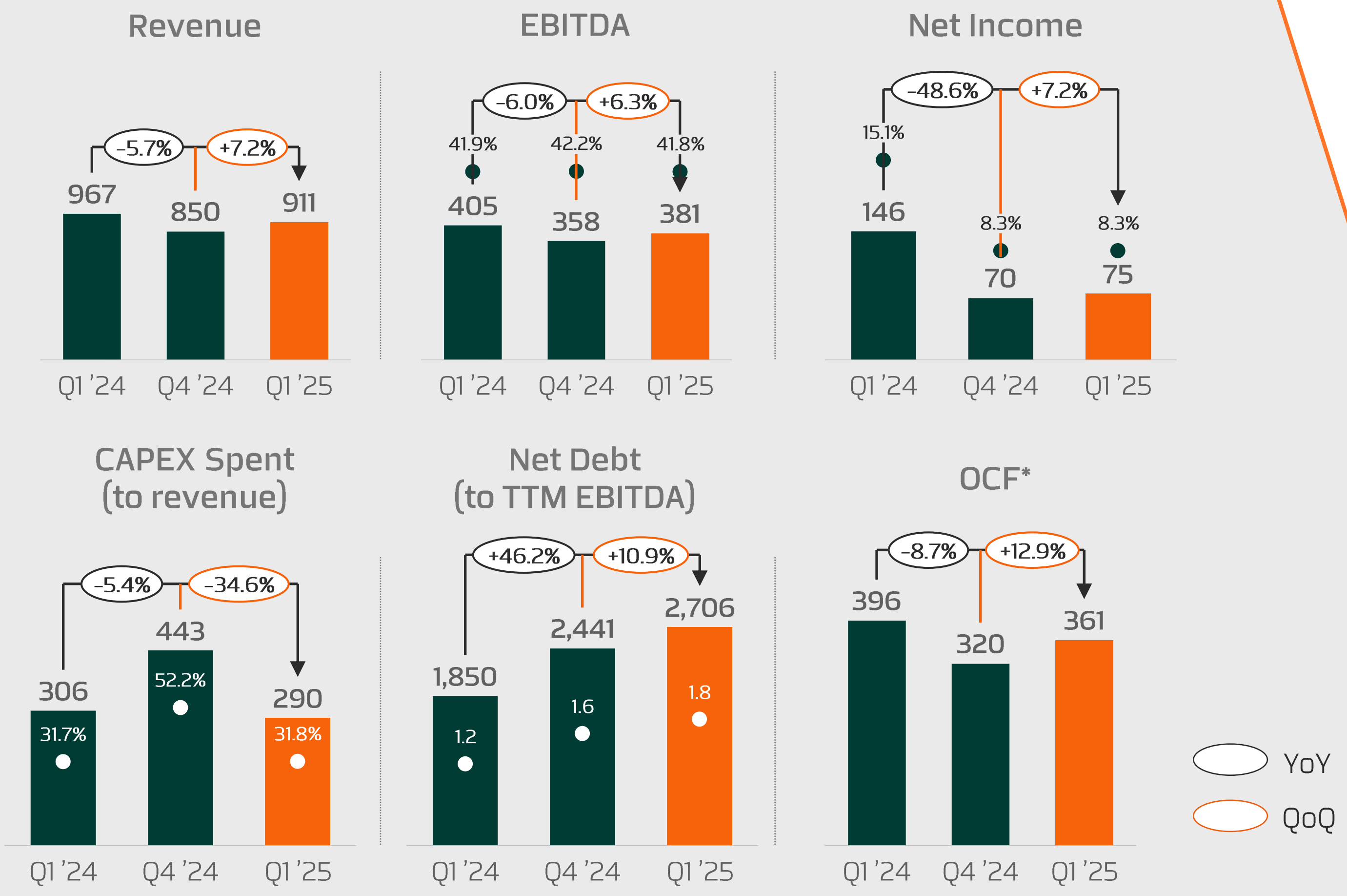
Rig Contract Renewal



Q4 '24 to Q1 '25 Contract Renewal (EOP)



Solid quarter-on-quarter performance

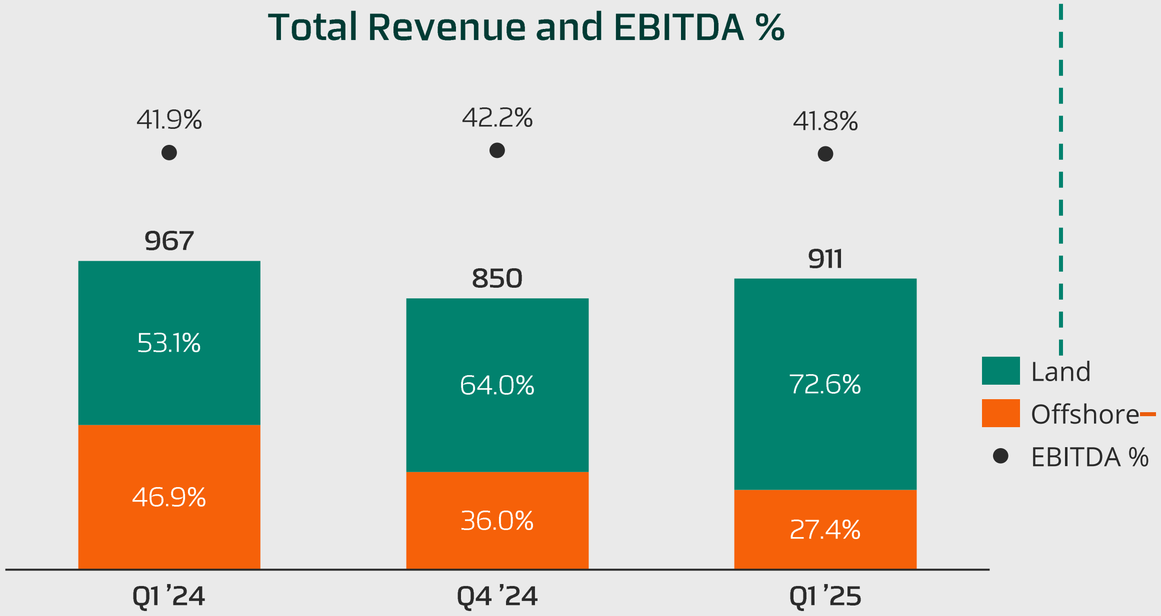


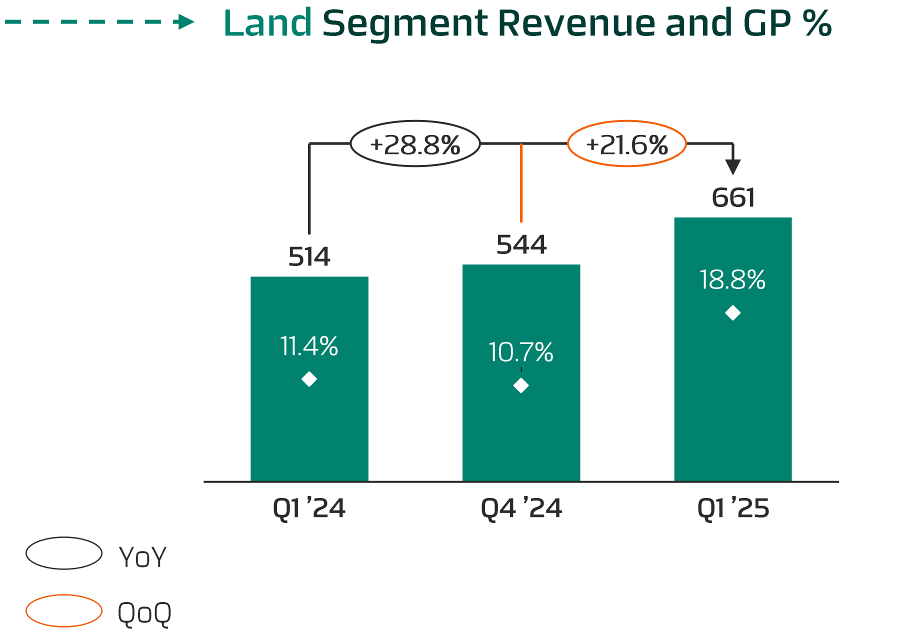
** OCF excludes change in working capital*

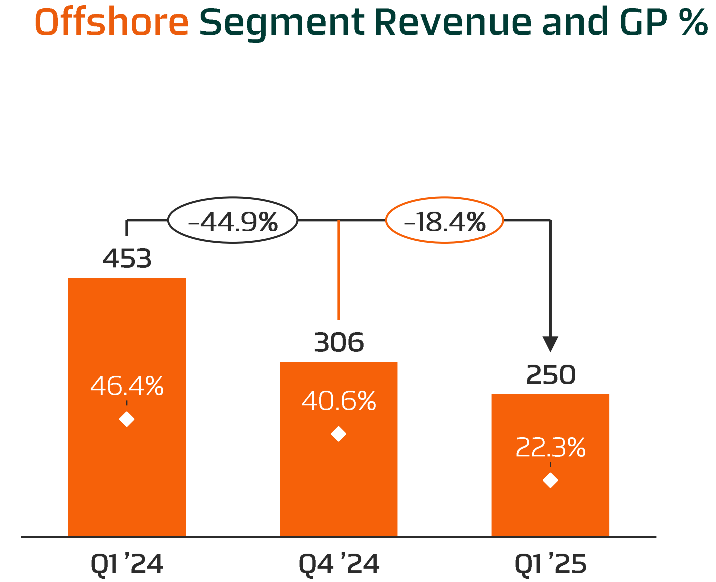
Quarter on Quarter Performance

- **Revenue (+7.2%):** includes full quarter revenue impact of 3 unconventional land rigs deployed late December 2024 and early Q1 2025. It also includes the impact of higher rig move activity, partially offset by temporary discounts on offshore day rates for 2 rigs. No further rig suspensions occurred in Q1 2025.
- **EBITDA (+6.3%):** in line with revenue increase. Margin profile maintained above 40% for the quarter shows continuous resilience.
- **Net Income (+7.2%):** in line with revenue increase.
- **CAPEX (-34.6%):** SAR 290 million includes the cost of acquiring the new SESV
- **Net Debt (+10.9%):** SAR 300 million drawdown to finance acquisition of the new SESV.
- **OCF* (+12.9%):** reflecting revenue increase as well as proceeds from sale of asset and insurance claim

The advantage of being a hybrid drilling contractor





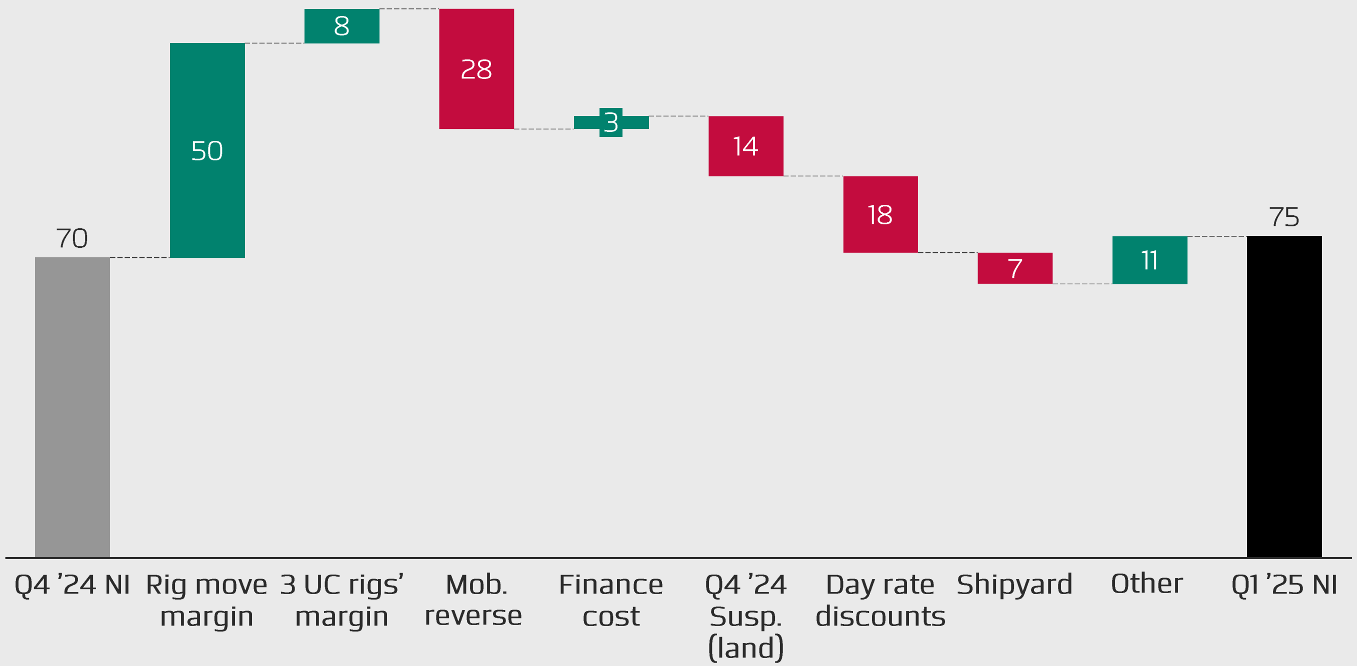


- **Enhanced Land Share in Revenue Mix:** balancing out the offshore downsize
- **EBITDA Margin Profile Maintained:** continuous resilience of AD's business model
- **Land (+21.6%):** strong rig move activity and full deployment of the unconventional rigs. Partially offset by three land rigs suspended in Q4 2024
- **Offshore (-18.4%):** includes the impact of temporary discounted rates in Q1 '25 (2 rigs, FY 2025 only) and a one-time accelerated revenue mobilization fee recognized in Q4 '24

Net Income Bridging

Net profit recorded 7.2% increase, mainly supported by strong rig move activity

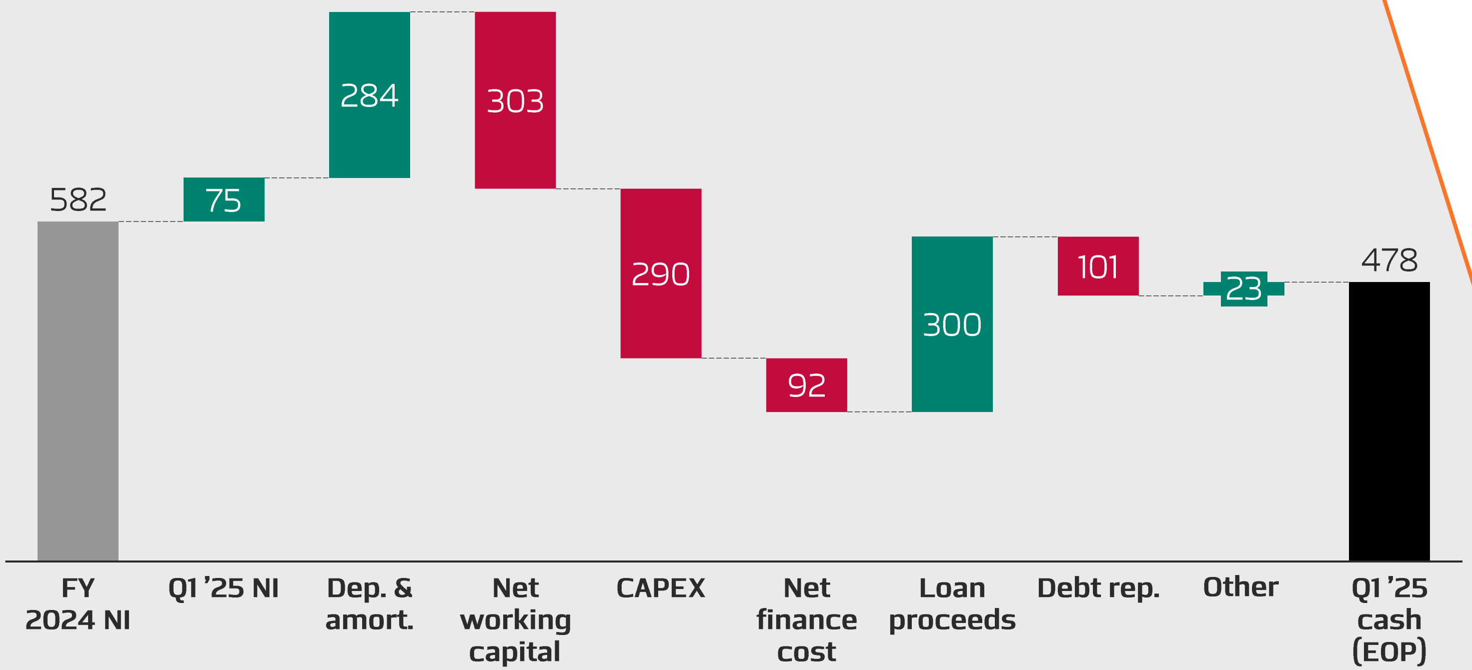
Q4 '24 – Q1 '25 Net Income Bridge
(SAR Million)



- **Rig move margin:** above average multiple rig move activity generating higher margin
- **UC rigs' margin:** all UC rigs now fully deployed in with accretive impact in Q1'25
- **Mobilization reverse:** Q4 '24 net income included recognition of accelerated deferred mobilization revenues
- **Finance cost:** mainly driven by higher debt repayment in Q1. Additional debt drawn by end of Q1, limited impact.
- **Suspension (land):** Full impact of 3 land rigs suspended in Q4'24 and previously announced
- **Day Rate discounts:** Impact of day rate discounts for 2 offshores rigs and shipyard time. Discounts valid for 2025 only.
- **Shipyard time:** 14 days out of service for one offshore rig (planned drydock recertification)
- **Others:** includes gain from sale of assets (land) and one insurance claim settlement

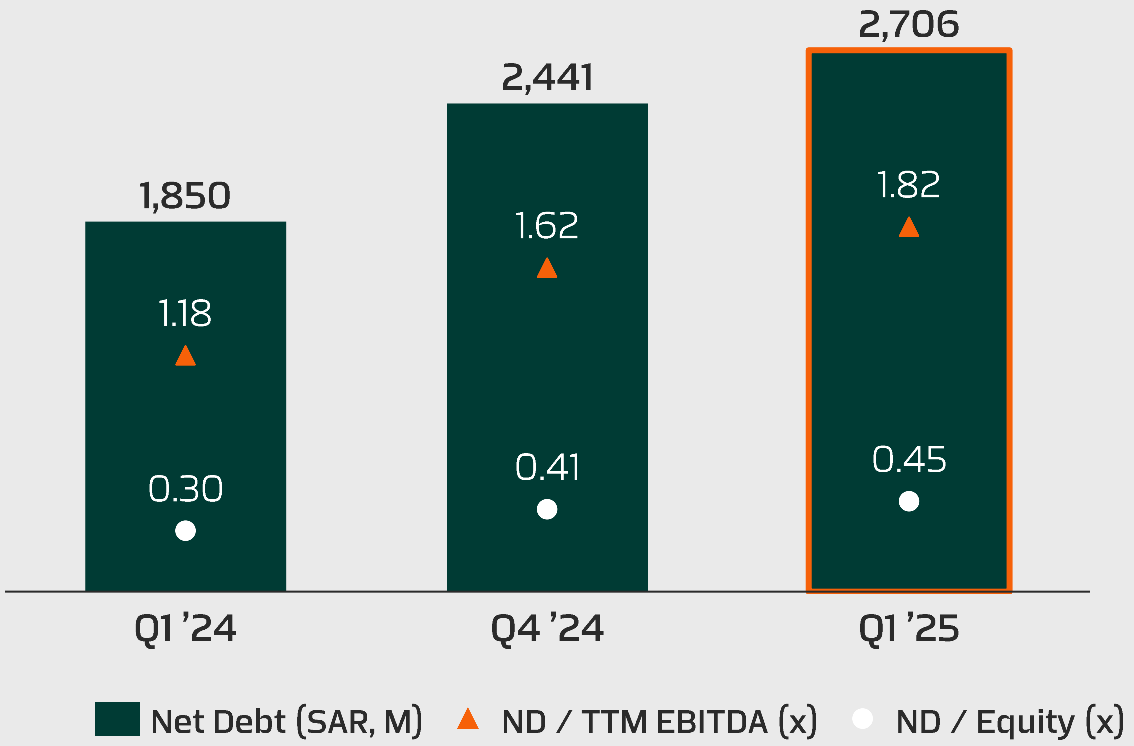
FY 2024 – Q1 2025 Cash at Hand Bridge

Efficient management of cash and other short-term assets enables Arabian Drilling to meet its debt obligations in time while having sufficient liquidity.



- **Non-Cash:** a mainly includes 244M of depreciation & amortization
- **Net working capital:** slower cash collection due to seasonal effects (Ramadan and Eid holidays)
- **CAPEX:** mostly relates to the new SESV acquisition
- **Finance cost:** mainly includes the semi-annual coupon payment on the Sukuk (77M)
- **Loan proceeds:** additional debt of 300M drawn in Q1
- **Debt repayment:** includes 84M of debt principal repayments plus lease payments
- **Other:** includes 15M of proceeds from sale of land

A strong balance sheet is a key enabler for fuelling growth



- **Net Debt:** QoQ increase reflects additional 300M bank loan drawn in Q1. Floating 1M SAIBOR + competitive spread.
    - **Leverage ratio:** remains moderately leveraged compared to our peers. Room for further growth opportunity.
        - **Financing:** 200M additional secured financing available to fund further growth CAPEX.

Q1 2025 Outlook & Guidance

In response to the dynamic conditions in the oil and gas industry and the prevailing global macroeconomic uncertainty, the management team has revised the financial guidance strategy to better align with the current market landscape.

Here, we outline the changes we've made, the reasons behind these adjustments, and our financial outlook for the upcoming quarter.

Guidance

For the second quarter of 2025, we project our revenue to reflect a potential 10% decline from Q1 2025 level.

- Rig move activity back to normal
- Ongoing planned shipyard time

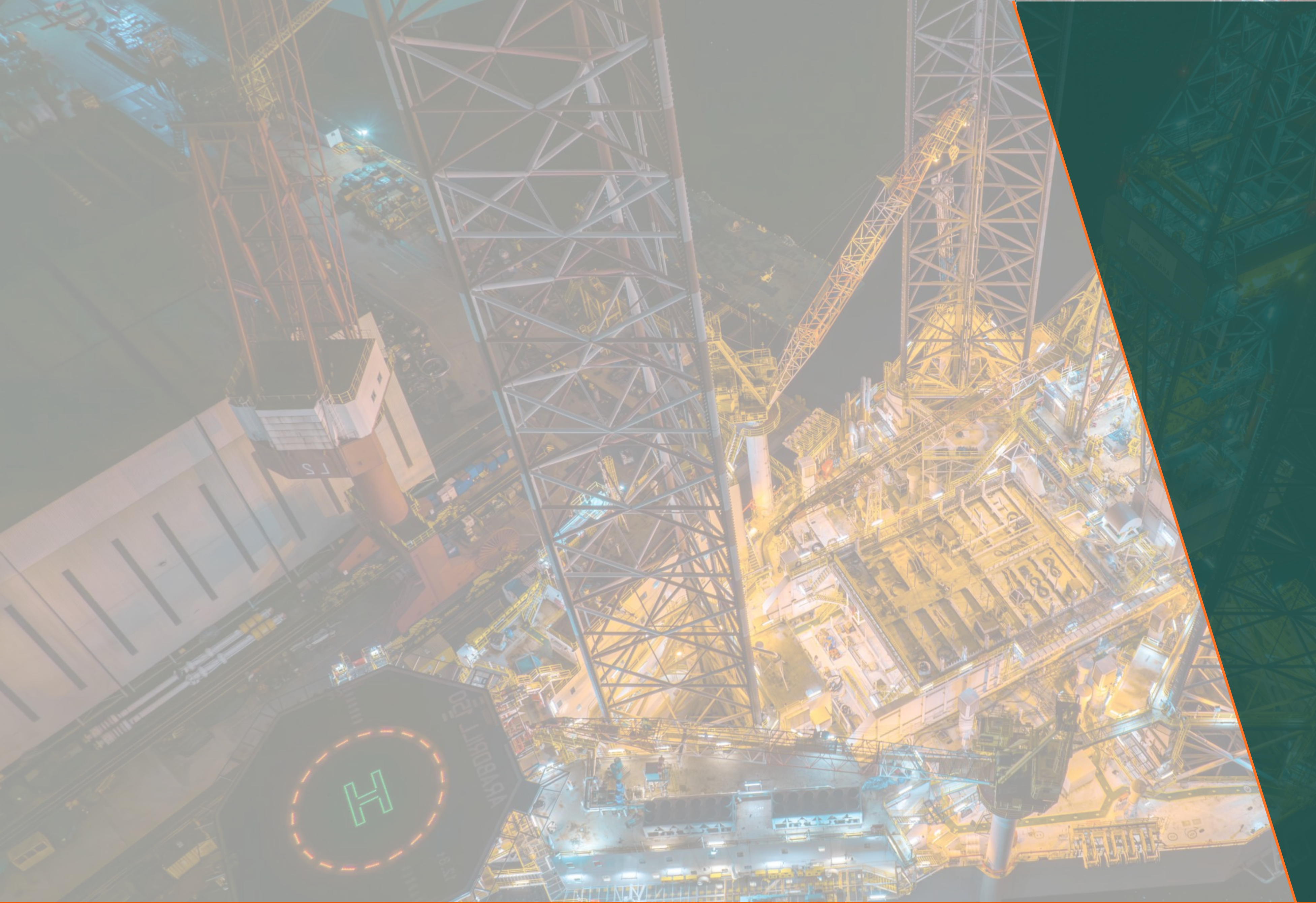
We see a lower CAPEX at SAR 800-900 million for the year.

- Reviewing downwards by c. 100 - 200 million
- Prudent cash management

We recommend exercising caution when projecting performance from the second quarter of 2025 onward.

Q&A Session

Contacts
For inquiries: ir@arabdrill.com



Appendix

Net Income & EBITDA Reconciliation

In SAR Million

	Q1'24	Q2'24	Q3'24	Q4'24	FY'24	Q1'25
Revenue	**967**	**939**	**863**	**850**	**3,619**	**911**
Net Income	**146**	**20**	**85**	**70**	**321**	**75**
ADD BACK: Asset impairment charge		105			105	
Adjusted Net Income	**146**	**125**	**85**	**70**	**426**	**75**
ADD BACK:						
Finance costs - net	46	53	53	55	208	53
Zakat and Income Tax	22	2	5	7	36	9
Depreciation & Amortization	191	206	215	226	838	244
EBITDA	**405**	**386**	**358**	**358**	**1,508**	**381**
EBITDA Margin	*41.9%*	*41.1%*	*41.5%*	*42.1%*	*41.7%*	*41.8%*

Glossary

Glossary	Description
Active Rig Month	Annual number of months where rigs generate revenue
Backlog	Future contracted revenue yet to be recognized.
Book-to-Bill Ratio	Calculated as Backlog divided by LTM Revenue
c.	Circa / approximately
CFF	Net cash generated from Financing activity
CFI	Net cash used in Investing activity
CFO	Net Cash generated from Operating activities.
DSO	Days Sales Outstanding, measures days form revenue recognition to Customers collections
EBITDA	Earnings before interest, Tax, Depreciation, and Amortization.
EoP	End of Period
GHG	Green House Gases
Free Cash Flow	Net Cash Generated from Operating Activities less Capex
HSE	Health, Safety and Environment
IFRS	International Financial Reporting Standards
JUs	Jackups (a type of offshore drilling rig)
LTIF Rate	The total number of lost time injuries per one million man-hours worked.

Glossary	Description
LTM	Last twelve months
MPSV	Multi Purpose Service Vessel
Net Debt	Total debt including borrowings and lease liabilities less cash and cash equivalent.
Non-Productive time (NPT)	Non-operational time (downtime) due to machinery breakdown, major overhauling, incident etc.
NWC	Net Working Capital
Rig efficiency index (REI)	KPI used by Saudi Aramco and includes Safety Performance, IKTVA Local Content, Drilling Performance, and Non-Productive Time (NPT).
Rig Move Days Saved	Time saved during rig move in comparison with Saudi Aramco KPI.
Rig Reactivation	Putting back to work a stacked rig.
Stacked Rig	A rig that has been demobilized and is not generating revenue.
STI	Short Term Investment
TRIF Rate	Total number of Recordable injuries per one million man-hours worked.
Utilization Rate	Ratio of active rigs Vs. total available fleet.