

Q3 / 9M 2025 EARNINGS CALL

3 November 2025

15.00 KSA

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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.



Farid Mustafayev

Chief Financial Officer

Farid joined Arabian Drilling in October 2025 with 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

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.

9M 2025 Financial Highlights (SAR M, Versus 9M 2024)



2,609_M

Revenue, -5.8%



977_M

EBITDA, -15.1%



37.4%

EBITDA Margin, -4.1 ppts



73_M

Net Income, -70.8%



929_M

Operating Cash flow, -17.1%



2.0_x

NET DEBT / TTM EBITDA

* Before working capital changes

Q3 2025 Financial Highlights (SAR M, Versus Q2 2025)



835_M

Revenue, -3.1%



293_M

EBITDA, -3.0%



35.1%

EBITDA Margin, 0.0 ppts



-9.4_M

Net Income, -225.8%



276_M

Operating Cash flow, -5.5%



2.0_x

NET DEBT / TTM EBITDA

* Before working capital changes

9M / Q3 2025 Highlights



10,976M

BACKLOG
6.8% YoY

- Stable visibility
- 2.4 years contract tenure
- 3.2x book-to-bill ratio
- Expected growth in Q4 2025



73.8%

UTILIZATION

- 45 active rigs / 61 available
- Land - 37 rigs
- Offshore - 6 rigs and SESV – 2
- Strong utilization recovery (80%) by Q2 '26



1.07%

NPT - YTD

- Maintaining NPT level



0.39

TRIF

- Based on 1 million manhours
- Sustained improvement trend
- Beating industry average



54

RIG MOVES
Q3 '25

- *Lower rig move activity in Q3 2025, carried forward to Q4 2025.*



5 Rigs

RECALLED
(Post-period event)

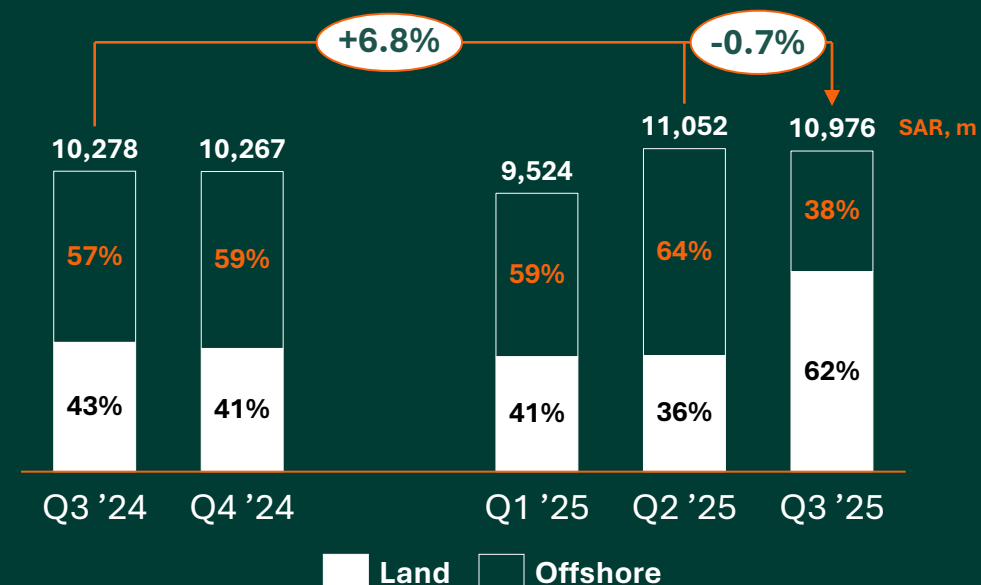
- 3 land and 2 offshore rigs recalled
- All 5 rigs resume operations in Q1 '25
- First int'l contract starting in Q1 '25

Backlog & Utilization Rate



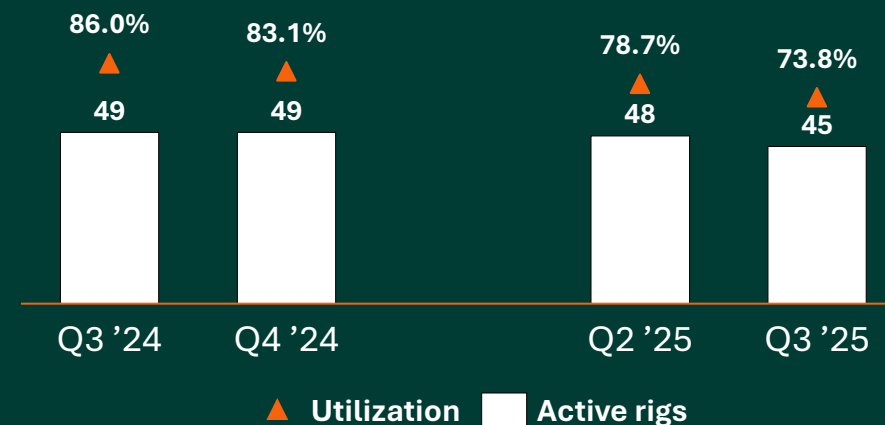
Backlog of SAR 10,976 Bn

- Robust backlog with a stable visibility:
 - Average remaining contracts tenure: 2.4 years
 - Strong book-to-bill ratio 3.2x
- Backlog value in Q3'25 is 6.8% higher compared to Q3'24
- Additional backlog growth expected in Q4'25



Rig Utilization of 73.8%

- Utilization declined QoQ after suspending three rigs in early Q3 2025
- 45 active rigs (37 Land, 8 Offshore), out of 61 available fleet size
- Total 16 inactive rigs as of 30 Sep 2025:
 - 10 rigs suspended (7 land, 3 offshore)
 - 6 rigs without contract (5 land, 1 offshore)

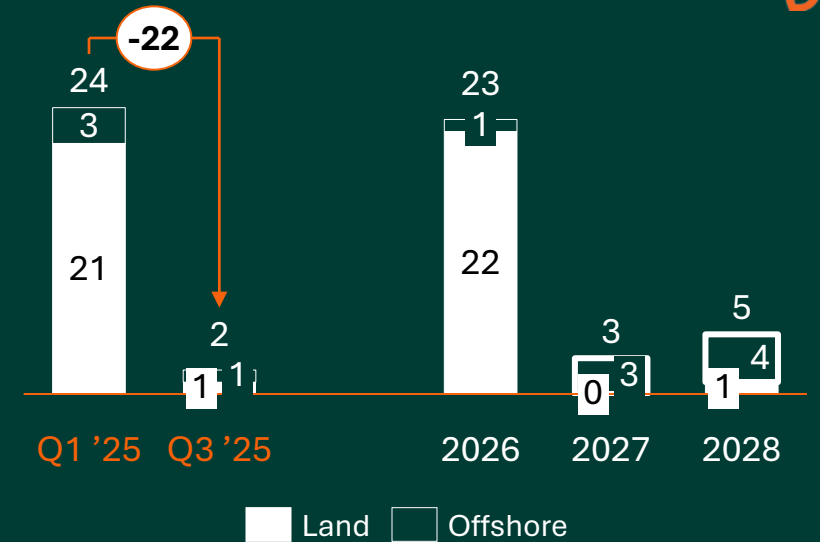


2025 Contract Renewals



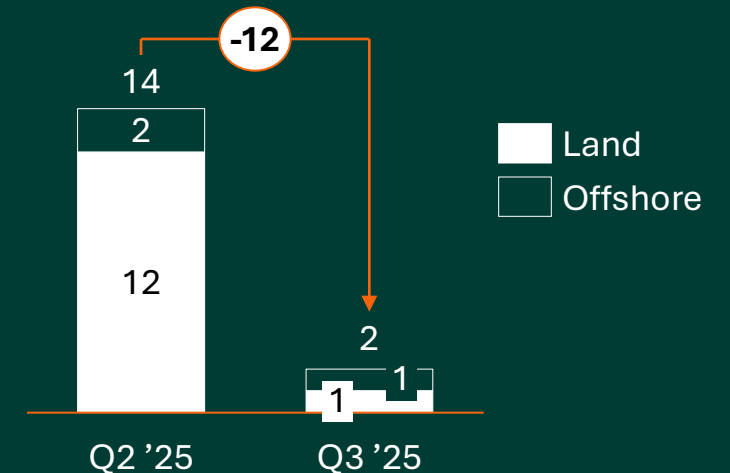
Annual

- 22 out of 24 rig contracts were renewed, demonstrating strong client relationships, remaining two in final negotiation stage.
- 23 rig contracts scheduled for renewal in 2026, all undergoing negotiations.

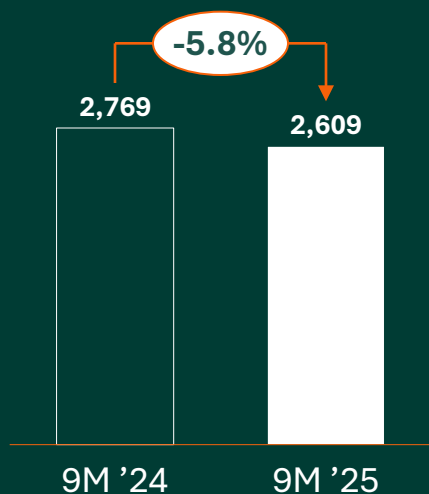


QoQ (EOP)

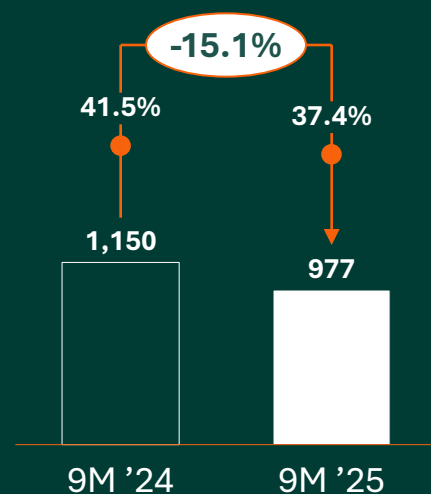
- 12 rig contracts have been renewed including eleven LSTK gas rigs with SLB and one offshore rig with KJO.



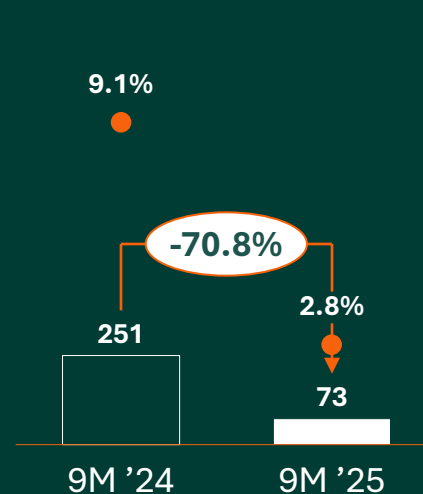
9M 2025 Versus 9M 2024



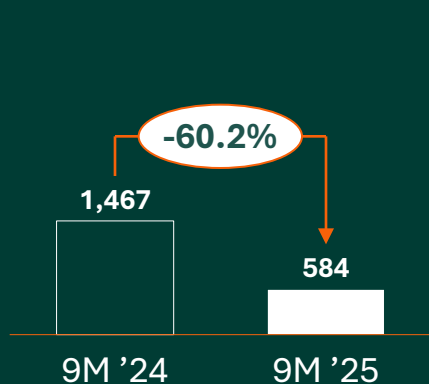
REVENUE



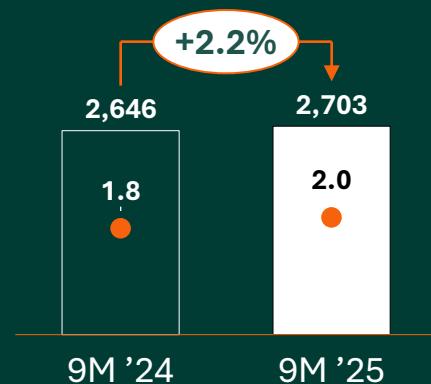
EBITDA



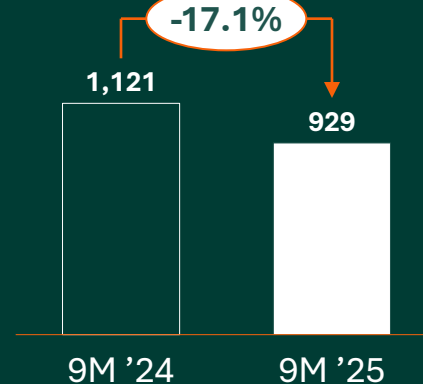
NET INCOME



CAPEX



NET DEBT (TO TTM EBITDA)

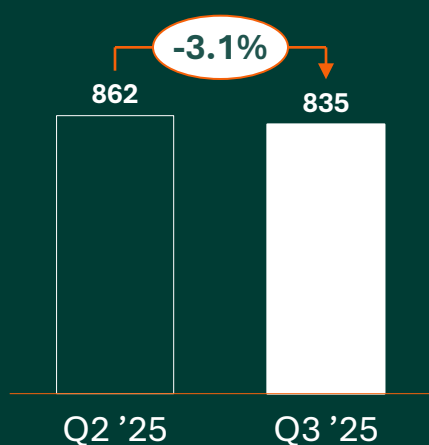


OPERATING CASH FLOW*

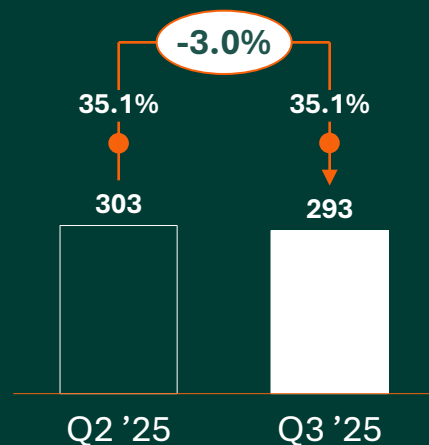
- **Revenue (-5.8%):** Mainly due to rig suspensions, partially offset by unconventional rig deployments.
- **EBITDA (-15.1%; -4 pts):** Impacted by shift in activity mix and discounted rates.
- **Net Income (-70.8%):** Decline in line with EBITDA and higher depreciation cost.
- **CAPEX (-60.2%):** Reflects absence of prior-year investment in unconventional rigs.
- **Net Debt (+2.2%):** Remains broadly stable.
- **Operating Cash Flow (-17.1%):** Decline in line with EBITDA performance.

* Before working capital changes

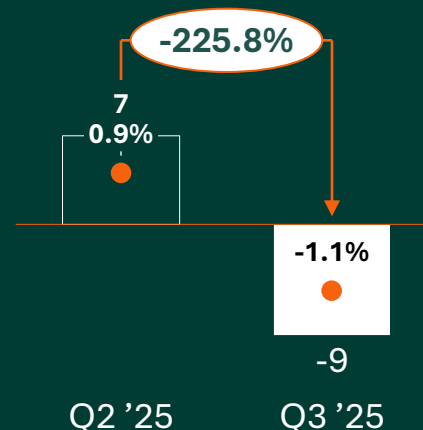
Q3 2025 Versus Q2 2025



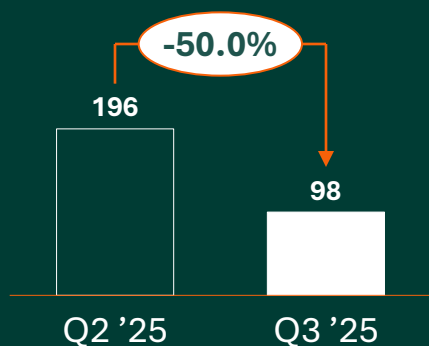
REVENUE



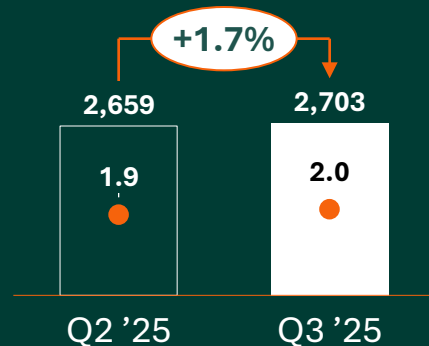
EBITDA



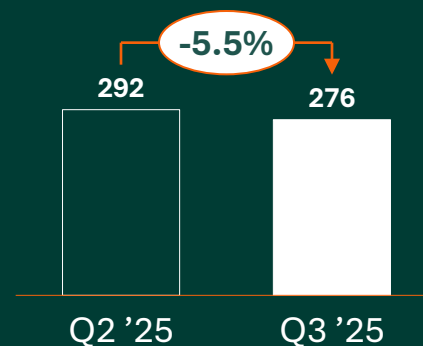
NET INCOME



CAPEX



NET DEBT
(TO TTM EBITDA)



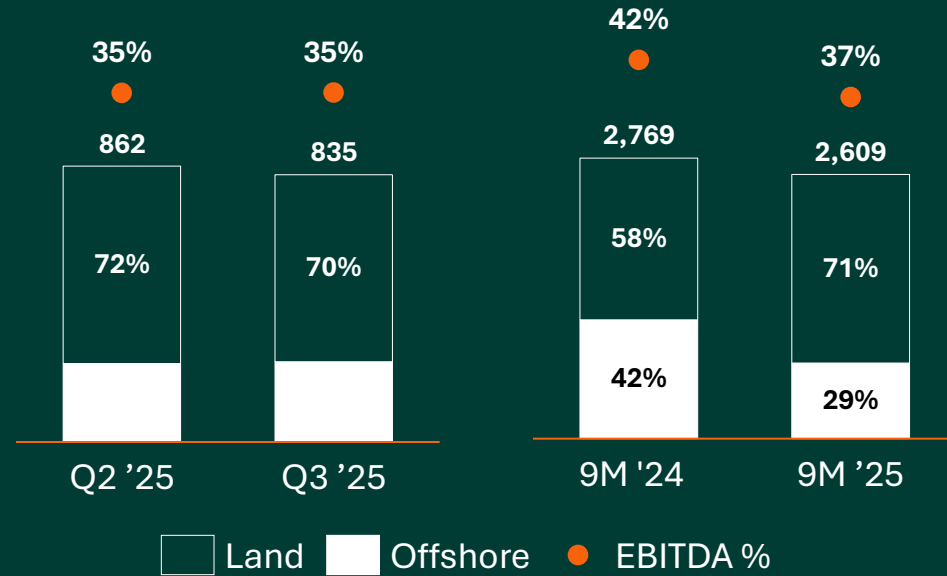
OPERATING CASH
FLOW*

- **Revenue (-3.1%):** Reduced rig activity during Q3, offset by the start of the newly acquired SESV**
- **EBITDA (-3.0%; 0 pts):** In line with activity
- **Net Loss of SAR 9m:** in line with reduced EBITDA and one-off impact from deferred tax
- **CAPEX (-50.0%):** slowing down as per the guidance and absence of SESV** investment from prior quarter
- **Net Debt (+1.7%):** Remains broadly stable
- **Operating Cash Flow (-5.5%):** Decline in line with EBITDA performance

** Self-Elevating Service Vessel

* Before working capital changes

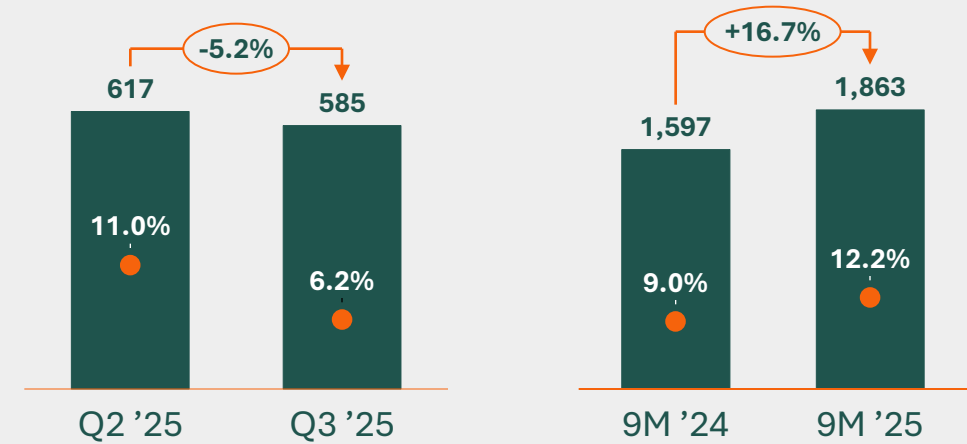
Segment Analysis



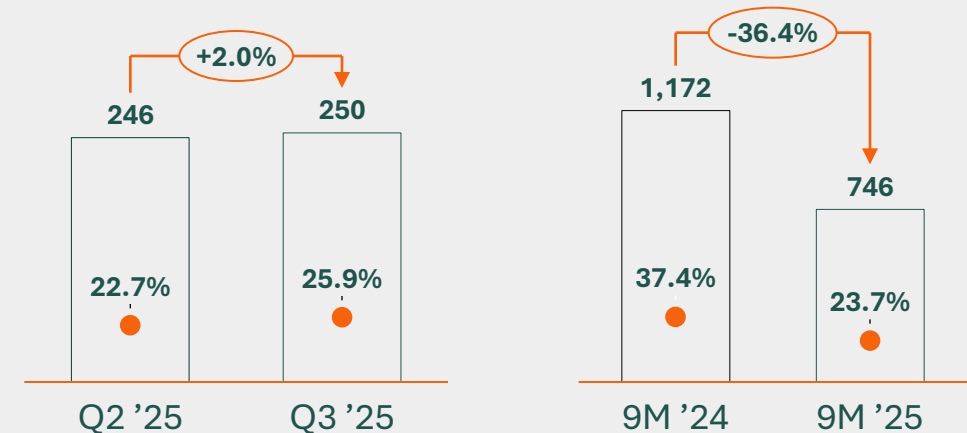
- **EBITDA margin (YoY):** Down in line with the change in segment activity mix
- **Land (YoY +16.7%):** Revenue up from unconventional activity and increased rig moves. Gross profit up due to stronger rig move margin and absence of Q2 '24 impairment
- **Offshore (YoY -36.4%):** Revenue and GP declines mainly due to lower utilization and day rate discounts. QoQ profitability is improving



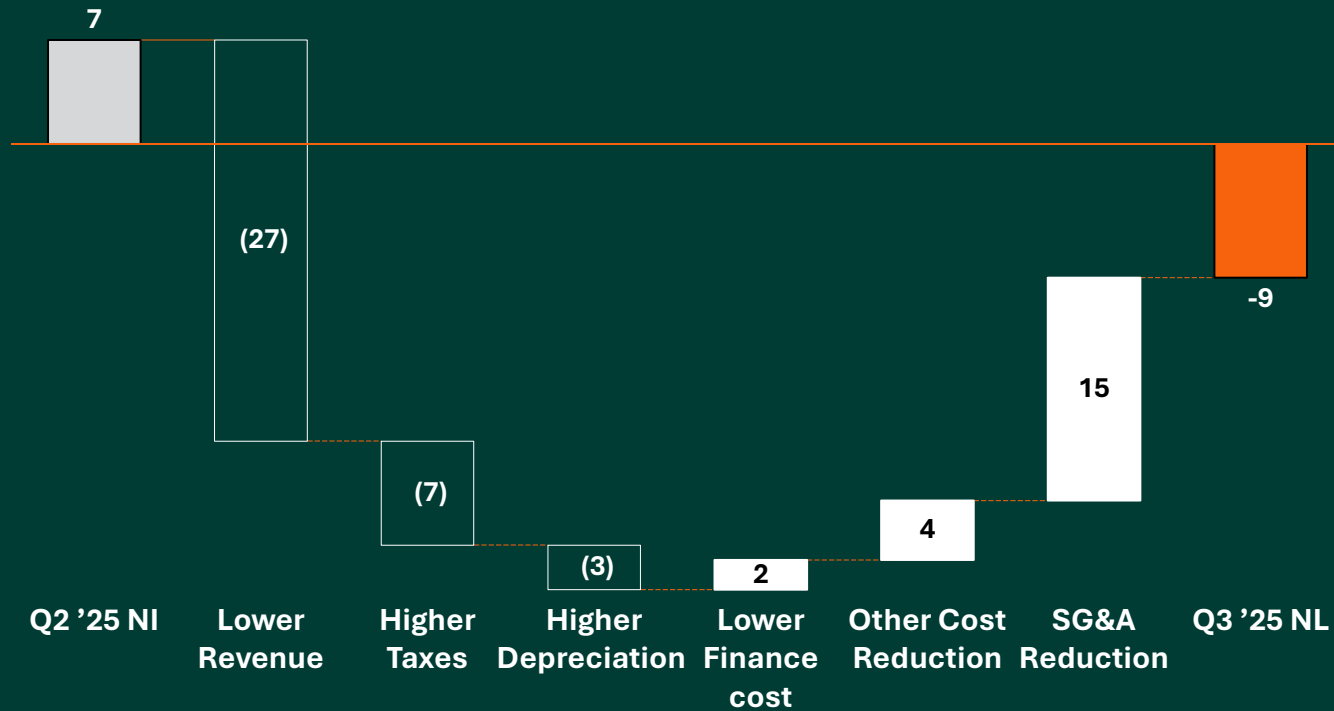
Land Segment Revenue and GP %



Offshore Segment Revenue and GP %



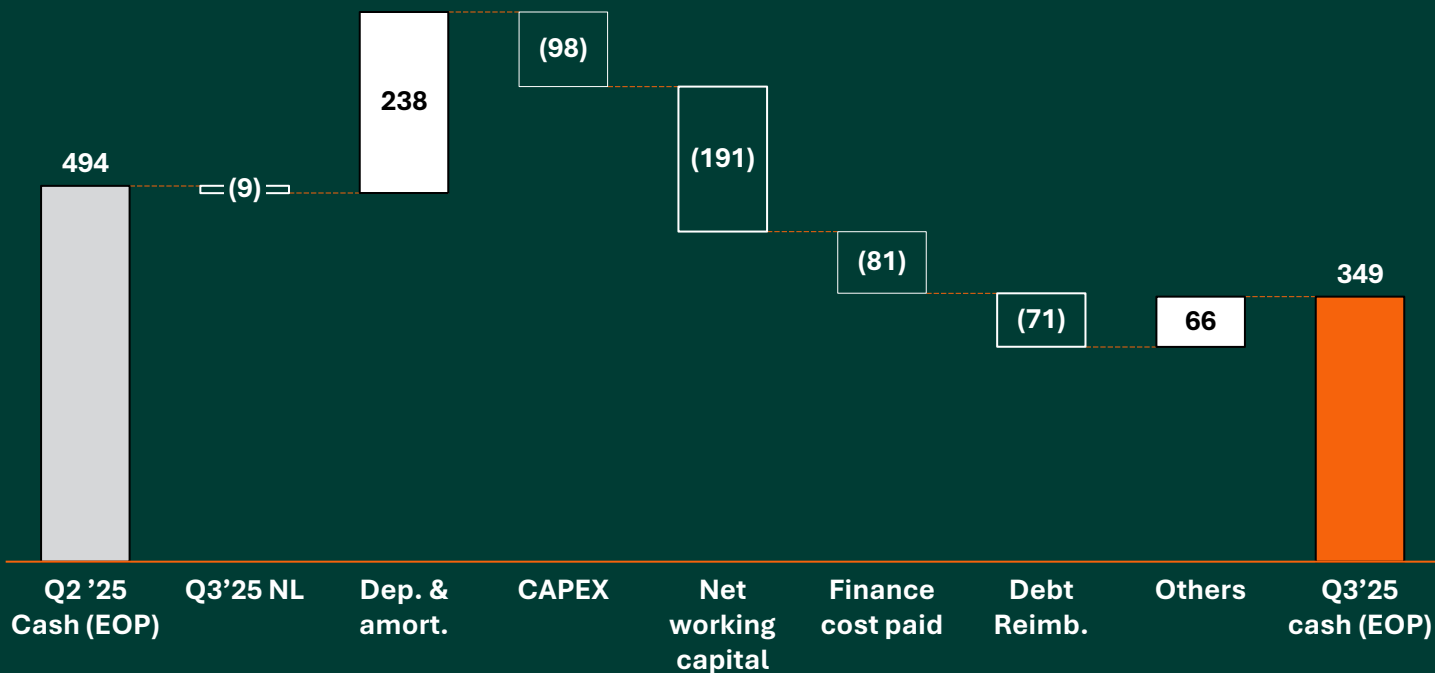
Net Income Bridging



Net Loss of SAR 9m driven by lower revenue and one-off deferred tax impact

- **Revenue:** Impact due to lower rig activity with continued suspension in Q3
- **Deferred Tax:** higher deferred tax provision, due to increased fixed assets base.
- **SG&A reduction:** continued efforts on Shared and G&A structure optimization
 - ✓ On track to deliver up to SAR 30 million in annualized saving by end of 2025

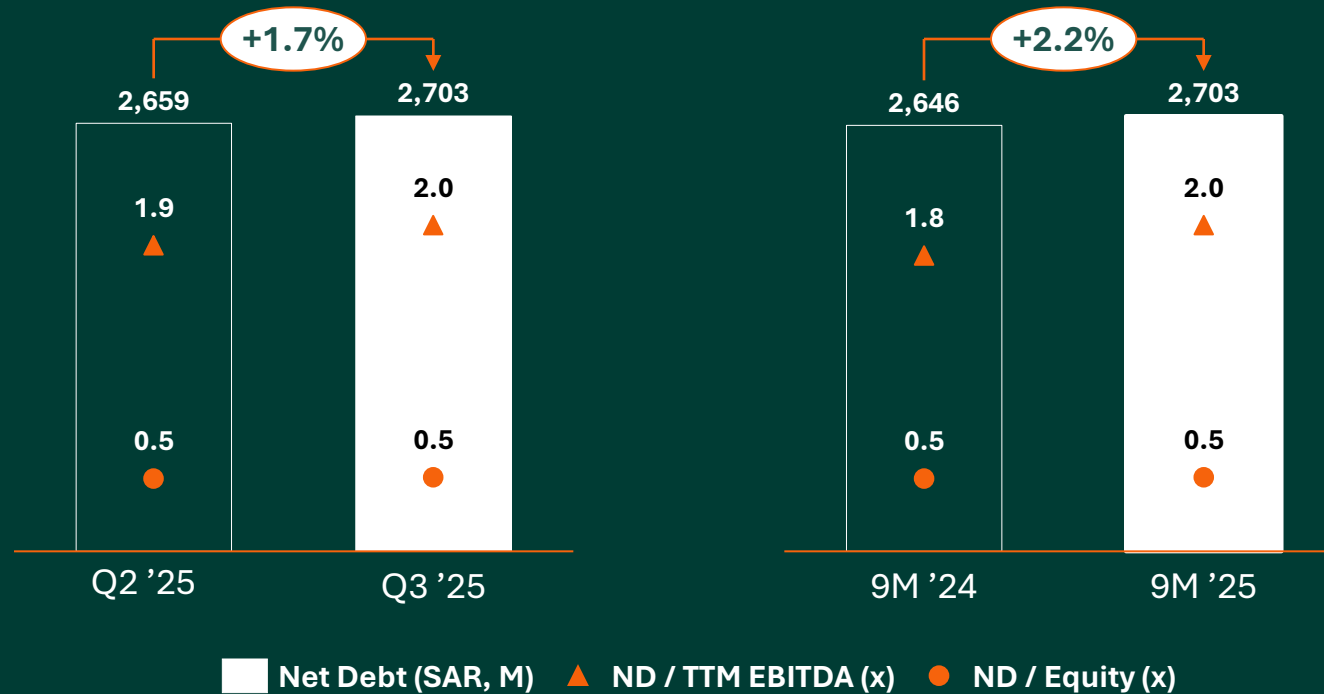
Cash On Hand Bridging



Relatively low **Cash on hand**, mainly due to minor collection delays - fully recovered in October

- **Capex:** completion of the investment for unconventional rigs and SESV
- **Net Working Capital:**
 - AR increased in Q3 due to delayed client collections, recovered in October
 - AP decreased in Q3 due to major Capex related payments from prior quarters
- **Finance Cost:** includes semi-annual Sukuk coupon payment
- **Debt Reimb:** principal repayments and lease obligations

Strong Debt Profile – Prudent Leverage and Strategic Flexibility



- **Net debt** remains stable at SAR 2.7 bn
 - Marginal YoY increase mainly due to 300m bank loan drawn in Q1
 - Slight QoQ uptick mainly due to due to lower cash on hand
- **Net debt to EBITDA** maintained at 2.0X
 - expected to peak above 2.0X in the coming quarters before normalizing
- No plans to assume additional debt beyond current levels

Q4 2025 Outlook & Guidance



For Q4 2025, we project our revenue to remain flat compared to Q3 2025, with a potential decline of up to 5%:

- Full effect of suspended rigs in Q3 2025, reflected in Q4 2025
- Partially counterbalanced by expected increase in rig move activity

CAPEX for the full year 2025 is projected to be SAR 800 million, including most capital expenditures for recently announced rig resummptions.

Questions And Answers



Bassem ElShawy – bshawy@arabdrill.com, Sarah AlQahtani – salqahtani@arabdrill.com



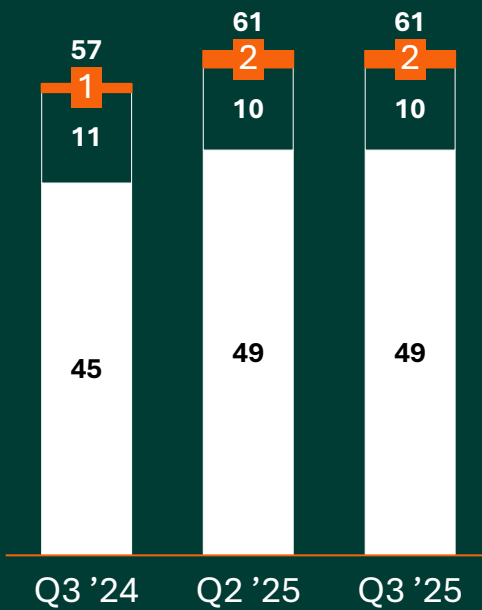
Appendix

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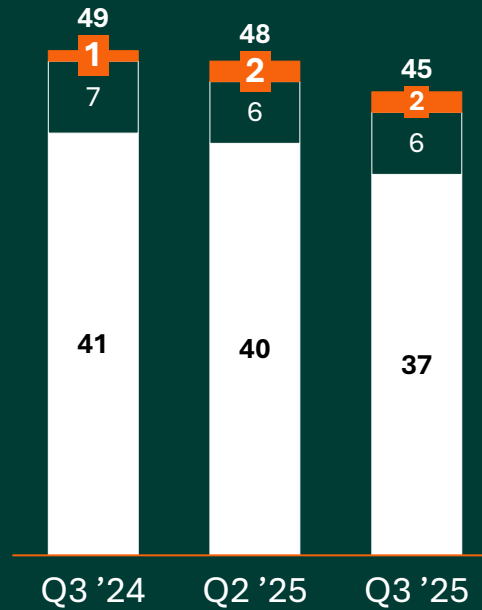
Fleet Analysis



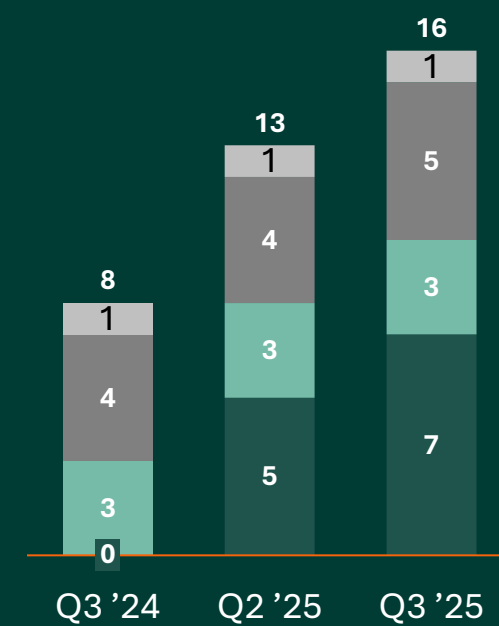
Total Available Fleet



Active Fleet



Inactive Fleet



Land rig
 Offshore rig
 SESV

Land rig
 Offshore rig
 SESV

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