Q3 / 9M 2026 EARNINGS CALL

9 November 2026

15:00 PM KSA

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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.



Raed Almaharmeh

Investor Relations Manager

Raed brings over 25 years of international experience in treasury, corporate finance, risk management, capital markets, and investor relations. Before joining Arabian Drilling, he worked for Arab Bank Group, Green Health Canada, H&R Block, & TMU University. He holds a Ph.D. and a Master's Degree in Financial Management and International Economics & Finance from Toronto Metropolitan University, Canada.

Q3 2026 Financial Highlights (Versus Q2 2026)



₪ 811 M

Revenue, 6.0%



₪ 319 M

EBITDA, 27.5%



39.4 %

EBITDA Margin, 6.6ppts



₪ 31.4 M

Net Income, nm



₪ 324 M

Operating Cash flow*, 33.0%



2.3 X

NET DEBT / LTM EBITDA

* Before working capital changes

9M 2026 Financial Highlights (Versus 9M 2025)



₪ 2,397 M

Revenue, -8.1%



₪ 859 M

EBITDA, -12.0%



35.8 %

EBITDA Margin, -1.6 ppts



₪6.9 M

Net Income, nm



₪ 847 M

Operating Cash flow*, -8.7%



2.3 X

NET DEBT / LTM EBITDA

* Before working capital changes

Q3 / 9M 2026 Highlights

₪ 17.6 bn

BACKLOG

- +60% YoY
- 4.6 years average contract tenure
- 5.5x book-to-bill ratio

76.7%

UTILIZATION

- +500 bps QoQ
- 46 active rigs
- Offshore activity recovering

0.97% | 0.072

NPT - YTD | **TRIR - YTD**

OPERATIONAL EXCELLENCE

Continues improvement in NPT

- **NPT** 9 bps better vs. Q2'26
- **TRIR:** Below the upper limit of 0.087. Lower than the IADC average for Middle East 0.14.

46

RIG MOVE

- Avg 10 days per rig vs 14 days in 2025
- ~29% YoY improvement
- rig move activity broadly flat QoQ

Q3

KEY DEVELOPMENTS

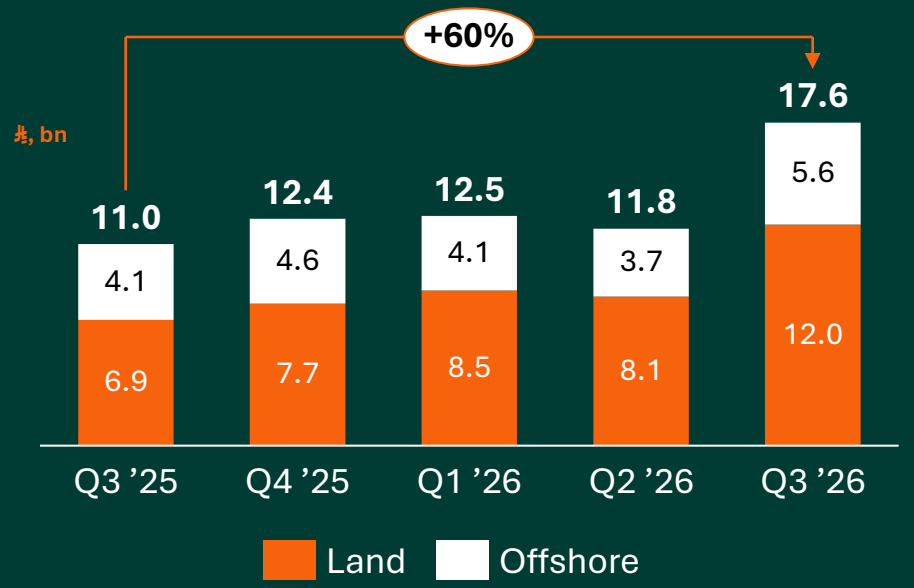
- 3 major contract awards secured
- Oman contract commenced operations in October
- Cost optimization supporting margin recovery

NPT: Non-Productive Time **TRIR:** Total Recordable Incident Rate. Rig Move improvement based on average move duration.

Backlog and Rig Utilization - 30 September 2026

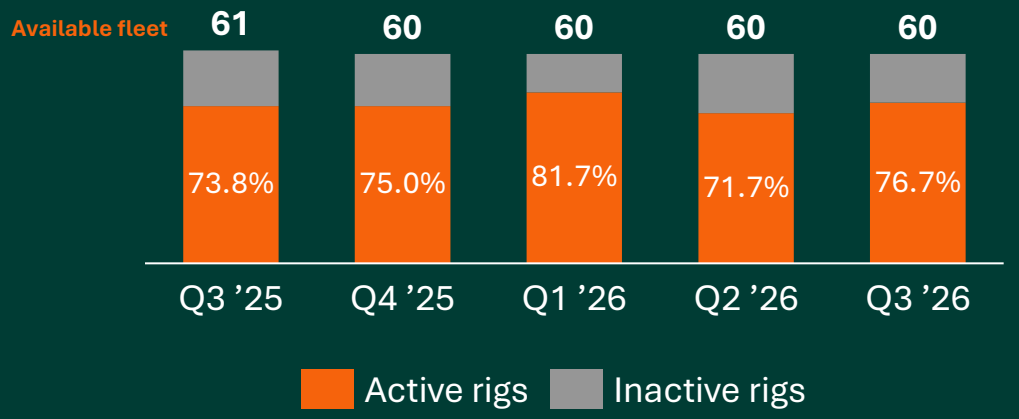
Record Backlog of ₰ 17.6 Bn

- Up 60% YoY and 42% since year-end 2025
- Average remaining contract tenure extended to 4.6 years
- 5.5x book-to-bill provides strong revenue visibility



Utilization recovering to 76.7%

- Up 500 bps QoQ and 290 bps YoY
- Supported by the resumption of offshore operations
- Further improvement expected as LSTK and Dorra rigs commence operations



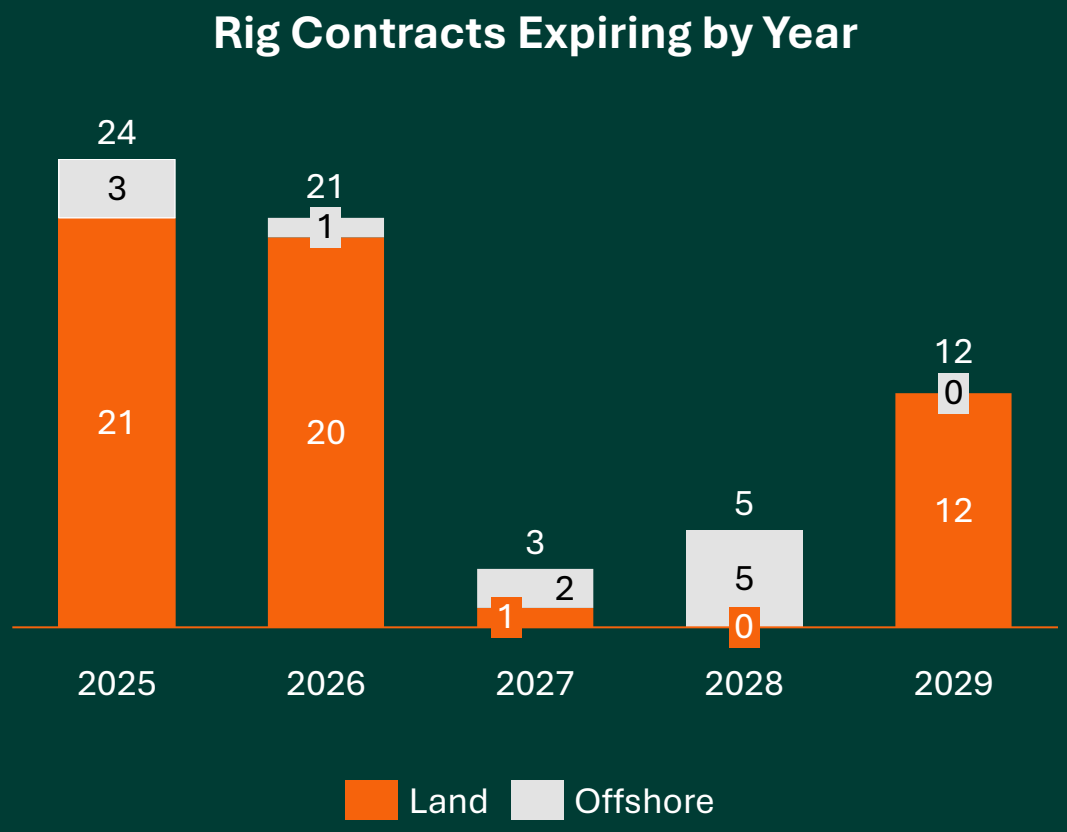
Contract Renewals - As of 30 September 2026

Major renewal cycle successfully completed:

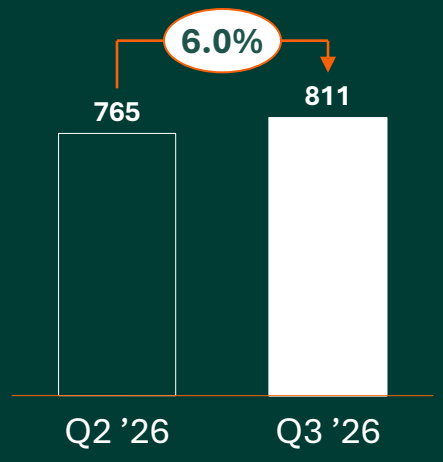
- 43 out of 45 contracts renewed/retained during 2025–2026
- Remaining 2 contracts to be announced in due course
- Existing operating base is protected.

2027–2028 substantially de-risked:

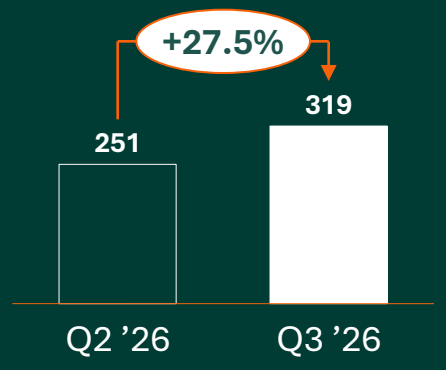
- Only 3 expiries in 2027 and 5 in 2028
- Limited near-term renewal exposure
- 12 expires in 2029 are unconventional land rigs



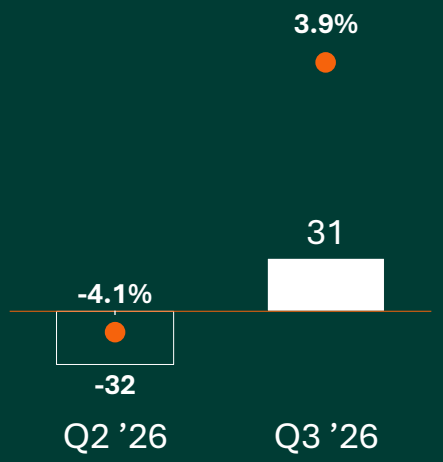
Financial KPIs: Q3 2026 Versus Q2 2026 (﷼, M)



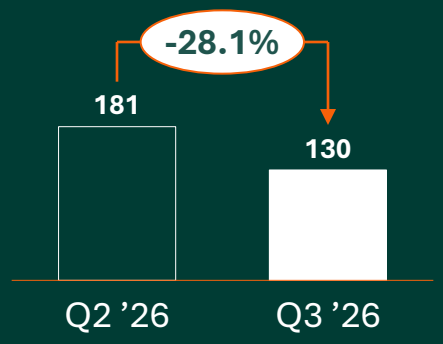
REVENUE



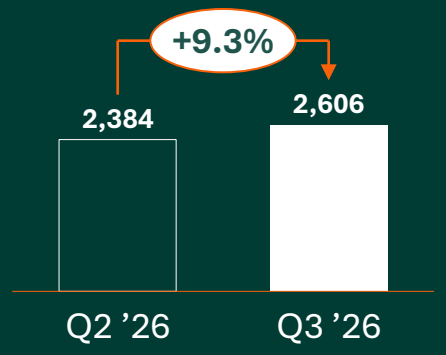
EBITDA



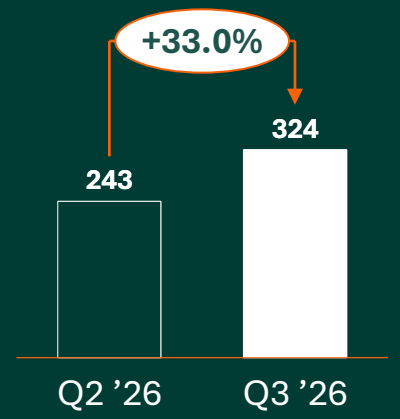
NET INCOME



CAPEX



NET DEBT
(TO LTM EBITDA)

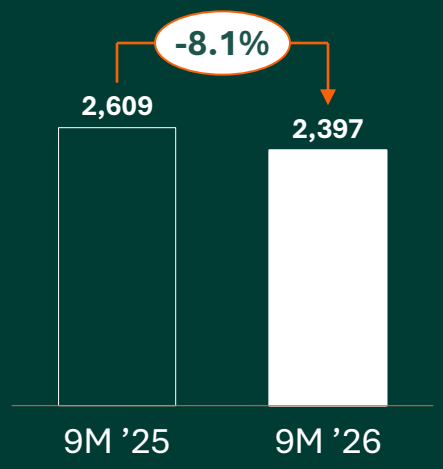


OPERATING CASH FLOW*

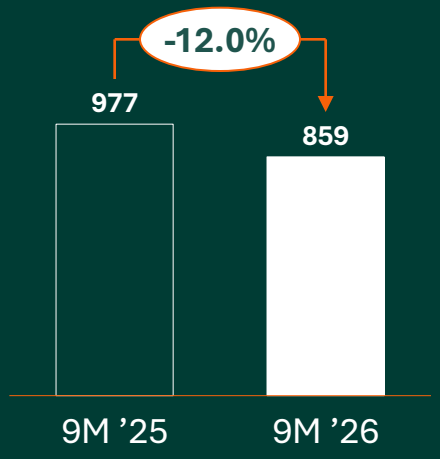
- **Revenue increased 6.0% QoQ,** supported by the resumption of offshore operations.
- **EBITDA increased 27.5% QoQ,** with margin improving to 39.4% on higher activity and continued benefits from operational efficiencies and cost optimization.
- **Net income recovered to SAR 31** million from a SAR 32 million loss in Q2 2026
- **Cash generation remained resilient**, with operating cash flow increasing 33.0% QoQ to SAR 324m

* Before working capital changes

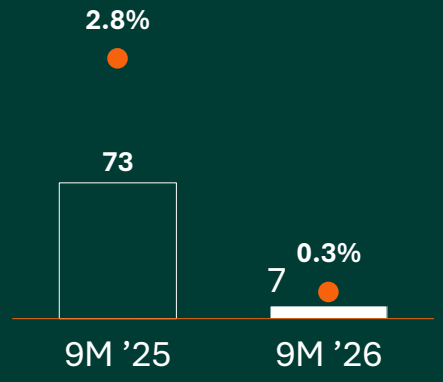
Financial KPIs: 9M 2026 Versus 9M 2025 (﷼, M)



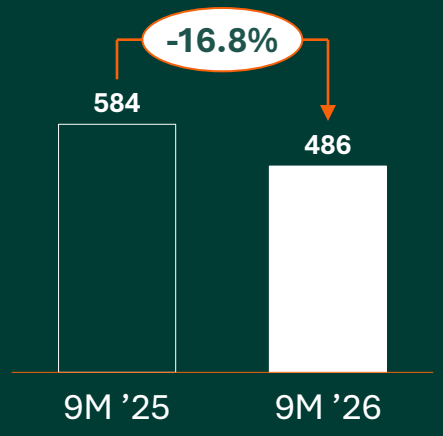
REVENUE



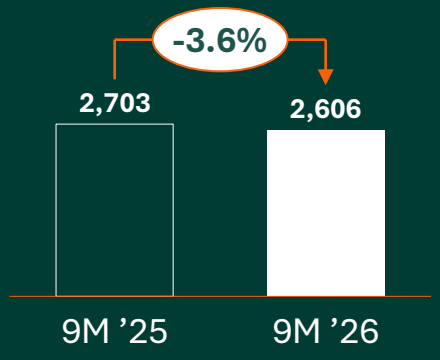
EBITDA



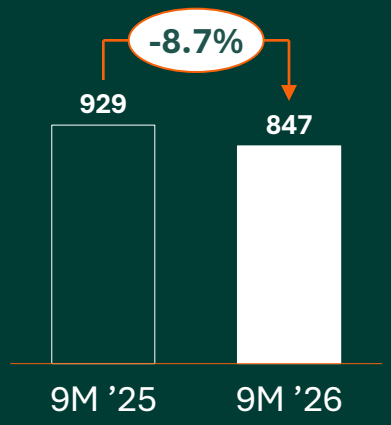
NET INCOME



CAPEX



NET DEBT (TO TTM EBITDA)

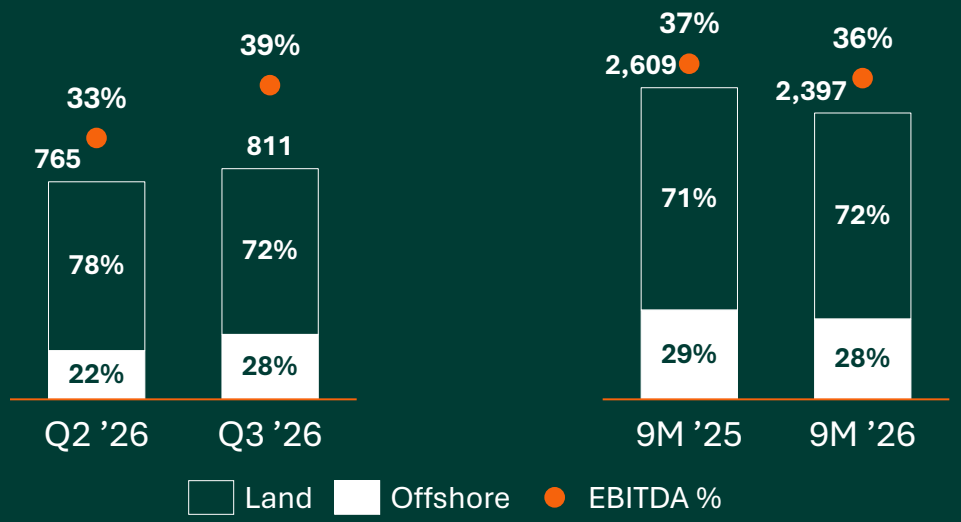


OPERATING CASH FLOW*

- **Revenue declined 8.1% YoY to SAR 2.40b,** primarily reflecting temporary offshore suspensions and lower rig-move activity.
- **EBITDA was SAR 859m, with a resilient margin of 35.8%,** reflecting the benefits of cost optimization in aligning the cost base with lower activity.
- **Cash generation remained solid,** with operating cash flow of SAR 847m.
- **Net debt declined 3.6% YoY** to SAR 2.61 billion;
- **Lower CapEx** primarily reflects the SAR 260m vessel acquisition in 9M'25.

* Before working capital changes

Segment Revenue Analysis, (₰, M)



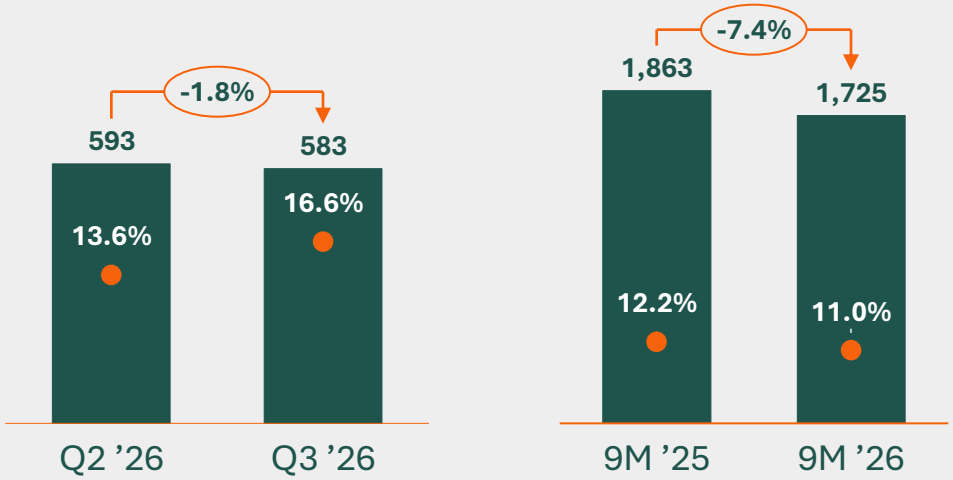
QoQ

- **Offshore recovery is the key Q3 driver,** with revenue up 33% and GP margin recovering to 16% as suspended rigs resumed operations.
- **Land remained stable, with margin improving to 16.6%,** supported by rig-move efficiencies and cost optimization.

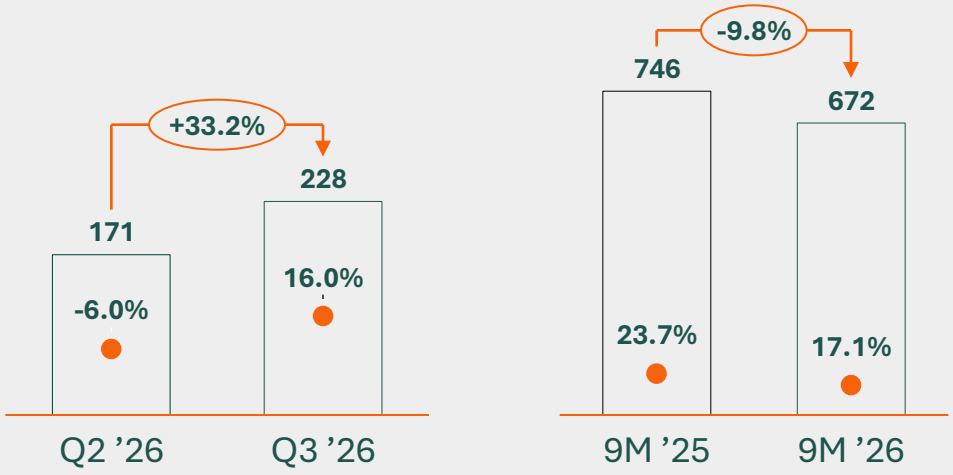
YoY

- **Revenue mix remained broadly stable** between Offshore and Land.
- **GP margins remained below prior year**, reflecting offshore contract mix and lower land utilization, partly mitigated by efficiency and cost actions.`

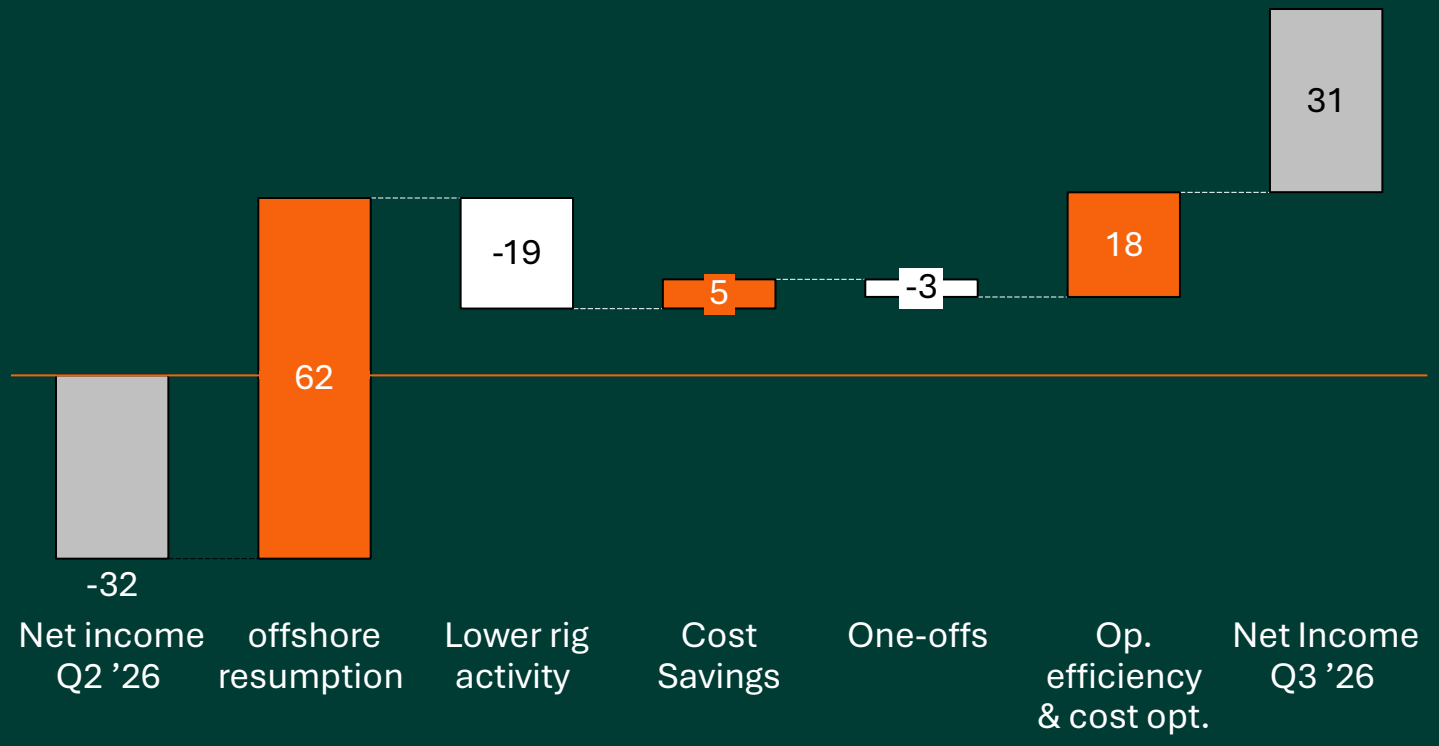
Land Segment Revenue and GP %



Offshore Segment Revenue and GP %



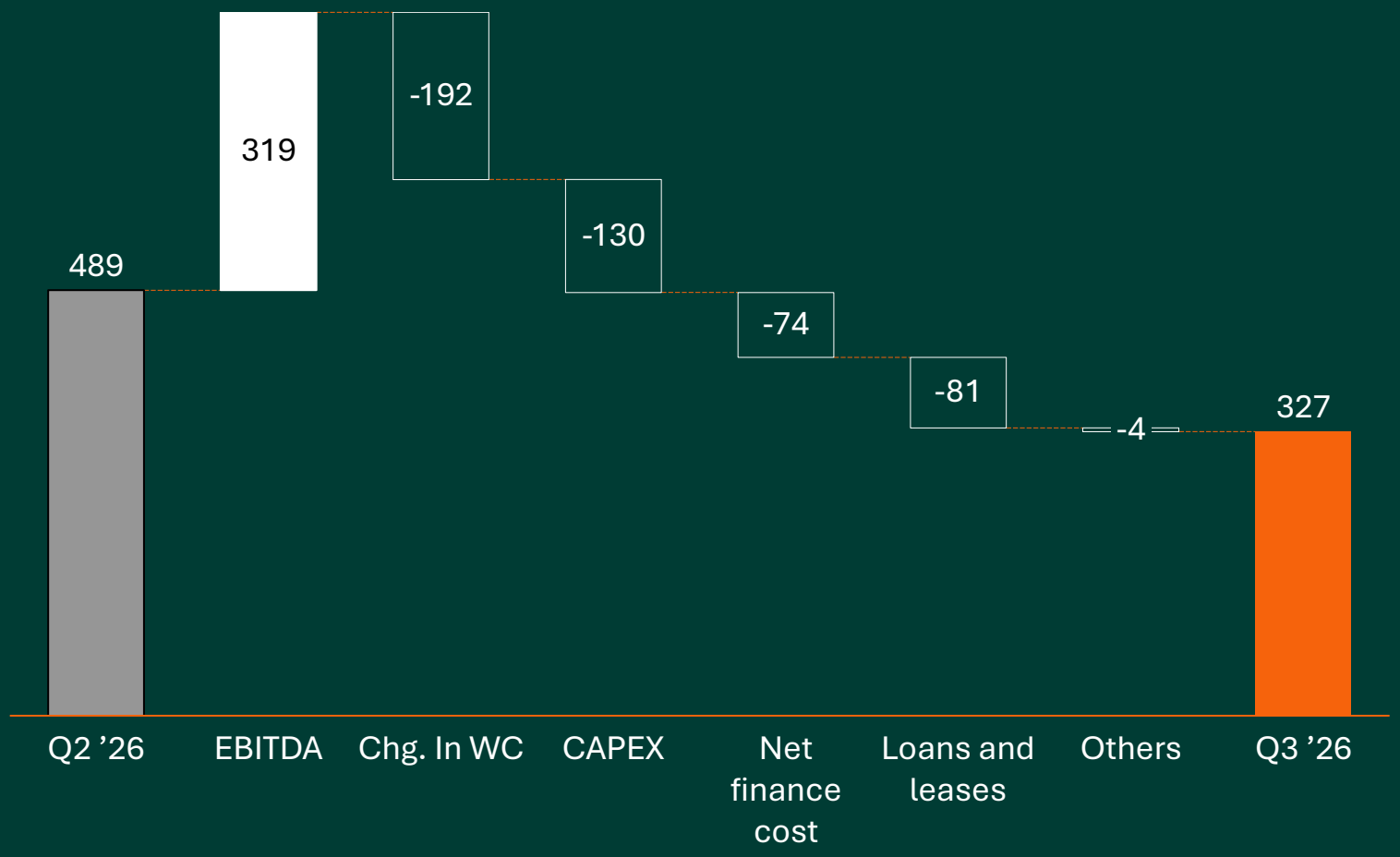
Net Income Bridging Q3 2026 vs. Q2 2026



Net Income recovered to SAR 31 million

- **Offshore resumption was the primary driver**, supported by operational efficiency and cost optimization.
- **Cost and efficiency actions provided meaningful support**, helping convert recovering activity into stronger profitability

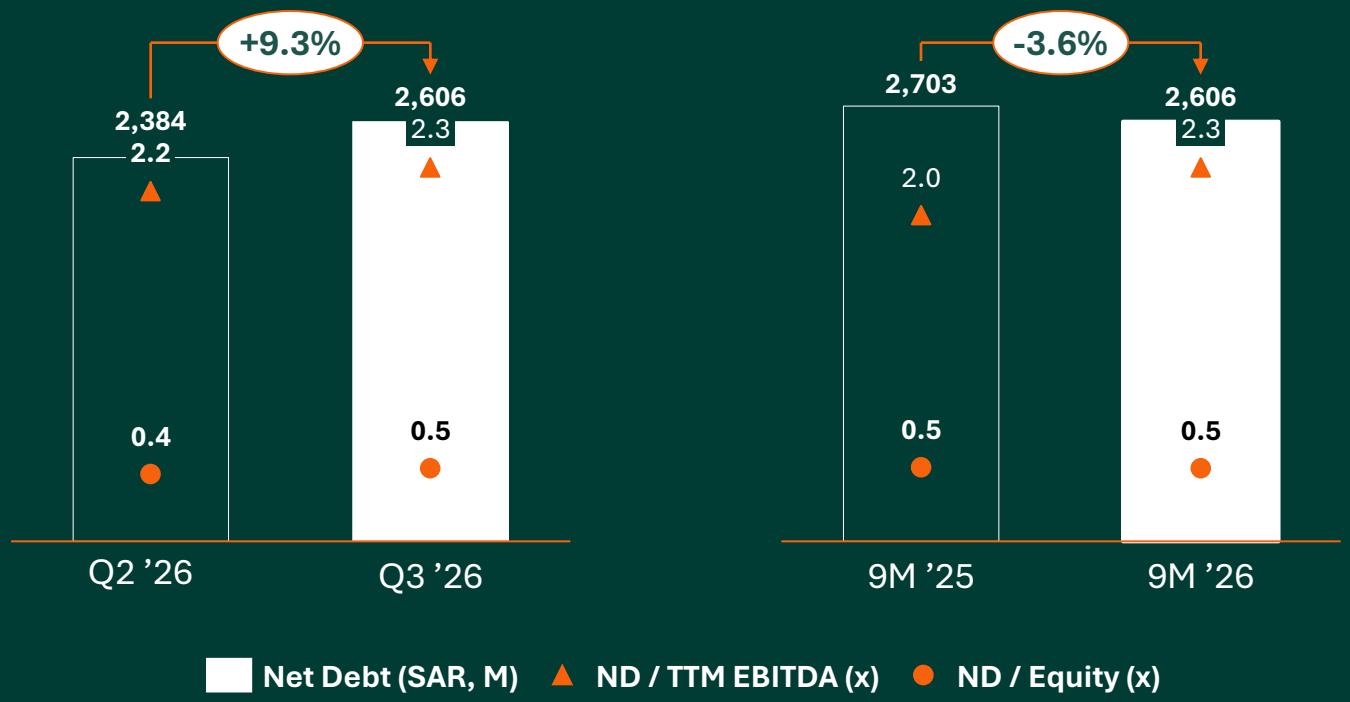
Cash On Hand Bridging Q3 2026 vs. Q2 2026



Solid Cash Generation and Disciplined Liquidity Management

- Improved Q3 operating performance supported cash generation
- Working-capital outflow largely reflected collection timing; with delayed quarter-end collections **recovered in October**
- Cash generation supported reactivation CapEx and scheduled financing obligations

Leverage Expected to Improve as Activity and Earnings Recover



- **Net debt increased to SAR 2.61bn QoQ**, primarily reflecting lower quarter-end cash and higher lease liabilities.
- The increase mainly reflected temporary collection timing and the non-cash recognition of additional lease liabilities. Delayed customer collections were recovered in October.
- **Net debt remains 3.6% below last year**, while leverage is expected to improve as activity and EBITDA recover

Q4 Outlook & Guidance



Revenue (Quarterly)

Q4 2026 revenue is expected to increase by approximately 8–10% quarter-on-quarter, supported by the start-up of the recently awarded Gas LSTK and KJO Dorra projects.

CAPEX (Annual)

Full-year 2026 CAPEX guidance has been revised to SAR 750–800 million to support accelerated rig reactivation and onboarding for recently awarded contracts.

Questions And Answers

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Appendix

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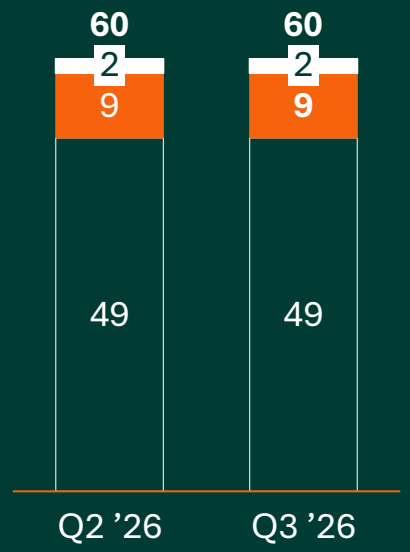
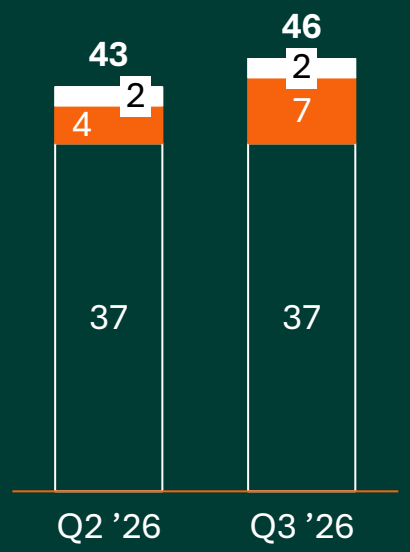
Fleet Analysis

Total Available Fleet



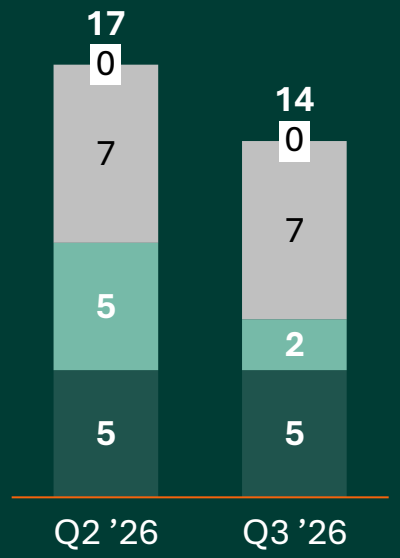
Land rig Offshore rig SESV

Active Fleet



Land rig Offshore rig SESV

Inactive Fleet



Suspended- Land
Suspended- Offshore
Not contracted- Land
Not contracted- Offshore