

ADNOC Drilling

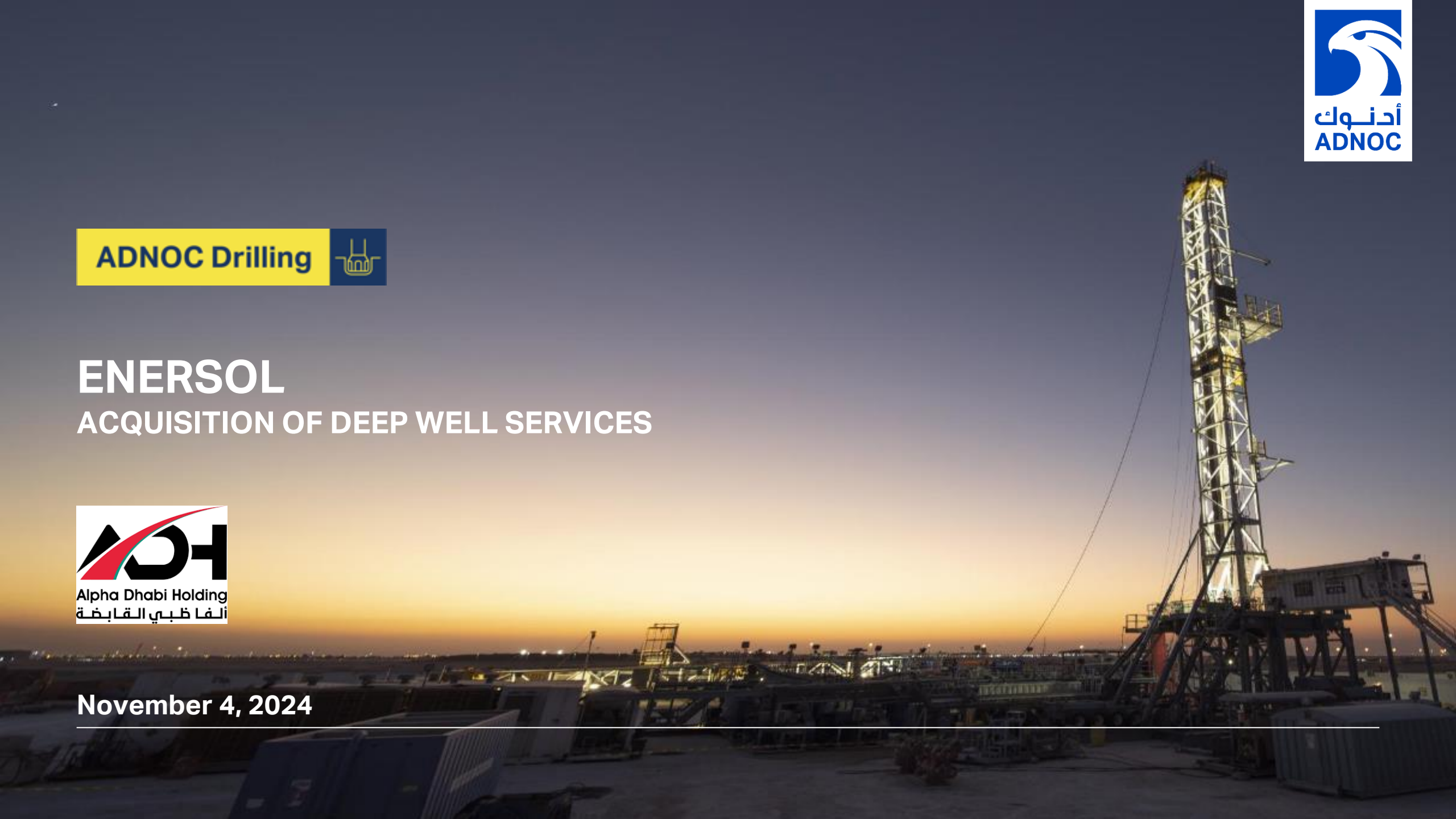


ENERSOL

ACQUISITION OF DEEP WELL SERVICES



November 4, 2024



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ACQUISITION OF DEEP WELL SERVICES ("DWS")

ENERSOL SIGNS AGREEMENT TO ACQUIRE A 95% STAKE IN DWS



Company Overview



- **Leading API/Q21 registered technology and service company**, specializing in high-pressure, long lateral, and multi-well completion & intervention operations.
- **Headquartered in the US**, DWS has the industry's one of the most efficient Hydraulic Completion / Intervention units along with a **patented data analytics systems** that has applications across the completion and intervention value chain.
- **US-focused operations** with presence in South America and inroads in MENA markets through JV in KSA.
- **As of date**, DWS'HCU technology has been deployed in +4,500 wells in North/South America, including 800 well with lateral over 12,000'.

Financial Highlights



- Agreement signed to acquire **95% equity stake in DWS for a consideration of USD 223 million²**.
- **Revenue** over \$200 million in FY2023.
- **Strong EBITDA margin**, higher vs ADNOC Drilling's OFS segment³.
- **Free cash flow yield >10%** (pre-growth capex).
- Solid performance with **demonstrated track record of delivering robust performance during downturns**.

Enersol Value Creation



- Acquisition aligned with Enersol's strategic vision to **become a diversified tech-centric OFS investment platform**.
- DWS's modular units **streamline completion & intervention**, cutting costs and time for customers.
- **Fourth acquisition by Enersol** after previously agreed to acquire a 100% controlling stake in EV.
- **Significant potential in UAE and GCC** with opportunities to integrate with current portfolio.
- **ADNOC Drilling benefits** from Enersol's OFS tech-enabled acquisitions to further develop its integrated offering and tech ecosystem.

(1) API Q2 registered" indicates that a company meets the API's stringent quality management standards for service providers in the oil and gas industry.

(2) On a cash-free, debt-free basis, excluding transaction fees and expenses, and completion adjustments and including performance based payments.

(3) ADNOC Drilling's OFS segment EBITDA margin in FY 2023 was 21%.

KEY OFFERING OVERVIEW

DWS PROVIDES A COMPREHENSIVE OFFERING COMPRISED OF THREE LINES OF BUSINESS

Hydraulic Completion / Intervention Units



Use Cases:

- Well Construction activities including Frac plug drill-outs, tubing installations, re-entry, coil-tubing drillings.
- Well Interventions activities including clean-outs, fishing, ESPs tubing pulls, workovers.

Differentiation:

- Largest fleet of highly efficient standalone units.
- Patented data modelling and tracking platform.
- One of market leading safety record and low no -performing times.
- Marquee clientele with deep experience.
- API Q2 certification and in-house engineer training.
- Strong financial profile aiding reinvestment in growth and maintenance.

Boresite Platform



- Patented Data Acquisition System designed to capture and present wellsite data into valuable insights for operators with live feed data providing real-time visibility into completion operations across the globe.
- Currently integrated with its captive HCU units with potential to integrate and white label the platform going forward.

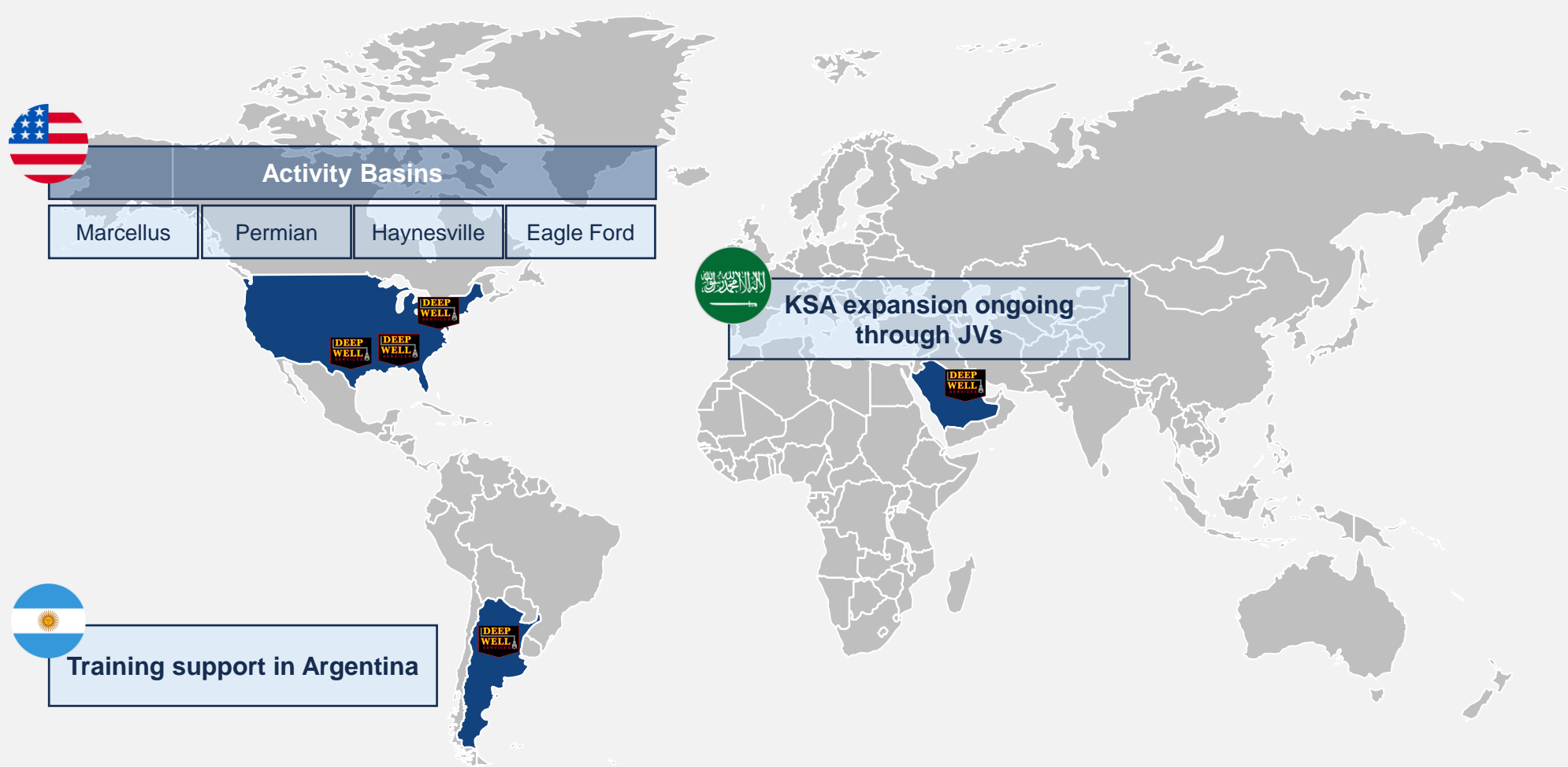
AutoSep Technologies



- 50:50 joint venture with CNX Resources.
- Automating the traditionally manual flowback management process in pad.
- One of the few automated flowback management offerings in the market.
- Using the AutoSep Super Separator in conjunction with permanent production equipment reduces rig up time, manpower, HSE issues, cost, provides real-time data and control (local or remote) of flowback and allows for capture of first produce.

GEOGRAPHICAL FOOTPRINT

STRONG Foothold IN THE US WITH SIGNIFICANT INROADS AND POTENTIAL IN MENA MARKETS



2023 Highlights

+1,280

of wells completed

+55

of customers served across North & South America

+575

of employees

DWS' HCU technology has been adopted by leading energy companies



DWS MAPPING JV'S INVESTMENT CRITERIA

BECOMING A TECHNOLOGY-CENTRIC OFS INVESTMENT PLATFORM IN AN ACCRETIVE WAY



Joint Venture

Business Criteria

- Strategic / synergistic** sub-sector focus
- Proven** business model
- Own IP** with tangible differentiation
- Global** acquisition mandate
- Proven MENA use cases** with high probability of revenues in MENA
- High ADNOC Drilling potential** to aid value creation

Financial Criteria

- Positive Earning Profile** (EBITDA & FCF)
- Attractive Entry Valuation** vs. peers
- Standalone Deal Underwriting** with tangible upsides
- High Dividend Potential** with low leverage
- Multiple expansion potential** combining entry dynamics and value upsides

Governance Criteria

- Majority** or pathway to majority deals
- Vested Management** team with continuity certainty and alignment
- Board Participation** and rights in line with stake acquired
- No turnaround** strategies

DWS

- Leading player** in completion with strong brand recall and proven efficiency across **thousands of wells completed/intervened**
- US focused operations** with significant inroads and **potential for the MENA/GCC markets**
- Use through the well lifecycle asynchronous with well evolution**
- High potential with ADNOC** for new wells and **intervening inactive wells.**

- Robust EBITDA Margin, higher than ADNOC Drilling's OFS**
- FCF yield of >10%**
- Solid performance with demonstrated track record of delivering robust performance during downturns.**
- Several potential upsides considering GCC potential, new product launches etc.**

- JV to own 95% controlling stake**
- Experienced & vested team** with dedicated MENA head

ADNOC DRILLING OILFIELD SERVICES VALUE CHAIN

TRULY INTEGRATED OFFERING



ADNOC Drilling OFS Offering

Rigs & equipment

Drilling & completion fluids

Surface logging services

Directional drilling

Wireline services

Cased hole logging

Pressure pumping

Enersol Advanced Pipeline Scope

Directional drilling



Drilling tools



Intervention tools



Intervention Services



Completion Tools



(1) Subject to signing and closing of transactions. Pro-forma net income pre-purchase price allocation adjustments and growth in ADNOC Drilling's reference market.

FUTUREPROOFING ADNOC DRILLING

ENERSOL TO CREATE VALUE BY EXECUTING ON OUR STRATEGY




Establishment of Enersol

JV established with strong governance and key partners who have complementary skills, strong pipeline identified



Swift Acquisition of Four Assets

Majority stakes in four leading service providers¹, Gordon Technologies, NTS Amega Global, EV, and DWS



Attractive Valuation & Accretion Potential

Favorable deal dynamics coupled with Middle East business potential



Strong and Aligned Pipeline

Strong and growing pipeline of **4+ potential deals**² aligned with Enersol's mandate as well as ADNOC Drilling and UAE's ambition to evolve as a tech-enabled OFS hub

- ▶ **Enhancing owned-IP portfolio by acquiring energy technology and energy services companies**
- ▶ **Fully-invested Enersol is expected to contribute to ADNOC Drilling annual pro-forma net income up to \$100 million³**

(1) Gordon Technologies transaction completed. For NTS, EV and DWS are subject to closing.

(2) Only includes transactions post preliminary evaluation stage; potential transactions execution subject to, among others, relevant regulatory approvals.

(3) Subject to signing and closing of transactions. Pro-forma net income pre-purchase price allocation adjustments and growth in ADNOC Drilling's reference market.



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