

Media Release:

ADNOC Drilling Partners with SLB in their Kuwait and Oman Land Drilling Rigs Business

ADNOC Drilling will acquire a 70% stake in the JV with SLB, marking a pivotal milestone in its ambitious growth strategy to expand beyond the UAE

Transaction expected to be earnings, cashflow and returns accretive, delivering value from day one

Partnership will provide stable, promising regional growth through operating land drilling rigs and contracts with Kuwait and Oman NOCs

Agreement reflects ADNOC Drilling's commitment to strategic, disciplined, value-driven expansion

Abu Dhabi, UAE – May 29, 2025: ADNOC Drilling Company PJSC (“ADNOC Drilling” or the “Company”) (ADX symbol: ADNOCDRILL / ISIN: AEA007301012) announced today that it has signed an agreement to acquire a 70% stake in SLB's land drilling rigs business in Kuwait and Oman, comprising eight fully operational land rigs under contract with the respective national oil companies (NOCs) of both countries.

Abdulrahman Abdulla Al Seiari, ADNOC Drilling CEO, said: “This acquisition is a natural next step in ADNOC Drilling’s growth journey and reinforces our position as one of the leading companies in drilling and integrated services. Our partnership with SLB will provide ADNOC Drilling with a solid operational and financial platform to further expand in the region. This business is well-established, profitable and operating with long-term contracts, making this a highly complementary and value-accretive addition to our portfolio. Our focus is on disciplined expansion that drives performance, returns and growth.”



Through this partnership, ADNOC Drilling will gain immediate access to earnings, cashflow and returns through two operating land drilling rigs in Kuwait and six in Oman, accelerating its expansion into key GCC geographies. This acquisition will enhance the Company's ability to deploy cutting-edge technologies, integrated drilling services, digital solutions and AI-driven efficiencies – optimizing performance, reducing environmental impact and driving value for customers across the region.

Jesus Lamas, President, Middle East and North Africa, SLB, said: "This partnership reflects the strong collaboration between SLB and ADNOC Drilling, and our shared commitment to driving value through collaboration across the region. We are confident that, working together with ADNOC Drilling, the business will continue to grow and deliver outstanding performance for our customers. We look forward to expanding our broader strategic partnerships with key regional leaders across the energy value chain, in line with SLB's focused regional growth strategy."

Acquisition Closing

The formation of the joint venture (JV) and the acquisition of a 70% stake, along with the completion of this transaction are subject to necessary and customary regulatory approvals, expected in Q1 2026. Upon closing, and subject to final assessment by the Company's auditor, ADNOC Drilling expects to fully consolidate the newly acquired business in its financial reporting from 2026.

Webcast and conference call

ADNOC Drilling will host a webcast and conference call followed by a Q&A session for investors and analysts on May 29, 2025, at 4:00pm UAE time. The call will be hosted by Abdulrahman Abdulla Al Seiri, ADNOC Drilling CEO and Youssef Salem, ADNOC Drilling CFO. Interested parties are invited to join the call by clicking [here](#).

A replay and transcript will be made available following the call, [accessible here](#).

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About ADNOC Drilling

ADNOC Drilling, listed on the Abu Dhabi Securities Exchange (ADX symbol "ADNOCDRILL"; ISIN AEA007301012), is the largest drilling and integrated drilling services (IDS) company in the Middle East by fleet size, owning and operating one of the largest multi-discipline drilling fleets in the world.

The Company is a critical link in ADNOC's upstream business, as ADNOC responsibly accelerates its production capacity targets in light of globally increasing demand for energy and enables the



UAE's gas growth. ADNOC Drilling incorporated IDS into its portfolio in 2018 and now offers a total solution of start-to-finish wells and associated services that encompass the entire drilling value chain. To find out more, visit: www.adnocdrilling.ae

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ADNOC Drilling



REGIONAL EXPANSION IN OMAN AND KUWAIT

May 29, 2025

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SUSTAINING GROWTH WITH NEW VENUES

DELIVERING GROWTH THROUGH ENERSOL, UNCONVENTIONALS AND REGIONAL EXPANSION

Enersol

Diversified, tech-centric OFS investment platform



GORDON
TECHNOLOGIES

NTS
AMEGA
GLOBAL

THE DOWNHOLE VISUAL
ANALYTICS COMPANY

DEEP
WELL
SERVICES

Total investment to date of ~\$0.8bn

Additional ~\$0.7bn equity to be deployed

ADNOC Drilling benefits from Enersol's OFS tech-enabled acquisitions to further develop its integrated offering and tech ecosystem

Unconventional Resources

Sustaining ADNOC Drilling's growth



\$1.7bn

Awarded to ADNOC Drilling, executed by the JV Turnwell¹

144 Wells

Drilling 144 oil and gas wells over 2+ years

Phase 2

Potential Phase 2 with thousands of wells

Regional Geographical Expansion

Unlocking a new era of expansion and de-risked, accretive growth



Drive future growth by pursuing profitable and value accretive business in the region

Opportunity to capture further upside from our integrated commercial proposition

Cement our status as one of the fastest growing energy services companies

¹ JV between ADNOC Drilling, SLB and Patterson

SWIFT ACQUISITION OF FIRST PLATFORM IN OMAN AND KUWAIT

ADNOC DRILLING PARTNERS WITH SLB IN THEIR KUWAIT AND OMAN LAND RIG BUSINESS



Transaction Overview

ADNOC Drilling will acquire **70%¹ stake** in **SLB's land rig business in Oman & Kuwait**

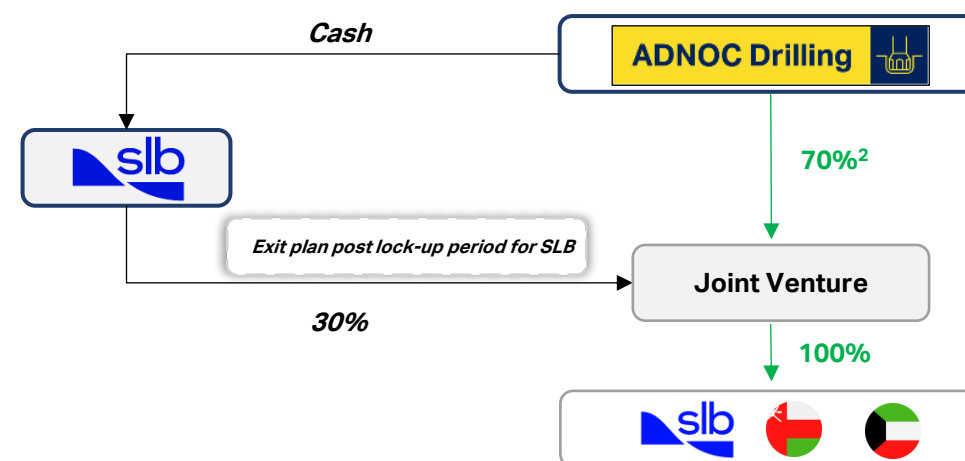
The acquisition consideration for the **70% stake** is **\$112 million¹**

Perimeter includes **eight fully operational land rigs under contract** with the respective national oil companies (NOCs) in both countries

ADNOC Drilling will fund the transaction **through its existing debt capacity**

The acquisition is expected to be **earnings accretive upon closing** and to **deliver attractive returns**

Transaction Structure



- Upon closing of the transaction, ADNOC Drilling is expected to **fully consolidate the financial results**
- Agreed mechanism for ADNOC Drilling to acquire remaining stake over time

1. Including an earn-out component of \$21 million linked to the overall business performance, \$91 million excluding potential earn-out. Final consideration is subject to closing accounts adjustments for net debt (debt minus cash) as at the closing date.

2. Stake to be acquired through an ADNOC Drilling wholly-owned subsidiary. Transaction subject to regulatory approvals and the fulfillment of other closing requirements.

PARTNERSHIP STRATEGIC RATIONALE

DE-RISKED, VALUE ACCRETIVE REGIONAL EXPANSION AT ATTRACTIVE VALUATIONS



Major step towards creating **a dedicated platform for value accretive regional expansion and diversification**

Expansion in two **highly stable geographies with robust drilling programs with top-tier clients**

De-risked entry into Oman & Kuwait **with rigs under contract with the respective NOCs¹**

Highly credible partner, benefiting from **existing strong track record, customer relationships and contracts**

Attractive valuation at <4x EBITDA **with robust financial profile and expected returns, +10% free cash flow yield**

Further upside potential to returns **through our unique integrated commercial offering**

1. National oil companies

ENHANCING GROWTH THROUGH EXPANSION IN THE GCC

KEY TRANSACTION HIGHLIGHTS & TRANSACTION METRICS

Key Transaction Highlights



De-risked entry into regional geographies

- SLB's land rig business has a **strong operational track record in both Oman and Kuwait, de-risking the expansion into these geographies**, while providing stable, and promising regional footprint



Calculated strategy, with robust financial discipline

- Value driven, **cost effective route** to access new regional **geographies** via an **investment at <4x EBITDA, with marginal impact on ADRILL's leading margins**



Leveraging strategic partnership

- De-risked entry into new geographies via partnering** with a world class player like SLB, with a strong track record and long-standing NOC relationships in Oman and Kuwait



Value Accretive

- Deal is earnings accretive for ADNOC Drilling and delivers strong IRR, at a premium to domestic drilling returns¹**
- Potential upside from offering other OFS/Enersol services/products**

Accretive Transaction for ADNOC Drilling

Premium vs domestic IRR¹

Expected unlevered IRR
>
Domestic drilling IRR under
framework agreement

<4x 25E EV/EBITDA²

Attractive implied
entry multiple, at a
significant discount to
ADNOC Drilling's levels

EPS accretive transaction

Debt funded,
gradually optimizing
the Balance sheet

~\$0.4bn Backlog³

Majority of contracts
run till 2028

¹ Unlevered IRR of 10%-13% on domestic drilling, based on the rig framework agreement.

² Based on the acquisition consideration for the 70% stake of \$112 million for ADNOC Drilling, which includes the potential earn-out. Subject to closing accounts adjustments for net debt (debt minus cash) as at the closing date.

³ Based on revenues from existing contracts.

PLATFORM OF 8 OPERATING OWNED RIGS IN OMAN AND KUWAIT



OVERVIEW OF KEY METRICS AND OPERATIONS



Key Metrics

Transaction Perimeter

Customers



Rig fleet size

8 land rigs

Fleet overview

1,000 HP: 2
2,000 HP: 3
3,000 HP: 3

Revenue (\$mm)
FY25E

>\$120 million

EBITDA margin (%)
FY25E

+38%

Geography of Operations¹

Kuwait

Rigs 801, 802

Oman

Rigs 191, 192, 219, 265, 291, 296

Rigs Overview

Rig	Location	Year built / upgraded	Rig Size (HP)
Rig 191	Jaleel	2018	1,000
Rig 192	Hanya	2018	1,000
Rig 219	Birba	2002	2,000
Rig 265	Birba	2014	2,000
Rig 291	Birba	2014	3,000
Rig 296	Harweel	2006	2,000
Rig 801	North	2019	3,000
Rig 802	North	2019	3,000

¹ Regions marked on the map are indicative and not to scale

CLOSING REMARKS AND NEXT STEPS

First regional acquisition

- Marks the beginning of **ADNOC Drilling's geographical expansion strategy**
- **First roll-out in the region through partnership, a natural / de-risked step:**
 - **Oman and Kuwait** are **attractive geographies**, with clear ambition to increase capacity and potential for higher rig activity
 - Leverage ADNOC Drilling's existing platform in Abu Dhabi
- Partnering in an existing operating platform with **contracts in place with state-owned entities, providing visibility on long-term cash-flow generation**
- **Relatively small** investment at an **attractive entry price** ensuring **accretion and value creation for ADNOC Drilling**



De-risked, profitable growth opportunity in regional geographies



Accretive to financial metrics with attractive payback period



Supports in optimizing capital structure and creates shareholder value



Opportunity to improve returns from our integrated offering

Timing

- Transaction expected to close in 1Q 2026, subject to customary regulatory approvals
- Upon completion of the transaction, expected full consolidation ("line-by-line") in the Onshore segment of ADNOC Drilling

To access further materials, please click [here](#).

ADNOC Drilling



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THANK YOU

ADNOC DRILLING