ADNOC Drilling

FOURTH QUARTER & FULL YEAR 2022 RESULTS PRESENTATION

FEBRUARY 13, 2022

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AGENDA & PRESENTERS

- 4Q & FY Highlights
- Strategic Progress
- Operational Highlights
- Financial Performance
- Guidance
- Summary
- Appendix

Abdulrahman Abdullah Al Seiari

Chief Executive Officer

Esa Ikaheimonen

Chief Financial Officer

Emri Zeineldin

Senior Vice President, Oilfield Services

RECORD FINANCIAL PERFORMANCE WITH HIGHEST-EVER OPERATIONAL RIG COUNT

Safety & environment

50,678
GJ/Rig energy intensity in 4Q22 vs. target of 52,539 GJ/Rig

537.7
ktCO2eq GHG absolute emissions in 4Q22, vs. target of 661.5 ktCO2eq

0.60 TRIR
Improvement from 0.82 at the end of FY21

Financial

27%
YoY revenue increase in 4Q22 to record $733 million

$434 million
CapEx in 4Q22 up 236% YoY

$234m
Net profit in 4Q22, up 61% YoY

Operational

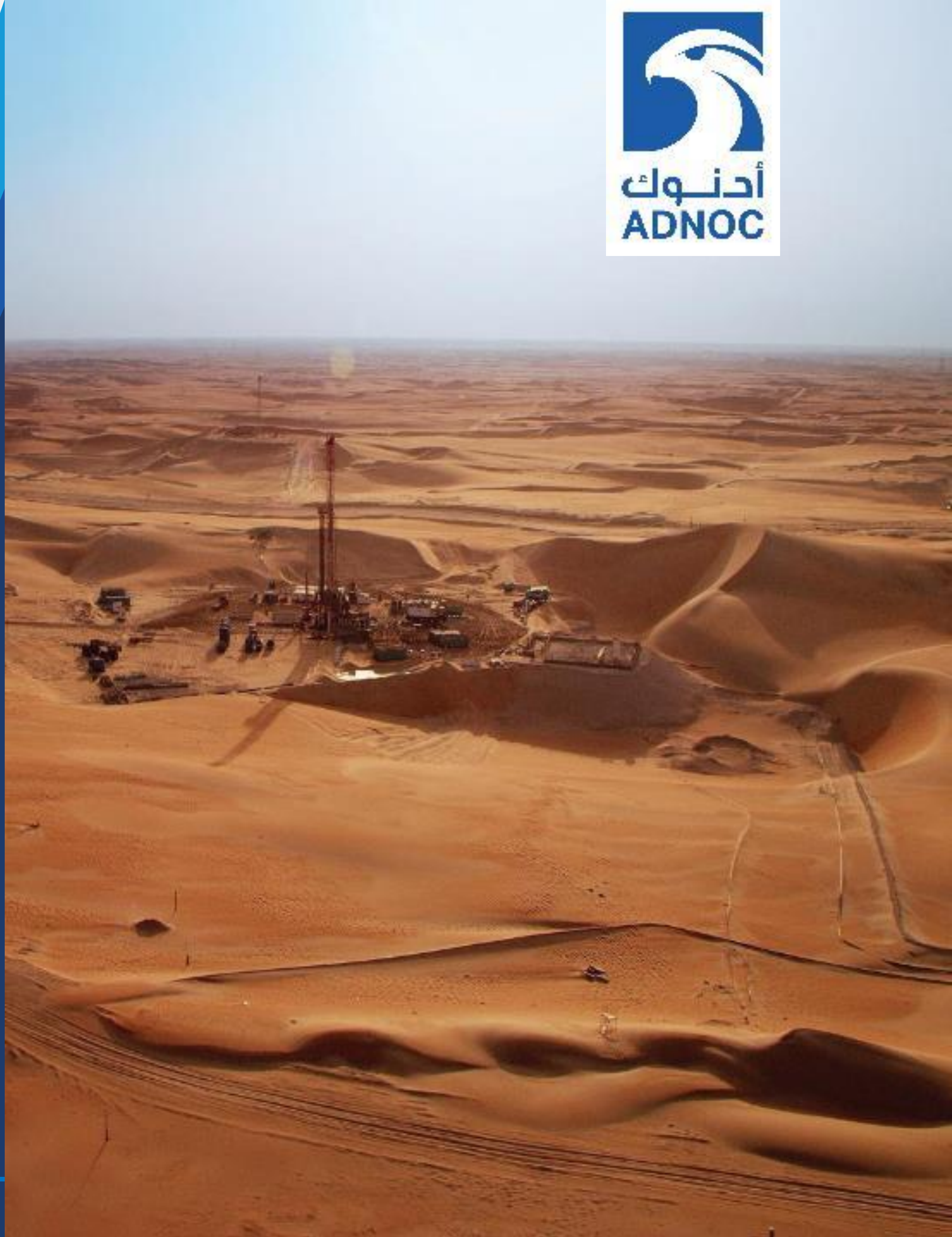
16
New rigs added to the ADNOC Drilling fleet in FY22

95%
Rig availability in FY22

$10bn+
Total contract awards added to backlog

ADNOC Drilling

STRATEGIC PROGRESS



STRATEGIC PARTNER AT THE HEART OF ADNOC UPSTREAM

Our value creation profile

Significant leverage to growth

- Key enabler of delivering ADNOC’s long-term upstream targets
- Strong in-house capability set drives accelerated growth into oilfield services (OFS)
- Further potential for disciplined domestic and regional expansion

Delivering superior financial results

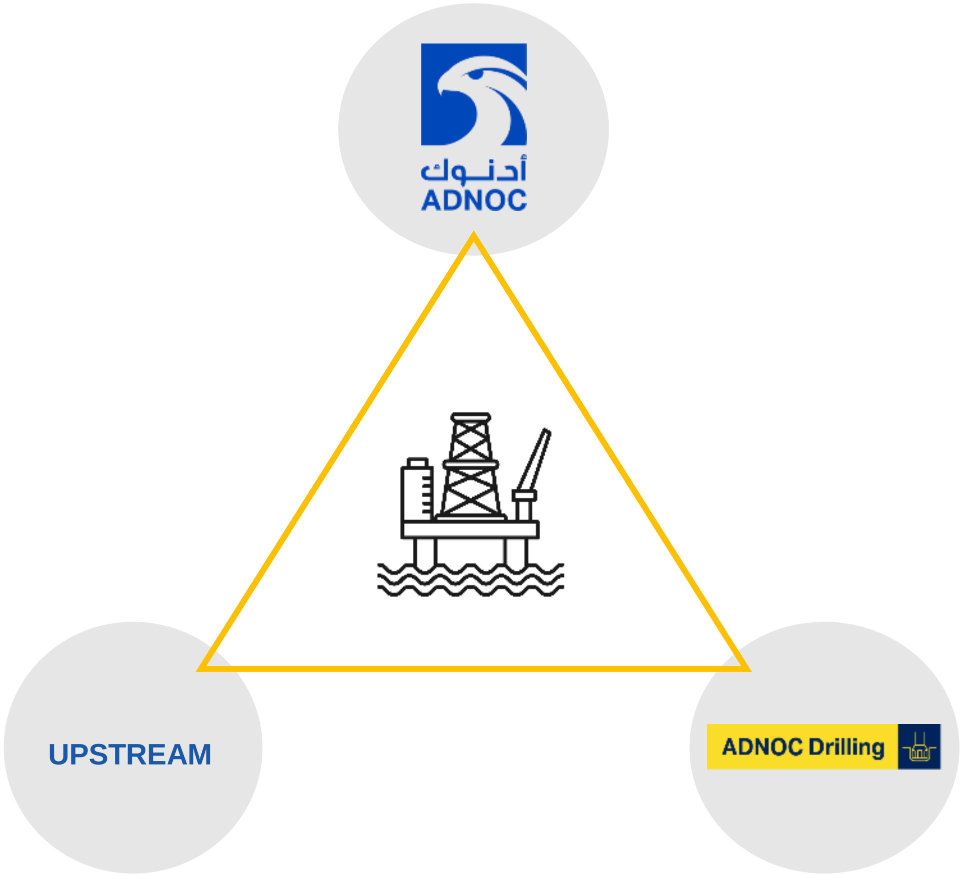
- Undisputed returns leadership throughout the cycle
- Strong cash conversion, robust capital stewardship and solid balance sheet
- Attractive cash return focused dividend policy

High return, limited risk proposition

- Integral position to ADNOC operations driving bespoke contractual agreement
- Attractive returns, high visibility and strong downside protection
- Compelling IRRs generated over a long time, driving significant cash generation

RIG SERVICES FRAMEWORK AGREEMENT

Preferential contractual framework with ADNOC provides attractive returns, high visibility and strong downside protection



ADNOC Upstream operating companies procure **rig services solely from ADNOC Drilling** based on agreed contractual terms

Initial Rig Base Term - 15 years | rate structured to provide:

- Targeted **IRR of 11-13%** for **Offshore** rigs
- Targeted **IRR of 10-12%** for **Onshore** rigs

Post Initial Rig Base Term | rate structured to provide:

- **Onshore rigs:** recovery of operating costs on a cost-plus basis
- **Offshore rigs:** The higher of (a) cost-plus basis; and (b) GCC average rate for all active contracts

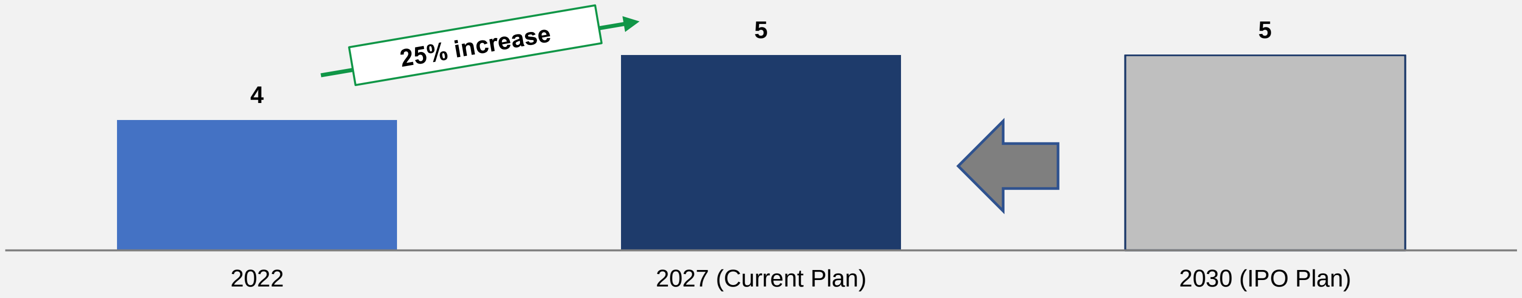
Provisions for inflation and cost escalations

WELL-POSITIONED FOR FUTURE GROWTH

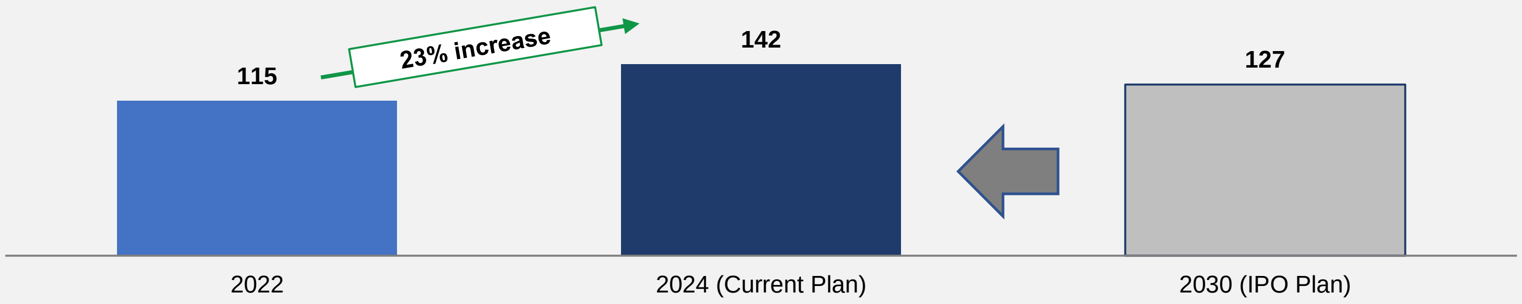
A critical enabler of ADNOC's accelerated production capacity targets

Accelerated Growth Targets

Production Capacity Targets (mm barrels / day)



Peak Rig Count Requirement



Commentary

ADNOC Drilling has accelerated its own growth plans to enable ADNOC's strategic imperative of expanding production capacity from four to five million barrels per day by 2027.

Peak owned rig count of 142 by the end of 2024, compared to IPO guidance of 127 rigs by the end of 2030.

Long-term growth drivers:

- Maintenance of production capacity
- UAE's goal to achieve gas self-sufficiency and the development of unconventional resources
- Continued expansion of the OFS segment's Integrated Drilling Solutions
- Pursuit of regional expansion opportunities
- New revenue streams such as complimentary services, manufacturing opportunities and technology

EXECUTING ON OUR STRATEGY

Our long-term strategy for growth is focused on four areas

Capitalize on ADNOC increasing production

Capitalize on ADNOC's plans to increase production capacity to 5 million barrels per day and 1bcf of gas.

▶ **Added 16 rigs** to fleet in FY22

Unconventional development

Become a Middle East regional leader in **unconventional** development.

▶ **2 rigs drilled UC gas wells during** FY22

Integrated Drilling Services ramp-up

Launch a major **rig fleet expansion** program to support **upstream growth** plans.

▶ **Performed IDS on 40 rigs** in FY22

New Revenue Streams

Pursue new business **inside and outside** of **Abu Dhabi** for **rigs, services and technology**

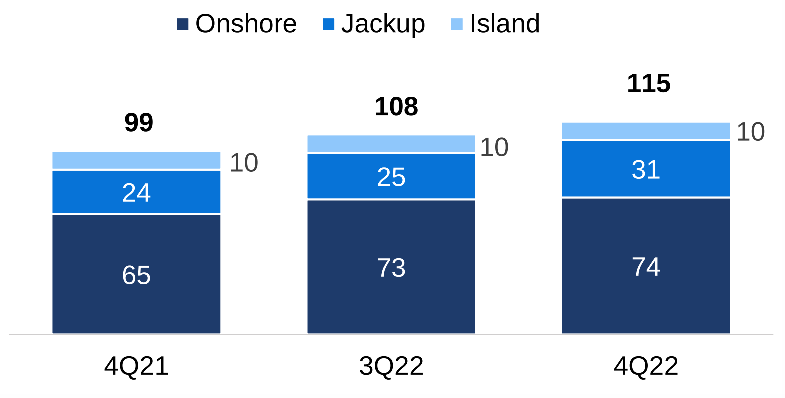
▶ **Regional expansion** being explored

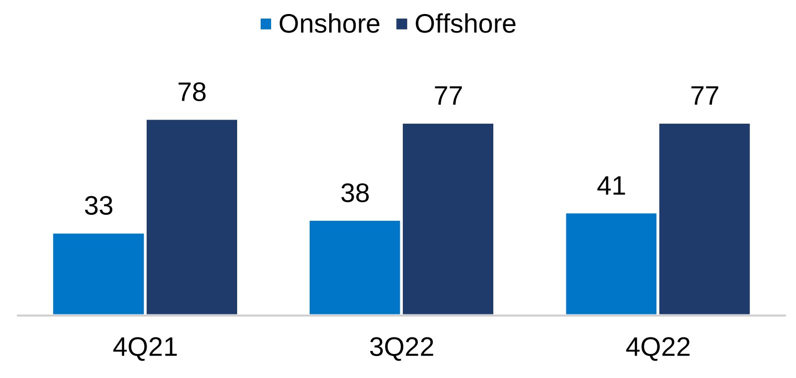
ADNOC Drilling

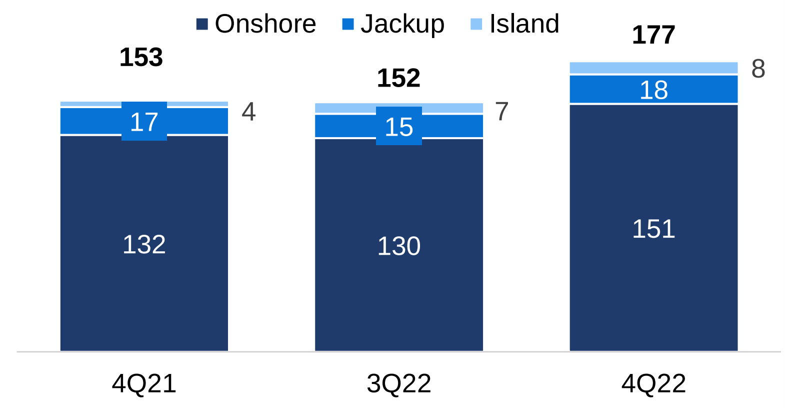
OPERATIONAL HIGHLIGHTS

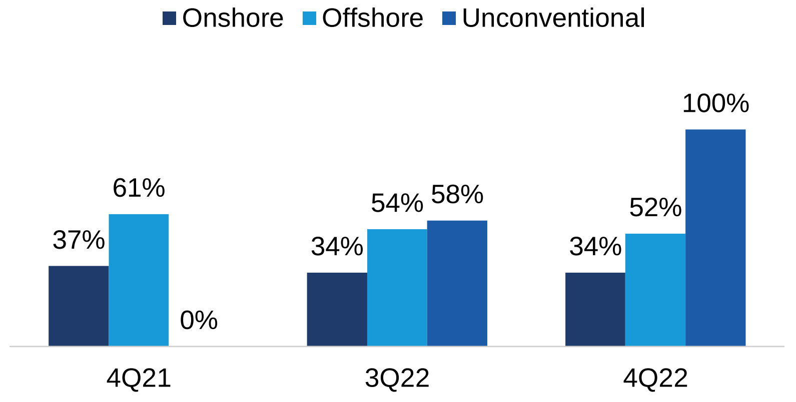
GROWING FLEET IS DRILLING MORE WELLS

Key operational highlights









Commentary

- **620 wells drilled** in FY22 compared to 549 wells drilled in FY21
- **8 Onshore H&P FlexRigs** integrated into operations in 2022
- **OFS** performed **IDS on 40 rigs** (39% market share) in 2022
- 14.3% YoY improvement in **drilling efficiency**
- Awarded five-year **framework agreement valued at up to $1.6 billion** for Integrated Drilling Fluids Services
- **Extended the ADNOC Onshore and Offshore IDS contracts** for 2 extra years with a total value of **$2.7 billion**
- **Several new services added** to our OFS portfolio driving market share growth such as TRS, Fishing, Mud logging and Coring

ONSHORE AND OFS DRIVE PERFORMANCE

Segmental operating highlights

Onshore

- **91% Rig Availability** for Onshore operations in FY22 (vs. 95% in FY21)
- **93% Rig Efficiency** for Onshore operations in FY22 (vs. 93% in FY21)
- **Drilled longest onshore lateral section** of 17,148 feet, 6.79 days ahead schedule

Offshore Jackup and Offshore Island

- **98% Rig Availability** for **Offshore Jackup** and **100%** for **Offshore Island** rigs in FY22 (vs. 100% and 100% in FY21)
- **92% Rig Efficiency** for **Offshore Jackup** and **95%** for **Offshore Island** rigs in FY22 (vs. 94% and 91% in FY21)
- **Awarded two contracts** in 4Q22 at a combined value of **$2.5 billion** to provide 14 jackup rigs and 2 island rigs to ADNOC Offshore

Oilfield Services

- **205 wells delivered** in 2022. Of 76 benchmarked wells, 56 were delivered ahead of schedule and budget
- **FRAC'd 19 stages in 4Q22, 12 stages in 3Q22, 13 stages in 2Q22**, and **17 stages in 1Q22 a total of 61 stage in FY22**
- **Awarded $1.6 billion framework agreement** by ADNOC for integrated drilling fluids services (IDFS) in November 2022
- **Extended the ADNOC Onshore and Offshore IDS contracts** for 2 extra years with a total value of **$2.7 billion** in October 2022

WE CONTINUE TO PURSUE AMBITIOUS ESG GOALS

Our ESG framework and 4Q22 performance highlights

Climate, emissions and energy

- Support ADNOC's target to decrease GHG intensity by **25% by 2030 and 50% by 2050**
- Energy intensity at a target of 52,539 GJ/Rig vs. the current actual of 50,678 GJ/Rig

Economic and social contribution

- **In-country value (ICV)** at 60.0% versus a target of 60%
- Economic performance of the Company improved with the increase in number of rigs

Health, safety and security

- **Zero recordable incidents** in Offshore and OFS
- **TRIR at 0.60** versus target of 1.0 for 2022

Local environment

- Minimizing impacts through **best-in-class** environmental management system
- **Zero spill incidents** in 4Q22

Workforce diversity and development

- **Women Empowerment established**, with 16* female employees at leadership level
- 79 nationalities across the workforce

*managers and above

Business sustainability

- Integrate risk management across operations & business planning
- Strengthen collaboration in environmental protection, conservation and sustainable development

ADNOC Drilling

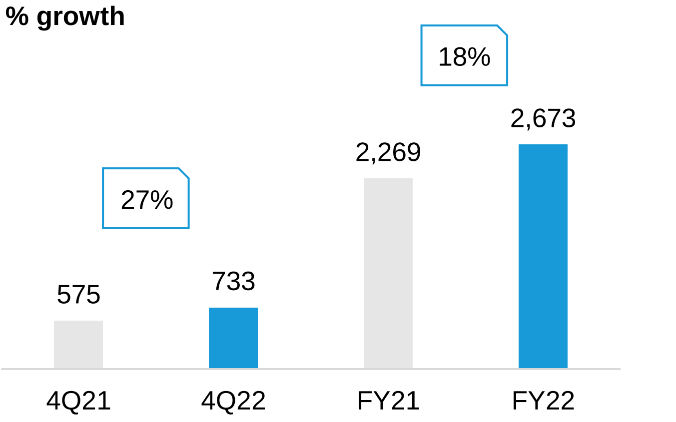
FINANCIAL PERFORMANCE

FINANCIAL HIGHLIGHTS

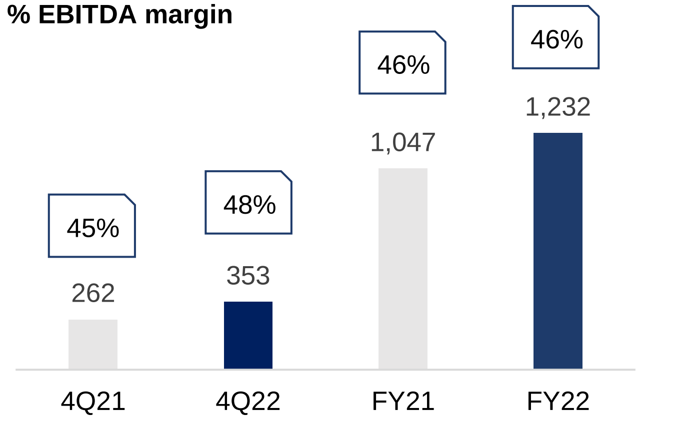
Strong revenue momentum with industry-leading EBITDA margins

$ millions

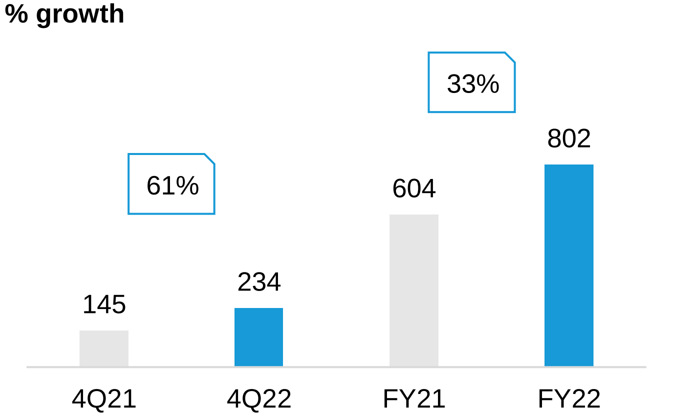
Revenue



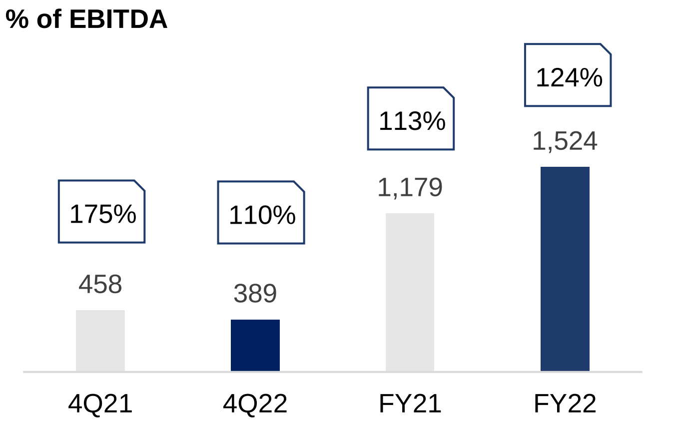
EBITDA



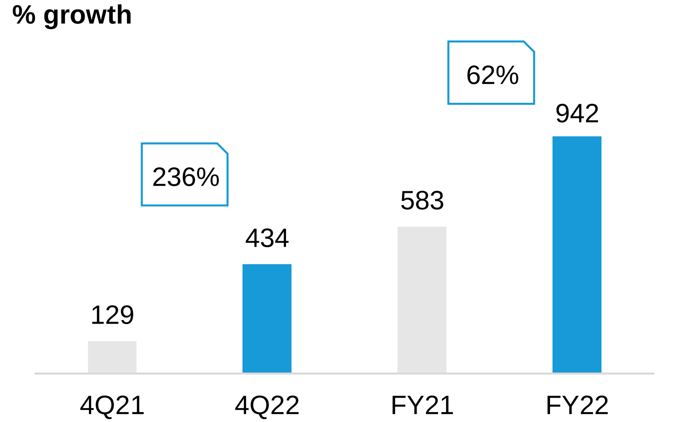
Net Income



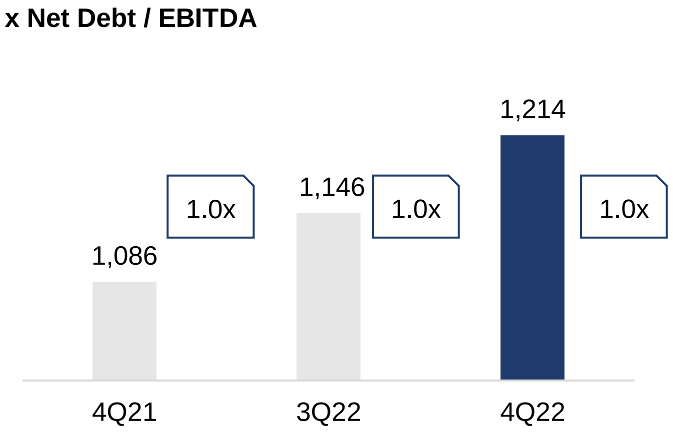
Cash from Operations



CapEx



Net Debt

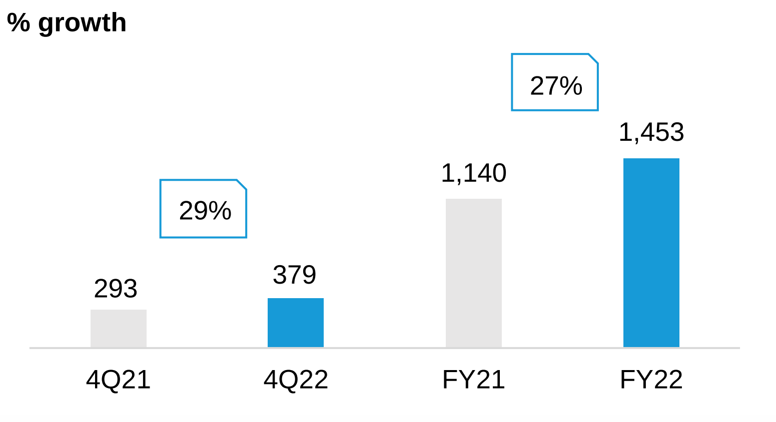


SEGMENTAL REVENUE

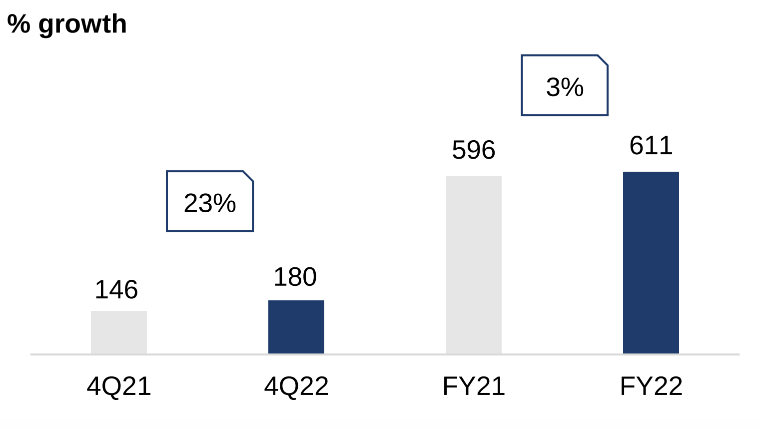
Onshore and OFS powering record quarterly revenue in 4Q22

$ millions

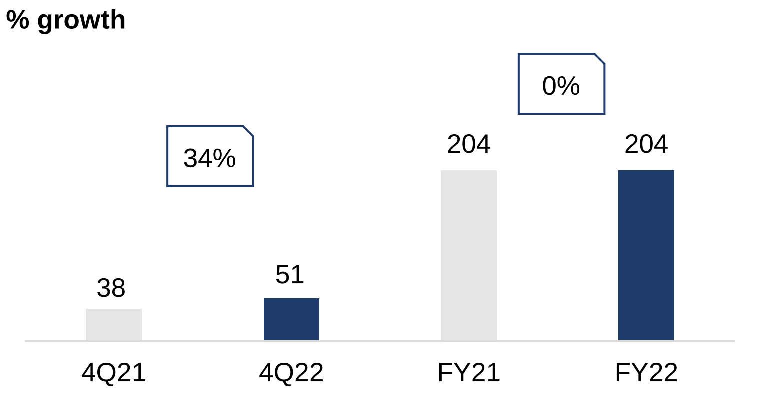
Onshore



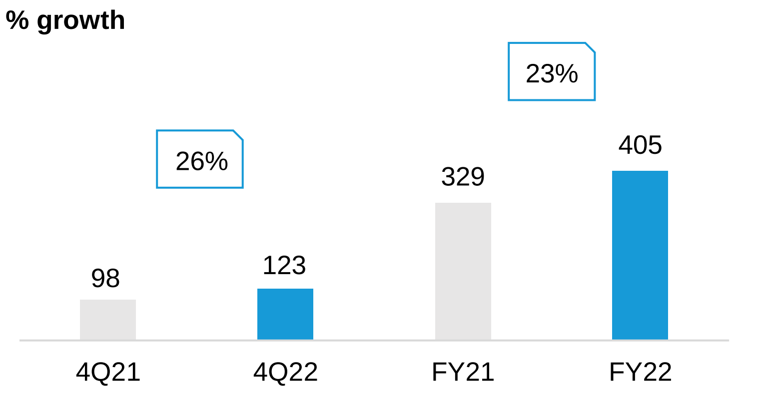
Offshore Jackup



Offshore Island



Oilfield Services



Commentary

Onshore and Oilfield Services drove overall FY22 revenues to $2.67 billion, up 18% year-on-year. 4Q revenue increased 27%.

Onshore: 4Q22 revenue increased 27% YoY, primarily due to additional rigs being added to the fleet

Offshore Jackup: 4Q22 revenue increased 23% YoY, reflecting five new jackup rigs joining the operational fleet

Offshore Island: 4Q22 revenue increased 34% YoY, mainly due to the reversal of claims to ADNOC Offshore in the comparative period

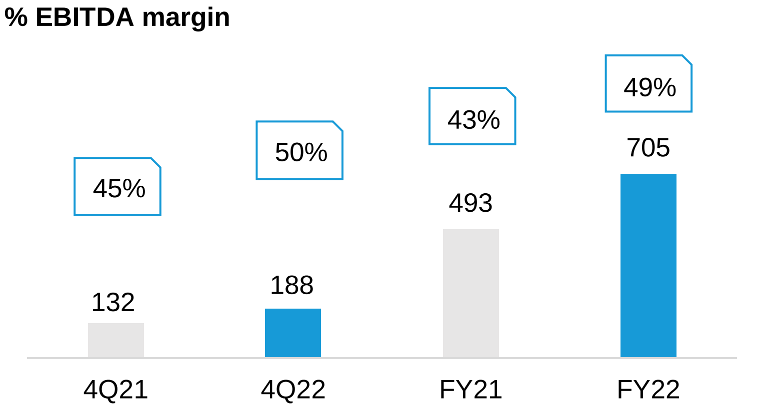
OFS: 4Q22 revenue up 26% YoY, driven by increased activity volumes and the introduction of new services to the portfolio

EBITDA GENERATION

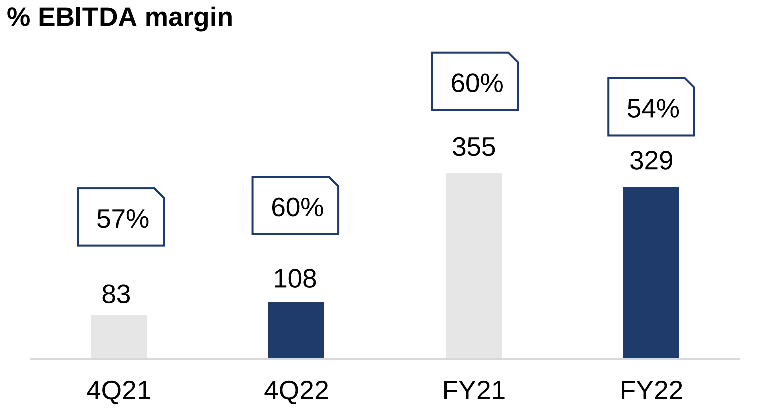
Significant EBITDA growth across segments in 4Q22

$ millions

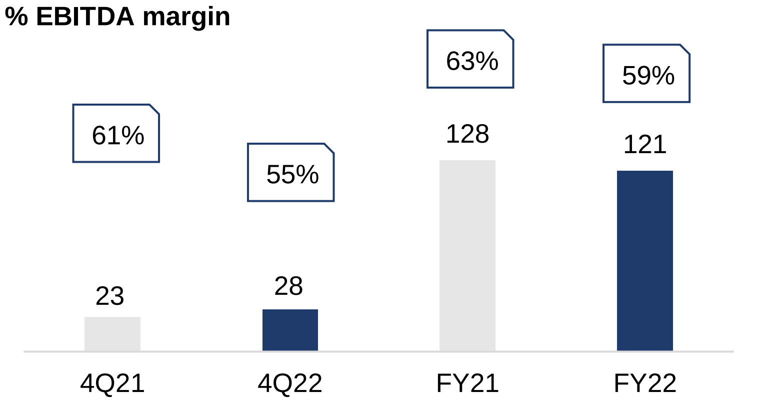
Onshore



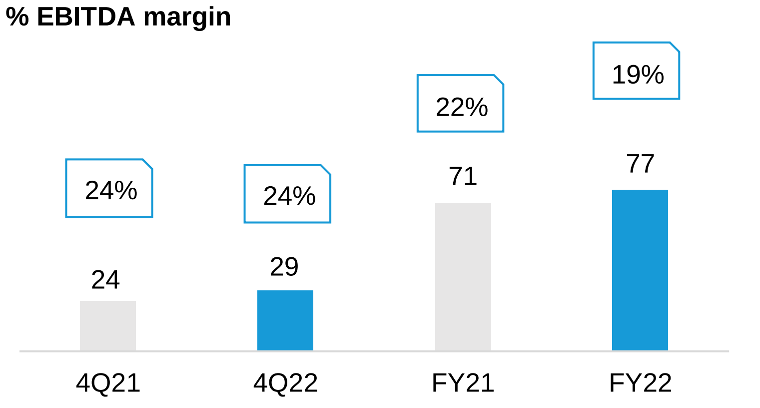
Offshore Jackup



Offshore Island



Oilfield Services



Commentary

FY22 EBITDA up 18% at an industry-leading margin of 46%. 4Q22 EBITDA increased by 35% year-on-year.

Onshore: 4Q22 EBITDA up 42%, YoY, reflecting increased activity and cost optimization

Offshore Jackup: 4Q22 EBITDA increased 30% YoY, from the activation of new jackups

Offshore Island: 4Q22 EBITDA increased 22% YoY, due to the reversal of claims in the comparative period

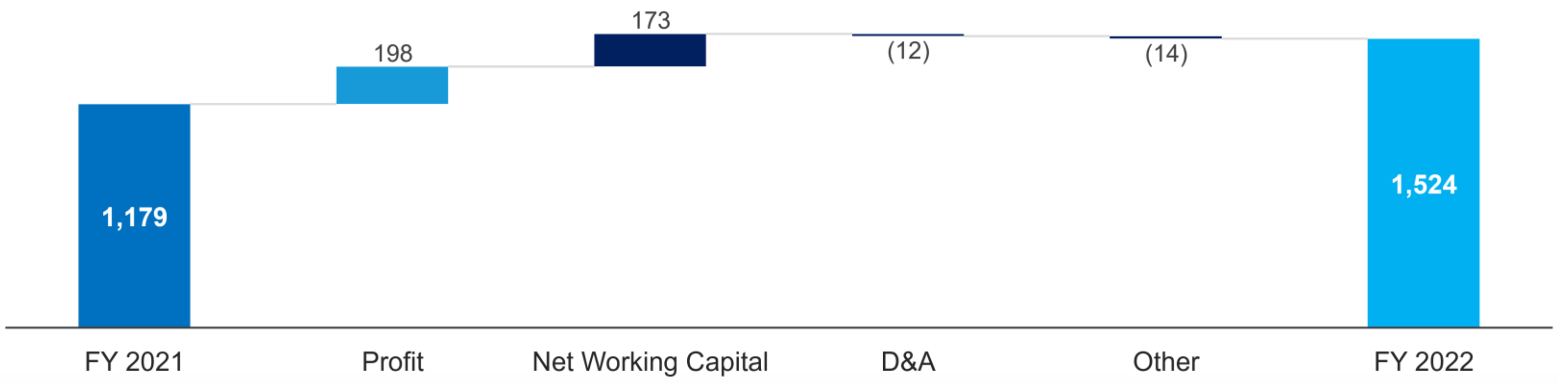
OFS: 4Q22 EBITDA increased 21% YoY, supported by revenue growth

STRONG CASHFLOW AND BALANCE SHEET

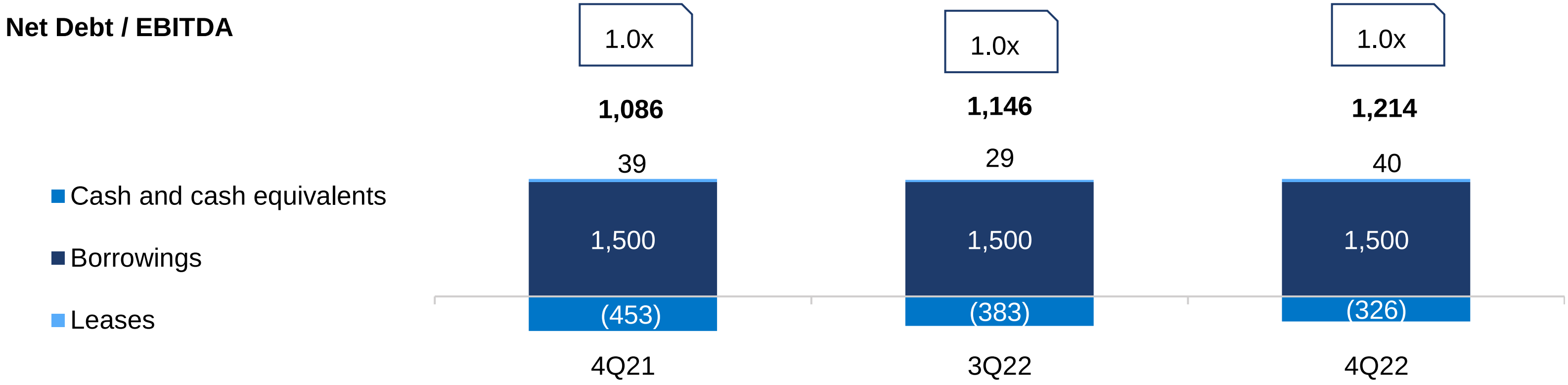
Healthy cash position with ample liquidity to power accelerated rig acquisition program

$ millions

Net Cash from Operating Activities



Net Debt



Commentary

Net Cash from Operating Activities

- FY22 cash generated from operating activities was $1.52 billion, an increase of 29% from the prior year
- Mainly attributable to growth in OFS and Onshore business segments coupled with improvements in working capital management

Net Debt

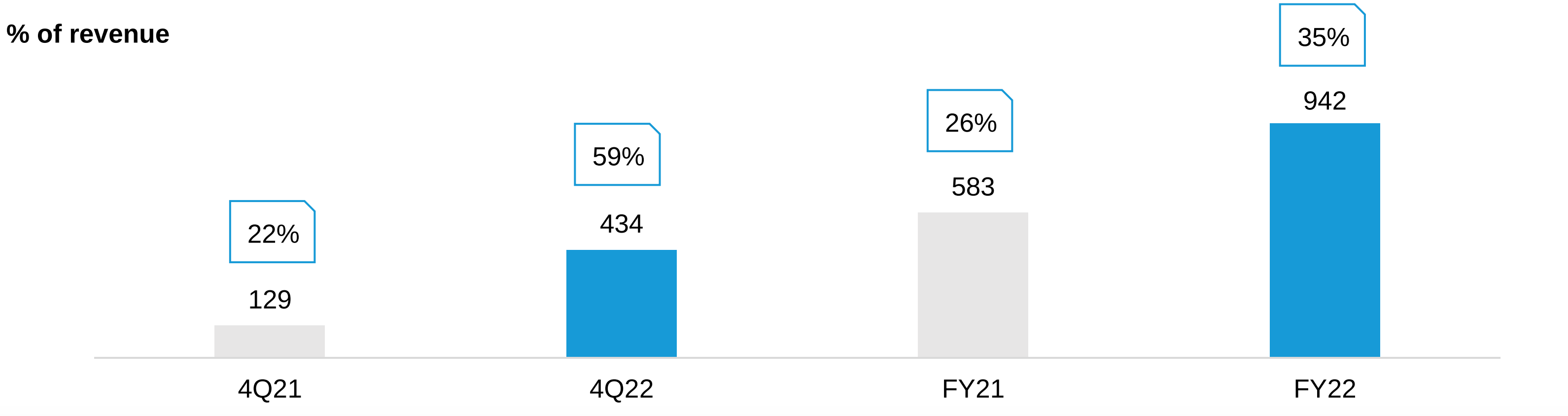
- The Net Debt / EBITDA ratio remained flat versus both the previous quarter and year
- Cash and cash equivalents decreased to $326 million in 4Q22
- Liquidity (including unutilized syndicated term and revolving facilities) stood at $1.5 billion

WORKING CAPITAL OPTIMIZED, CAPEX RAMPS UP

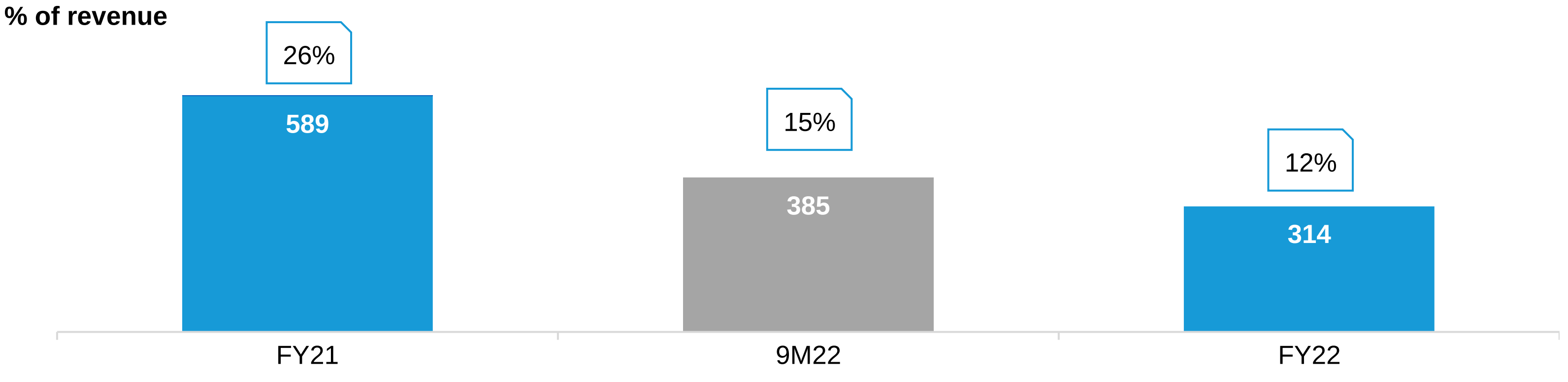
Working capital within targeted range; Capex accelerated significantly in 4Q22

$ millions

CapEx



Operating Working Capital



Commentary

CapEx

- During FY22, significantly increased CapEx of $942 million supported rig fleet expansion, with initial payments made towards offshore jackup rigs
- The accelerated rig fleet expansion program is progressing well, with 16 new rigs joining the fleet during the year
- Increased CapEx expected for further rig acquisitions in FY23

Operating Working Capital

- Operating Working Capital improved by 47% compared to year-end 2021 and 18% Q-o-Q, due to strong collections from related parties
- Working capital is within the targeted range of 10-11% of annualized revenue

GUIDANCE

ACCELERATED GROWTH TARGETS

FY 2023 guidance introduced; medium-term guidance refreshed

(USD Millions)	FY 2023 Guidance
Revenue	**3,000 - 3,200**
Onshore Revenue	1,500 - 1,600
Offshore Jackup Revenue	800 - 900
Offshore Island Revenue	200- 250
Oilfield Services Revenue	500- 550
EBITDA	**1,350 - 1,500**
EBITDA Margin	*45% - 47%*
Net Income	**850 - 1,000**
Net Income Margin	*28% - 31%*
CapEx	**1,300-1,750**
Leverage Target	**< 2.0x**

Refreshed Medium-Term Guidance

- Revenue CAGR in the 12-16% range
- EBITDA Margins around 50% with drilling margins exceeding 50% and OFS Margin in a range of 22-26% medium term versus 2021
- Conservative long-term leverage target of up to 2.0x net debt / EBITDA, excluding material M&A
- Net working capital as percentage of revenue target of 10% -11%
- Peak owned rig count to total 142 by the end of 2024, compared to IPO guidance of 127 rigs by the end of 2030
- CapEx over the coming two-year period ending 2024 to increase between \$2.0 - \$2.5 billion
- Maintenance CapEx post-2024 of \$200-\$250 million per annum
- Annual dividend growth of at least 5% per annum over the next four years (2023-2026)

ADNOC Drilling

SUMMARY

A RECORD-BREAKING YEAR

Stellar growth enabled by expanded rig fleet and increased drilling activity

16 new rigs added in FY22, establishing one of the world's largest operating fleets

Onshore and OFS segments enabling powerful top-line performance

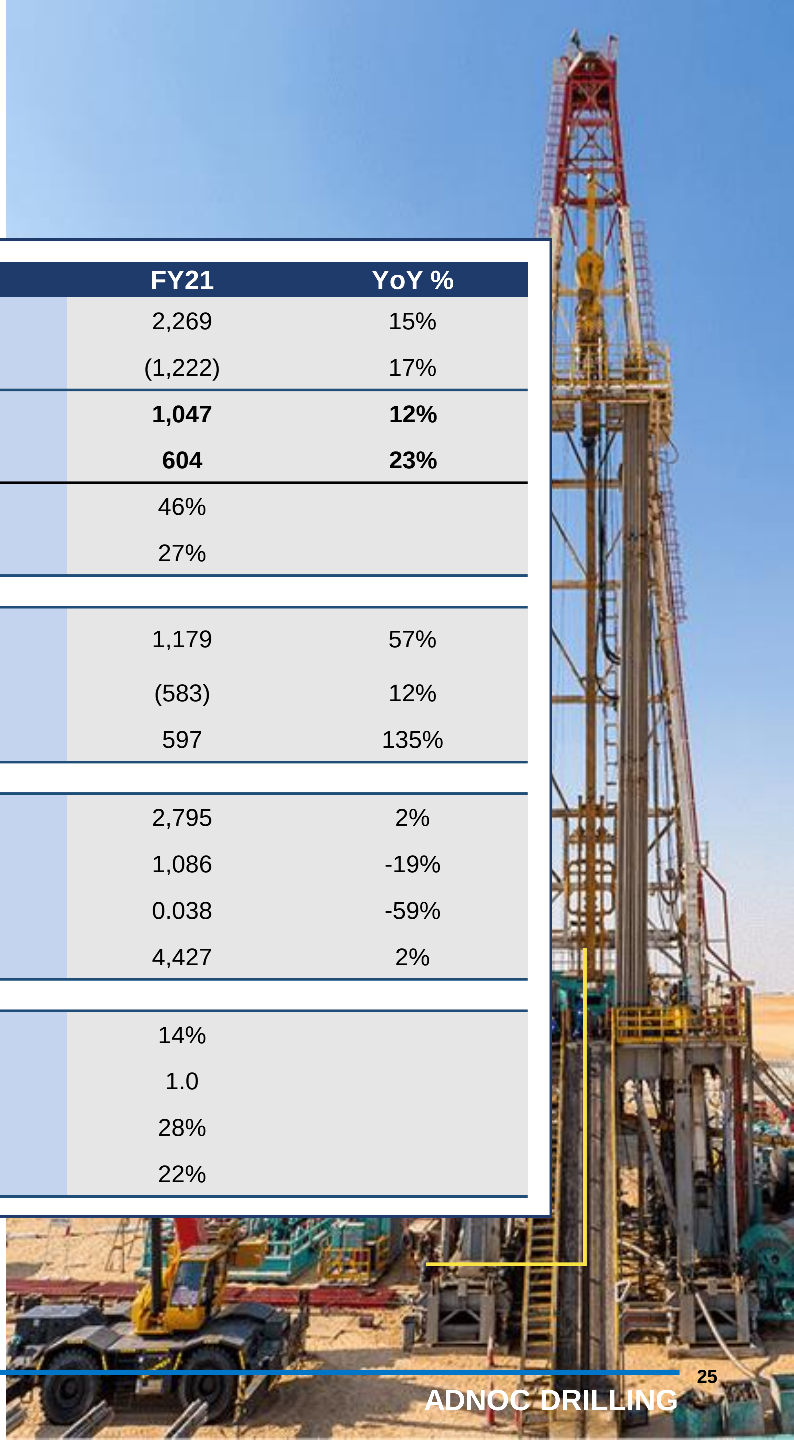
Significant contract awards with over $10 billion in contracted backlog

Key enabler of ADNOC's accelerated production capacity targets

APPENDIX

FINANCIAL SUMMARY 4Q22 & FY22

4Q22	3Q22	QoQ %	4Q21	YoY %	USD Million	FY22	FY21	YoY %
733	670	9%	575	27%	Revenue	2,673	2,269	15%
(380)	(371)	2%	(313)	21%	Opex[1]	(1,441)	(1,222)	17%
353	**299**	**18%**	**262**	**35%**	**EBITDA[2]**	**1,232**	**1,047**	**12%**
234	**189**	**24%**	**145**	**61%**	**Net Profit**	**802**	**604**	**23%**
48%	45%		46%		EBITDA Margin	46%	46%	
32%	28%		25%		Net Profit Margin	30%	27%	
389	317	23%	458	-15%	Net cash generated from operating activities	1,524	1,179	57%
(434)	(223)	95%	(129)	236%	Capital Expenditure[3]	(942)	(583)	12%
-42	97	NM	329	NM	Free Cash Flow	588	597	135%
2,931	2,697	9%	2,795	5%	Total Equity	2,931	2,795	2%
1,214	1,146	6%	1,086	12%	Net debt[4]	1,212	1,086	-19%
0.015	0.012	24%	0.009	63%	Earnings per Share ($) [5]	0.050	0.038	-59%
4,610	4,353	6%	4,427	4%	Capital employed	4,610	4,427	2%
16%	17%		14%		Return on capital employed	16%	14%	
1.0	1.0		1.0		Net debt to LTM EBITDA	1.0	1.0	
29%	30%		28%		Leverage ratio	29%	28%	
24%	26%		22%		Return on equity	24%	22%	

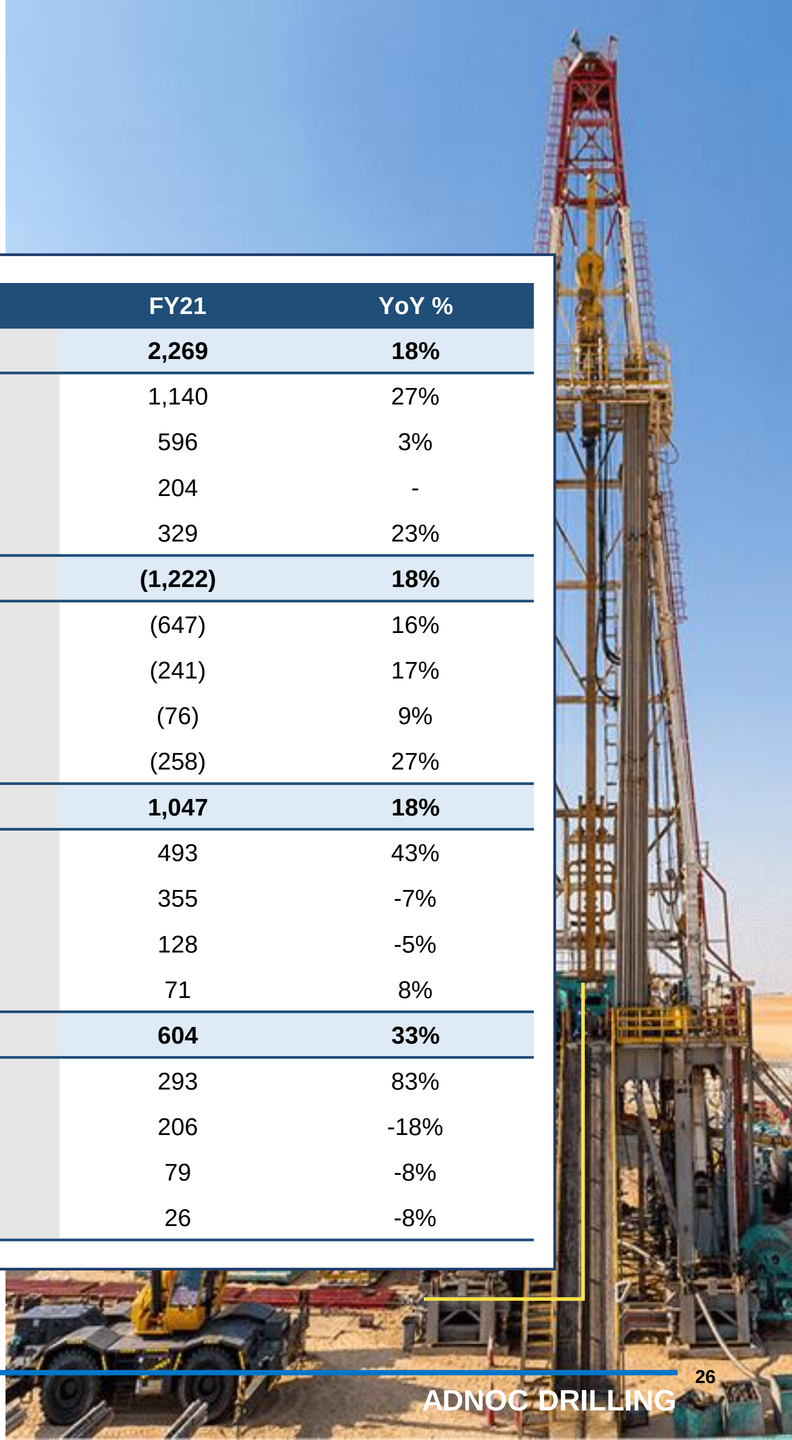


NM: Not meaningful
(1) Opex includes allocation of G&A expenses and other income
(2) EBITDA represents Earnings Before Interest, Tax, Depreciation and Amortization
(3) Payments for purchase of property and equipment
(4) Interest bearing liabilities less cash and cash equivalents
(5) Number of shares for earnings per Share calculation in the comparatives are adjusted as if the share spilt and capitalization had taken place as at 1 Jan 2021.

SEGMENTAL RESULTS 4Q22 & FY22

USD Million	4Q22	3Q22	QoQ %	4Q21	YoY %	FY22	FY21	YoY %
Revenue	**733**	**670**	**9%**	**575**	**27%**	**2,673**	**2,269**	**18%**
Onshore	379	372	2%	293	29%	1,453	1,140	27%
Offshore Jackup	180	143	26%	146	23%	611	596	3%
Offshore Island	51	52	-2%	38	34%	204	204	-
Oilfield Services (OFS)	123	103	19%	98	26%	405	329	23%
Total OPEX[1]	**(380)**	**(371)**	**2%**	**-313**	**21%**	**(1,441)**	**(1,222)**	**18%**
Onshore	(191)	(195)	-2%	-161	19%	(748)	(647)	16%
Offshore Jackup	(72)	(73)	-1%	-63	14%	(282)	(241)	17%
Offshore Island	(23)	(17)	35%	-15	53%	(83)	(76)	9%
Oilfield Services (OFS)	(94)	(86)	9%	-74	27%	(328)	(258)	27%
EBITDA[2]	**353**	**299**	**18%**	**262**	**35%**	**1,232**	**1,047**	**18%**
Onshore	188	177	6%	132	42%	705	493	43%
Offshore Jackup	108	70	54%	83	30%	329	355	-7%
Offshore Island	28	35	-20%	23	22%	121	128	-5%
Oilfield Services (OFS)	29	17	71%	24	21%	77	71	8%
Net Profit	**234**	**189**	**24%**	**144**	**63%**	**802**	**604**	**33%**
Onshore	145	130	12%	78	86%	537	293	83%
Offshore Jackup	60	32	88%	46	30%	168	206	-18%
Offshore Island	15	23	-35%	10	50%	73	79	-8%
Oilfield Services (OFS)	14	4	250%	10	40%	24	26	-8%

(1) Operational expenses including allocated G&A
(2) Underlying EBITDA includes other income



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