

Media Release:

ADNOC Drilling Delivers Record 1H 2025 Results, Revenue Grows +30% to \$2.37bn, Upgrades Guidance

Record first half net profit, +21% YoY, and free cash flow, +67% YoY, delivering industry-best 35% ROE and 23% ROCE

Board of Directors approves \$217mn 2Q 2025 dividend distribution

Contract additions of \$4.8bn in 1H 2025 and disciplined accretive new market entry secure resilient growth into 2040 and beyond

Growing contribution from unconventional with over 40% of 144 wells drilled, paving the way for potential further expansion

Abu Dhabi, UAE – July 30, 2025: ADNOC Drilling Company PJSC (“ADNOC Drilling” or the “Company”) (ADX symbol: ADNOC DRILL / ISIN: AEA007301012) announced today its financial results for the second quarter (2Q) and first half (1H) of 2025, delivering record-breaking performance across revenue, EBITDA and net profit while maintaining strong momentum in shareholder returns and delivering regional expansion.

Key 1H 2025 Highlights, Fueled by Fleet Expansion, Rig Utilization and OFS Growth

- Revenue: \$2.37 billion, +30% year-on-year
- EBITDA: \$1.08 billion, +19% year-on-year
- Net Profit: \$692 million, +21% year-on-year

Abdulla Ateya Al Messabi, ADNOC Drilling CEO, said: “Our record first half 2025 results once again demonstrate the strength, resilience, and scalability of ADNOC Drilling. We continue to deliver outstanding financial performance, dependable shareholder returns and disciplined regional expansion, all underpinned by our commitment to deploying AI and advanced technologies. With this momentum, we are firmly on track to achieving our full-year growth targets. ADNOC Drilling has consistently demonstrated its ability to grow in any phase of the energy cycle. With high and visible

cash flows, growing earnings and strong visibility of future returns, we remain confident in our ability to continue delivering long-term value to our shareholders.”

Second Quarterly Dividend Reinforces Shareholder Appeal

The Board of Directors approves the \$217 million (approx. 5 fils per share) second quarterly dividend for 2025, which reaffirms the commitment to delivering reliable, growing income to shareholders, which is expected to be paid in the second half of August 2025 to all shareholders of record as of August 8, 2025. With two quarterly dividends announced year-to-date, and a third one to be announced later in 2025, ADNOC Drilling offers a blend of attractive income and growth. This profile offers shareholders highly visible and growing returns, in line with its progressive dividend policy.

Strong Segmental Growth in 1H 2025

- **Onshore:** Revenue increased by 18% year-on-year to \$1.0 billion, mainly due to new rigs commencing operations and a \$79 million contribution from the unconventional business
- **Offshore (Jack-up and Islands):** Revenue marginally increased 1% year-on-year to \$671 million, mainly due to reactivation of island rigs, whereas the two new jack-ups, previously announced, will fully contribute to revenue from the third quarter
- **Oilfield Services (OFS):** Revenue increased by 127% year-on-year to \$689 million, driven by \$265 million in revenue from unconventional business, coupled with increased integrated drilling services (IDS) activity and additional discrete services

Key Financial Metrics

USD Millions	2Q 25	2Q 24	% Change	1H 25	1H 24	% Change
Revenue	1,197	935	28%	2,367	1,821	30%
EBITDA	545	472	15%	1,078	909	19%
Net Profit	351	295	19%	692	570	21%
Earnings per share (USD/ share)	0.022	0.018	19%	0.043	0.036	21%
Capital Expenditure	(244)	(239)	2%	(335)	(349)	-4%
Cash from Operations	649	518	25%	1,170	865	35%
Free cash flow	408	282	45%	727	435	67%
EBITDA Margin	46%	50%	-4%	46%	50%	-4%
<i>EBITDA Margin Conventional</i>	<i>51%</i>	<i>50%</i>	<i>1%</i>	<i>51%</i>	<i>50%</i>	<i>1%</i>
Net Profit Margin	29%	32%	-3%	29%	31%	-2%
<i>Net Profit Margin Conventional</i>	<i>32%</i>	<i>32%</i>	<i>-</i>	<i>32%</i>	<i>31%</i>	<i>1%</i>

Joint Ventures Deliver Strategic Value, Advance Innovation and Unlock Resources

- **Regional Expansion in Kuwait and Oman:** The Company's entry into an agreement to acquire a 70% stake in SLB's land drilling rigs business in Kuwait and Oman, is a natural next step in its growth journey and reinforces its position as one of the leading companies in drilling and integrated services. Upon completion, ADNOC Drilling will gain immediate access to earnings, cashflow and returns accretive growth through two operating land drilling rigs in Kuwait and six in Oman, accelerating its expansion into key GCC geographies. 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
- **Enersol – Advancing Energy Technology for the UAE:** Enersol, ADNOC Drilling's energy technology investment platform, continued its strategic momentum in 2Q 2025 by advancing local operations and deepening its technology footprint across the UAE. Key developments included progress on its Abu Dhabi hub and the launch of the [Enersol Energy Challenge](#), a first-of-its-kind initiative aimed at identifying UAE-based entrepreneurs developing transformative energy technologies. Enersol has an advanced pipeline of additional transactions on top of the four acquisitions already completed
- **Turnwell – Unlocking the UAE's Unconventional Resources:** Turnwell, ADNOC Drilling's unconventional drilling specialist, reached new operational milestones in 2Q 2025 as it expanded its presence across the UAE's onshore unconventional basins. Turnwell successfully delivered additional high-efficiency wells and implemented new drilling techniques, including autonomous drilling, which reduced cycle times and improved safety metrics. Turnwell has now drilled 58 out of the 144 wells, +40% of the total wells, and fractured over 20 wells, demonstrating robust execution and setting the stage for potential future expansion as it continues to unlock new growth frontiers

Derisked Long-Term Growth Delivering Market Confidence at Scale

In 2025 ADNOC Drilling added approximately \$4.8 billion in new contracts, the strongest ever period for adding backlog. These accretive wins span integrated drilling, oilfield and rig services delivering long-term earnings visibility through 2040 and beyond. The Company is now the most covered stock in the MENA region, with 20 global equity research analysts providing sell side coverage. Of these, as of today the vast large majority maintain a Buy rating, underscoring market conviction in the Company's resilient growth story, strong fundamentals, and progressive dividend policy.

AI and Automation Continue to be Rolled Out across ADNOC Drilling

ADNOC Drilling continues to embed AI, automation, and advanced analytics across its operations to enhance efficiency, safety, and reliability. From well planning to execution and maintenance, the

Company is leveraging digital tools to optimize performance, reduce downtime and support faster, more informed decision-making. At the most recent ADNOC Drilling Board of Directors meeting, MEERAI, ADNOC's new AI tool that enables smarter and quicker executive decision making, was deployed.

Full Year 2025 Upgraded Financial Guidance

Off the back of record 1H results, ADNOC Drilling enhances its financial guidance for the full year.

USD Billions (unless otherwise stated)	Original FY2025 Guidance	Upgraded FY2025 Guidance
Revenue	4.60 – 4.80	4.65 – 4.80
Onshore Revenue	1.95 – 2.10	1.95 – 2.10
Offshore Revenue (Jack-up & Islands) ¹	1.35 – 1.45	1.35 – 1.45
Oilfield Services Revenue	1.10 – 1.25	1.20 – 1.30
EBITDA	2.15 – 2.30	2.15 – 2.30
EBITDA Margin	46% – 48%	46% – 48%
Net Profit	1.35 – 1.45	1.375 – 1.45
Net Profit Margin	28% – 30%	29% – 31%
CapEx (excluding M&A) ²	0.35 – 0.55	0.35 – 0.55
FCF (excluding M&A) ³	1.30 – 1.60	1.40 – 1.60
Leverage target	<2.0x	<2.0x
Dividend floor (+10% vs 2024)	0.87	0.87

Reaffirmation of ADNOC Drilling's medium-term guidance is as follows:

- FY2026 Revenue expected at around \$5 billion
- Around 50% conventional EBITDA margin (conventional drilling margins exceeding 50% and OFS margin in a range of 22-26% medium-term)
- Conservative long-term leverage target of up to 2.0x Net Debt/ EBITDA
- Net working capital as percentage of revenue target of around 12%
- Maintenance CapEx of \$200 - \$250 million per annum (excluding organic and inorganic growth CapEx)
- 151+ rigs by 2028

¹ Starting from the first quarter of 2025, the Company has simplified its reporting structure by reducing the number of segments from four to three. The results of Offshore Jack-Up and Offshore Island will be combined under a new segment called Offshore

² Maintenance CapEx + CapEx for island rigs. It does not consider CapEx for potential additional land rigs and cash outflows associated with M&A

³ Free Cash flow calculated as EBITDA – CapEx – Δ Working Capital – taxes. It does not consider cash outflows associated with M&A

**Webcast and conference call**

ADNOC Drilling will host the earnings webcast and conference call, followed by a Q&A session, for investors and analysts on Wednesday, July 30, 2025, at 4pm UAE time. The call will be hosted by Abdulla Ateya Al Messabi, ADNOC Drilling CEO, and Youssef Salem, ADNOC Drilling CFO. Interested parties are invited to join the call [here](#).

The transcript will be made available following the call, accessible from the Investor Relations section of ADNOC Drilling's website [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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