ADES Holding Company

FY 2023
Trading Update

March 2024

Today's Presenters

Dr. Mohamed Farouk

Group Chief Executive Officer

Hussein Badawy

Group Chief Financial Officer

AGENDA

1. JU Market Update
2. Business Update
3. Financial Update
3. Q&A

Leader in Shallow Water Offshore and Onshore Drilling

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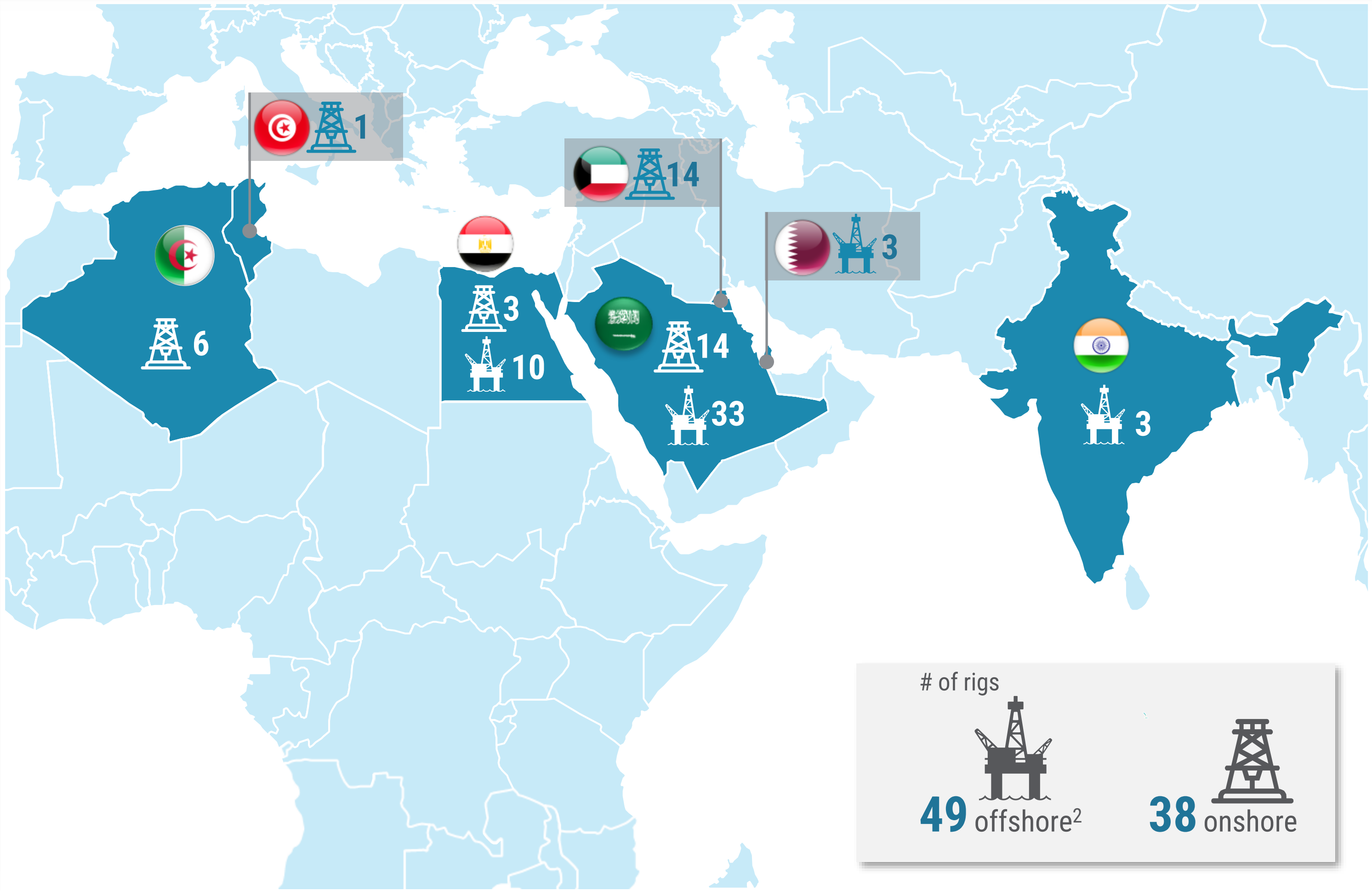
Global Scale Operations with 87 Rigs in 8[1] Countries



Proven Consolidator Through Cycles

87 rigs[3]

▲ **+2.2x**[4] since 2018

Leading Scale & Profitability

	FY-22	FY-23
Revenue	SAR 2.5bn	SAR 4.3bn
EBITDA	SAR 1.0bn	SAR 2.1bn
Margin (%)	~43%	~49%

Visible, Contracted Growth

SAR **27.5**bn backlog[5]

89% with GCC NOCs

▲ **+6.0x**[4] since 2018

Partner of Choice for Critical Energy Suppliers

aramco · Kuwait Oil Company · QatarEnergy · TotalEnergies · sonatrach · ONGC

Committed to Operational Excellence and Efficiency

98%

2023 average utilization

Culture Focused on Safety

0.09 RIFR[6]

83% below IADC average[7]

Sources: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements), Westwood Global Energy Group (March 2023). Note: Financials and KPIs relate to the 31 December 2023, unless otherwise indicated. [1] Includes Indonesia where ADES was awarded a drilling contract in late 2023 with operations and revenue contribution expected to commence starting the second half of 2024.. [2] Including 46 jack-up drilling rigs, 2 jack-up barges and 1 Mobile Offshore Production Unit (MOPU). [3] Including 4 leased rigs. [4] Growth since December 2018. [5]The total amount payable to the Group during the remainder of the current relevant contract in addition to any optional extension to the customer stipulated in the contract. [6] Recordable injury frequency rate per 200,000 working hours as of December 2023. [7] International Association of Drilling Contractors Dec-23 average of 0.51.

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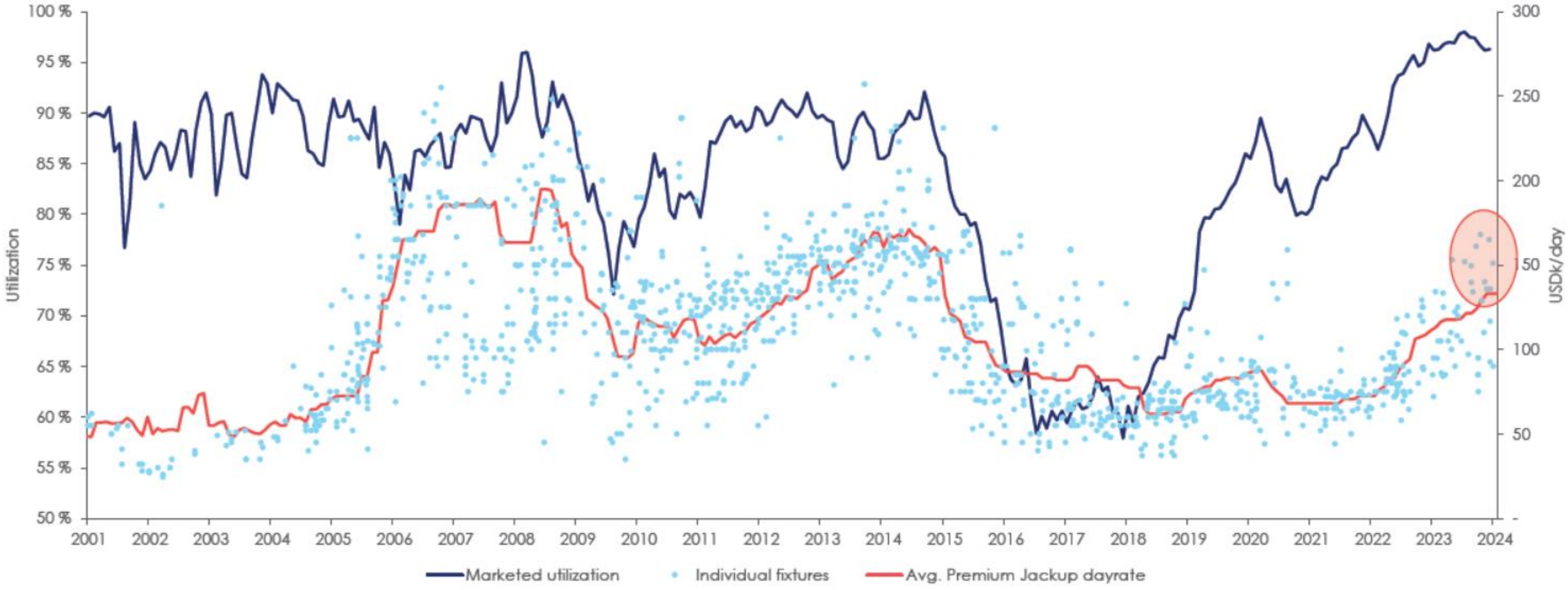
Jack-up Market Update

Marketed utilization is around 95% globally for jack-ups >300ft

Jack-ups average day rates, individual fixtures and utilization (2001-f2024)



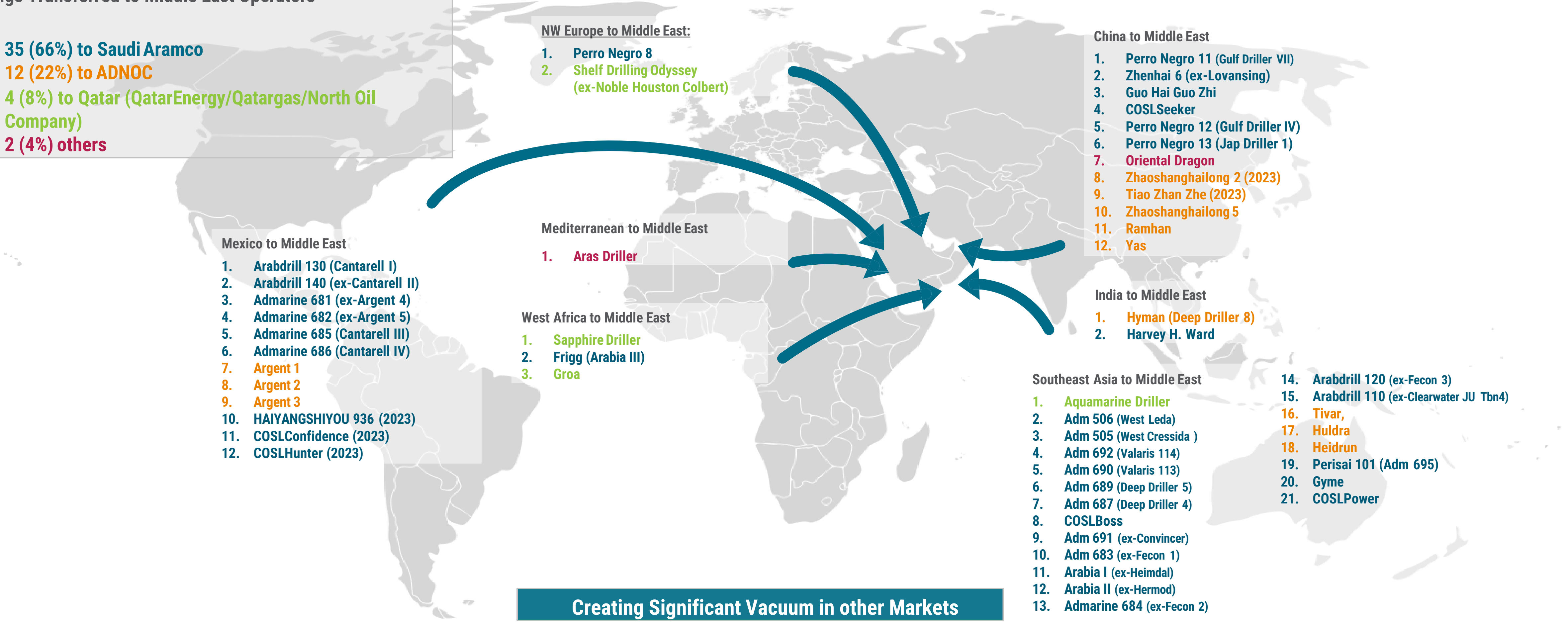
Source: Clarksons Securities Research

Middle East Demand Pressuring Scarce Jack-up Capacity

53 rigs moved from 2022 to 2023, creating tightness in other markets

Rigs Transferred to Middle East Operators

- 35 (66%) to Saudi Aramco
- 12 (22%) to ADNOC
- 4 (8%) to Qatar (QatarEnergy/Qatargas/North Oil Company)
- 2 (4%) others



NW Europe to Middle East:

1. Perro Negro 8
2. Shelf Drilling Odyssey (ex-Noble Houston Colbert)

Mediterranean to Middle East

1. Aras Driller

West Africa to Middle East

1. Sapphire Driller
2. Frigg (Arabia III)
3. Groa

Mexico to Middle East

1. Arabdrill 130 (Cantarell I)
2. Arabdrill 140 (ex-Cantarell II)
3. Admarine 681 (ex-Argent 4)
4. Admarine 682 (ex-Argent 5)
5. Admarine 685 (Cantarell III)
6. Admarine 686 (Cantarell IV)
7. Argent 1
8. Argent 2
9. Argent 3
10. HAIYANGSHIYOU 936 (2023)
11. COSLConfidence (2023)
12. COSLHunter (2023)

China to Middle East

1. Perro Negro 11 (Gulf Driller VII)
2. Zhenhai 6 (ex-Lovansing)
3. Guo Hai Guo Zhi
4. COSLSeeker
5. Perro Negro 12 (Gulf Driller IV)
6. Perro Negro 13 (Jap Driller 1)
7. Oriental Dragon
8. Zhaoshanghailong 2 (2023)
9. Tiao Zhan Zhe (2023)
10. Zhaoshanghailong 5
11. Ramhan
12. Yas

India to Middle East

1. Hyman (Deep Driller 8)
2. Harvey H. Ward

Southeast Asia to Middle East

1. Aquamarine Driller
2. Adm 506 (West Leda)
3. Adm 505 (West Cressida)
4. Adm 692 (Valaris 114)
5. Adm 690 (Valaris 113)
6. Adm 689 (Deep Driller 5)
7. Adm 687 (Deep Driller 4)
8. COSLBoss
9. Adm 691 (ex-Convincer)
10. Adm 683 (ex-Fecon 1)
11. Arabia I (ex-Heimdal)
12. Arabia II (ex-Hermod)
13. Admarine 684 (ex-Fecon 2)
14. Arabdrill 120 (ex-Fecon 3)
15. Arabdrill 110 (ex-Clearwater JU Tbn4)
16. Tivar,
17. Huldra
18. Heidrun
19. Perisai 101 (Adm 695)
20. Gyme
21. COSLPower

Creating Significant Vacuum in other Markets

Source: S&P Global Commodity Insights

Tight Jack-up Market Conditions Providing for Elevated Day Rates

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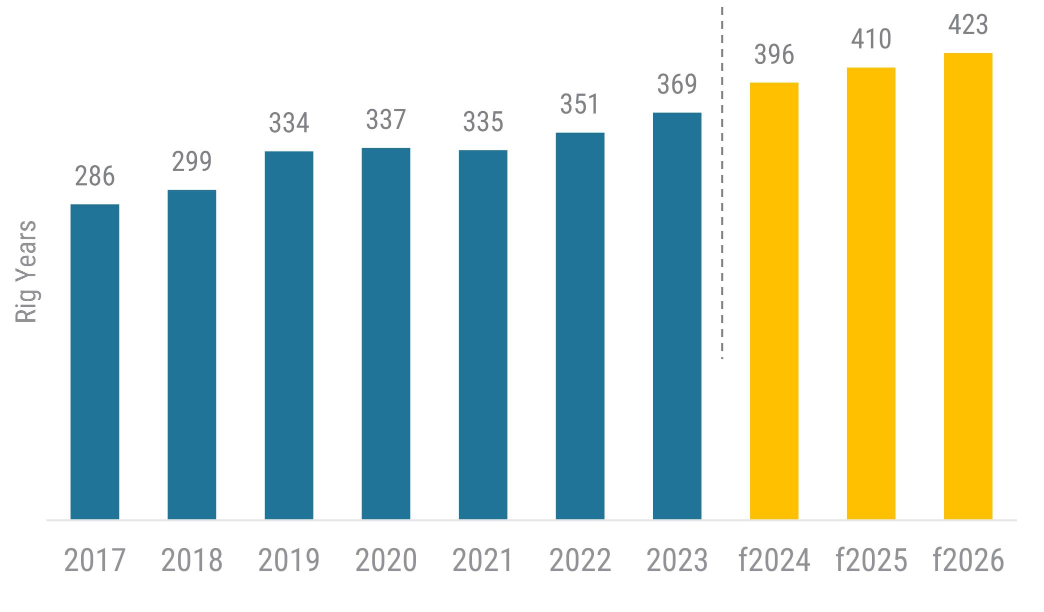
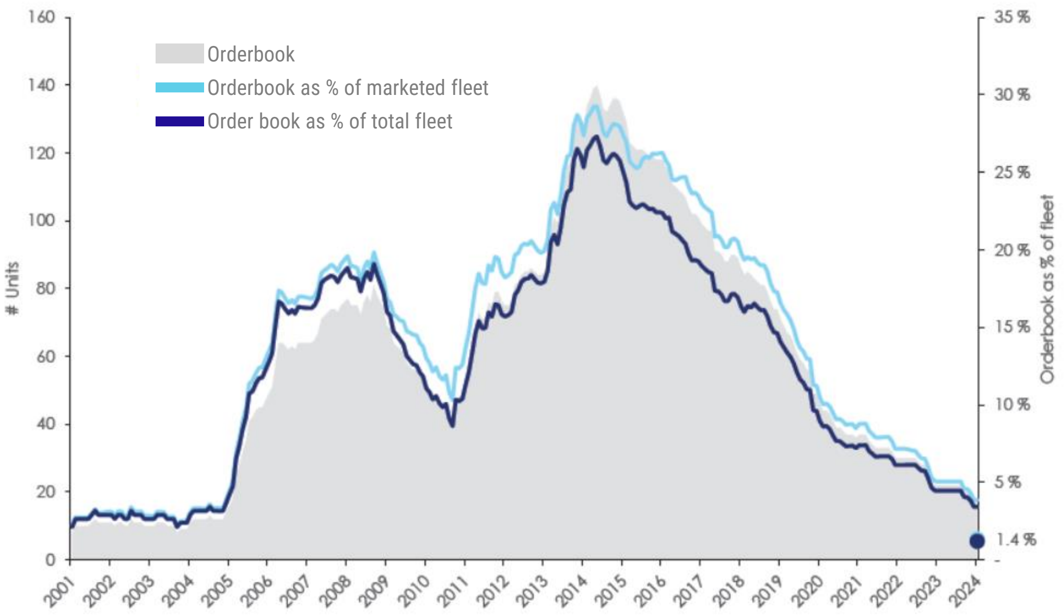
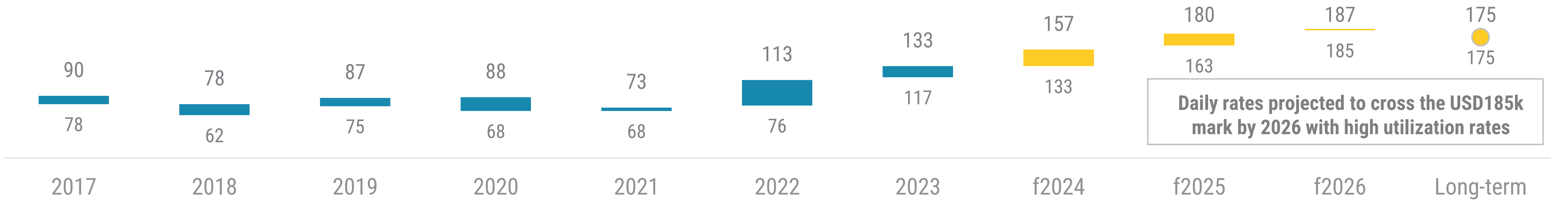
Jack-up demand growing conservatively with 10-14 rigs annually through 2026*



Jack-up orderbook showing only a small handful of orders (2001 – 2024YTD)*



Historical and projected yearly ranges for jack-up rates (global averages, USD '000)



Source: Clarksons Securities Research

Business Update

Operational Highlights

98.0%
in FY 2023
(vs.98% FY 2022)
Utilization Rate[1]

27.54 SAR bn
as at FY 2023
(vs. SAR 27.39 bn in FY 2022)
Total Backlog

c.5.35 Years
Weighted Average Remaining Contract Tenor[2]
Tenor

0.09
in FY 2023
(vs. IADC standard of 0.51)
RIFR

14 rigs out of the 19-rig mega tender in Saudi Arabia were operational as of year-end 2023, and currently all 19 rigs have been deployed. Full revenue contribution from the mega tender to reflect on company financials in 2024

The onshore segment saw contributions in FY 2023 from four rigs in Kuwait out of six awarded contracts - currently all six rigs have been deployed – as well as contribution from two rigs operating in Algeria.

In India, two of the three-rigs award were deployed and commenced operations during 4Q 2023

[1] The effective utilization is calculated based on the number of operating days for rigs excluding idle, non-contracted rigs.
[2] Represents the remaining contract tenor for our backlog, weighted by backlog value of each contract.

Financial Highlights

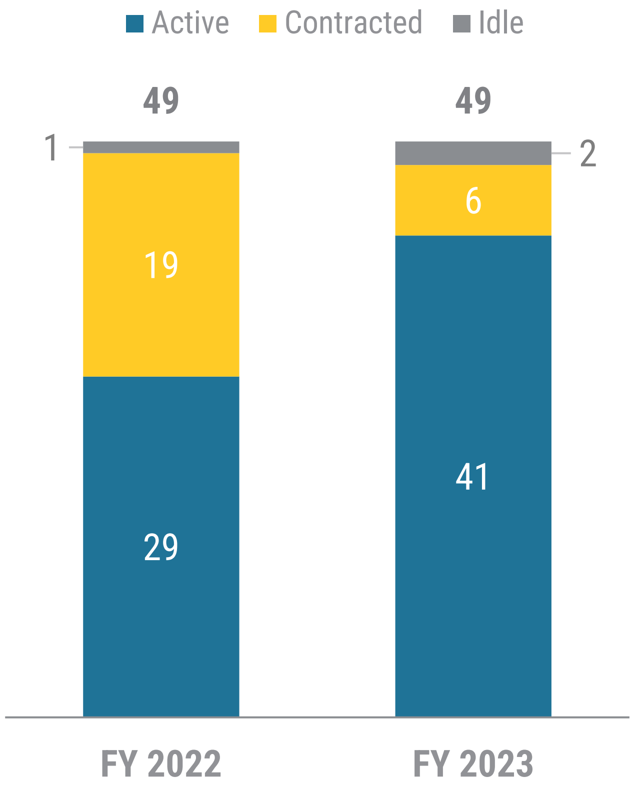
SARmn, % YoY	FY 2022	FY 2023	
Revenue	2,467	4,332	+ 75.6%
EBITDA	1,049	2,139	+ 104%
As a % of Revenue	*42.5%*	*49.4%*	*+ 6.9pp*
Net Profit	398	452	+13.7%
As a % of Revenue	*16.1%*	*10.4%*	*- 5.7pp*
Normalized Net Profit[1]	257	473	+ 84.2%
As a % of Revenue	*10.4%*	*10.9%*	*+ 0.5pp*

Source: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements).
[1] Calculated as the reported net profit after deducting the bargain purchase gain and adding back the Provision for impairment of trade receivables, Provision for impairment of inventories, Provision for impairment of Investment, other provisions and IPO expenses

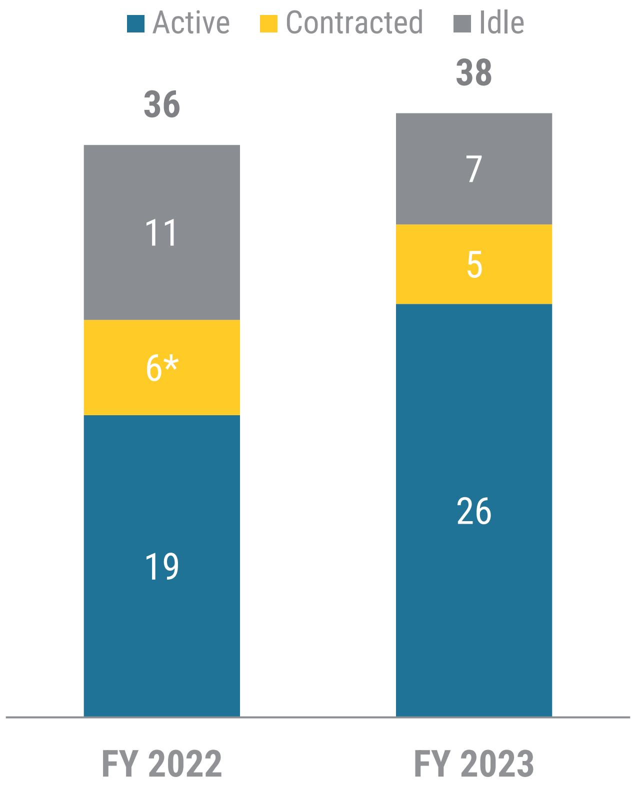
Evolution of Rigs by Status and Geography

Rig Count Evolution

Offshore Rigs by Status (# of rigs)



Onshore Rigs by Status (# of rigs)



Total Rigs by Country

Country	FY 2023	
	Offshore	Onshore
Algeria	-	6
Egypt	10	3
India	3	-
KSA	33	14
Kuwait	-	14
Qatar	3	-
Tunisia	-	1
Total Rigs	**49**	**38**

Source: ADES information.

- *Excludes the two new built contracted rigs that would be deployed in Kuwait before yearend, as part of the recent 6 contracts award in the country;

Strong Backlog Providing Revenue and Cash Flow Visibility

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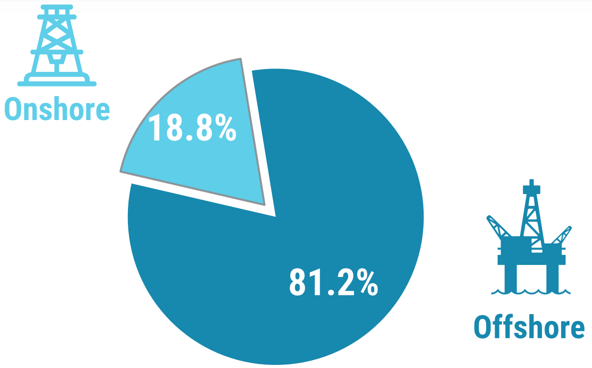
Significant Share from Offshore and GCC countries with Long-Term Contracts

SAR 27.54bn

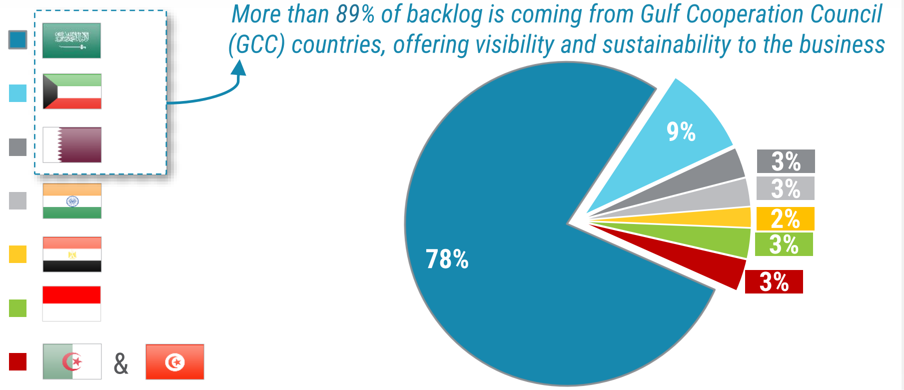
Backlog[1]
(December 2023)

Backlog by Segment

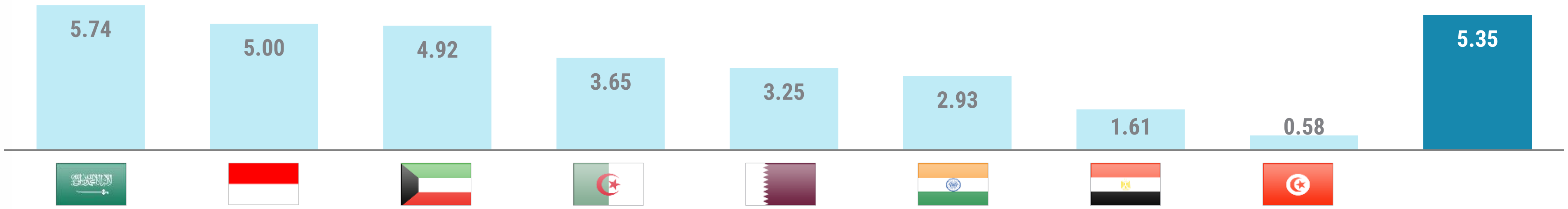


Backlog by Country

More than 89% of backlog is coming from Gulf Cooperation Council (GCC) countries, offering visibility and sustainability to the business



Weighted Average Remaining Contract Maturity (Years)



Source: ADES information.

During FY 2023, we were able to further grow the net backlog by SAR 152 mn due to contract renewals at higher daily rates and new contracts, despite the revenue burn-rate of SAR 4.3 bn during the year. This translates to total backlog additions during the year of SAR 4.48 bn.

ADES Expands Global Footprint with its First Long-term Contract in Indonesia and Solidifies its Presence in Algeria and Egypt

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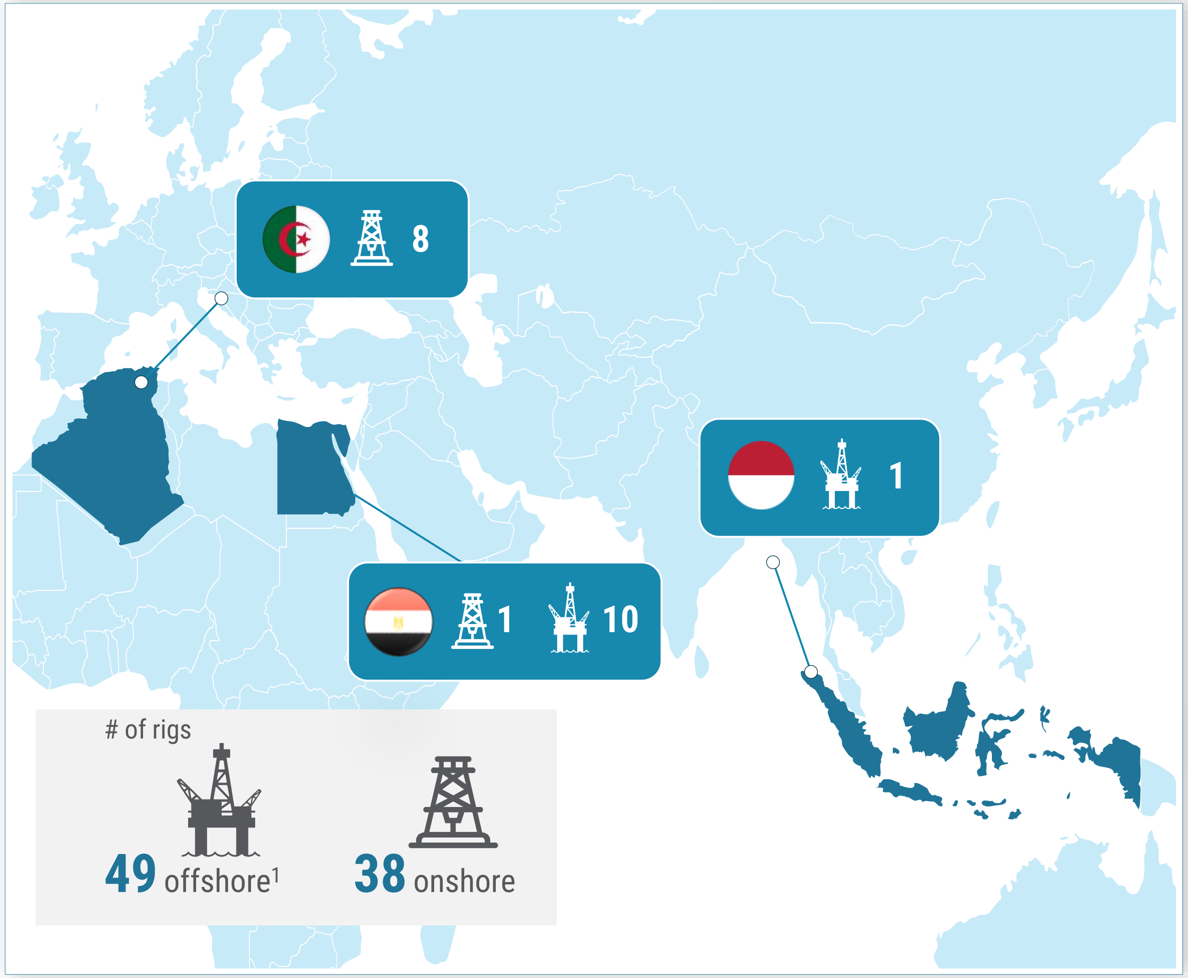
Delivering on Expansion Strategy - Operational in 8 Countries Worldwide



Key Highlights of the Recent Contract Awards

Indonesia	1 rig Start of operations 2H 2024	3 Years firm with 2-year option	~SAR 803 mn Backlog	PERTAMINA DRILLING
Algeria	2 rigs Start of operations 2H 2024	5 Years contract	~SAR 296 mn Backlog	سوناطراك sonatrach
Egypt	3 rigs	1-2 Years Extensions	~SAR 451 mn Backlog[2]	THE GENERAL PETROLEUM CO.

[1] Including 46 jack-up drilling rigs; [2] Backlog from this award is not included in FY 2023 figures, as this was awarded in 1Q 2024

Committed to Operational Excellence & Sustainability

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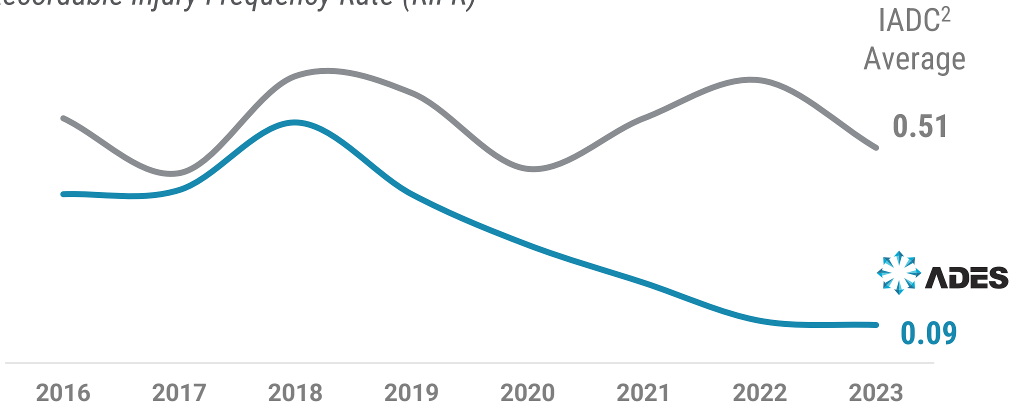
Best-in-Class Safety Record Supported by Continued Innovation

Recordable Injury Frequency Rate (RIFR)[1]

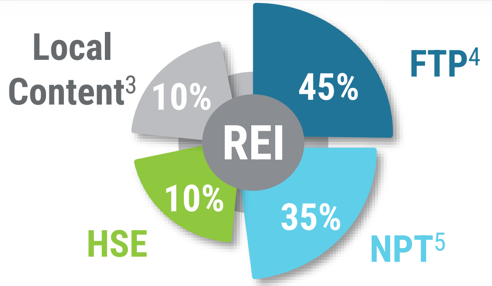


- Ongoing identification, prioritization and control of risks
- RIG EYE proprietary technology for incident prediction

The REI Drives Levels of Activity and Renewals with Aramco

aramco

Rig Efficiency Index ("REI") Composition



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REI Performance

90 / 100

Average REI Score[6]

Selected ESG Initiatives

Rig Engine Emission Reduction
Measurement of engine parameters & corrective actions

Energy Consumption optimization
Hybrid power with battery storage installed on land rigs

Main Sponsor for Al Nas Hospital
Funding one of the largest children's hospitals in Africa

Elevated Quality & Safety Standards
Internationally certified quality, safety and occupational health management

Source: ADES information. Note: Data as of December 31 unless otherwise indicated. [1] Recordable Injury Frequency Rate per 200,000 working hours. [2] International Association of Drilling Contractors. [3] Local Content is defined as "Saudization", measured as # of employees who are Saudi nationals divided by total workforce. [4] Flat Time Performance. [5] Non-productive Time. [6] Score related to the 3 years ended 31 December 2023..

Financial Update

Strong Ramp-up of Activity Leading to Significant Outperformance

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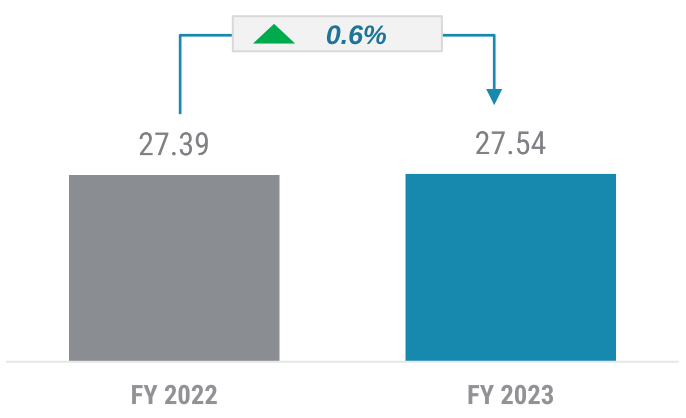
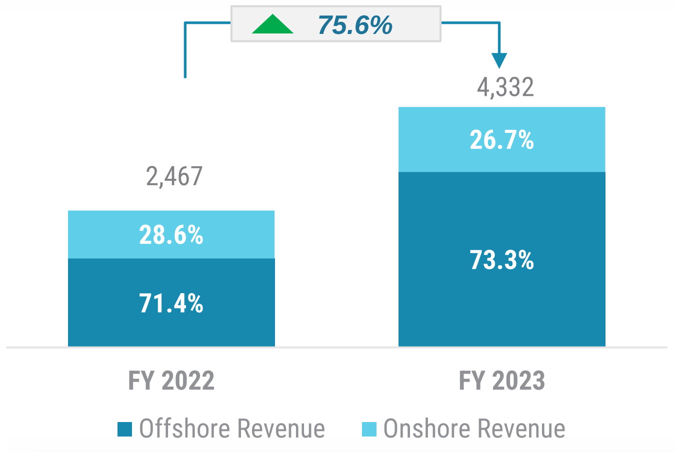
Backlog (SAR bn)



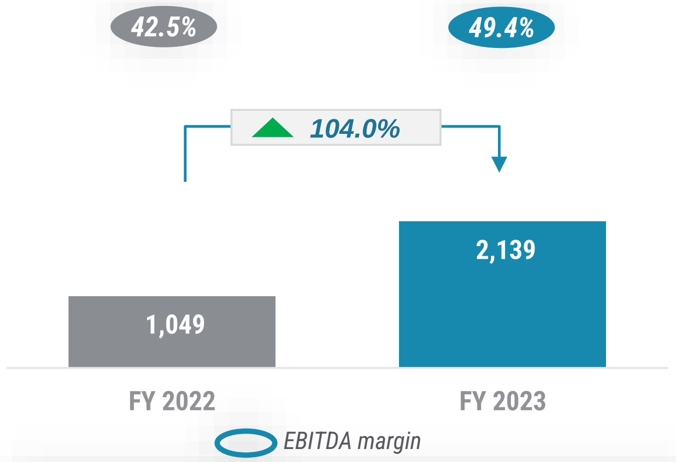
- Backlog grew by SAR 152 mn despite revenue burn-rate of SAR 4.3 bn in FY2023, implying total backlog additions during the year of SAR 4.48 bn mainly due to the positive impacts from:
  - Extension/daily rate increase for two rigs in KSA;
  - Daily rate increase for most rigs in Egypt as well as the addition of a new contract;
  - The addition of two new contracts in India, six contracts in Algeria and one contract in Indonesia;
  - Mobilization impact for the ongoing rigs deployment plan

Revenue (SAR mn)



- Strong revenue growth of 75.6% y-o-y (+ c.SAR 1.86 bn) in FY 2023 driven by :
  - The Group's latest acquisition in KSA, completed in 4Q 2022 and added four operational rigs to the company's portfolio;
  - The deployment of 14 rigs out of the 19 contracts of the Aramco Mega Project, a substantial increase compared to the two rigs contributing during FY 2022 and;
  - Full-year revenue contribution from the three rigs acquired in Qatar, in contrast to their c.7 -month contribution in the previous fiscal year.
  - Higher utilization rates in KSA and Egypt, coupled with elevated effective daily rates;
  - The onshore segment benefited from the addition of six rigs from newly awarded contracts in Kuwait and Algeria.

EBITDA (SAR mn)

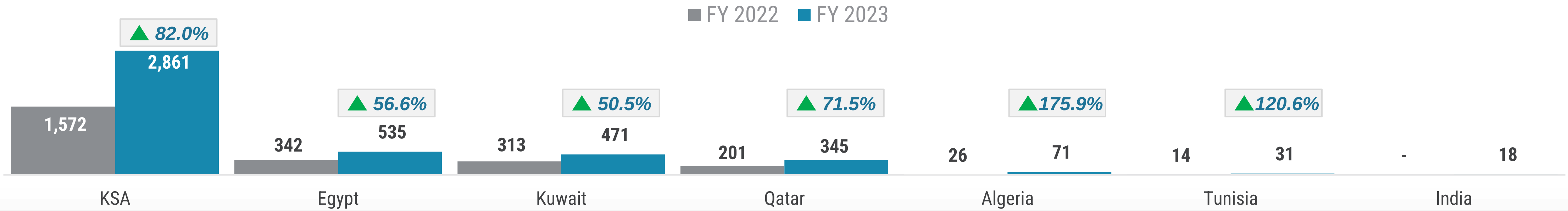


- EBITDA recorded a significant increase of 104% y-o-y in FY 2023, primarily driven by:
  - Impact of the recent KSA acquisition (4Q 2022) and the operations of 14 of the 19 additional contracts won in the KSA;
  - Full-year revenue contribution from the three rigs acquired in Qatar;
  - Higher effective daily rates (mainly for the offshore segment in KSA and Egypt);
- EBITDA margin improvement from 42.5% in FY 2022 to 49.4% in FY 2023 reflecting the Group's lean cost structure and higher contribution from offshore segment.

Source: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements).

Growth Achieved Across Geographies

Revenue Evolution by Country (SAR mn)



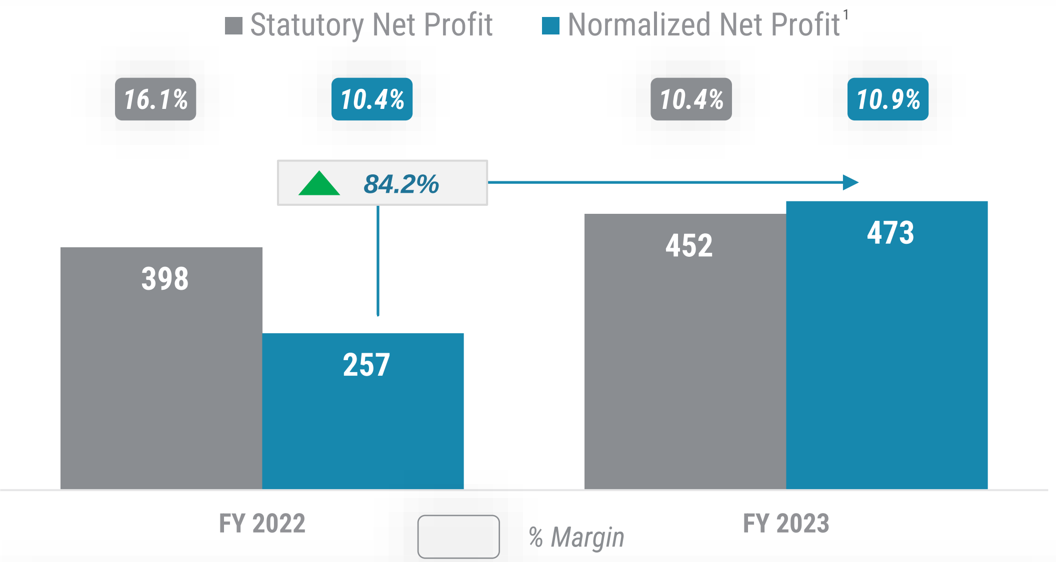
Group revenues increased 75.6% y-o-y in FY 2023 on account of:

- **KSA**
  - The 82% rise in revenue largely attributable to the Group's latest acquisition in KSA, which was completed in the fourth quarter of 2022 and added four operational rigs to the company's portfolio; the partial contribution from 14 out of the 19-rig mega project with Aramco that gradually commenced operation during 2023 and; higher daily rates and improved utilization of the Group's existing active fleet in KSA.
- **Egypt**
  - Revenue increased by 56.6%, mainly driven by higher effective daily rates and utilization
- **Kuwait**
  - Revenue growth of 50.5% driven by the commencement of operations of four rigs as part of a newly awarded six-rig contract
- **Qatar**
  - Revenue growth of 71.5% y-o-y which reflects the full-year contribution of the new geography versus only seven months in FY 2022. ADES officially entered the Qatari market in May 2022.
- **Algeria**
  - Significant revenue growth y-o-y reflecting contributions from two new rigs in Algeria along with higher utilization rates.
- **Tunisia**
  - Notable revenue growth of 120.6% in FY 2023, primarily due to improved utilization rates.
- **India**
  - Revenue of SAR 17.9 mn in FY 2023 reflecting the contribution of two rigs that started operations at the end of 4Q23 (out of a total of three rigs newly contracted).

Source: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements).

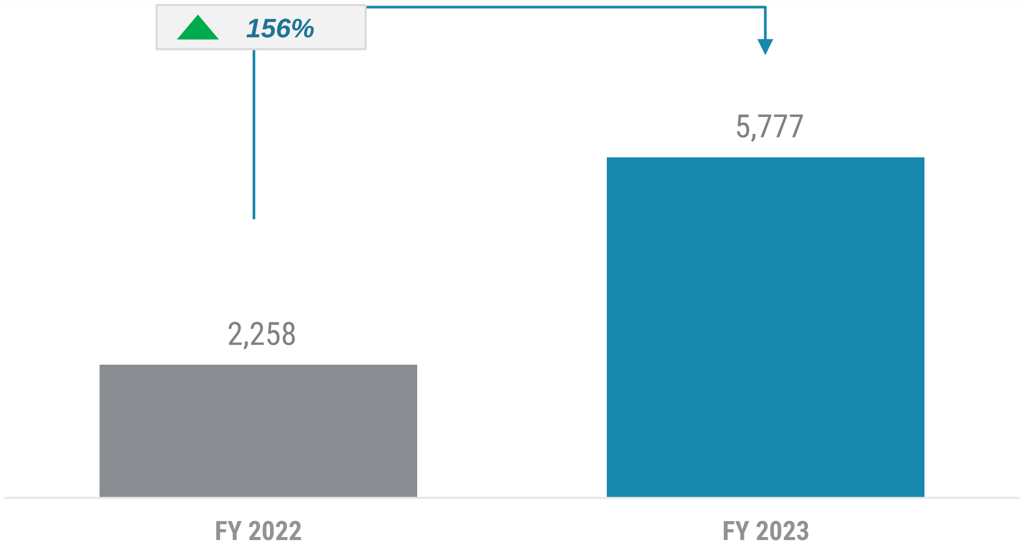
Net Profitability and Equity Movements

Net Profit (SAR mn)



- Net profit was up 13.7% y-o-y in FY 2023, reflecting a high base effect on account of the net impact of non-recurring expenses and non-cash income recognized during FY 2022 of SAR 140.7 mn, mainly related to the non-cash bargain gain recognized on the Group's acquisitions during FY 2022.
- Normalized net profit was up 84.2% in FY 2023 driven by the significant growth in revenue and EBITDA margin enhancements. This was partly offset by interest expenses incurred on the back of the refurbishment projects that will normalize in 2024 after all rigs under project have been deployed.
- It's worth noting that the 84.2% y-o-y growth in normalized net profit in FY 2023 is after excluding the aforementioned net impact of non-recuring expenses and non-cash income in FY 2022, as well as SAR 21.0 mn in non-recurring IPO expenses and provisions booked in FY 2023.

Group Equity (SAR mn)

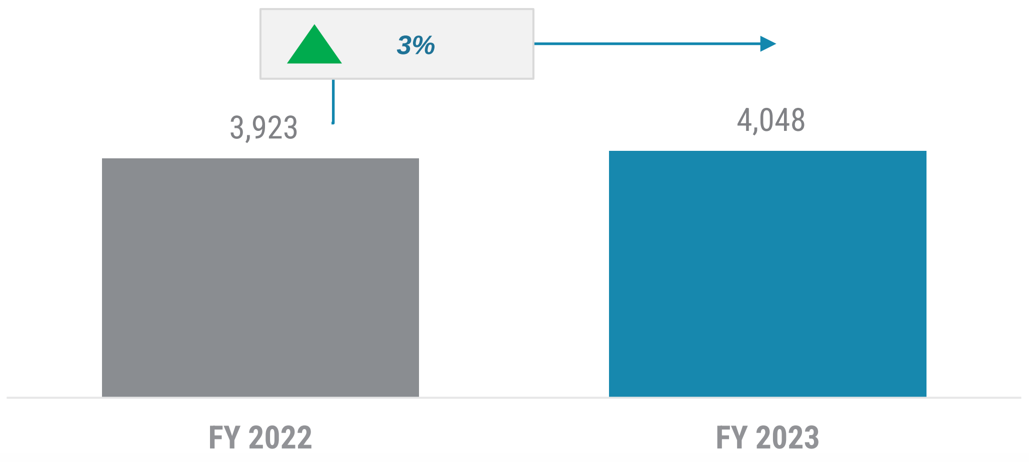


- Group equity increased by 156% y-o-y in FY 2023, mainly driven by the increased capital and share premium resulting from the IPO, as well as the additional net profit contribution of SAR 452 million during the year.
- Other reserves movements and treasury shares also contributed to the change in equity.

Source: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements). 1 Calculated as the reported net profit after deducting the bargain purchase gain and adding back the Provision for impairment of trade receivables, Provision for impairment of inventories, Provision for impairment of Investment, Other provisions and IPO expenses.

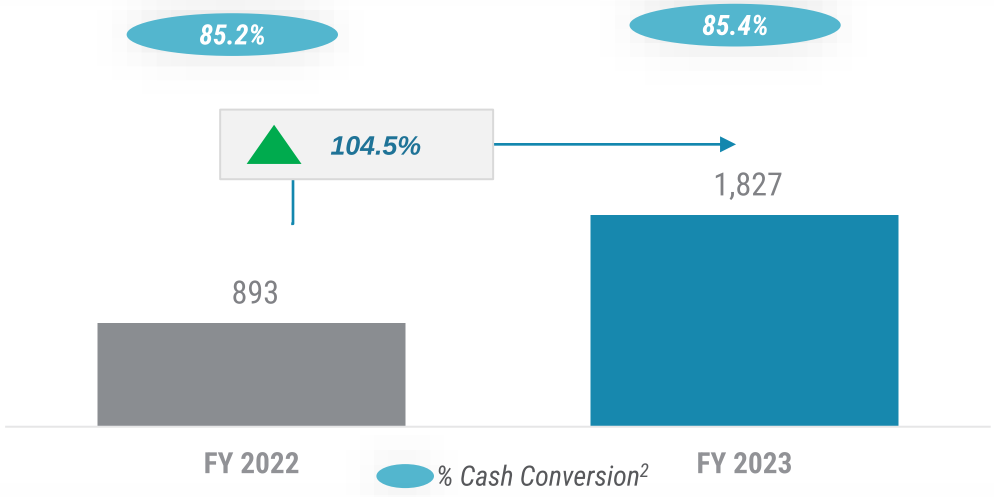
Strong Cash Flow Conversion

Capex (SAR mn)



- The Group's CAPEX increased in line with management's expansion and acquisitions strategy, as well as overall fleet maintenance costs
- Out of the SAR 4,048mn, the recurring maintenance CAPEX was SAR 312 mn related to 68 operating rigs during FY2023, compared to SAR 155 mn recurring maintenance CAPEX out of a total of SAR 3,923 mn related to 48 operating rigs during FY 2022.

Free Cash Flow[1] (SAR mn)

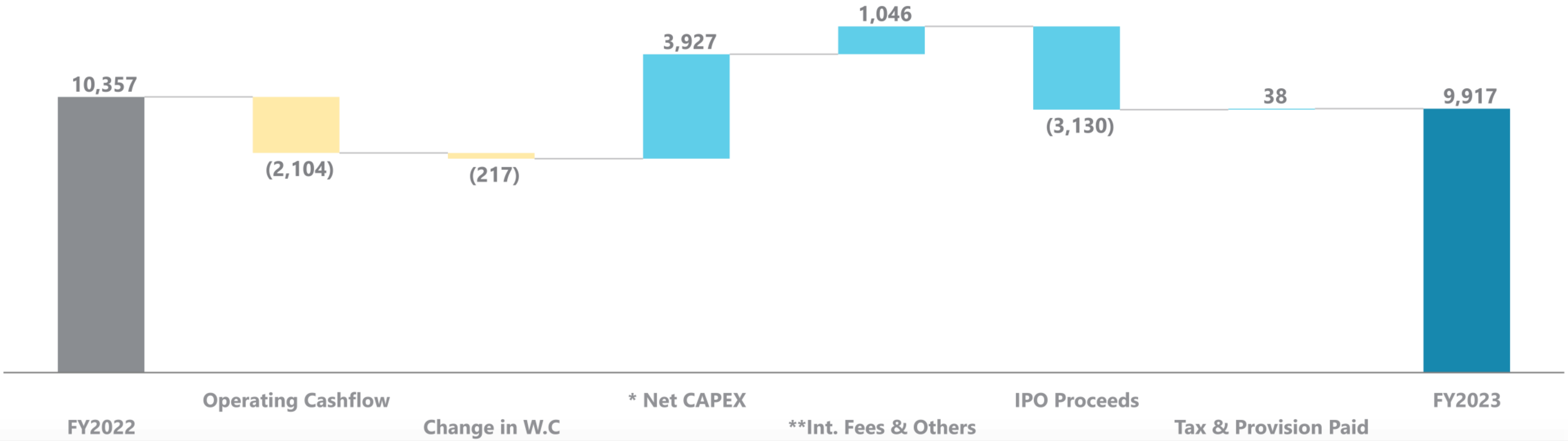


- The Group's free cashflow increased by 104.5% y-o-y mainly due to the growth in EBITDA by over 104%.
- Additionally, ADES has enhanced its working capital management abilities and continued developing its refurbishment and maintenance efficiency initiatives (including in-house capabilities), translating into healthy cash conversion rates all while scaling operations.

Source: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements). [1] Calculated as EBITDA minus maintenance capex; maintenance capex excludes acquisitions and related refurbishment as well as other refurbishment projects [2] Cash Conversion is computed as Free Cash Flow divided by EBITDA

Net Debt Evolution

FY 2023 Net Debt Bridge[1] (SAR mn)

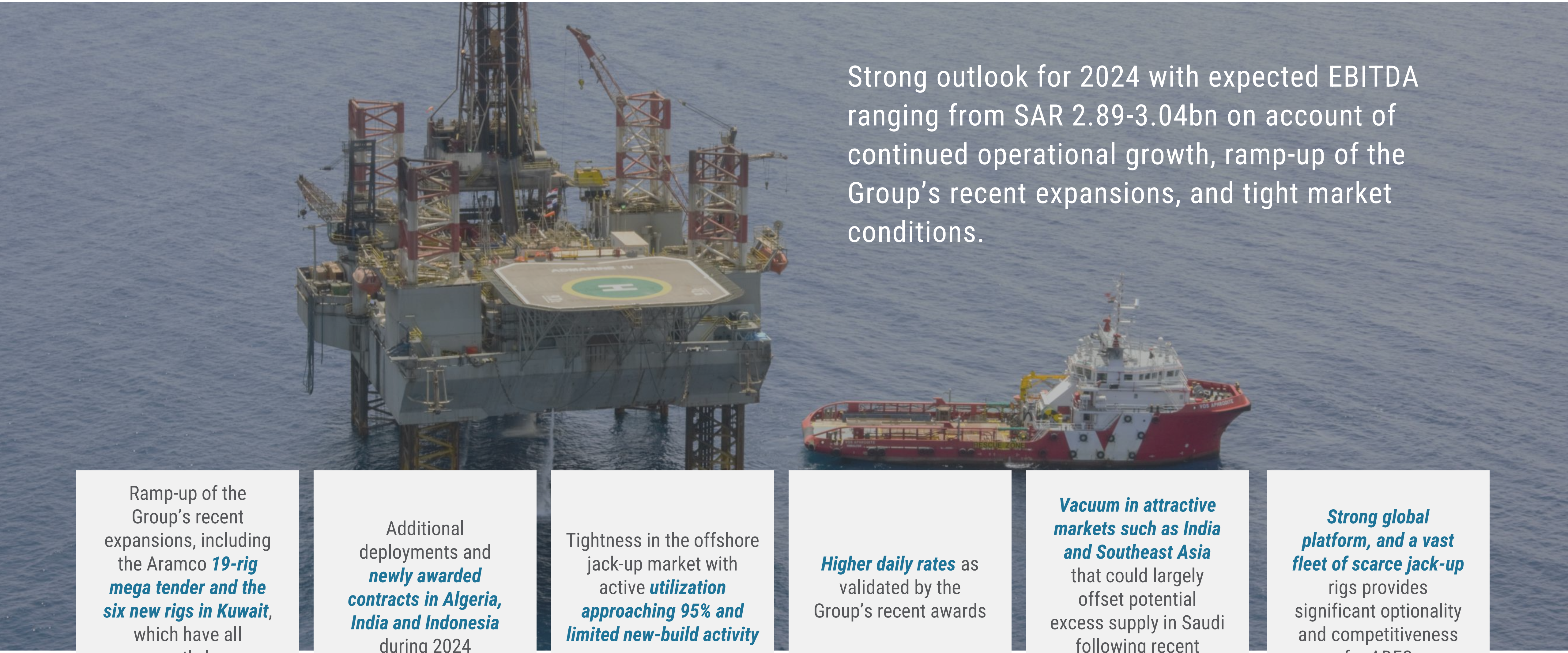


- The balance of cash and cash equivalents as of 31 December 2023 amounted to SAR 432 mn.
- Out of the net IPO proceeds received as of 31 December 2023, SAR 3.1bn (c. 85%) was utilized in reducing the Group's indebtedness, while the remaining c.15% was utilized to fund ongoing capital projects, in line with the IPO use of proceeds plan announced to the market in the prospectus.
- Debt repayment using the IPO proceeds applied towards the un-hedged portion from our outstanding debt. As of 31 Dec 2023, c. 60% from outstanding debt are currently hedged against interest rate risk.

[1]Net debt equals Interest-bearing loans and borrowings, less cash excluding lease liability. *Net CAPEX including purchase consideration receivable of SAR 122M related to Seadrill acquisition.
**The total amount of SAR 1,046mn includes SAR 870mn for interest expense paid, and the remaining amount of SAR 176mn related to lease obligation and other fees.

Source: ADES information (all FY 2022 comparative figures in this presentation are sourced from the audited special purpose consolidated financial statements).

2024 Outlook and Guidance



Strong outlook for 2024 with expected EBITDA ranging from SAR 2.89-3.04bn on account of continued operational growth, ramp-up of the Group's recent expansions, and tight market conditions.

- Ramp-up of the Group's recent expansions, including the Aramco ***19-rig mega tender and the six new rigs in Kuwait***, which have all currently been deployed
- Additional deployments and ***newly awarded contracts in Algeria, India and Indonesia*** during 2024
- Tightness in the offshore jack-up market with active ***utilization approaching 95% and limited new-build activity***
- ***Higher daily rates*** as validated by the Group's recent awards
- ***Vacuum in attractive markets such as India and Southeast Asia*** that could largely offset potential excess supply in Saudi following recent developments
- ***Strong global platform, and a vast fleet of scarce jack-up*** rigs provides significant optionality and competitiveness for ADES

Q&A

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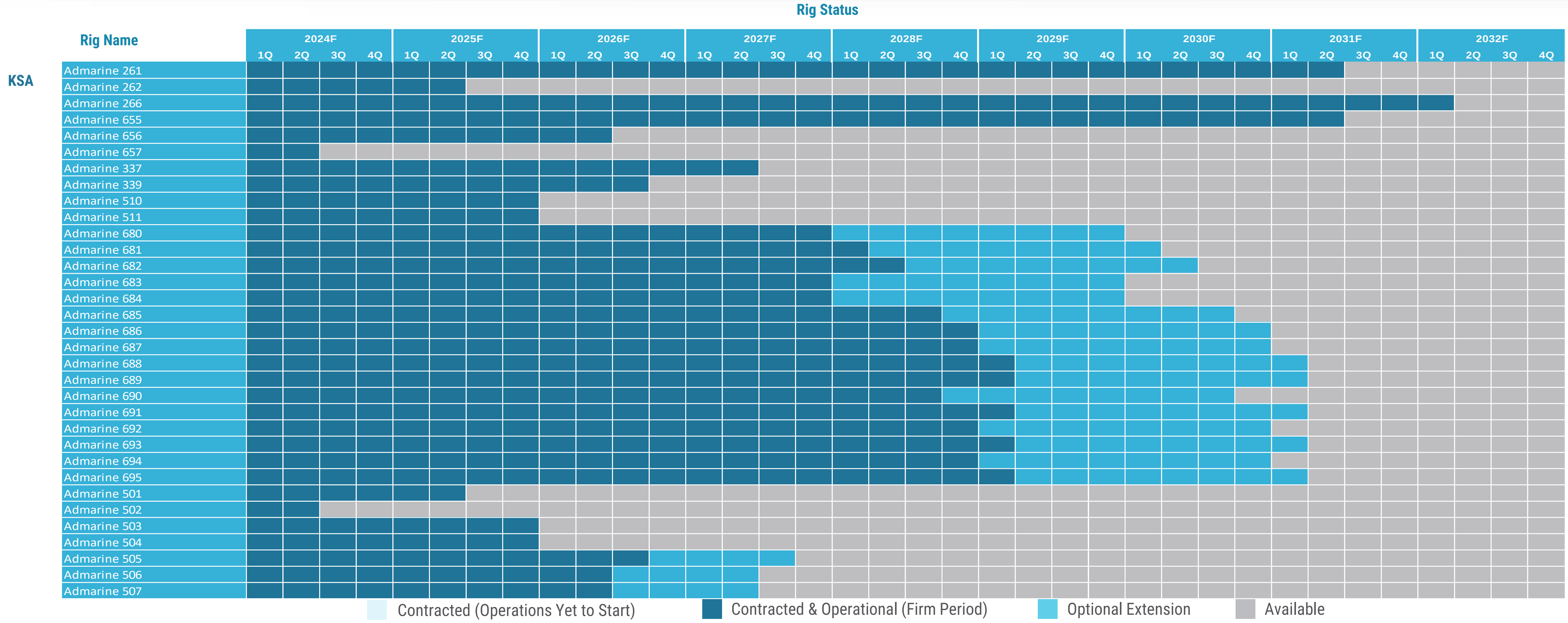
Appendix

Fleet Status – Offshore (1/2)

Backlog Overview by Rig



Source: ADES information. Note: Data as of 31 December 2023.

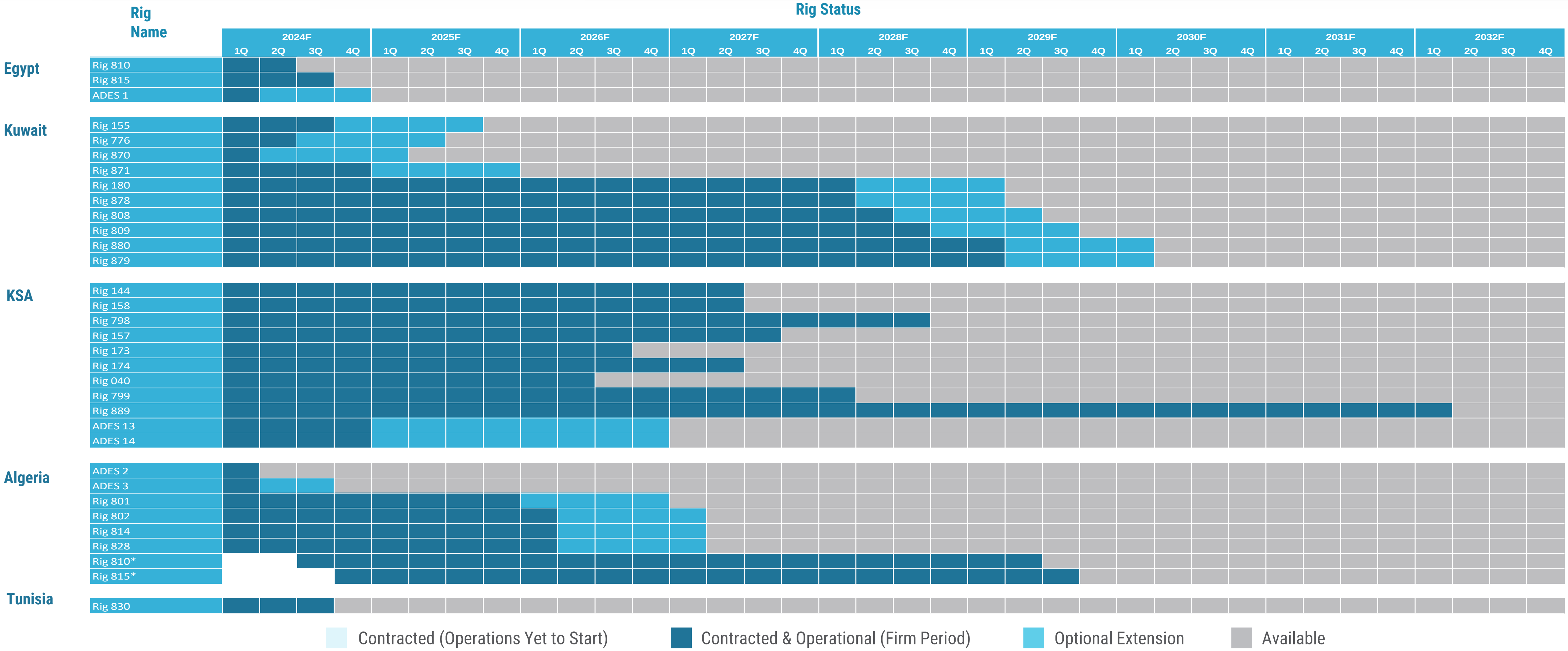
Fleet Status – Offshore (2/2)

Backlog Overview by Rig

Source: ADES information. Note: Data as of 31 December 2023.
*Emerald Driller Rig will be moved from Qatar to start operations in Indonesia in Q2'24

Fleet Status – Onshore

Backlog Overview by Rig



Source: ADES information. Note: Data as of 31 December 2023.

* Regarding the two rigs 810 and 815 they will be moved from Egypt to start operations in Algeria in Q3'24 and Q4'24 Respectively