

This is a non-certified translation of the original Arabic version of the Prospectus. This English version is provided for convenience only and does not constitute a legal document. Subscribers should only rely on the Arabic version of the Prospectus. In the case of any discrepancies or omissions, the Arabic version of the Prospectus shall prevail.

## OFFER TO SUBSCRIBE FOR SHARES IN A PUBLIC SUBSCRIPTION IN THE UAE ONLY

### Prospectus for the Public Offering of Shares in ADNOC Drilling Company PJSC (the "Company")



Dated: [●]

*(Incorporated in the United Arab Emirates as a Public Joint Stock Company)*

The sale of [●] of the ordinary shares with a nominal value of AED [●] each (representing [●]% of the total issued shares in the Company) (the "Offer Shares") in a public subscription in the United Arab Emirates (the "UAE"). The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to applicable laws and the approval of the SCA. The offer price will be determined based on the offer price range, which will be announced in a listing announcement that will be published on the same day of opening of the Offer Period on **15 September 2021** (the "Offer Price Range"). The Offer Shares will be duly and validly issued as at the date of listing (the "Listing") of the Offer Shares on the Abu Dhabi Securities Exchange (the "ADX").

**The final offer price (the "Final Offer Price") and the final offering size (the "Final Offer Size") will be announced after the closing of the subscription. Please refer to the section on the Final Offer Price in the first section of this Prospectus which sets out a description of how the Final Offer Price will be calculated.**

Except in the UAE, no action has been taken or will be taken in any jurisdiction that would permit a public subscription of the Offer Shares pursuant to this Prospectus or the possession, circulation or distribution of this Prospectus. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offering material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any jurisdiction except in compliance with any applicable rules and regulations of any such jurisdiction.

#### Offer Period

**The offer period for the First Tranche, the Second Tranche and the Third Tranche (as described in this Prospectus) starts on 15 September 2021 and is expected to close on 26 September 2021<sup>1</sup> for the First and Third Tranches and on 27 September 2021 for the Second Tranche.**

This is the initial public offering ("Offering"), including the offer to the Emirates Investment Authority ("EIA"), of [●] [the figure in words] Offer Shares in the capital of the Company, a public

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<sup>1</sup> The Subscription Period for the retail tranche shall remain open for a period of 10 days including Saturdays for the acceptance of applications.

joint stock company ("PJSC") incorporated in the UAE, which are being offered for sale by the Selling Shareholder (as defined in this Prospectus) of [●] ([●]) shares offered for subscription by the Company in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers.

If all of the Offer Shares are subscribed for and allocated, the Offer Shares will represent [●] % of the total issued ordinary shares in the capital of the Company (the "Shares"). The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and the approval of the SCA. Prior to this Offering, the Shares have not been listed in any financial market and there has been no public market for the Shares. Following the closing of the Offer Periods in respect of the First Tranche, the Second Tranche, and the Third Tranche, the Company will apply to list its Shares on the Abu Dhabi Securities Exchange.

Date of the Securities and Commodities Authority's approval of this Prospectus: \_\_/\_\_/\_\_21

This Prospectus contains data that has been submitted in accordance with the rules for issuance and disclosure issued by the Securities and Commodities Authority ("SCA") in the United Arab Emirates and this Prospectus has been approved by SCA on \_\_/\_\_/\_\_21 under number (\_\_\_\_). However, SCA's approval of the prospectus does not constitute an endorsement of the feasibility of investment nor a recommendation to subscribe to the shares; the approval only means that this Prospectus contains the minimum information required in accordance with the applicable rules issued by SCA with respect to prospectuses. SCA is not considered responsible for the accuracy, completeness or adequacy of the information contained in this Prospectus and SCA does not bear any responsibility for any damages or losses incurred by any person as a result of relying on this Prospectus or any part of it. The members of the company's board of directors, jointly and severally, bear full responsibility regarding the validity of the information and data contained in this prospectus, and they confirm, to the extent of their knowledge and belief, and subject to due diligence and after conducting reasonable studies, that there are no other facts or material information, which were not included in this Prospectus that renders any statement contained therein misleading to the subscribers or influencing their decision to invest.

#### **Method of sale of the Offer Shares in a public subscription:**

The Offer Shares represent [●] [the figure in words] Shares which will be sold by the Selling Shareholder and offered for subscription by the Company in a public offering whereby the Final Offer Price will be determined through the application of a book building process, where a subscription orders ledger will be created through the subscription orders made only by the Second Tranche Subscribers. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.

In creating the subscription orders ledger, the Offer Shares subscribed by the Second Tranche Subscribers will constitute all of the Offer Shares used in calculating the Final Offer Price of each Offer Share. In order for the subscription to succeed, the subscription percentage of the Second Tranche Subscribers must not be less than 60%, and the subscription percentage of First Tranche and Third Tranche Subscribers must not be no more than 40%, of the Offer Shares.

If the First Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the Second Tranche. If the Third Tranche is not subscribed to in full, the remaining Offer Shares will be allocated to the First Tranche. The Receiving Banks commit to refund the oversubscription amounts received from the First Tranche and the Third Tranche Subscribers for the Offering and any accrued interest on such amounts from one day after the subscription closing until one day prior to the refund to the Subscribers of the First Tranche and the Third Tranche, provided that the refund is made within five working days from the date on which all allocations of Offer Shares to all tranches are determined.

The Founders may not, whether directly or indirectly or through any of their subsidiaries, subscribe for any of the Offer Shares.

### **Book Building Mechanism**

Book building is a mechanism, pursuant to which the price is set prior the issuance of the shares or prior to the offering.

The book building process comprises these steps:

1. The issuing company hires one or more investment banks to act as underwriters who are tasked with assisting the issuing company in determining the price range at which the security can be sold and with drafting a Prospectus to send out to the investors.
2. The appointed investment banks invite certain qualified investors, normally, but not restricted to, large-scale sophisticated buyers and fund managers, to submit bids on the number of shares that they are interested in buying and the prices that they would be willing to pay for such shares, and recording the qualified investors' opinions in the register specifically for recording the subscription orders for the shares offered.
3. The book is 'built' by listing and evaluating the aggregated demand for the issue from the submitted bids. The underwriters analyze the information and, based on that analysis, determine with the issuing company and its selling shareholder, the final price for the shares, which is termed the final offer price.
4. Shares for submitted bids pertaining to the Second Tranche, are then allocated among the accepted bidders, at the discretion of the issuing company and its selling shareholder.

A list of further definitions and abbreviations is provided in the *"Definitions and Abbreviations"* Section of this Prospectus.

### **Tranche Structure**

#### **A. *First Tranche***

The First Tranche offer will be made pursuant to this Prospectus, 8% (eight per cent) of the Offer Shares, representing [●] ([figure in words]) Shares, are allocated to the First Tranche. The First Tranche is restricted to the following persons:

- ***Individual Subscribers***

Natural persons (including Qualified High Net Worth Individual Subscribers who do not participate in the Second Tranche or Third Tranche) who have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act 1933, as amended (the "**US Securities Act**"). There are no other citizenship or residence requirement to qualify as an Individual Subscriber.

Minors are permitted to apply for Offer Shares in accordance with the procedures applied by the Receiving Banks and the laws in force in this regard.

- ***Other investors***

Other investors (companies and establishments) who do not participate in the Second Tranche or Third Tranche, that have a bank account (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended).

All First Tranche Subscribers must hold a NIN with the ADX.

If all of the Offer Shares in the First Tranche are not fully subscribed, the unsubscribed Offer Shares will be available to Second Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may (i)

extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche and/or (ii) close the Offering at the level of applications received.

The Selling Shareholder reserves the right to increase the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.

The minimum application size for subscribers in this Tranche is AED 5,000 with any additional application in increments of AED 1,000.

There is no maximum application size for subscribers in this Tranche.

## **B. *Second Tranche***

The Second Tranche offer will be made pursuant to the Second Tranche Document, 90% (ninety per cent) of the Offer Shares, representing [●][figure in words] Shares, are allocated to the Second Tranche, which is restricted to the following persons:

### **Qualified Investors**

#### First: Qualified Institutional Subscribers

Juridical persons capable of making investments on their own, and who satisfy any of the following conditions:

- (i) the federal government of the UAE and governments of each Emirate in the UAE, governmental corporations and authorities and companies wholly owned by any of them; or
- (ii) foreign governments, and their organizations, corporations and authorities, or entities wholly owned by them; or
- (iii) international organizations and entities; or
- (iv) bodies licensed by SCA or similar regulatory bodies; or
- (v) legal persons who, as of the date of their last financial statements, satisfy at least two of the following requirements:
  - a. total assets are valued at AED 75,000,000 (seventy-five million dirham);
  - b. net annual revenues of AED 150,000,000 (one hundred fifty million dirhams);
  - c. have net worth or paid-up capital with a minimum of AED 7,000,000 (seven million dirhams),

and who, in each case, have been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer (“**QIB**”), as defined in Rule 144A under the US Securities Act (“**Rule 144A**”) and to whom an offer can be made in accordance with Rule 144A, (b) a person outside the United States to whom an offer can be made in reliance on Regulation S (c) a person in the Abu Dhabi International Financial Center (“**DIFC**”) to whom an offer can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA’s Rulebook, or (d) a person in the Abu Dhabi Global Market (“**ADGM**”) to whom an offer can be made pursuant to an exemption from registration under the FSMR Regulations Markets Rules and made only to persons who meet the Professional Client criteria set out in the FSRA Conduct of Business Rulebook.

Second: Natural persons who have been approved by the Company and the Selling Shareholder in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited), and who are certified by the SCA or a similar regulatory authority to conduct any tasks associated with financial activities or services.

Third: Natural persons who have been approved by the Company and the Selling Shareholder in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited), and who fulfil the following conditions:

1. have a net worth, excluding his or her principal residence, amounting to at least AED 4,000,000 (four million dirhams);
2. have an annual income of not less than AED 1,000,000 (one million dirhams); and
3. undertakes that he has the sufficient knowledge and experience in the field of the relevant investment and its risks, or that he is represented by an entity licensed by SCA in a manner that does not contravene the terms of its licensing.

All Second Tranche Subscribers must hold an NIN with the ADX.

If all of the Offer Shares in the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

The minimum application size for the subscribers in the Second Tranche is AED 1,000,000.

There is no maximum application size for subscribers in the Second Tranche.

**C. *Third Tranche***

The Third Tranche offer will be made pursuant to this Prospectus, 2% (two per cent) of the Offer Shares, representing [●][figure in words] Shares are allocated to the Third Tranche, which is restricted to the following persons:

***ADNOC Group Companies Employees and UAE National Retirees***

Natural persons (including Qualified High Net Worth Individual Subscribers (as described under the Second Tranche)), who have a bank account and do not participate in the First Tranche and who are;

- Employees of the ADNOC Group Companies (except for any person who is resident in the United States within the meaning of the US Securities Act, as amended); or
- Retired employees of the ADNOC Group Companies who are UAE nationals (“**UAE National Retirees**”)(except for any person who is resident in the United States within the meaning of the US Securities Act, as amended). Other than retired employees of the ADNOC Group Companies being UAE nationals and non-US residents, there are no other citizenship or residence requirements.

If all of the Offer Shares in the Third Tranche are not fully subscribed for, the unsubscribed Offer Shares will be available to the First Tranche Subscribers, or alternatively (in consultation with the SCA) the Selling Shareholder may (i) extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche and/or (ii) close the Offering at the level of applications received.

The Selling Shareholder reserves the right to increase the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the

Second Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate. All Third Tranche Subscribers must hold a NIN with the ADX.

The minimum application size for subscribers in this Tranche is AED 5,000 with any additional application in increments of AED 1,000.

There is no maximum application size for subscribers in this Tranche.

**D. EIA**

A number of Offer Shares, representing 5% of all Offer Shares, are reserved for the Emirates Investment Authority, in accordance with the requirements of article 127 of Federal Law No. 2 for the year 2015 with regard to commercial companies, and its amendments (the “**Companies Law**”). Offer Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares then those Offer Shares will be available to other Second Tranche Subscribers.

Every Subscriber must hold a NIN with ADX and a bank account number in order to be eligible to apply for Offer Shares. Subscribers may apply for Offer Shares in only one Tranche. In the event a person applies in more than one Tranche, the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The approval of the Authority has been obtained for publication of the Prospectus for the sale of the Offer Shares in a public subscription in the UAE (outside the ADGM and the DIFC). The Shares have not been registered with any other regulatory authority in any other jurisdiction.

The publication of the Arabic version of this Prospectus has been approved by the Authority in accordance with the provisions of the Companies Law.

A copy of the offering document for the Second Tranche (in English only), referred to as the “**Second Tranche Document**”, which was not sighted or endorsed by the Authority, will be available at [https://www. \[the Company's website\]](https://www.[the Company's website]). No information contained in, or referred to in, the Second Tranche Document, forms part of, or is incorporated into, this Prospectus.

In accordance with Article 121 of the Companies Law each of the Offer Participants (as defined below) shall be liable for its participation in the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

**Investment in the Offer Shares involves a high degree of risk. Prospective Subscribers should carefully read the “Investment Risks” section of this Prospectus to inform themselves about factors that should be considered before investing in the Offer Shares.**

This Prospectus was issued on [●]

This Prospectus is available on the website of the Company at [https://www. \[●\]/](https://www.[●]/)

## **Name and Contact Details of the Offer Participants**

### ***Joint Lead Managers***

<b>Emirates NBD Capital PSC</b> 1 <sup>st</sup> Floor, Emirates NBD Head Office Building, Baniyas Road, Deira P.O. Box: 2336, Dubai, United Arab Emirates	<b>First Abu Dhabi Bank PJSC,</b> FAB Building, Khalifa Business Park, Al Qurum District P.O. Box 6316, Abu Dhabi, United Arab Emirates	<b>HSBC Bank Middle East Limited</b> HSBC Tower, Level 17, Downtown Dubai P.O. Box 66, Dubai United Arab Emirates
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### ***Lead Receiving Bank***

**First Abu Dhabi Bank PJSC,**  
FAB Building, Khalifa Business Park, Al Qurum District  
P.O. Box 6316, Abu Dhabi, United Arab Emirates

### ***Receiving Banks***

<b>Abu Dhabi Commercial Bank PJSC</b> Sheikh Zayed Bin Sultan Street P.O. Box 939 Abu Dhabi, United Arab Emirates	<b>Abu Dhabi Islamic Bank PJSC</b> Shaikh Rashid bin Saeed Street P.O. Box 313 Abu Dhabi, United Arab Emirates	<b>Emirates NBD Bank PJSC</b> Emirates NBD Headquarters, Baniyas Road, Deira P.O. Box: 777 Dubai, United Arab Emirates
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### ***IPO Subscription Legal Counsel***

<b>Legal advisor to the Company as to UAE, English and US law</b> <b>Shearman &amp; Sterling LLP</b> Etihad Towers, Office Building No. 3, 21st Floor El Corniche Street P.O. Box 2948 Abu Dhabi, United Arab Emirates	<b>Legal advisor to the Company as to UAE law</b> <b>IBRAHIM &amp; PARTNERS</b> Al Sila Tower, Floor 24 ADGM Square, Phone number: +(971) 2694 8668 E-mail address: info@inp.legal PO Box 5100746, Abu Dhabi, UAE
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**Legal advisor to the Joint  
Bookrunners as to UAE and English  
law**

**Clifford Chance LLP**  
Level 15, Burj Daman, Al Sa'ada St,  
Dubai International Financial Centre,  
Dubai, United Arab Emirates

**Legal advisor to the Joint  
Bookrunners as to US law**

**Clifford Chance LLP**  
1 rue d'Astorg, CS 60058,  
75477 Paris Cedex 08  
France

***Auditors to the Company***

**For the year ended 31 December 2020 and  
six-month period ended 30 June 2021**

**Deloitte & Touche (M.E.)**  
11 Floor, Al Sila Tower, ADGM Square  
P.O. Box 990  
Abu Dhabi, United Arab Emirates

**For the year ended 31 December 2019 (with  
comparative financial information as at and  
for the year ended 31 December 2018)**

**PricewaterhouseCoopers (Abu Dhabi  
Branch)**  
Al Khatem Tower, Level 25, Al Maryah  
Island  
Abu Dhabi Global Market, P.O. Box 45263  
Abu Dhabi, United Arab Emirates

***IPO Subscription Auditor***

**Ernst & Young Middle East (Abu Dhabi Branch)**

26th Floor, Nation Tower 2, Corniche  
P.O. Box 136  
Tel.: +971 2417 4400  
E-mail address: raed.ahmad@ae.ey.com  
Abu Dhabi, United Arab Emirates

***Investor Relations Officer***

**Catherine L. Zych**

VP, Investor Relations

Tel.: +971 2 698 3499

E-mail address: czych@adnoc.ae  
Abu Dhabi, United Arab Emirates

This Prospectus is dated [●].



## IMPORTANT NOTICE

(To be carefully read by all Subscribers)

- This Prospectus is intended to provide potential Subscribers with information to assist in deciding whether or not to apply for Offer Shares. Potential Subscribers should read this document in its entirety, and carefully review, examine and consider all data and information contained in it, before deciding whether or not to apply for Offer Shares (and, in particular, Section 11 (“**Investment Risks**”)), as well as the Memorandum of Association and Articles of Association of the Company, when considering making an investment in the Company.
- In making an investment decision, each potential Subscriber must rely on its own examination, analysis and enquiry of the Company and the terms of the Offer, including the merits and risks involved and obtain any necessary advice from his or her legal and financial advisors regarding the investment. An investment in Offer Shares entails considerable risks. Potential Subscribers should not apply for Offer Shares unless they are able to bear the loss of some or all of that investment.
- Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering the subscription in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering whether or not to apply for Offer Shares under the First Tranche and the Third Tranche. Recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus.
- The contents of this Prospectus should not be construed as legal, financial or tax advice.
- The information contained in this Prospectus shall not be subject to revision or addition without securing the approval of the Authority and informing the public of such revision or addition by publication in two daily newspapers in accordance with the rules issued by the Authority. The Selling Shareholder reserves the right to cancel the Offering at any time and at their sole discretion with the prior written approval of the Authority.
- The Offer Shares are being offered under this Prospectus for the purpose of subscription in the UAE only. This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the Offer Shares or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, Offer Shares by any person in any jurisdiction outside of the UAE (including the ADGM and the DIFC).
- This document is not being published or distributed, and must not be forwarded or transmitted, in or into or to any jurisdiction outside the UAE (including the ADGM and the DIFC). The Offer Shares have not been registered with any regulatory authority in any jurisdiction other than the Authority.
- If the Offer Shares are offered in another jurisdiction, the Company shall offer the Offer Shares in a manner that is compliant with the applicable laws and rules and acceptable to the relevant authorities in the relevant jurisdiction.
- This Prospectus is not intended to constitute a financial promotion, offer, sale or delivery of shares or other securities under the ADGM Financial Services Regulatory Authority (“**FSRA**”) Markets Rules or the DIFC Markets Law or under the DIFC Markets Rules.
- The Offer has not been approved or licensed by the FSRA or DFSA, and does not constitute an offer of securities in the ADGM in accordance with the FSRA Markets

Rules or in the DIFC in accordance with the DIFC Markets Law or the DIFC Markets Rules.

- The publication of this Prospectus has been approved by the Authority. The Authority's approval of the publication of this Prospectus shall neither be deemed as an endorsement or approval of the subscription feasibility nor a recommendation of investment, but it means only that the minimum requirements according to the issuance rules and information disclosure applicable to the Prospectus and issued by the Authority have been met. The Authority and the ADX shall not be held liable for the accuracy, completeness or sufficiency of the information contained in this Prospectus, nor shall they be held liable for any damage or loss suffered by any person due to reliance upon this Prospectus or any part thereof.

**This Prospectus was approved on [●].**

## PRESENTATION OF FINANCIAL AND OTHER INFORMATION

### Historical financial information

The Company's audited financial statements as of and for the years ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018) and 31 December 2020 and the reviewed interim financial statement for the six months ended 30 June 2021 (the "**Company's Financial Statements**") have been included in this Prospectus. The financial information for the six months ended 30 June 2020 has been extracted from comparative information of the Company's reviewed interim financial statements as of and for the six months ended 30 June 2021. The financial information as at and for the year ended 31 December 2018 is extracted from the unaudited comparative financial information for the year 2018 in the reissued financial statements for the year ended 31 December 2019. The Audited Financial Statements have been prepared in accordance with the requirements of International Financial Reporting Standards ("**IFRS**") as issued by the International Accounting Standards Board. The Unaudited Interim Financial Statements have been prepared in accordance with the requirements of International Accounting Standard 34, 'Interim Financial Reporting'. The Financial Statements for the year ended 31 December 2019 have been reissued as described in Note 2 and Note 27 of the Financial Statements for that year (See paragraph 7: Independent auditors under the Fifth Section).

Definitions of certain financial measures that are not defined or recognized under IFRS, or any generally acceptable accounting principles, including EBITDA and net debt ("**Non-IFRS measures**"), along with an explanation of their relevance and the reconciliations to the most directly comparable measures calculated and presented in accordance with IFRS are disclosed in the "Financial Disclosures" section. These non-IFRS measures are derived from the financial information included in the Company's Financial Statements.

### Currency presentation

Unless otherwise indicated, all references in this document to:

- "UAE dirham" or "AED" are to the lawful currency of the United Arab Emirates; and
- "US dollar" or "USD" are to the lawful currency of the United States of America.

The value of UAE dirhams has been pegged to US dollar at a rate of AED 3.6725 per USD 1 since 1997. All AED/USD conversions in this Prospectus have been calculated at this rate. Starting from the year 2020, our accounts are presented in USD. Our accounts in the preceding years were presented in AED.

### Rounding

Certain data in this document, including financial, statistical, and operating information, has been rounded. As a result of the rounding, the totals of data presented in this document may vary slightly from the actual arithmetic totals of such data. Percentages in tables have been rounded and accordingly may not add up to 100%.

## FORWARD-LOOKING STATEMENTS

This document includes forward-looking statements. The forward-looking statements contained in this document speak only as of the date of this document. These forward-looking statements involve known and unknown risks and uncertainties, many of which are beyond the control of the Company and all of which are based on current beliefs and expectations about future events. Forward-looking statements are sometimes identified by the use of forward-looking terminology such as “believe”, “expects”, “may”, “will”, “could”, “should”, “shall”, “risk”, “intends”, “estimates”, “aims”, “plans”, “predicts”, “continues”, “assumes”, “positioned” or “anticipates” or the negative thereof, other variations thereon or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this document and include statements regarding intentions, beliefs and current expectations concerning, among other things, results of operations, financial condition, liquidity, prospects, growth, strategies, and dividend policy and the industry in which the Company operates.

These forward-looking statements and other statements contained in this Prospectus regarding matters that are not historical facts as of the date of this Prospectus involve predictions. No assurance can be given that such future results will be achieved. There is no obligation or undertaking to update these forward-looking statements contained in this document to reflect any change in their expectations or any change in events, conditions, or circumstances on which such statements are based unless required to do so: (i) as a result of an important change with respect to a material point in this Prospectus; or (ii) by the applicable laws of the UAE. Actual events or results may differ materially as a result of risks and uncertainties that the Company faces. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed, or implied in such forward-looking statements. Please refer to Section 11 (“**Investment Risks**”) for further information.

## IMPORTANT INFORMATION

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

Recipients of this Prospectus are authorized solely to use this Prospectus for the purpose of considering making an investment in the Offer Shares, and may not reproduce or distribute this Prospectus, in whole or in part, and may not use any information herein for any purpose other than considering an investment in the Offer Shares. Such recipients of this Prospectus agree to the foregoing by accepting delivery of this Prospectus. Prior to making any decision as to whether to invest in the Offer Shares, prospective Subscribers should read this Prospectus in its entirety (and, in particular, the section headed "Investment Risks") as well as the Memorandum of Association and Articles of Association of the Company. In making an investment decision, each Subscriber must rely on their own examination, analysis and enquiry of the Company and the terms of the Offering, including the merits and risks involved.

No person is authorized to give any information or to make any representation or warranty in connection with the Offer or Offer Shares which is not contained in this Prospectus and, if given or made, such information or representations must not be relied on as having been so authorized by the Company, the Selling Shareholder, or the other Offer Participants. By applying for Offer Shares, a Subscriber acknowledges that (i) they have relied only on the information in this Prospectus and (ii) no other information has been authorized by the Company, the Selling Shareholder, any other Offer Participant, or any other of the Company's advisors (the "**Advisors**").

No person or Advisor, except the Joint Lead Managers and the Receiving Banks, as set out in pages [7-8], are participating in, receiving subscription funds from, or managing, the public offering of the Offer Shares in the UAE. Neither HSBC Bank Middle East Limited nor any of its respective affiliates is responsible for participating in, marketing or managing any aspect of the Offering to natural persons (including Qualified High Net Worth Individual Subscribers).

Neither the content of the Company's website or any other website, nor the content of any website accessible from hyperlinks on any of such websites, forms part of, or is incorporated into, this Prospectus, and neither the Company, the Selling Shareholder, any other Offer Participant, nor the Advisors bears or accepts any responsibility for the contents of such websites.

None of the Company or the Selling Shareholder accepts any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other media regarding the Company, the Offer or the Offer Shares. None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors makes any representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

None of the Company, the Selling Shareholder, the Offer Participants, the Joint Lead Managers, the Joint Bookrunners, or the Advisors warrant or guarantee the future performance of the Company, or any return on any investment made pursuant to this Prospectus.

Statements contained in this Prospectus are made as at the date of this Prospectus unless some prior time is specified in relation to them and the publication of this Prospectus (or any action taken pursuant to it) must not be interpreted as giving rise to any implication that there has been no change in the condition, facts or affairs of the Company since such date.

This Prospectus may be subject to revision, with the prior written approval of the Authority. Any revision will become effective only after it has been announced in two daily newspapers

circulating in the UAE. The Selling Shareholder reserves the right, with the prior approval of the Authority, to withdraw the Prospectus and cancel the Offer at any time and in their sole discretion. Neither the delivery of this Prospectus nor any sale made under it may, under any circumstances, be taken to imply that there has been no change in the affairs of the Company since the date of this document or that the information in it is correct as of any subsequent time.

First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited and Emirates NBD Capital PSC have been appointed as joint lead managers (the “**Joint Lead Managers**”) and will manage the issuance, marketing and promotion of the Offer Shares and coordinate with the Company, the Authority and the other Offering participants with regard to the offering of the Offer Shares in the UAE. First Abu Dhabi Bank PJSC have also been appointed as lead receiving bank (the “**Lead Receiving Bank**”) and, in its capacity as such, is responsible for receiving the subscription amounts set out in this Prospectus in accordance with the rules and laws applicable in and within the UAE under the First Tranche and the Second Tranche.

Each of the Offer Participants shall be liable for its participation in the Offering process, including the Selling Shareholder and the Board members, with regard to the validity of the information contained in this Prospectus within the limits of the scope of work and expertise of each Offer Participant.

HSBC Bank Middle East Limited is not participating in receiving the subscription funds or bookrunnings or otherwise participating in, or managing, any aspect of the Offering to natural persons (including Qualified High Net Worth Individual Subscribers).

The Joint Lead Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this document) as a client to any of the Offer Participants in relation to the Offer. Whereas each Offer Participant shall be liable, including the Selling Shareholder and the Board members, with regard to the completeness and accuracy of the information contained in this Prospectus, within the limits of the scope of work and expertise of each Offer Participant. The Joint Lead Managers, the Joint Bookrunners, and the Offer Participants may have engaged (directly or through their respective affiliates) in transactions with, and provided various investment banking, financial advisory and other services for, the Company and the Selling Shareholder for which they would have received customary fees. Any previous transactions between the Joint Lead Managers and the Offer Participants and the Company do not constitute any conflict of interest between them.

The board members of the Company whose names are set out in this Prospectus assume joint and several responsibility for the completeness, accuracy and verification of the contents of this Prospectus. They declare that, they have carried out appropriate due diligence investigations, that the information contained in this Prospectus is, at the date hereof, factually accurate, complete and correct and that there is no omission of any information that would make any statement in this Prospectus materially misleading.

This Prospectus contains data submitted according to the issuance and disclosure rules issued by the Authority.

In making an investment decision, each potential Subscriber must rely on its own examination and analysis having reviewed the information contained in the Prospectus (in its entirety) that has been provided by the Selling Shareholder and the Board members of the Company whose names are set out in this Prospectus.

No action has been taken or will be taken in any jurisdiction other than the UAE that would permit a public subscription or sale of the Offer Shares or the possession, circulation or distribution of this Prospectus, or any other material relating to the Company or the Offer Shares, in any country or jurisdiction where action for that purpose is required. Offer Shares may not be offered or sold, directly or indirectly, nor may this Prospectus or any other offer material or advertisement or other document or information in connection with the Offer Shares be distributed or published, in or from any country or jurisdiction except in compliance with any applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes must inform themselves of and observe all such restrictions.

None of the Company, the Selling Shareholder, any of the Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors accepts any responsibility for any violation of any such restrictions on the sale, offer to sell or solicitation to purchase Offer Shares by any person, whether or not a prospective purchaser of Offer Shares in any jurisdiction outside the UAE (including the ADGM and the DIFC), and whether such offer or solicitation was made orally or in writing, including electronic mail. None of the Company, the Selling Shareholder, the other Offer Participants, the Joint Lead Managers, the Joint Bookrunners or the Advisors (or their respective representatives) makes any representation to any potential Subscriber regarding the legality of applying for Offer Shares by such potential Subscriber under the laws applicable to such potential Subscriber.

[Apart from the responsibilities and liabilities, if any, which may be imposed on any of the Joint Lead Managers and the Joint Bookrunners under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Joint Lead Managers and the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accepts any responsibility whether arising in tort, contract or otherwise for, or makes any representation or warranty, express or implied, as to the accuracy, completeness or verification of the contents of this document or for any other statement made or purported to be made by it, or on its behalf, in connection with the Company, the Offer Shares or the Offering and nothing in this Prospectus should be relied upon as a promise or representation in this respect, whether or not to the past or future. Each of the Joint Lead Managers and the Joint Bookrunners and their respective subsidiary undertakings and affiliates and their (or their subsidiary undertakings' or affiliates') respective directors, officers, employees or agents accordingly disclaims all and any responsibility or liability, whether arising in tort, contract or otherwise (save as referred to above), which it might otherwise have in respect of this Prospectus or any such statement or the public offering of the Offer Shares in the UAE generally.]

This Prospectus was approved by SCA on \_\_\_/\_\_\_/\_\_\_2021.

## Definitions and Abbreviations

<i>ADNOC</i>	Abu Dhabi National Oil Company.
<i>ADNOC Offshore</i>	The ADNOC division responsible for the development, production, and delivery of oil and gas resources from offshore fields in Abu Dhabi.
<i>ADNOC Onshore</i>	The ADNOC division responsible for development, production, and delivery of oil and gas resources from onshore fields in Abu Dhabi.
<i>ADNOC Sour Gas</i>	ADNOC Sour Petroleum Company LLC, a limited liability company with license number CN-4008583.
<i>ADGM</i>	Abu Dhabi Global Market
<i>ADNOC Group Companies</i>	ADNOC and the group of companies owned by ADNOC.
<i>ADNOC Group Companies Employees</i>	The relevant individuals employed by any of the ADNOC Group Companies.
<i>ADX</i>	Abu Dhabi Securities Exchange in the UAE.
<i>AED or UAE Dirham</i>	The lawful currency of the United Arab Emirates.
<i>Articles of Association</i>	The articles of association of the Company.
<i>Audited Financial Statements</i>	The Company's audited consolidated financial statements as of and for the years ended 31 December 2019 and 2020
<i>Authority</i>	The Securities and Commodities Authority of the United Arab Emirates.
<i>Baker Hughes</i>	Baker Hughes Holding SPV LTD, a private company limited by shares incorporated in Abu Dhabi in accordance with the rules of the ADGM.
<i>Board</i>	The board of directors of the Company.
<i>Closing Date</i>	26 September 2021 for the First Tranche and the Third Tranche and 27 September 2021 for the Second Tranche.
<i>Companies Law</i>	The Federal Law No. 2 of 2015 Concerning Commercial Companies as amended.
<i>Company</i>	<b>ADNOC Drilling Company PJSC</b> (a public joint stock company in Abu Dhabi pursuant to the applicable laws of the UAE.
<i>DFSA</i>	Dubai Financial Services Authority
<i>DIFC</i>	Dubai International Financial Centre
<i>Directors</i>	The Executive Directors and the Non-Executive Directors
<i>EBITDA</i>	Earnings before interest, tax, depreciation and amortization.



<i>EIA</i>	Emirates Investment Authority
<i>Electronic Applications</i>	Applications via online internet / mobile banking and ATMS as provided by the Receiving Banks to the Subscribers of the First Tranche and the Third Tranche.
<i>Executive Directors</i>	The executive Directors of the Company.
<i>Expression of Interest (EOI)</i>	The platform for registering interest in the Offering by ADNOC Group Companies Employees and UAE National Retirees in order to be eligible for allotment in the Third Tranche.
<i>Final Offer Price</i>	<p>The offer price at which all the Subscribers in the First Tranche, the Second Tranche and the Third Tranche will purchase each Offer Share will be at the Final Offer Price.</p> <p>The Final Offer Price of each Offer Share will be determined following a bookbuild process for the Second Tranche and following consultation between the Joint Lead Managers, the Selling Shareholder and the Company. The shares of the Second Tranche Subscribers must represent all of the Offer Shares used to calculate the Final Offer Price of each Offer Share.</p> <p>Following closing of the Second Tranche, the Company will publish an announcement setting out the Final Offer Price (the “<b>Offer Price Announcement</b>”), which will be published in two Arabic local daily newspapers and one English newspaper in the UAE and on the website <a href="https://www.[]/">https://www. []/</a>.</p>
<i>Final Offer Size</i>	The final number of the Offer Shares that will be offered for sale by the Selling Shareholder and which will be determined following closing of the Second Tranche.
<i>Financial Statements</i>	The audited financial statements of the Company which are listed in Annex 1 as at and for the years ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018) and 31 December 2020 and the reviewed interim financial statements as of and for the six months ended 30 June 2021. The financial statements for the year ended 31 December 2019 have been reissued as described in Note 2 and Note 27 of the Financial Statements for that year.
<i>Financial year</i>	The financial year of the Company will start on 1 <sup>st</sup> January and end on 31 <sup>st</sup> December of each year.
<i>First Tranche</i>	The Offering of the Offer Shares in the UAE to First Tranche Subscribers.
<i>First Tranche Subscribers</i>	Individual Subscribers and other investors (including natural persons, companies and establishments) who do not participate in the Second Tranche or the Third Tranche and who hold a NIN with the ADX and have a bank account.
<i>Founders or Principal Shareholders</i>	Abu Dhabi National Oil Company (“ <b>ADNOC</b> ”) and Baker Hughes Holding SPV LTD.
<i>FTS Fund Transfer Mode</i>	UAE Central Bank Fund Transfer (“ <b>FTS</b> ”) mode

<i>FSRA</i>	ADGM Financial Services Regulatory Authority
<i>FSMR Regulations</i>	Financial Services and Markets Regulations
<i>GDP</i>	Gross domestic product
<i>GCC</i>	Gulf Cooperation Council countries comprising the United Arab Emirates, Kingdom of Saudi Arabia, Sultanate of Oman, State of Qatar, State of Kuwait and Kingdom of Bahrain.
<i>Group</i>	The ADNOC group of companies.
<i>Government</i>	Unless otherwise specified, the Federal Government of the UAE, the Government of Abu Dhabi and any instrumentality or body of either of them, including the General Headquarters of the UAE Armed Forces.
<i>Governance Rules</i>	The Chairman of Authority's Board of Directors' Decision no (3/Chairman) of 2020 Concerning approval of Joint Stock Companies Governance Guide
<i>IFRS</i>	International Financial Reporting Standards.
<i>Individual Subscribers</i>	Natural persons who hold a NIN with the ADX and have a bank account (including Qualified High Net Worth Individual Subscribers). There are no other citizenship or residence requirements.
<i>IRR</i>	Internal Rate of Return.
<i>Joint Bookrunners</i>	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC, HSBC Bank Middle East Limited and certain regional and international investment banks.
<i>Joint Lead Managers</i>	Emirates NBD Capital PSC, First Abu Dhabi Bank PJSC and HSBC Bank Middle East Limited
<i>Listing of the Shares</i>	Following the closing of the subscription, the allocation to successful Subscribers, the Company will apply to list all of its Shares on the ADX.  Trading in the Shares on the ADX will be effected through the ADX Share Registry.
<i>Lead Receiving Bank</i>	First Abu Dhabi Bank PJSC
<i>LIBOR</i>	The London Inter-bank Offered Rate.
<i>Listing</i>	The listing of the Shares to trading on the ADX.
<i>LTIF</i>	Lost Time Injury Frequency Rate.
<i>Manager's Cheque</i>	Certified bank cheque drawn on a bank licensed and operating in the United Arab Emirates
<i>Maximum Investment</i>	No maximum subscription in Offer Shares has been set.

<i>Memorandum of Association</i>	The memorandum of association of the Company
<i>Minimum Investment</i>	The minimum subscription for Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000, with any additional investment to be made in increments of at least AED 1,000. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 1,000,000 (see the section on “ <b>Subscription Amounts</b> ” in the first section of this Prospectus for further details).
<i>NIN</i>	A unified investor number that a Subscriber must hold or obtain from ADX for the purposes of subscription.
<i>Non-Executive Directors</i>	The non-executive Directors of the Company
<i>OFAC</i>	The Office of Foreign Assets Control of the US Department of the Treasury
<i>Offering</i>	<p>The public subscription for [●] [the figure in words] of the total Shares of the Company which are being offered for sale by the Selling Shareholder.</p> <p>The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA’s approval.</p>
<i>Offer Price Range</i>	The Offer Shares are being offered at an offer price range that will be published on the first day of opening the Offer Period.
<i>Offer Participants</i>	The entities listed on pages [●] of this Prospectus.
<i>Offer Period</i>	<p>The subscription period for the First Tranche and the Third Tranche starts on 15 September 2021 and will close on 26 September 2021.</p> <p>The subscription period for the Second Tranche starts on 15 September 2021 and will close on 27 September 2021.</p>
<i>Offer Shares</i>	[●] [the figure in words] Shares which will be sold by the Selling Shareholder in a public subscription process. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA’s approval
<i>Offshore</i>	Refers to operations undertaken at, or under, the sea, in association with an oil, natural gas or condensate field that is under the seabed, or to activities carried out in relation to such a field.
<i>Oilfield</i>	Services in relation to oil and gas exploration and production (E&P).
<i>Onshore</i>	Refers to the mainland and operations undertaken under the land or to activities or operations carried out in relation to such a field.

<i>OPEC</i>	The Organization of the Petroleum Exporting Countries, consisting of Algeria, Angola, Equatorial Guinea, Gabon, Iran, Iraq, Kuwait, Libya, Nigeria, the Republic of the Congo, Saudi Arabia (the de facto leader), the United Arab Emirates and Venezuela.
<i>OPEC+</i>	The wider Organization of the Petroleum Exporting Countries group, which includes countries additional to the OPEC countries.
<i>Ownership Restrictions</i>	It is prohibited that more than 49% of the Shares of the Company be held by non GCC nationals.
<i>Professional Client</i>	Persons who meet the Professional Client criteria set out in Rule 2.3.2 of the DFSA Conduct of Business Module
<i>Qualified High Net Worth Individual Subscribers</i>	<p>Natural persons who have been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited)</p> <ul style="list-style-type: none"> <li>a. who are certified by the SCA or a similar regulatory authority to conduct any tasks associated with financial activities or services; or</li> <li>b. Who fulfil the following conditions: <ul style="list-style-type: none"> <li>i. whose net worth, excluding his or her principal residence, amounts to at least AED 4,000,000 (four million dirhams); and</li> <li>ii. whose annual income is not less than AED 1,000,000; and</li> <li>iii. who confirm that he or she has sufficient knowledge or expertise, or is represented by an entity that is licensed by SCA in a manner that does not contravene the terms of its licensing.</li> </ul> </li> </ul>
<i>Qualified Institutional Subscribers</i>	<p>Juridical persons capable of making and managing investments on their own, including:</p> <ul style="list-style-type: none"> <li>(i) the federal government of the UAE and governments of each Emirate in the UAE, governmental entities, institutions and authorities and companies wholly owned by any of them; or</li> <li>(ii) foreign governments, and their organizations, entities, institutions and authorities, or entities wholly owned by them; or</li> <li>(iii) international organizations and entities; or</li> <li>(iv) bodies licensed by SCA or similar regulatory bodies; or</li> <li>(v) legal persons who, as of the date of their last financial statements, satisfy at least two of the following requirements: <ul style="list-style-type: none"> <li>a. total assets are valued at AED 75,000,000 (seventy-five million UAE dirham);</li> </ul> </li> </ul>

	<p>b. generate net annual revenues of AED 150,000,000 (one hundred fifty million UAE dirhams);</p> <p>c. have net worth or paid-up capital with a minimum of AED 7,000,000 (seven million UAE dirhams),</p> <p>and who, in each case, have been approved by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers and to which the following characteristics apply: (a) a person in the United States who is a qualified institutional buyer (“QIB”) as defined in Rule 144A under the US Securities Act and to whom an offer can be made in accordance with Rule 144A, (b) a person outside the United States to whom an offer can be made in reliance on Regulation S, (c) a person in the DIFC to whom an offer can be made pursuant to an exemption from registration under the Market Rules Module of the DFSA’s Rulebook, or (d) a person in the ADGM to whom an offer can be made pursuant to an exemption from registration under the FSMR Regulations Markets Rules and made only to persons who meet the Professional Client criteria set out in the FSRA Conduct of Business Rulebook.</p>
<i>Recapitalization</i>	Prior to Listing, we increased the number of Shares from 4,000,000 to 16,000,000,000 through the capitalization of AED 1,200,000,000 of retained earnings and the reduction of the par value per Share from AED 100 to AED 0.10 (collectively, the “Recapitalization”). The Recapitalization has no impact on our cash position or our total shareholders’ equity.
<i>Receiving Banks</i>	The group of banks led by the Lead Receiving Bank, comprising those banks and the following other participating receiving banks: Abu Dhabi Commercial Bank PJSC, Abu Dhabi Islamic Bank PJSC, and Emirates NBD Bank PJSC
<i>Regulation S</i>	Regulation S under the US Securities Act.
<i>Rule 144A</i>	Rule 144A under the US Securities Act.
<i>Second Tranche</i>	The offer of Offer Shares to Second Tranche Subscribers made under the Second Tranche Document.
<i>Second Tranche Document</i>	<p>The offer document has been drafted in a specific manner to be addressed only to Qualified Institutional Investors for the Second Tranche and in compliance with the laws and regulations of the relevant competent jurisdictions and acceptable to such jurisdictions, and it has not been approved by the Authority, and the offer document does not form part of this Prospectus and the information contained therein does not form part of this Prospectus.</p> <p>This offer document for the Second Tranche which will be available at <a href="https://www.[]/">https://www. []/</a>.</p>
<i>Second Tranche Subscribers</i>	Qualified Institutional Subscribers and Qualified High Net Worth Individual Subscribers.

<i>Selling Shareholder</i>	ADNOC
<i>Shares</i>	The ordinary shares of the Company with a nominal value of AED 0.10 dirhams (10 Fils) each.
<i>Shareholder</i>	Holder of Shares in the capital of the Company
<i>SMS</i>	Short Message Service
<i>Subscriber</i>	A natural or juridical applicant, in either case who applies for subscription in the Offer Shares.
<i>Third Tranche</i>	The offer of the Offer Shares to the Third Tranche Subscribers.
<i>Third Tranche Subscribers</i>	ADNOC Group Companies Employees and UAE National Retirees.
<i>TRIR</i>	Total Recordable Incident Rate.
<i>UAE</i>	United Arab Emirates.
<i>UAE Central Bank</i>	The central bank of United Arab Emirates.
<i>UAE National Retirees</i>	Retired employees of the ADNOC Group Companies who are UAE nationals.
<i>UK</i>	The United Kingdom of Great Britain and Northern Ireland.
<i>US Securities Act</i>	The US Securities Act of 1933, as amended.
<i>United States or US</i>	The United States of America, its territories and possessions, any State of the United States of America, and the District of Columbia.

### First section: Subscription terms and conditions

#### Key details of shares offered for sale to the public

- **Name of the Company:** ADNOC Drilling Company PJSC
- **Share capital:** The share capital of the Company as at the date of Listing has been set at AED 1,600,000,000 (one billion six hundred million UAE dirhams) divided into 16,000,000,000 (sixteen billion) shares paid in full, with the nominal value of each Share being AED 0.10 (ten Fils).
- **Percentage, number and type of the Offer Shares:** [●] [the figure in words] Shares, all of which are ordinary shares and which constitute [[●]] per cent of the Company's issued share capital. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.
- **Offer Price Range per Offer Share:** The Offer Price Range will be published on 15 September 2021.
- **Eligibility of the qualified categories of Subscriber to apply for the acquisition of the Offer Shares:**

- **First Tranche:** The First Tranche of the Offering will be open to First Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus. All Subscribers in the First Tranche must hold a NIN with ADX and have a bank account number. 8% (eight per cent) of the Offer Shares, representing [●][figure in words] Shares are allocated to the First Tranche. The Selling Shareholder reserves the right to increase the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche (as applicable), provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
- **Second Tranche:** The Second Tranche of the Offering will be open to Second Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus. All Subscribers in the Second Tranche must hold a NIN with ADX. 90% (ninety per cent) of the Offer Shares, representing [●][figure in words] Shares, are allocated to the Second Tranche.
- **Third Tranche:** The Third Tranche of the Offering will be open to Third Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus. All Subscribers in the Third Tranche must hold a NIN with ADX and have a bank account number. The final size of the Third Tranche will be determined by the Selling Shareholder on the date of the Offer Price Announcement. 2% (two per cent) of the Offer Shares, representing [●][figure in words] Shares are allocated to the Third Tranche. The Selling Shareholder reserves the right to increase the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
- **Public subscription in the Offer Shares is prohibited as follows:** Public subscription is prohibited to any Subscriber whose investment is restricted by the laws of the jurisdiction where the Subscriber resides or by the laws of the jurisdiction to which the Subscriber belongs. It is the Subscriber’s responsibility to determine whether the Subscriber application for, and investment in, the Offer Shares conforms to the laws of the applicable jurisdiction(s).
- **Minimum investment:** The minimum subscription in Offer Shares in the First Tranche and the Third Tranche has been set at AED 5,000 with any additional investment to be made in AED 1,000 increments. The minimum subscription for Offer Shares in the Second Tranche has been set at AED 1,000,000.
- **Maximum investment:** No maximum subscription in Offer Shares has been set.
- **Subscription by Founders:** The Founders may not subscribe for Offer Shares, whether directly or indirectly or through its subsidiaries.
- **Lock-up period:** The Shares held by the Founders following completion of the Offering shall be subject to a lock-up which starts on the date of Listing of the Shares and ends twelve (12) months thereafter.

- **ADNOC Ownership:** The Company must be owned at least 51% by ADNOC.
- **Reasons for the Offering and Use of Offer Proceeds**

The Company will not receive any proceeds from the Offering. The Offering is being conducted, among other reasons, to allow the Selling Shareholder to sell part of its shareholding, while providing increased trading liquidity in the Shares and raising our profile with the international investment community.

- **Subscription costs / Offering expenses**

All expenses of the Offering (including selling commissions and any discretionary fees) will be borne by the Selling Shareholder.



## Further Information on the First Tranche and the Third Tranche

### 1. Subscription Applications

Each Subscriber in the First Tranche and the Third Tranche may submit one subscription application only (i) in the case of a subscription application by a natural person, in his or her personal name (unless he or she is acting as a representative for another Subscriber, in which case the subscription application will be submitted in the name of such Subscriber) or (ii) in the case of a subscription application by a corporate entity, in its corporate name. In case a Subscriber submits more than one application in his or her personal name or its corporate name, the Receiving Banks and the Joint Lead Managers reserve the right to accept all or disqualify all or some of the Subscription Applications submitted by such Subscriber and not to allocate any Offer Shares to such Subscriber.

Subscribers must complete all of the relevant fields in the subscription application along with all required documents and submit it to any Receiving Bank together with the subscription amount during the Offer Period for the First Tranche and the Third Tranche.

The completed subscription application should be clear and fully legible. If it is not, the Receiving Bank shall refuse to accept the subscription application from the Subscriber until the latter satisfies all the required information or documentation before the close of the subscription.

All of the ADNOC Group Companies Employees and UAE National Retirees who are interested in participating in the Third Tranche are required to submit their expression of interest (“EOI”) along with their corresponding NIN details through the platforms provided by ADNOC. The list of ADNOC Group Companies Employees and UAE National Retirees who had submitted their EOI will be forwarded to the Lead Receiving Bank a day prior to the start of the subscription period and any incremental additions to the list of employees will be provided to the Lead Receiving Bank on a daily basis until 12:00PM on 25 September 2021. Any EOI received thereafter will not qualify for the Third Tranche allocation.

If any of the ADNOC Group Companies Employees and UAE National Retirees participating in the Third Tranche have not provided his/her EOI prior to the date and time stipulated above, their subscription will be shifted to the First Tranche.

Subscription for Offer Shares would deem the Subscriber to have accepted the Memorandum of Association and Articles of Association of the Company and complied with all the resolutions issued by the Company’s general assembly. Any conditions added to the subscription application shall be deemed null and void. No photocopies of subscription applications shall be accepted. The subscription application should only be fully completed after reviewing the Prospectus and the Company’s Memorandum of Association and Articles of Association. The subscription application then needs to be submitted to any of the Receiving Banks’ branches mentioned herein. The Subscribers or their representatives shall affirm the accuracy of the information contained in the application in the presence of the bank representative in which the subscription was made. Each subscription application shall be clearly signed or certified by the Subscriber or his representative.

The Receiving Banks may reject subscription applications submitted by any Subscriber in the First Tranche and the Third Tranche for any of the following reasons:

- the subscription application form is not complete or is not correct with regard to the amount paid or submitted documents (and no Offer Participant takes responsibility for non-receipt of an allotment of Offer Shares if the address of the subscribers is not filled in correctly);
- the subscription application amount is paid using a method that is not a permitted method of payment;

- the subscription application amount presented with the subscription application does not match the minimum required investment or the increments set for the First Tranche and the Third Tranche offers; and
- the completed subscription application form is not clear and fully legible.
- the manager's cheque is returned for any reason;
- if the amount in the bank account mentioned in the subscription application form is insufficient to pay for the application amount mentioned in the subscription application form or the Receiving Bank is unable to apply the amount towards the application whether due to signature mismatch or any other reasons;
- if the ADX NIN is not made available or an incorrect NIN is provided;
- if multiple or duplicate subscription applications are found, any acceptance of such applications is solely at the discretion of the Selling Shareholder);
- if the subscription application is otherwise found not to be in accordance with the terms of the Offering;
- if the Subscriber is found to have submitted more than one application (it is not permitted to apply in the First Tranche, the Second Tranche, and Third Tranche), any acceptance of such application is solely at the discretion of the Selling Shareholder;
- if the Subscriber is a natural person and is found to have submitted the subscription application other than in his or her personal name (unless he or she is acting as a representative for another Subscriber);
- a Subscriber has not adhered to the rules applicable to the First Tranche, the Second Tranche and Third Tranche offers;
- if it is otherwise necessary to reject the subscription application to ensure compliance with the provisions of the Companies Law, the Articles of Association, this Prospectus or the requirements of the UAE Central Bank, the Authority or the ADX; and
- if for any reason FTS/SWIFT/ any other electronic channels funds transfer fails or the required information in the special fields is not enough to process the application.

The Receiving Banks and the Lead Receiving Bank may reject the application for any of the reasons listed above at any time until allocation of the Offer Shares and have no obligation to inform the subscribers before the notification of the allocation of Shares to such rejected Subscribers.

#### **Documents accompanying Subscription Applications**

Subscribers shall submit the following documents along with their subscription application forms:

For *individuals* who are UAE or GCC nationals or nationals of any other country:

- The original and a copy of a valid passport or Emirates identity card; and
- In case the signatory is different from the Subscriber:
  - the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise

duly regulated in the country;

- the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
  - A copy of the passport/Emirates ID of the Subscriber for verification of signature.
- In case the signatory is a guardian of a minor, the following will be submitted:
    - Original and copy of the guardian's passport/Emirates ID for verification of signature;
    - Original and copy of the minor's passport; and
    - If the guardian is appointed by the court, original and copy of the guardianship deed attested by the court and other competent authorities (e.g. notary public).

For *corporate bodies* including banks, financial institutions, investment funds and other companies and establishments:

- UAE registered corporate bodies:
  - The original and a copy of a trade license or commercial registration for verification or a certified copy by one of the following UAE-regulated persons/bodies; a notary public or as otherwise duly regulated in the country;
  - The original and a copy of the document that authorizes the signatory to sign on behalf of the subscriber and to represent the subscriber, to submit the application, and to accept the terms and conditions stipulated in the Prospectus and in the subscription form; and
  - The original and a copy of the passport/Emirates ID of the signatory.
- Foreign corporate bodies: the documents will differ according to the nature of the corporate body and its domicile. Accordingly, please consult with the Joint Lead Managers to obtain the list of required documents.

For *individuals* who are ADNOC Group Companies Employees and UAE National Retirees participating in the Third Tranche:

- To submit their EOI along with their corresponding NIN details through the platforms provided;
- The original and a copy of a valid passport or Emirates ID; and
- In case the signatory is different from the Subscriber:
  - the duly notarized power of attorney held by that signatory or a certified copy by UAE-regulated persons/bodies, such as a notary public, or as otherwise duly regulated in the country;
  - the original passport/Emirates ID of the signatory for verification of signature and a copy of the original passport/Emirates ID; and
  - a copy of the passport/Emirates ID of the Subscriber for verification of signature.

## **2. Method of subscription and payment for the First Tranche and the Third Tranche**

## **Method of payment for First Tranche and the Third Tranche**

The subscription application must be submitted by a Subscriber to any of the Receiving Banks listed in this Prospectus and the NIN with ADX and the Subscriber's bank account number must be provided, together with payment in full for the amount it wishes to use to subscribe for the Offer Shares, which is to be paid in one of the following ways:

- Certified bank cheque (Manager's cheque) drawn on a bank licensed and operating in the UAE, in favor of ADNOC Drilling Company PJSC - IPO; or
- Debiting a Subscriber's account with a Receiving Bank; or
- Electronic Subscriptions (please refer to the section on Electronic Subscription below).

Details of the Subscriber's bank account must be completed on the subscription application form even if the application amount will be paid by Manager's cheque.

The subscription amount may not be paid or accepted by a Receiving Bank using any of the following methods:

- In cash;
- Cheques (not certified); or
- Any other mode of payment other than mentioned above.

Please refer to the Annexure - 3 for the Receiving Bank's participating branches.

Additionally, ADNOC Group Companies Employees and UAE National Retirees can submit their application at the receiving centers set up at the following ADNOC offices:

- ADNOC Headquarters Building, Corniche Rd - Abu Dhabi, UAE;
- ADNOC Drilling Company HQ, SKEC-2, Building #112, Corniche Road, Al Dana Area, Fatima Bint Mubarak Street, PO Box 4017 - Abu Dhabi, UAE;
- Shaikh Khalifa Energy Complex, Zone 1E9-01 - Abu Dhabi, UAE; and
- ADNOC Al Ruwais Complex, Al Ruwais.

## **Electronic subscription**

### **E-subscription**

Electronic subscriptions: The Receiving Banks may also have their own electronic channels (ATMs, on-line internet banking applications, mobile banking applications, etc.) interfaced with the ADX eKtetaab IPO system. By submitting the electronic subscription application the customer submitting the application is accepting the Offering terms and conditions on behalf of the Subscriber and is the relevant Receiving Bank to pay the total subscription amount by debiting the amount from the respective bank account of the customer and transferring the same to the Offer account in favor of "ADNOC Drilling Company IPO" held at the Receiving Banks, as detailed in the subscription application. The submission of an electronic application will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly, the supporting documentation in relation to applications set out elsewhere in this Prospectus will not apply to electronic applications under this section. Notification of the final allocation of Offer Shares and the refund of proceeds for unallocated Offer Shares (if any) and any interest thereon following the closing of the Offer Period and prior to the listing of the Shares shall be

performed solely by, and processed through, the Receiving Banks in which the electronic subscription application was submitted.

Subscription applications may also be received through UAE Central Bank Fund Transfer (“**FTS**”) mode, to the extent is availed by each of the Receiving Banks. The investor choosing the FTS method will be required to provide their valid NIN with ADX along with the value of Offer Shares subscribed for in the special instructions field.

## **E-Subscription**

### **FAB E-Subscription**

Subscribers choosing the FTS/ SWIFT/ FAB channels will be required to transfer their Subscription amount:

1. Online Transfer via UAE FTS Payment/ FAB online/mobile banking - Steps (INSIDE UAE)

Please use “Payment Purpose Code” as “IPO” or Others and include NIN number. Subscriber to remit funds, first, in full without deduction of any Foreign Bank charges. Please mention “NIN Number, Broker Name and mobile Number under “Remittance Instructions” field or “Remarks”

2. SWIFT Payment Steps (OUTSIDE UAE)

Select Payment message MT103

Capture in Field 70 relevant “NIN Number, Broker Name, mobile number, amount of subscription applied for”

IMPORTANT NOTE: Last Day for receiving FTS/ SWIFT/FAB Channels remittances is 25 September 2021 at 12:00 PM. Please note that if the funds are received after the cutoff date and time, the same will be rejected and returned. Please allow for 12 to 24 hours for the funds to be transferred to the beneficiary account. Please schedule your subscription early accordingly.

Details for subscription funds transfer:

BANK NAME: First Abu Dhabi Bank PJSC

IBAN: AE470354031000000001141

Beneficiary Account Name: ADNOC Drilling PJSC- IPO

Currency: AED

Account Number: 4031000000001141

SWIFT Code: NBADAEASSD

After completion of transferring the funds to the FAB account as provided above, access the following website: <https://www.bankfab.com/en-ae/cib/iposubscription> and complete the subscription application (Please refer to the following page for further information: “How to subscribe”).

After completing the subscription application, please upload the subscription payment receipt and the subscription application.

Subscription application and Prospectus can also be downloaded from: [Issuing Company Web page details to be added].

In case of any issues or support, please contact us by email at: [IPO.online@bankfab.com](mailto:IPO.online@bankfab.com).

In case the details provided are insufficient / incorrect and / or the payment is not received / partially received, the subscription will be rejected and notified to the Subscriber and the amount, if any, remitted will be refunded to the Subscriber.

### **ADIB E-Subscription:**

ADIB’s electronic subscription channels, including online internet banking are

accessible via ADIB's official website [www.adib.ae](http://www.adib.ae) and mobile banking app, which are duly interfaced with the ADX database and are only available to ADIB account holders.

The electronic subscription applications will be generated through the eIPO system on ADIB Intranet and mobile Banking.

As ADIB account holders wishing to subscribe to the offering would be accessing ADIB's electronic subscription channels with their relevant username and password (as is customary with electronic banking transactions), this will be deemed to be sufficient for the purposes of fulfilling the identification requirements and accordingly the supporting documentation in relation to applications set out elsewhere in this Prospectus, and will not apply to electronic applications under this section.

ADIB account holders must then complete the electronic application form relevant to their tranche, providing all required details including an updated ADX NIN, an active ADIB account number, the amount they wish to subscribe for, and select the designated brokerage account (otherwise the new shares will be registered through ADX's clearing and settlement department (CSD)).

Please note that ADIB account holders who do not provide their ADX NIN and an ADIB account number will not be eligible for subscription through ADIB's electronic subscription channels.

By submitting the electronic subscription form, the ADIB account holder customer accepts the Offering terms and conditions and authorizes ADIB to pay the total subscription amount by debiting the amount from the respective ADIB account and transferring the same to the IPO account in favor of the issuer account held at ADIB, as detailed in the subscription application.

Successful Subscriptions will automatically receive an acknowledgement of receipt. The ADIB account holder has to keep this receipt until they receive the allotment notice.

**ADCB E-Subscription:**

*Only ADCB customers with their own NIN can subscribe through the below link*  
<https://www.adcb.com/ADNOCDrilling>

This page will have a marketing brief, a downloadable copy of the prospectus, FAQs and a subscription link.

**Process Steps:**

Step # 1 ADCB customers to visit the <https://www.adcb.com/ADNOCDrilling> and click

**IPO Subscription Link**

Step # 2 Complete login authentication (Customer ID, Mobile Number and OTP)

Step # 3 Enter NIN Number

Step # 4 Select Broker, Enter Subscription Amount, Select Account and Submit.

The same URL to be used from any mobile device to subscribe to the IPO.

**ENBD E-Subscription:**

Account holders with Emirates NBD can subscribe via the bank's online internet banking channel as well as through ATMs. Eligible persons can access their ATM with their debit card, and internet banking with their username and password (as is customary with these channels). This will be deemed sufficient for the purposes of identification with regard to their subscriptions.

**Online Banking Steps:**

1. Visit [www.emiratesnbd.com](http://www.emiratesnbd.com) and select Online Banking

2. Login to the online banking account
3. Click on Pay & Transfer
4. Select "IPO payment" option
5. Enter valid ADX NIN number
6. Enter subscription details
7. Authorize with authorization code
8. Confirmation will show IPO application and reference number

**ATM Steps:**

1. Enter debit card and pin number
2. Select IPO subscription option in the main screen and select IPO name
3. Enter valid ADX NIN number
4. Select eligible account number to be debited
5. Enter the amount to invest
6. Select the broker if any
7. Confirmation will show IPO application number and reference number

Subscribers without an ENBD account, who are either in the UAE or outside, can also subscribe through ENBD using the FTS or SWIFT channels, as follow:

**From within UAE: Online Transfer via FTS/Internet Banking/Mobile Banking steps**

1. Use "Payment Purpose Code" as "IPO" if available or others
2. Remit funds first in full without deduction of any Bank charges.
3. Mention "ADX NIN Number, Broker Name and mobile Number under "Remittance Instructions" field or "Remarks"

**From outside the UAE: SWIFT Payment Steps**

1. Select Payment message as MT103
2. Capture in Field 70 "ADX NIN Number, Broker Name, mobile number"

**IMPORTANT NOTE:** Last Day for receiving FTS/ SWIFT/Channels remittances is 25 Sep 2021 at 12:00 PM. Please note that if the funds are received after the cutoff date and time, the same will be rejected and returned. Please allow for 12 to 24 hours for the funds to be transferred to the beneficiary account. Please schedule your subscription early accordingly.

After transferring the funds to the ENBD account provided above, kindly visit [Company website link] download the application form. Fill-in all the details and affix signature and scan the subscription application.

Then send the application with relevant documents as listed below, as applicable to [ADNOC@EmiratesNBD.com](mailto:ADNOC@EmiratesNBD.com)

1. Filled and signed subscription application form.
2. Copy of ADX NIN card or first page of the ADX statement.
3. Copy of Emirates ID or passport.
4. Copy of the payment acknowledgement.
5. Mobile Number

Subscription application and Prospectus can also be downloaded from [Company website link] (Issuer's Website)

In case of any issues or support, please contact the dedicated ENBD team by email at: [ADNOC@EmiratesNBD.com](mailto:ADNOC@EmiratesNBD.com) or through our call centre on +9714 316 0066

In case the details provided are insufficient / incorrect and / or payment not received / partially received, the subscription will be rejected and notified to the Subscriber and the amount, if any, remitted will be refunded to the Subscriber.

**ADX ePortal Subscription:**

For Subscription through ADX ePortal Subscriptions

Please access -

For Arabic - [https://www.adx.ae/Arabic/Pages/IPO\\_Subscription/default.aspx](https://www.adx.ae/Arabic/Pages/IPO_Subscription/default.aspx)

For English [https://www.adx.ae/English/Pages/IPO\\_Subscription/default.aspx](https://www.adx.ae/English/Pages/IPO_Subscription/default.aspx)

Refer to the “ADX IPO ePortal Subscription Instructions” and follow the instructions. Click on the IPO Subscription Link provided to subscribe for the First Tranche and the Third Tranche. *(Applicable only for investors who do not have accounts with any of the Receiving Banks)*

#### **Important dates relevant to the methods of payment of the subscription amounts**

- Subscription amounts paid by way of cheque must be submitted by 12pm on 23 September 2021.
- Subscription applications received through E-subscription online and mobile banking / FTS / SWIFT must be made before 12pm on 25 September 2021.

#### **Subscription amounts**

Subscribers in the First Tranche and the Third Tranche must submit applications to purchase Offer Shares in the amount of AED 5,000 or more, with any subscription over AED 5,000 to be made in increments of AED 1,000. Subscribers in the First Tranche and the Third Tranche shall accordingly apply for an AED subscription amount which shall be applied towards purchasing Offer Shares at the Final Offer Price, rather than applying for a specific number of Offer Shares.

#### **Final Offer Price**

The offer price at which all the Subscribers will purchase Offer Shares will be at the Final Offer Price.

The Offer Shares will be sold in an initial public offer and the Final Offer Price will be determined by way of the application of a book building process, where an application orders' ledger will be created through the application orders made only by the Second Tranche Subscribers (see details of who may apply in the Second Tranche). Second Tranche Subscribers will be invited to bid for Offer Shares within the Offer Price Range using price sensitive orders (as in, by indicating application amounts that vary in size depending on price). The Joint Lead Managers will use the information on the extent of demand at various prices provided by these Second Tranche Subscribers to determine and recommend to the Company and the Selling Shareholder the Final Offer Price (which must be within the Offer Price Range) for all participants in the Offering.

The Shares of the Qualified Institutional Subscribers must represent the majority of the Offer Shares used to calculate the Final Offer Price of the Offer Shares.

#### **Subscription process**

Subscribers must complete the application form relevant to their Tranche, providing all required details. Subscribers who do not provide the NIN with ADX and bank account will not be eligible for subscription and will not be allocated any Offer Shares.

Subscribers may only apply in one Tranche. In the event a person applies in more than one Tranche, then the Receiving Banks and the Joint Lead Managers may disregard one or both of such applications.

The Receiving Bank through which the subscription is made will issue to the Subscriber an acknowledgement of receipt which the Subscriber has to keep until the Subscriber receives the allotment notice. One copy of the subscription application after being submitted, signed, and stamped by the Receiving Bank shall be considered as an acknowledgement for receipt of the subscription application. This



receipt shall include the data of the Subscriber, address, amount paid, details of the payment method, and date of investment. The acknowledgement in the case of Electronic Applications via online internet banking and ATM would provide basic information of the application such as NIN number, Amount, Date, Customer bank account details.

If the address of the Subscriber is not filled in correctly, the Company, the Selling Shareholder, the Joint Lead Managers and the Receiving Banks take no responsibility for non-receipt of such allotment advice.

### **3. Further information on various matters**

#### **Offer Period**

Commences on 15 September 2021 and closes on 26 September 2021 for the First Tranche and Third Tranche and 27 September 2021 for the Second Tranche.

**Lead Receiving Bank:** First Abu Dhabi Bank PJSC

#### **Receiving Bank(s)**

Abu Dhabi Commercial Bank PJSC, Abu Dhabi Islamic Bank PJSC, and Emirates NBD Bank PJSC.

**Method of allocation of Offer Shares to different categories of Subscribers**  
*(Under SCA CHAIRMAN OF THE BOARD RESOLUTION NO. (11/R.M) OF 2016 ON THE REGULATIONS FOR ISSUING AND OFFERING SHARES OF PUBLIC JOINT STOCK COMPANIES, as amended)*

Should the total size of subscriptions received exceed the number of Offer Shares, then the Selling Shareholder will allocate the Offer Shares according to the allotment policy specified below and will refund to Subscribers the excess subscription amounts and interest thereon.

#### **Notice of Allocation**

A notice to successful Subscribers in the First Tranche and Third Tranche will be sent by way of SMS initially confirming the acceptance of subscription and number of offered shares allocated to them. This will be followed by a notice setting out to each Subscriber's Share allocation, which will be sent by registered mail to each Subscriber in the First Tranche and Third Tranche.

#### **Method of refunding surplus amounts to Subscribers**

By no later than 2 October 2021 (being within five (5) working days of the Closing Date of the Second Tranche), the Offer Shares shall be allocated to Subscribers and, within five (5) working days of such allocation, the surplus subscription amounts, and any accrued interest resulting thereon, shall be refunded to Subscribers in the First Tranche and the Third Tranche who did not receive Offer Shares, and the subscription amounts and any accrued interest resulting thereon shall be refunded to the Subscribers in the First Tranche and the Third Tranche whose applications have been rejected for any of the above reasons. The surplus amount and any accrued interest thereon are returned to the same Subscriber's account through which the payment of the original application amount was made. In the event payment of the subscription amount is made by certified bank cheque, these amounts shall be returned by sending a cheque with the value of such amounts to the Subscriber at the address mentioned in the subscription application.

The difference between the subscription amount accepted by the Company and the Selling Shareholder for a Subscriber, if any, and the application amount paid by that Subscriber will be refunded to such Subscriber, pursuant to the terms of this Prospectus.

### **Inquiries and complaints**

Subscribers who wish to submit an inquiry or complaint with respect to any rejected requests, allocation, or refunding of the surplus funds, must contact the Receiving Bank through which the subscription was made, and if a solution cannot be reached, then the Receiving Bank must refer the matter to the Investor Relations Manager. The Subscriber must remain updated on the status. The Subscriber's relationship remains only with the party receiving the subscription request.

### **Listing and trading of Shares**

Subsequent to the allocation of Offer Shares, the Company will list all of its Shares on the ADX in accordance with the applicable listing and trading rules as at the Listing date of 4 October 2021. Trading in the Shares will be effected on an electronic basis, through the ADX's share registry, with the commencement of such trading estimated to take place after completion of the registration.

### **Voting rights**

All Shares are of the same class and shall carry equal voting rights and shall rank *pari passu* in all other rights and obligations. Each Share confers on its holder the right to cast one vote on all Shareholders' resolutions.

### **Risks**

There are certain risks that are specific to investing in this Offering. Those risks have been discussed in a section headed "*Investment Risks*" of this Prospectus and must be taken into account before deciding to subscribe in Offer Shares.

### **Emirates Investment Authority**

The EIA shall be entitled to subscribe to (5%) five per cent. Of the Offer Shares, and the percentage of subscription which the EIA will purchase shall be allocated in full before the commencement of allocation. Shares allocated to the EIA under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights then its reserved portion shall be available to Second Tranche Subscribers for subscription.

## **4. Timetable for subscription and listing**

The dates set out below outline the expected timetable for the Offering. However, the Company reserves the right to change any of the dates/times, or to shorten or extend the specified time periods upon obtaining the approval of the appropriate authorities and publishing such change(s) during the Offering period in daily newspapers

<b>Event</b>	<b>Date</b>
Offering commencement date (The Offer Period shall continue for ten days for the First and Third Tranche Subscribers, and for eleven days for the Second Tranche Subscribers, including Saturdays, for the purposes of accepting Subscribers' applications)	15 September 2021
Closing Date of the First Tranche and the Third Tranche	26 September 2021
Closing Date of the Second Tranche	27 September 2021
Announcement of Final Offer Price	28 September 2021
Allocation of First Tranche and Third Tranche	2 October 2021

SMS notification of final allocations of the First Tranche and the Third Tranche	2 October 2021
Commencement of refunds related to the investment surplus to the First Tranche and Third Tranche Subscribers as well as commencement of dispatch of registered mail relating to allotment of shares	3 October 2021
Expected date of listing the Shares on the ADX	4 October 2021

## 5. Tranches

The Offering of the Offer Shares is divided as follows:

### The First Tranche:

Size:	8% (eight per cent) of the Offer Shares representing [●][figure in words] Shares. The Selling Shareholder reserves the right to increase the size of the First Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the First Tranche will result in a corresponding reduction in the size of the Second Tranche and/or the Third Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
Eligibility:	First Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus.
Minimum application size:	AED 5,000, with any additional application in increments of AED 1,000.
Maximum application size:	There is no maximum application size.
Allocation policy:	In case of over-subscription in the First Tranche, Offer Shares will be allocated to First Tranche Subscribers pro rata to each Subscriber’s subscription application amount based on the Final Offer Price. Applications will be scaled-back on the same basis if the First Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.
Unsubscribed Offer Shares	If all of the Offer Shares allocated to the First Tranche are not fully subscribed, the unsubscribed Offer Shares shall be available to Second Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche, or close the Offering at the level of applications received.

### The Second Tranche:

- Size:** 90% (ninety per cent) of the Offer Shares, representing [●][figure in words] Shares.
- Eligibility:** Second Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus
- Minimum application size:** The minimum application size is AED 1,000,000.
- Maximum application size:** There is no maximum application size.
- Allocation policy:** Allocations within the Second Tranche will be determined by the Company and the Selling Shareholder, in consultation with the Joint Lead Managers (excluding HSBC Bank Middle East Limited in connection with any Offering to natural persons). It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Shares or that they are allocated a number of Shares lower than the number of Shares mentioned in their subscription application.
- Discretionary allocation:** The Company and the Selling Shareholder reserve the right to allocate Offer Shares in the Second Tranche in any way as they deem necessary. It is therefore possible that Subscribers who have submitted applications in this tranche may not be allocated any Shares or that they are allocated a number of Shares lower than the number of Shares mentioned in their subscription application.
- Unsubscribed Offer Shares:** If all the Offer Shares allocated to the Second Tranche are not fully subscribed, then the Offer will be withdrawn.

### **The Third Tranche:**

- Size:** 2% (two per cent) of the Offer Shares representing [●][figure in words] Shares. The Selling Shareholder reserves the right to increase the size of the Third Tranche at any time prior to the end of the subscription period at its sole discretion, subject to the approval of the SCA. Any increase in the size of the Third Tranche will result in a corresponding reduction in the size of the First Tranche and/or the Second Tranche, provided that the subscription percentage of the subscribers in the Second Tranche does not fall below 60% of the Offer Shares and the subscription percentage of the subscribers in the First Tranche and Third Tranche does not exceed 40% of the Offer Shares in aggregate.
- Eligibility:** Third Tranche Subscribers as described on the cover page of this Prospectus and the “Definitions and Abbreviations” section of this Prospectus.
- Minimum application size:** AED 5,000, with any additional application in increments of AED 1,000.
- Maximum application size:** There is no maximum application size.
- Allocation policy:** In case of over-subscription in the Third Tranche, Offer Shares will be allocated to Third Tranche Subscribers pro rata to each Subscriber’s subscription application

amount based on the Final Offer Price. Applications will be scaled-back on the same basis if the Third Tranche is over-subscribed. Any fractional entitlements resulting from the pro rata distribution of Offer Shares will be rounded down to the nearest whole number. Shares will be allocated in accordance with the aforementioned allotment policy, based on the Final Offer Price.

**Unsubscribed Offer Shares** If all of the Offer Shares allocated to the Third Tranche are not fully subscribed, the unsubscribed Offer Shares shall be available to the First Tranche Subscribers, or alternatively (in consultation with the Authority) the Selling Shareholder may extend the Closing Date for the First Tranche, the Second Tranche and the Third Tranche, or close the Offering at the level of applications received.

### **Multiple applications**

A Subscriber should only submit an application for Offer Shares under one Tranche. Multiple applications within one tranche will be aggregated under a single NIN. In the event a Subscriber applies for subscription in more than one Tranche, the Receiving Banks and the Joint Lead Managers may deem one or both applications invalid.

### **Emirates Investment Authority**

*(Preferential allocation rights equal to 5% of the Offer Shares)*

A number of the Offer Shares, representing 5% of all Offer Shares, are reserved for the Emirates Investment Authority, in accordance with the requirements of article 127 of the Companies Law. Offer Shares allocated to the Emirates Investment Authority under this preferential rights regime will be deducted from the total size of the Second Tranche. If the EIA does not exercise its preferential rights to apply for Offer Shares then those Offer Shares will be available to other Second Tranche Subscribers for application.

### **Important notes**

Subscribers in the First Tranche and the Third Tranche will be notified of whether they have been successful in their application for Offer Shares by means of an SMS from ADX.

Upon listing of the Shares on the ADX, the Shares will be registered on an electronic system as applicable to the ADX. The information contained in this electronic system will be binding and irrevocable, unless otherwise specified in the applicable rules and procedures governing the ADX.

Subject to the approval of the Authority, the Company reserves the right to alter the percentage of the Offer Shares which are to be made available to either the First Tranche the Second Tranche or the Third Tranche.

## Second Section: Key details of the Company

### 1. Overview of the Company

<b>Name of the Company:</b>	<b>ADNOC Drilling Company PJSC</b>
<b>Primary objects of the Company:</b>	<p>The objectives of the Company are as follows:</p> <ul style="list-style-type: none"><li>- Import, purchase, acquisition, own, lease, rent, transfer, sale, marketing, operation, maintenance, and financing of drilling rigs, carrying out all drilling works such as the repair, alert and facilities services as well as any equipment or assets, materials and machines necessary to achieve the purposes of the Company.</li><li>- Carrying out drilling works and wells' services associated thereto, and all that is related to the development and handling of land, sea and island wells, both conventional and non-conventional, in order to explore and extract oil, natural gas and water.</li><li>- Production, purchase, sale, distribution, marketing, management, storage and preservation of chemicals and other products used or required in the oil and gas industries; purchase, construct, own, lease, transfer, sale, operate, maintain, finance and dispose of any facilities or assets required for such purposes, in addition to the provision of manpower.</li><li>- Carrying out all operations, actions, works and activities it deems necessary for the achievement of its purposes, including the establishment or acquisition of subsidiaries and the entry into partnership agreements inside or outside the State.</li><li>- Any other activity approved by the Supreme Council upon the recommendation of the Board of Directors.</li><li>- The Company shall undertake its activities on its own, through companies wholly or partially owned by it or through intermediaries or agents appointed by it.</li></ul>
<b>Head office:</b>	PO Box 4017, Abu Dhabi, United Arab Emirates.
<b>Details of trade register:</b>	License No. CN-2688881
<b>Term of the Company:</b>	99 years.
<b>Financial year:</b>	1 January to 31 December.
<b>Independent Auditors:</b>	Deloitte & Touche (M.E.)
<b>Major banks dealing with the Company:</b>	<ul style="list-style-type: none"><li>• First Abu Dhabi Bank PJSC;</li></ul>

- Abu Dhabi Commercial Bank PJSC;
- Bank of America Merrill Lynch International Limited;
- Citibank N.A., UAE Branch;
- Mizuho Bank LTD;
- SGBTCI S.A.;
- Sumitomo Mitsui Banking Corporation DIFC Branch - Dubai;
- Unicredit Bank Austria AG; and
- Union National Bank PJSC.

**Details of current Board of Managers:**

<b>Name</b>	<b>Nationality</b>	<b>Capacity</b>
Abdulmunim Saif Hamoud Ahmed AlKindi	UAE	Chairman
Mohamed Saif Ali Abed Alaryani	UAE	Member
Ahmed Jasim Yousif Naser Alzaabi	UAE	Member
Shamsa Salim Al Maskary	UAE	Member
Salem Mohammed Al Darei	UAE	Member
Yaser Saeed Ahmed Omran Almazrouei	UAE	Member
Maria Claudia Borrás	Colombia	Member

#### Details of new Board Members:

Name	Date of Birth	Nationality	Capacity
H.E. Dr. Sultan Ahmed Al Jaber	31/08/1973	UAE	Chairman-Independent Member
Abdulmunim Saif Hamoud Ahmed AlKindi	31/12/1958	UAE	Vice Chairman - Independent Member
Yaser Saeed Ahmed Omran Almazrouei	04/04/1973	UAE	Independent Member
Ahmed Jasim Yousif Naser Alzaabi	16/10/1980	UAE	Independent Member
Mohamed Saif Ali Abed Alaryani	01/03/1991	UAE	Independent Member
Muna Khalifa Mohamed Hazeem Almheiri	12/07/1975	UAE	Independent Member
Omar Ahmed Hassan Suwaina Alsuwaidi	04/07/1966	UAE	Independent Member

None of the board members hold any memberships in the boards of directors of other joint stock companies in the state.

No bankruptcy ruling or a bankruptcy arrangement was issued against any member of the board of directors or members of the executive management of the Company.

None of the members of the board of directors or the senior management and their first-degree relatives own any shares in the Company

#### Summary of current employment contracts with the board of directors and senior executives

The total annual amount which is paid to the executive management of the Company totaled AED 16.5 million (USD 4.4 million).

## 2. BUSINESS DESCRIPTION:

*Investors should read this section in conjunction with the more detailed information contained elsewhere in this Prospectus including the financial and other information. Where stated, financial information in this section has been extracted from the Company's Financial Statements.*

### Overview

We are the largest national drilling company in the Middle East by rig fleet size, with 107 rigs, out of which 96 rigs are owned and 11 are rented, as of 30 June 2021 and the sole provider of drilling rig hire services and certain associated rig-related services to the ADNOC group on agreed contractual terms. We provide our customers with a full suite of drilling services, including drilling rigs hire services and certain associated rig-related services in Abu Dhabi and oilfield services (such as integrated drilling services, wireline, directional drilling, cementing, pressure pumping, logging and fluids, and hydraulic fracturing). Approximately half of our fleet is less than five years old and 29 of our rigs are performing integrated drilling services to our customers. From our inception through 31 December 2020, we have drilled over 9,600 wells with a total distance of over 70 million feet. In the first half of 2021, we drilled 286 additional wells.



We believe that our leading market position, the strength of our brand, and the support of ADNOC, our parent company, contribute to our success. We organise our business into four reportable segments:

- Onshore, which accounted for 51.3% and 50.5% of our revenue and 53.2% and 50.2% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, through which we own and operate 65 land rigs, including 5 workover rigs, and where we provide land drilling, completion and workover services;
- Offshore jack up, which accounted for 28.4% and 26.1% of our revenue and 33.1% and 34.1% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, through which we own and operate 21 jack up rigs and 1 barge, and where we provide jack up drilling completion and workover services and self-propelled barge maintenance services;
- Offshore-Island, which accounted for 9.7% and 9.4% of our revenue and 11.4% and 12.0% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, through which we own and operate 10 island rigs, and where we provide artificial island drilling services; and
- Oil Field Services, which accounted for 10.6% and 14.0% of our revenue and 2.4% and 3.7% of our gross profit for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively, where we provide a full suite of oil field service business lines, including drilling fluids and completion, drilling services, integrated services, wireline and logging and hydraulic fracturing. As of 30 June 2021, 29 of rigs are performing integrated drilling services.

For the year ended 31 December 2020, we had revenue of USD 2,097.9 million, EBITDA of USD 959.7 million and profit of USD 569.0 million. For the six months ended 30 June 2021, we had revenue of USD 1,123.5 million, EBITDA of USD 499.5 million, and profit of USD 281.6 million.

We were established in 1972 by virtue of an Emiri Decree as the National Drilling Company of Abu Dhabi and a wholly owned subsidiary of ADNOC. In 2018, we were reorganised by virtue of Federal Law No. 21 of 2018 to become “ADNOC Drilling Company PJSC”. This was part of an initiative to re-organise us and improve our efficiency and profitability. Following our reorganisation and as part of the initiative to improve our efficiency and profitability, Baker Hughes invested in us and agreed with ADNOC to an activity - and milestone - based deferred consideration mechanism, beginning in 2023, linked to the development of ADNOC’s new conventional and unconventional development program. Any payments under this deferred consideration mechanism would be between ADNOC and Baker Hughes, and would not result in any payments to or from us. Simultaneously, Baker Hughes entered into a series of agreements with us to enable us to become the first provider of integrated drilling services in the region, acting as the sole interface with customers. The strategic alliance with Baker Hughes added oil field services equipment, services, technology and further manpower capabilities to our existing in-house rig rental and rig management capabilities.

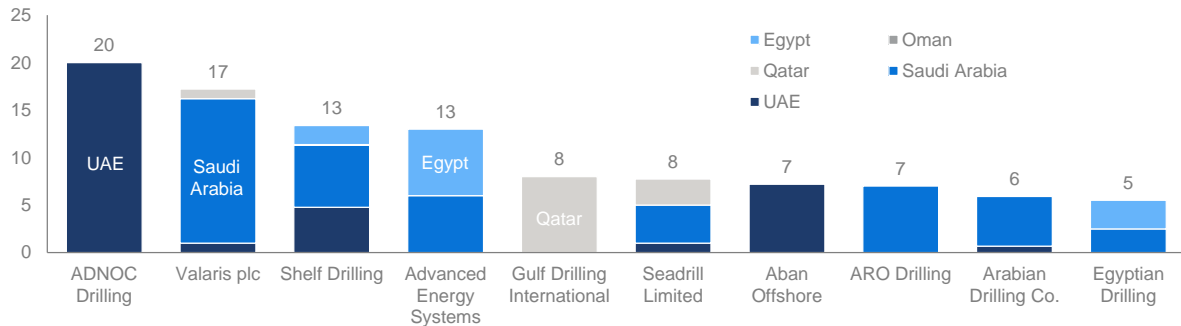
### **Competitive Strengths**

*We are the largest national drilling company in the Middle East by rig fleet size.*

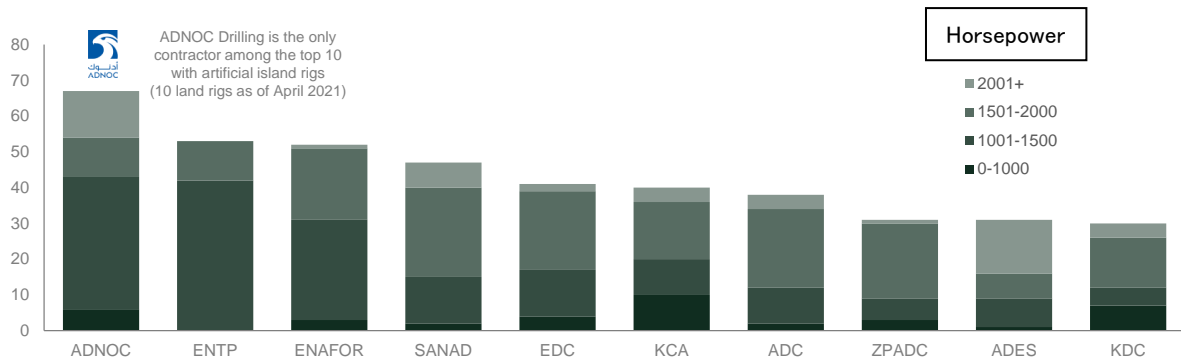
We are the largest national drilling company in the Middle East by rig fleet size. Our rig fleet size of 107 rigs, out of which 96 are owned rigs, as of 30 June 2021, is approximately twice the size of the second largest regional drilling provider, which has 53 rigs. We believe that the size and quality of our fleet, together with our ability

to provide a full suite of integrated drilling services, which is unmatched by any other regional drilling services provider, and our leading market position in the UAE, positions us as the go-to drilling service provider and we believe will contribute towards additional growth and expansion both domestically and internationally.

As of 31 December 2020, we were the largest national drilling contractor in the Middle East region with a total of 20 standard jack up rigs. The table below shows the top 10 drilling contractors and their jack up fleet in the region:



Similarly, as of 31 December 2020, in the Onshore segment, we are the contractor with most rigs located in the Middle East region. Our Onshore fleet consists of rigs across the entire classification spectre, as illustrated in the table below:



*We benefit from a preferential contractual framework entered into with ADNOC which provides us with strong downside protection.*

ADNOC upstream operating companies procure rig services solely from us based on agreed contractual terms. Pursuant to the Rig Services Framework Agreement, except as may otherwise be set out in any current operating company contract entered into with the ADNOC upstream operating companies, during the Initial Rig Base Term (being 15 years) of any onshore or offshore rig, the rates charged by us for the Rig Services provide for recovery of an agreed target internal rate of return (“IRR”) of 11% to 13% for offshore rigs and an agreed target IRR 10% to 12% for onshore rigs, on our capital and operational costs incurred during the period. Once the Initial Rig Base Term expires, the rate structure is set to provide recovery of our operating costs on a cost-plus basis to allow for a target EBIT margin of 15 to 17% for onshore rigs, and in respect of offshore rigs, the higher of (a) cost-plus basis to allow for a target EBIT margin of 15 to 17%; and (b) the GCC average rate for all active contracts (as set out in the RigLogix database) following a set percentage discount. Pursuant to the Rig Services Framework Agreement, we have the right to review the rates charged by us to any operating company under any future operating company contracts (annually for offshore rigs and every three years for onshore rigs) to ensure that the contractual target IRR or EBIT margins are maintained. See “Related Party Transactions - Rig Services Framework Agreement”.

Under our Master Agreements, in the event of termination for convenience, early termination provisions are applicable and payable to us, which include the potential to recuperate the shortfall of the Net Book Value of the rigs. The Rig Services Framework Agreement was signed in 2018 and has a term of 40 years, which provides significant stability to our business. See “*Related Party Transactions - Master Agreements*”.

Overall, we believe this contractual framework provides us with strong downside protection.

*We have an attractive financial profile with leading and resilient profitability margins.*

We benefit from our preferential contractual framework with ADNOC that helps us achieve leading profitability margins with resilient performance and stability against the volatility in the commodity prices.

We have achieved 50% EBITDA margin on average during the three-year period from 2018 to 2020 and have maintained robust funds from operations in excess of USD 1 billion on average during the same period despite the adverse macroeconomic conditions, the oil price shock in 2020 and the Coronavirus pandemic. Additionally, we have a solid balance sheet with leverage (net debt over EBITDA) of 1.2x as of 30 June 2021, one of the lowest in the industry. These factors are expected to enable us to deliver consistent dividends and attractive returns to our shareholders.

*We believe we are well-positioned to achieve strong growth in both drilling and integrated drilling activities and generate sustainable growing free cash flows*

Our drilling business is expected to benefit from significant demand growth driven by ADNOC’s strategic upstream targets. We expect expansion in our rig fleet to deliver the long-term growth targets set by ADNOC.

We achieved a 36% cumulative drilling performance improvement from 2018 to 2020, which is calculated by comparing actual vs. scheduled days for delivering a well. We completed 86 out of 108 integrated drilling services wells ahead of schedule and below the expected budget for 2019 and 2020. As of 30 June 2021, we had 29 rigs performing integrated drilling services for ADNOC Onshore and ADNOC Offshore and we expect to reach 38 rigs performing integrated drilling services by the end of 2021.

Our integrated drilling services business is expected to benefit from increased penetration of the market and strong expansion of activity over the coming years. Our fully-integrated services offering positions us favourably to gain market share in the oilfield services market space (as referenced in the industry report, see “*Industry Overview*”). We have grown our share of the integrated drilling solutions market space, from 10% in 2019 to 35% in 2020; and expect to increase it up to 45% by the end of 2021. We believe significant opportunities exist to expand our operations in the UAE and regionally.

We believe we have a stable existing business delivering resilient financial performance and the strong expected captive growth both on the drilling and integrated drilling services activities positions us favourably to generate sustainably growing free cash flows.

*We have an almost 50-year track record of strong operational performance, with an extensive footprint and well-developed drilling infrastructure in the UAE, a high quality, well maintained fleet and an experienced senior management team.*

We work closely with our customers to improve drilling efficiencies, which frequently results in rig operations being completed ahead of plan and ultimately lowering the cost per well for our customers. We are responsive and flexible in addressing our

customers' specific needs and seek collaborative solutions to achieve customer objectives. We believe that our strong operational performance and close alignment with our customers' interests provides us with a competitive advantage and contributes to our contracting success and high fleet utilisation.

We have achieved a 30% reduction in well duration over four years (from 2016 to 2019 compared against the 2015 baseline) driven mainly by our real time monitoring centre, which allows us to remotely monitor up to 120 wells simultaneously. Our efforts to continuously improve our operational performance resulted in a reduction in well duration from an average 96 days in 2018 to an average 58 days in 2020, and an average 46 days in 2018 to an average 36 days in our Offshore segment and Onshore segment, respectively. Additionally, our fleet is comprised of well-maintained onshore rigs, jack-up rigs and island rigs with proven technologies and operating capabilities. Since our inception, we have implemented strategic fleet upgrade and renewal programs. More than half of our onshore rigs are less than five years old. Similarly, more than half of our jack up rigs are less than 10 years old and 70% of our island rigs are less than five years old. We continuously evaluate and enhance our fleet with "smart upgrades" where appropriate to meet our customers' requirements, in accordance with our "fit-for-purpose" strategy. We believe preserving high quality and well-maintained rigs are key to continue to benefit from our customers' trust and secure new drilling contracts, which in turn is expected to lead to an increase in revenues and profitability.

Additionally, our senior management team averages 25 years of experience in the drilling, workover and oilfield services industry, and has 200 years of collective industry experience. Our management team has a proven track record of growing revenue and profitability and implementing initiatives to improve operating efficiency and profit margins.

*We are committed to environmental and social initiatives*

We are committed to take part and contribute towards ADNOC's goals to (i) decrease greenhouse gas intensity by 25% by 2030, (ii) expand their carbon capture, utilization and storage capacity by 500% to 5 million tons of carbon dioxide per year by 2030, (iii) limit freshwater consumption to below 0.5% of total water usage, and (iv) plant 10 million mangrove seedlings in Al Dhafra region. ADNOC's goals align with the UN Sustainable Development Goals. We work diligently to reduce our environmental footprint throughout our value chain.

## **Our Strategies**

*Capitalise on ADNOC's plans to increase crude oil production by 25% to 5 million barrels per day by 2030 from 4 million barrels per day in 2020, achieve UAE gas self-sufficiency, and produce 1 billion cubic feet per day of unconventional gas by 2030.*

Given our strong market position, industry-leading low-cost structure and long-standing relationship with our main shareholder, ADNOC, and the ADNOC Upstream Operating Companies, we believe we are well-positioned to benefit from a planned increase in drilling activity to meet ADNOC's target of increasing crude oil production to 5 million barrels per day by 2030. Additionally, ADNOC is currently unlocking potential unconventional gas resources as part of its integrated gas strategy in line with the UAE's objective to become gas self-sufficient by 2030. In November 2019, the then Supreme Petroleum Council (now replaced by the Supreme Council for Financial and Economic Affairs) announced the discovery of 160 trillion standard cubic feet of recoverable unconventional gas resources, offering the potential to fuel the UAE with gas for future years.

*Become a regional leader in unconventional and biogenic development.*

The transformation into an integrated drilling service provider forms part of a wider strategy to become a regional leader in unconventional drilling, biogenic wells

development, expand outside of the UAE in the future, and move towards more integrated drilling services and oil field services. We aim to have 20 rigs by 2030 performing unconventional drilling and contribute to biogenic development. Biogenic gas characteristically occurs at a shallow depth and in high quality, which makes this gas economically attractive for production. We believe this will open up additional revenue streams for us and will lead to unlocking additional natural resources in the UAE.

*Goal of achieving operation efficiency by optimising well duration.*

We intend to continue focusing on increasing our operational efficiency by optimising well duration with a targeted 5% to 10% year-on-year improvement. This focus is intended to enable us to develop and maintain long-term customer relationships and maximise the utilisation of our fleet. The added project management and oil field services capabilities acquired as part of the strategic alliance with Baker Hughes, in addition to our existing in-house rig rental and rig management capabilities, are strong contributors to the optimisation of well duration.

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

We believe there will be an increase in drilling activity over the coming years in light of ADNOC's commitment to increase its crude oil production capacity by 25% to 5 million barrels per day by 2030. Additionally, as we plan to expand our business beyond the UAE and pursue business opportunities in the region, we expect there to be a need for rig fleet expansion to support our growth plans. Accordingly, we plan to expand our rig fleet over the course of the coming five to 10 years with a net addition of 23 rigs by 2030 to our 96 owned rigs. We believe the expansion of our rig fleet will enable us to increase our current scope of rig hire services, drilling and completion services and associated services, and also provide unconventional drilling and biogenic wells, which we believe will in turn lead to increased revenue and profitability.

*Pursue business expansion outside Abu Dhabi for rigs and services.*

Our recent transformation into an integrated drilling services provider has enabled us to potentially become a regional drilling services provider and move beyond our traditional domestic operations. Our recent transformation as an integrated drilling services provider should enable us to enter into new markets with a competitive cost base compared to our competitors and an improved service range to other traditional drilling services providers in the market. The current market forecast estimates 4% growth between 2020 and 2025 in onshore and offshore drilling operations, and oilfield services in the MENA region and oilfield services in the MENA region, which provides opportunities for us in the regional markets, which we believe will in turn enable us to grow further and expand our operations outside of the UAE.

*Aim to achieve 100% HSE integrity.*

ADNOC's "HSE Culture Transformation" programme was launched to shift HSE policies to a foundational cultural value of which everyone in the organisation can and should be a part. Our HSE performance is being continuously challenged, particularly as our operations expand and increase in complexity. To stay ahead and maintain focus on our goal of 100% HSE integrity, our aim is to embed a safety culture of empowerment, responsibility and accountability. We recognise the value and importance of the health and safety of our employees and other stakeholders as well as the protection of our environment. We have established a system for the management of the integrity of our assets. This is in full consonance with ADNOC's code of practices, which recognises the role of asset integrity is to prevent, mitigate and control consequences of any incident that could result in major integrity incidents affecting large populations of workforce, the environment or communities at large.

## Impact of the Coronavirus Pandemic

The impact of the coronavirus pandemic continues to evolve, thereby creating uncertainty across our operations. We have adopted robust business continuity measures designed to best serve employees, customers and wider stakeholders across our business segments, and have fully adhered to Abu Dhabi's COVID-19 protocols.

We responded dynamically to the challenges presented by the coronavirus pandemic, implementing a series of measures to aim to ensure the health and safety of our employees while ensuring uninterrupted services to our customers. These measures included work-from-home arrangements for all management and support staff, social distancing and hygiene measures and awareness campaigns, arrangements for coronavirus testing across our sites, contact tracing and self-isolation arrangements as well as monitoring suppliers, subcontractors and partners. We also created country and customer-wide business continuity plans and return-to-work guides to support the new working arrangements. As of 30 April 2021, approximately 93% of our workforce received the first dose of a COVID-19 vaccine and 89% received the second dose of a COVID-19 vaccine. Additionally, we have ensured that office and site-based employees undergo regular weekly and bi-weekly COVID-19 PCR tests.

Our Onshore segment has not significantly been impacted by the coronavirus pandemic in terms of revenue and increased costs. The Onshore segment has experienced operational constraints such as issues around the work cycle of crews with the restrictions on travel, quarantine, testing and vaccination requirements delaying crew rotations, as well as the inability to engage third party suppliers due to restrictions and enhanced COVID 19 safety restrictions. However, this was offset by (i) the creation of skeleton crews and back up crew utilisation, (ii) adopting a dynamic work cycle, (iii) the provision of new camps to solve for the inability to travel, and (iv) the facilitation of PCR testing and COVID-19 vaccination cycles for our crew members.

Our Offshore jack up segment has not significantly been impacted by the coronavirus pandemic in terms of revenue and increased costs but has experienced operational constraints such as issues around the work cycle of crews with the restrictions on travel, quarantine, testing and vaccination requirements delaying crew rotations, as well as the inability to engage third party suppliers due to restrictions and enhanced COVID 19 safety restrictions. However, this was offset by (i) utilising existing crews (which included skeleton crews) and crews from other rig sites as back up, (ii) rig stacking for some 'non-critical' projects to assist with crew shortages on other critical projects, (iii) placing a priority on crew welfare and safety by enhancing on-site accommodation, and providing COVID-19 vaccinations and PCR testing on sites and at our headquarters, and (iv) minimising the requirement and usage of third parties with the use of in-house resources.

Our Offshore-Island segment was impacted by the coronavirus pandemic in terms of the stacking of certain assets. The Offshore-Island segment experienced operational constraints such as a large number of assets being stacked to comply with our customers' revised production requirements. Quarantine requirements negatively impacted work cycles, and travel restrictions hindered the ability to manage third party operational support. However, this was offset by (i) the creation of skeleton crews and back up crew utilisation, (ii) adopting a dynamic work cycle, (iii) the provision of new camps to solve for the inability to travel, and (iv) the facilitation of PCR testing and COVID-19 vaccination cycles for our crew members.

Our Oil Field Services segment has not significantly been impacted by the coronavirus pandemic in terms of revenue and increased costs. The Oil Field Services segment has largely been operating as normal but has experienced operational constraints such as (i) quarantine restrictions and delays in recruitment due to the pandemic placing a strain on current resources, and (ii) the lock down of

assets due to screening procedures and a number of COVID-19 cases. However, this was offset by (i) adjusting the field work cycle for all Oil Field Services personnel to adjust to travel guidelines, (ii) adopting a dynamic work cycle for enhanced operations, (iii) increasing dependence on the remote operations centre in our headquarters to reduce the movement of people and avoid crew shortages, (iv) placing field breaks within camps to reduce the movement of people, (v) the facilitation of PCR testing and COVID-19 vaccinations for all crew members, and (v) minimising the reliance on third parties, where applicable.

## **Our Segments**

### *Onshore*

Our Onshore segment is our largest segment, generating revenue of USD 1,075.9 million and 567.5 million, representing 51.3% and 50.5% of our total revenue, and gross profit of USD 428.3 million and USD 314.3 million, representing 53.2% and 50.2% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. Our Onshore segment is comprised of land drilling, completion and workover services to ADNOC Onshore, ADNOC Sour Gas, Al Dhafra and other Abu Dhabi based customers in fields such as Bab, Bu Hasa, Dabbiyah, Sahil and Shah. Under our Onshore segment we provide onshore rig rental and workover rigs, equipment and associated services and personnel. Such associated services include (but are not limited to) the provision of transportation for crew personnel, catering, diesel supply, rig move capabilities, accommodation and central camp management and construction.

### *Offshore Jack Up*

Our Offshore jack up segment is our second largest segment, generating revenue of USD 596.7 million and USD 293.4 million, representing 28.4% and 26.1% of our total revenue, and gross profit of USD 266.4 million and USD 213.5 million, representing 33.0% and 34.1% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively.

We own and operate a fleet of 21 jack up rigs and 1 barge, with seven of these rigs being less than five years old. Our jack up rigs are capable of drilling wells to maximum depths ranging from 18,000 to 30,000 feet and in maximum water depths ranging from 110 to 350 feet, depending on rig size, location and outfitting. The majority of our jack up rigs operate at 3000 horsepower. There are 1,836 full time employees as of 31 December 2020 in our Offshore jack up segment.

### *Offshore-Island*

Our Offshore-island segment has generated revenue of USD 202.6 million and USD 105.6 million, representing 9.7% and 9.4% of our total revenue, and gross profit of USD 92.1 million and USD 75.1 million, representing 11.4% and 12.0% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. Our Offshore island segment is comprised of artificial island drilling services, which include the provision of rental rigs, equipment, and island rig services, such as drilling rigs and workover rentals, the provision of transportation, catering, diesel supply, heavy vehicles, rig move capabilities, accommodation and central camp management and construction. We work with Abu Dhabi based customers such as ADNOC Offshore and its associated partners (such as ExxonMobil and ENI) in Upper Zakum and Sarb islands.

We own and operate a fleet of 10 island rigs, 9 of which operate at 3000 horsepower and the remaining rig operates at 2500 horsepower. Additionally, 7 out of the 10 island rigs are less than five years old. There are 708 full time employees as of 31 December 2020 in our Offshore Island segment.

### *Oilfield Services*

Our Oilfield Services segment generated revenue of USD 222.6 million and USD 157.0 million, representing 10.6% and 14.0% of our total revenue, and gross profit of USD 19.0 million and USD 23.0 million, representing 2.4% and 3.7% of our total gross profit, for the year ended 31 December 2020 and the six months ended 30 June 2021, respectively. 22 of our rigs are performing integrated drilling services for ADNOC Onshore and ADNOC Offshore. There are 489 full time employees as of 31 December 2020 in our Oil Field Services segment.

In 2018, Baker Hughes invested in our business and entered into a series of agreements with us to enable us to become the first provider of integrated drilling services in the region, acting as the sole interface with customers. The strategic alliance with Baker Hughes added project management, and oil field services capabilities to our existing in-house rig rental and rig management capabilities. The adoption of integrated drilling services served as a major enhancement to our operations. The strategic alliance with Baker Hughes led us to optimise our operations by leveraging combined expertise and gaining access to leading technology solutions. As a result, we were able to achieve lower production costs and higher efficiency for our customers, while implementing improved safety measures.

In January 2019, we provided our first integrated drilling services well and by the end of that year, 10 rigs had delivered integrated drilling services wells. In our first year of operations with integrated drilling services capabilities, we delivered 33 wells, 31 of which were delivered ahead of schedule and below the expected budget. Our performance led to a 26% drilling efficiency improvement compared to the 2018 benchmark, 402 days' worth of savings and significant costs reduction. By October 2020, we were executing integrated drilling services on 18 rigs and had delivered 70 rigs with significant savings and an improvement in drilling efficiency of 10% when compared to the 2019 benchmark. Our integrated drilling services duration for the first half of 2021 improved by 12% when compared to the 2020 benchmark. In the first half of 2021, the Oilfield Services segment had two awards with a total value of USD 229 million and two extensions for a total value of USD 76 million.

## Operations

Our core operation is to drill oil and gas wells in Abu Dhabi in onshore, offshore and island sites belonging to our customers. Our business is comprised of our land-based and offshore drilling rig operations and other rig related services and technologies. We provide our customers with comprehensive drilling services, including drilling, work-over, well completion and maintenance services. Starting in 2018, following the strategic alliance with Baker Hughes, we also provide integrated drilling services covering the product lines of wireline, directional drilling, cementing, pressure pumping, logging and fluids, and hydraulic fracturing. The key drivers for rig demand have been the plans and objectives of the ADNOC Upstream Operating Companies (See "*Our Customers*" below) which are responsible for all aspects of oil and natural gas exploration, evaluation, development and production in Abu Dhabi.

### *Our Customers*

Our customers include ADNOC and the ADNOC Upstream Operating Companies, namely, Abu Dhabi Company for Onshore Petroleum Operations Limited ("**ADNOC Onshore**"), Abu Dhabi Company for Offshore Petroleum Operations Limited ("**ADNOC Offshore**"), Abu Dhabi Gas Development Company Limited ("**ADNOC Sour Gas**"), Al Yasat Petroleum Operations Company Limited ("**Al Yasat**"), and Al Dhafra Petroleum Operations Company Limited ("**Al Dhafra**") (collectively, the "**ADNOC Upstream Operating Companies**"). Our main customers are ADNOC Onshore, which accounted for 55.2%, 54.2% and 52.8% of our consolidated operating revenues during the years ended 31 December, 2020, 2019 and 2018, respectively, and ADNOC Offshore, which accounted for 42%, 45.7% and 47.1% of our consolidated operating revenues during the years ended 31 December, 2020, 2019 and 2018, respectively. See "*Investment Risks- Related to our Business and Industry - We currently derive most of our revenues from two main UAE customers, and the loss of*



*either customer could have a material adverse impact on our business, financial condition and results of operations”.*

### *Rig Services*

Pursuant to our contractual arrangements with ADNOC, we provide ADNOC Upstream Operating Companies with (i) rig hire services comprising (a) the provision of any rig, equipment and personnel that is required for the drilling, testing, completion and workover of any oil and gas wells, (b) the provision of any operational support, and (c) the provision of any other equipment or services as mutually agreed between us and the relevant operating company (“**Rig-hire Services**”), and (ii) rig-related services, comprising (a) the provision of accommodation and/or caravans, (b) the provision of catering services, (c) the provision of storage tanks, and (d) the provision of any other equipment or services as mutually agreed between us and the relevant operating company (“**Rig-related Services**” and together with Rig-hire Services, “**Rig Services**”). Please see “*Related Party Transactions - Rig Services Framework Agreement*”.

Pursuant to our contractual agreements with ADNOC, ADNOC is required to ensure that the ADNOC Upstream Operating Companies procure integrated drilling services (or any service equivalent or identical to, or performing the same function as, integrated drilling services) from us for the development of conventional wells and unconventional wells, provided that we are able to provide such integrated drilling services on the terms set out in the Drilling Rig Services Framework Agreement, which has a term of 40 years as of 2018 (Please see “*Related Party Transactions - Rig Services Framework Agreement*”).

Our management periodically communicate with our customers to understand their short- and long-term rig requirements. ADNOC provides us with its 10-year rig requirements and drilling plans on an annual basis. If an ADNOC upstream operating company expects that its sustained demand for a new rig is:

- (a) for at least 15 years, (i) in the case of offshore rigs, ADNOC agreed to procure that such ADNOC upstream operating company issues a commitment letter to us for our engagement to procure or construct, and for such ADNOC upstream operating company to use, a new offshore rig for at least 15 years, and (ii) in the case of onshore rigs, ADNOC agreed to procure that such ADNOC upstream operating company issues a commitment letter to us for our engagement to build, and for such ADNOC upstream operating company to purchase, a new onshore rig; or
- (b) for less than 15 years, ADNOC agreed to procure that such ADNOC upstream operating company undertakes to rent a rig from us pursuant to the terms and conditions set out in the Rig Services Agreement Framework.

If we have rented a rig from a third-party supplier for onward rental to an ADNOC upstream operating company, the rates chargeable by us to such ADNOC upstream operating company shall provide for our recovery of the agreed rate for the rental of such rigs by us from any third party supplier, plus a set margin set out in the Rig Services Agreement Framework.

### *Integrated Drilling Services*

Pursuant to our contractual arrangements with ADNOC, we provide ADNOC Upstream Operating Companies with (i) integrated drilling services, comprising (a) Rig Services, (b) drilling and completion services (including mud services and/or drilling and completion fluids services, cementing services, tubular running services, coiled tubing, directional drilling, e-line logging, casing services, slick line, drill bits, fracturing/stimulation), and (c) project management services relating to the overall coordination and integration of such services. Please see “*Related Party Transactions - Rig Services Framework Agreement*”. ADNOC is required to procure

that the ADNOC Upstream Operating Companies procure integrated drilling services (or any service equivalent or identical to, or performing the same function as, integrated drilling services) from us for the development of conventional wells and unconventional wells, provided that we are able to provide such integrated drilling services on the terms set out in the Rig Services Framework Agreement, which has a term of 40 years as of 2018 (Please see “*Related Party Transactions - Rig Services Framework Agreement*”).

Pursuant to the Rig Services Framework Agreement, ADNOC has agreed to procure that the ADNOC Upstream Operating Companies procure the development of an agreed minimum quantity of conventional wells and unconventional wells set out as an agreed percentage (increasing annually) of the total budgeted costs of drilling, developing and completion conventional wells and unconventional wells, respectively, by the ADNOC Upstream Operating Companies during the relevant financial year. However, unlike with Rig Services, the ADNOC Upstream Operating Companies are not required to solely procure integrated drilling services from us.

### *Environmental, Social, and Governance (ESG) Initiatives*

We are strongly committed to environmental, social and governance (“ESG”) principles, with environmental, social and governance matters fully integrated into our strategic objectives. ESG is at the core of our priorities and as the leading drilling services provider in the UAE, we are cognizant of our responsibility to encourage sustainable practices in our policies, operations, and communities. We have aligned our strategic priorities to create sustainable value for all our stakeholders—our customers, our employees, our communities, and our shareholders.

#### Environmental

We believe that we have a responsibility to protect the health and safety of our people, minimise the consumption of resources and control emissions to ensure a sustainable ecosystem for future generations. We are, and will remain, committed to the protection and enhancement of the environment through monitoring, reporting and continual improvement of our environmental performance across a range of areas, including: energy; material consumption; emissions; water consumption and waste management.

#### Social

We are committed to fostering an inclusive culture and implementing workforce diversity. Ensuring fairness, equality and diversity in recruiting, compensating, motivating, retaining, and promoting employees is essential to us.

#### Governance

Our board of directors is collectively responsible for our management and strategy. The board of directors supervises the interests of stakeholders, the creation of a culture aimed at long-term value creation, the internal audit function, and the effectiveness of internal risk management and control systems. Our management team is charged with day-to-day management and is responsible for the continuity and optimisation of our business to create long-term value for our stakeholders.

In terms of ethics and compliance, we strive to conduct all business activities responsibly, efficiently, transparently, and with integrity and respect towards stakeholders. In doing so, we promote a culture of performance, collaboration, and responsibility. These values underpin everything we do and defines the day-to-day attitudes and behaviours of our employees.

## Health and Safety

Our Health and Safety (HSE) Management System aims to ensure that all of our facilities and operations operate at the highest standards of operational excellence and safety. Indeed, our HSE Management System has been certified as conforming with ISO 14001, OHSAS 18001 and ISO 50001. Our HSE Division has implemented:

- extensive training programs, campaigns and awareness programs in order to increase safety awareness and minimise time lost to injuries; and
- a five-year audit plan (2021-2025) in order to measure HSE performance (the five-year plan includes internal HSE audits, external HSE audits and contractor audits).

The following table sets forth certain information with respect to the performance of our HSE Division for each of our last five fiscal years:

FTL, LTIF & TRIR for the last 5 years					
	Year (ended 31 December)				
	2016	2017	2018	2019	2020
LTIF <sup>(1)</sup>	0.29	0.32	0.33	0.24	0.51
TRIR <sup>(2)</sup>	1.21	1.27	1.12	1.39	1.66
Total number of employee fatalities	0	1	2	0	0

(1) Reflects frequency of employee lost time injuries per million hours.

(2) Reflects total number of employee injuries per million hours.

## Insurance

We maintain insurance policies, where practicable, covering our assets and employees that we believe is in line with general business practices in our industry, with policy specifications and insured limits that we believe are reasonable. Risks that we are insured against include property loss or damage as well as breakdowns due to defects in material, design, erection or assembly. Certain customary exceptions apply, such as acts of war, terrorism and environmental pollution. Our policies together provide an indemnity against sums for which we become legally liable to pay as compensation for injury, loss or damage to a third party arising out of and in the course of our business, an indemnity against material damage to our properties, and an indemnity against the loss of our stock of products, in each case subject to deductibles and insured limits that we believe are reasonable. See *“Investment Risks - Risks Relating to our Business and Industry - Our insurance coverage may be inadequate to cover potential losses we could suffer in the case of regional expansion into markets outside of the UAE”*.

## Properties

The following tables set forth information regarding our principal properties. All of our properties are leased or subleased from ADNOC. See *“Investment Risks- Risks Relating to Our Business and Industry - We do not own the land on which our assets are located. As a result, we are subject to the possibility of the loss of, or increased costs to retain, necessary land use which could adversely affect our business and results of operations”* and *“Related Party Transactions”*.

	Location	Name	Function	Capacity	Ownership/ management
1.	Abu Dhabi	SKEC 2	Head Office	14,577.09 sq.m	ADNOC
2.	Mussafah	MWH	Warehouse	23,221 sq.m	ADNOC
3.	Al Dhafra	Habshan 14A	Office and workshop	543,038.16 sq.m	ADNOC
4.	Al Dhafra	Habshan 1002	Central camp	90,000 sq.m	ADNOC
5.	Al Dhafra	Tariff T2	Central camp	89,876 sq.m	ADNOC
6.	Al Dhafra	Madinat Zayed T1	Central camp	90,000 sq.m	ADNOC
7.	Al Dhafra	Asab T1005	Central camp	90,000 sq.m	ADNOC
8.	Al Dhafra	Habshan T1025	Central camp	90,000 sq.m	ADNOC
9.	Abu Al Abyad	Central Explosives Bunker	Workshop	21,358.56 sq.m	ADNOC

### Lease of our Headquarters

With effect from 1 January 2020, pursuant to a commercial building lease agreement signed on 8 June 2020, we lease our headquarters at Sheikh Khalifa Energy Complex 2 from ADNOC. The lease runs for an initial term of one year from the effective date and is automatically renewable for further terms of one year.

### Government Properties leased by ADNOC and subleased to us

We have entered into a lease agreement effective from 1 January 2020 for eight plots of land (2-9 above) that ADNOC has leased from the Government of Abu Dhabi and sub-leased to us for a period of one year, renewable for further terms. The annual rent for the leased properties is paid by us annually in a lump sum prior to the start of each year of the renewed term of such lease agreement.

Additionally, we have entered into (i) a lease agreement dated 17 August 2005 in respect of industrial land whereby we have leased land plot no. 7 located in Mussafah, Abu Dhabi from the Department of Municipality and Agriculture, for a term of 30 years ending on 13 January 2025, and (ii) a lease agreement in respect of industrial land dated 17 August 2005 whereby we have leased land plot no. 1 located in Mussafah, Abu Dhabi from the Department of Municipality and Agriculture for 30 years ending on 26 March 2022.

### ADNOC properties leased by us

We entered into a lease and services agreement on 1 March 2011 with Petroleum Services Company - Esnaad - PJS (a wholly owned subsidiary of ADNOC) for the occupation and use of an area of land within Mussafah, Abu Dhabi, with the land/facilities comprising of: (a) a warehouse, (b) an office, (c) an open storage area.

We entered into a storage facility agreement on 10 July 2011 with ADNOC pursuant to which we lease storage facilities for our archived records at ADNOC's corporate archive facility in Mussafah and in the Petroleum Institute Sas Al Nakhl. The term of this agreement is one year and it is automatically renewable unless either party terminates the agreement.

### Employees

As at 31 December 2020, we had 8,000 employees, 1,017 of whom were employed in our head office, corporate and administrative functions and in field support, 4,169 of whom were employed in our Onshore segment, 1,836 of whom were employed in

our Offshore jack up segment, 708 of whom were employed in our Offshore-island segment, and 489 of whom were employed in our Oilfield services segment.

### **Intellectual Property**

We have been granted rights to use the ADNOC logo and trade marks in certain promotional materials in certain jurisdictions. Under the commercial arrangements in place with Baker Hughes, Baker Hughes grants ADNOC Drilling certain licenses for use of its exclusive goods and equipment, including software licensed by Baker Hughes such as commercial software, internal software and non-commercial software. Please see "*Material Contracts - Agreements with Baker Hughes*".

No patents are currently owned by or registered to our name.

ADNOC grants us a limited royalty-bearing, non-exclusive licence to use the ADNOC logo, trademarks and materials in Africa, Europe and the GCC, in connection with the provision of certain services in respect of drilling and related services that we are engaged in. ADNOC also grants us the right, subject to certain terms and conditions in the Brand Usage Agreement, to sub-lease the rights and licences granted under the Brand Usage Agreement to certain parties (including its affiliates and third party franchisees). See "*Related Party Transactions*".

Our website is under the domain name <https://adnoc.ae/adnoc-drilling> (owned by ADNOC).

### **Information Technology**

Our Information Technology (IT) Division aims to ensure that our information technology systems operate at the highest standards of operational excellence. The IT Division employs a series of frameworks which aim to ensure operational excellence, these frameworks concern: policies and procedures, strategy, service management systems, project management, risk management and information security management. Further, the IT Division has implemented an "IT Disaster Recovery Plan" which sets out step by step guidance for the development, maintenance, execution, invocation and recovery of IT services in the event of any IT disruption. See "*Related Party Transactions*".

ADNOC, or the ADNOC group companies, own all of the physical IT infrastructure that provide IT services to our corporate IT users (including three separate data centres). However, certain IT functions are supplemented/provided by external contractors, namely: hardware maintenance, systems support, systems implementation and software support.

### **Industry Overview**

#### Introduction

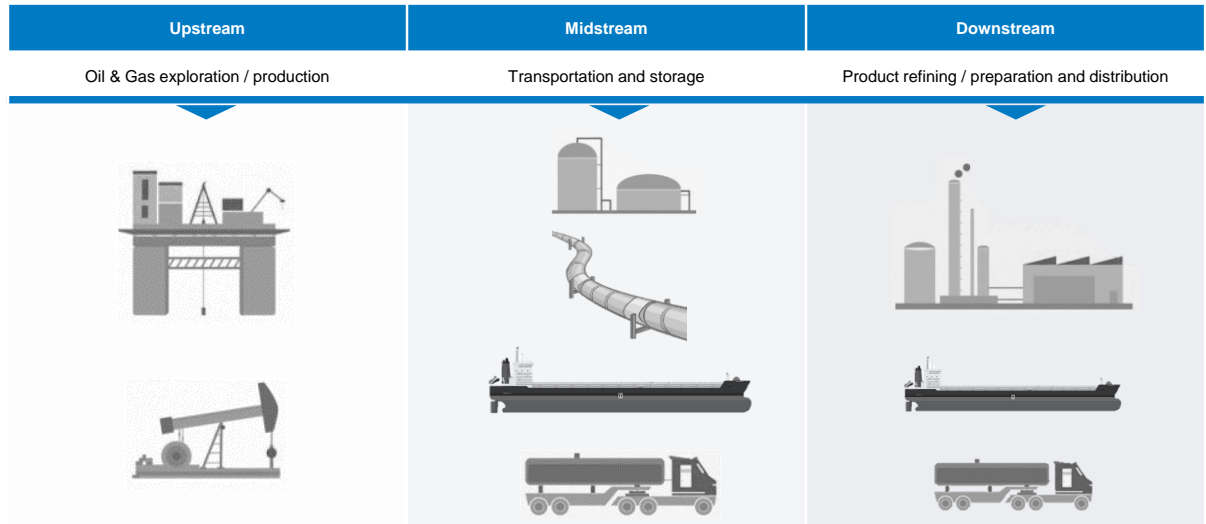
Rystad Energy AS ("**RE**"), a limited liability company incorporated in Norway under commercial register number 887448892, is an independent energy research and business intelligence company providing data, tools, analytics and consultancy services to clients exposed to the energy industry. RE has prepared the industry overview independently and believe that the report contains a true and fair representation of the industry and its outlook, within the acceptable limitations. The report is to be considered a high-level introduction to the global oil and gas market, including drilling and well services segments, with a special focus on the MENA region. The report is not to be viewed as a recommendation to buy, or not to buy, any particular securities or companies.

Under no circumstances shall RE, or its affiliates, be liable for any direct, indirect, incidental, consequential, special, or exemplary damages arising out of or in connection with access to the information contained in this report, whether or not the damages were foreseeable and whether or not RE was advised of the possibility of such damages.

#### Oil and gas value chain

The oil and gas value chain is often broken down into three key segments, namely upstream, midstream and downstream as illustrated in Figure 1. The upstream segment mainly focuses on the exploration for crude oil and natural gas fields, as well as production and processing. Upstream is also termed Exploration & Production (“E&P”). The midstream primarily involves the storage and transportation of oil and gas from upstream to downstream through a network of pipelines, trucks, rail, ships, tankers and barges. The final segment, downstream, focuses on the refining of crude oil and purifying natural gas. Sales, marketing, product distribution and retail of oil products, such as diesel, gasoline and naphtha takes place in the downstream segment. ADNOC Drilling is a service provider within the upstream/E&P segment.

**Figure 1: Oil and gas value chain**



Source: Rystad Energy

#### Exploration & Production (E&P) value chain

The upstream portion of the oil and gas activities can be further divided as seen in Figure 2. These are the main phases of upstream oil and gas activities. The Company is present in all the four phases of the upstream value chain.

The Company divides its activities between onshore and offshore. Generally, the offshore activities create additional challenges in all phases of upstream activities, which leads to additional costs. The offshore activities are consequently more capital intensive than the onshore activities.

Another division in the Company’s operations is related to conventional and unconventional oil extraction. Conventional oil is extracted by natural pressure depletion in the reservoir, possibly with the aid of water and/or gas injection. Unconventional oil extraction is a combined term for all other methods of extraction.

**Figure 2: Main phases of upstream activity**



Source: Rystad Energy

Lifecycle descriptions

#### Exploration phase

The exploration phase starts with getting access to acreage believed to hold natural hydrocarbon deposits. This can be done through acquisitions, mergers, bidding on blocks in license rounds or through grants from resource holders. Hydrocarbons can be found at varying depths, in reservoirs of varying sizes and with different characteristics. The search for hydrocarbons can therefore prove to be challenging, and advanced technology is often used to improve exploration results. Seismic studies, the use of sound waves, can be used to map the geology of an area, and uncover potential drilling targets.

The main difference between onshore and offshore exploration is related to the additional cost elements incurred by offshore exploration. The offshore equipment related to exploration activity typically needs to be more technologically advanced and more robust to the elements, which makes it more expensive to operate than onshore equipment.

### **Development phase**

In the development phase, a plan of how to best exploit the resources found in the exploration phase is prepared. Once constructed, a field may be producing for several years. Consequently, a large number of factors must be taken into account when developing a field.

The development phase requires significant capital investment. Offshore developments are typically more expensive than onshore developments, due to the additional environmental challenges and the more complex logistical requirements.

### **Production phase**

Once a development is completed, and the field has started production, the harvesting phase of upstream activities begin. Production typically increases gradually until a peak is reached (production is often constrained by a facility's processing capacity) and then kept at this level for some years, before production naturally starts to decline as volumes and reservoir pressure are depleted.

### **Decommissioning phase**

The last part of a field's life cycle is related to the decommissioning of the field, where wells are plugged and facilities dismantled. Depending on the regulatory and fiscal regime, capital may need to be set aside for abandonment. The regulations related to abandonment vary significantly between jurisdictions.

### ***E&P companies***

The operating companies, often referred to as E&P companies, acquire licenses to explore for and produce oil and gas resources from regulating authorities.

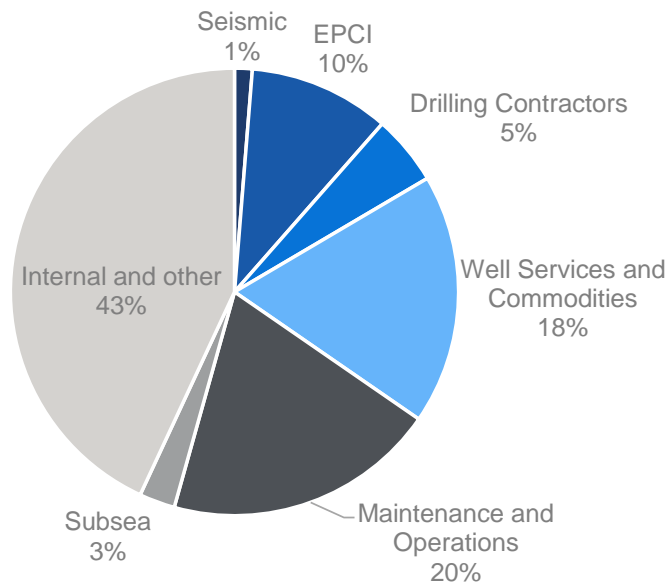
### **Oilfield service segments and value chain**

Oilfield services companies generate their revenue by providing services and tools to the E&Ps. One fundamental factor that determines the oilfield service activity level is the E&P spending level. E&P spending has historically been driven by current and expectations for future oil and gas prices. E&P spending is distributed between the phases presented in Figure 2, with production holding the largest portion.

With the production phase being the phase where the operating companies generate their cash flow, these related services are more resilient to oil price downturns than exploration and development activities.

Figure 3 shows how the E&P spending in 2020 is distributed between these groups.

### **Figure 3: Global E&P expenditure 2020 by type**

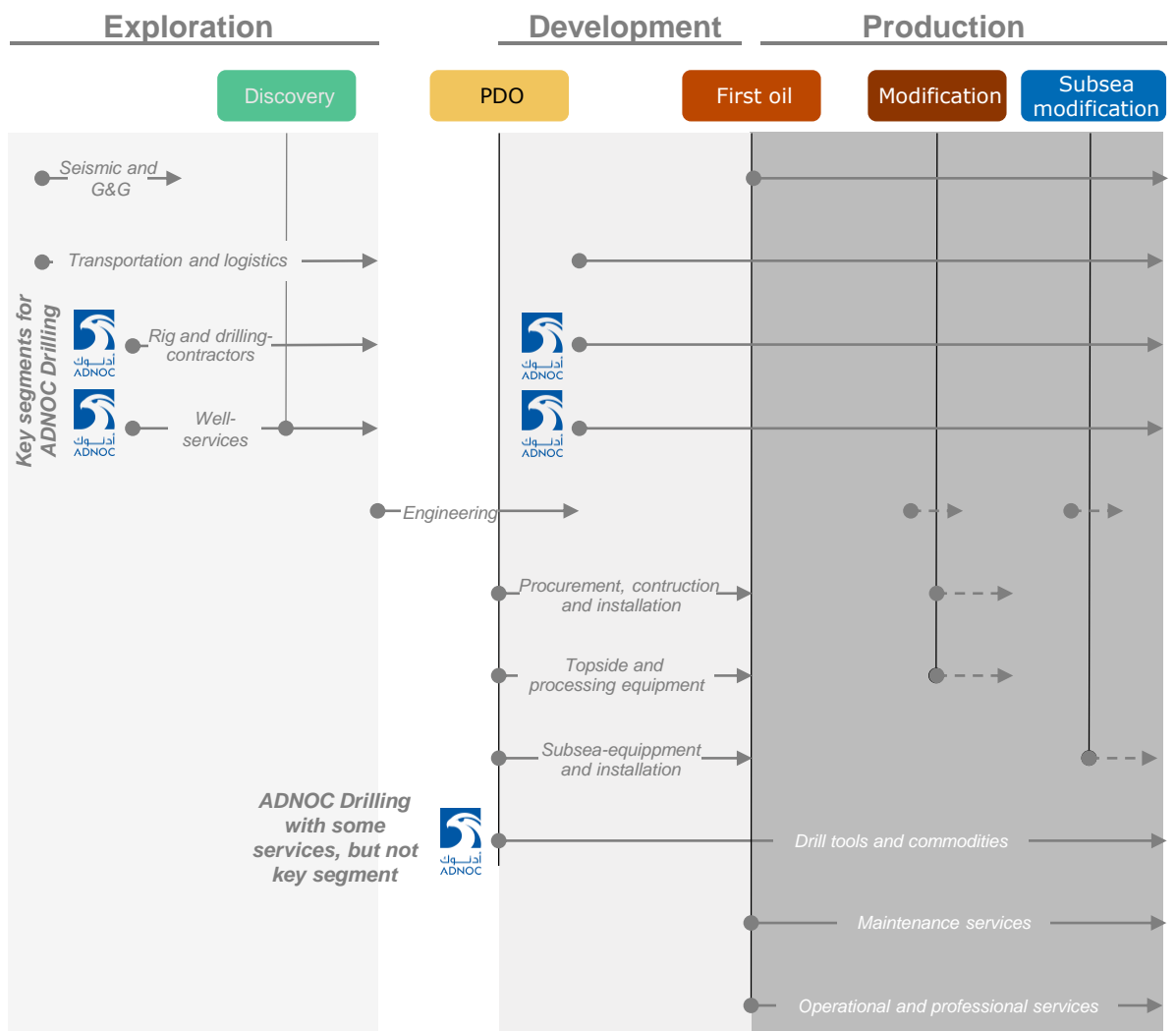


Global E&P expenditure 2020  
~830 BUSD

Source: Rystad Energy ServiceDemandCube April 2021

Figure 4 shows in which part of the field lifecycle the different services are provided.

Figure 4: Oilfield services placing the upstream value chain





Source: Rystad Energy

### ***Drilling Rigs and Well Services***

ADNOC Drilling provides services to E&P companies both in terms of leasing their drilling rigs and performing well services.

#### **Introduction to contract drilling and well services**

*Drilling contractors* and *Well services and commodities* cover all oilfield services related to the wells and differ throughout a well's life cycle.

#### **Well construction**

The well construction segment covers all aspects, both equipment and necessary services needed to create and ensure the structural integrity of the borehole. In addition to a drilling rig, drill pipe and drill bits are some of the main equipment used to construct the borehole.

#### **Well completion**

The well completion segment prepares the well for production (or injection) in a controlled, operational manner. Well completion can require tools such as perforating guns to create a hole within the production casing to allow communication between the reservoir and wellbores and plugs/packers used as barriers to isolate fluids and pressures within the casing string.

#### **Well intervention**

The well intervention segment covers any operation carried out on an oil or gas well during the well's productive life. The objectives behind the operations are typically to re-establish the integrity of a well or to enhance productivity.

#### **Plugging & abandonment (P&A)**

Plugging and abandonment of a well are the activities related to permanently closing a well. This implies the retrieval of well completion and establishment of barriers to isolate permeable and hydrocarbon bearing formations.

### ***Drilling Contract Structures***

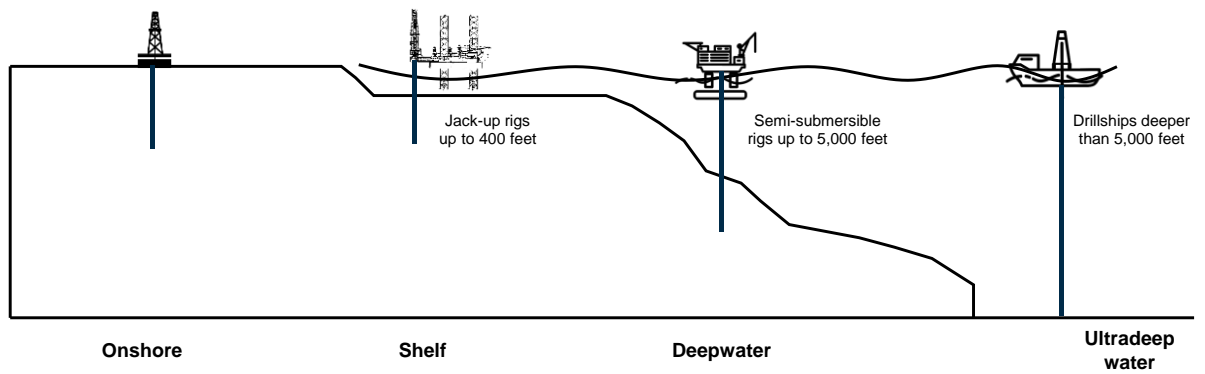
The commercial agreement between companies providing services and equipment and the E&P companies may vary significantly, both in terms of compensation method and services provided.

A drilling contractor can provide drilling only, or it can enter an integrated drilling contract. The integrated drilling contracts include well services and/or well planning and design in addition to drilling. In these agreements, the drilling contractor provides the rig, crew, equipment, materials and organizes all third-part contributions.

### ***Drilling Rigs***

The contract drilling industry primarily uses onshore (land) rigs, jack-up rigs, semi-submersible rigs and drillships to provide drilling, workover and well construction services to oil and gas E&P companies. The type of drilling unit to be utilized typically depends on location and water depth (see Figure 5 below), but rigs are also categorized based on dimensions such as operating environment, regulation and age/generation.

#### **Figure 5: Main rig categories**



Source: Rystad Energy

## Rig types

### Onshore rigs

Onshore rigs are categorized based on portability and the maximum operating depth. The maximum operating depth is often dependent upon the overall rig size measured in horsepower.

In terms of portability, onshore rigs can be divided into mobile or conventional rigs. As most onshore drilling rigs (including conventional) can be moved, the portability grouping refers to the effort it takes to move the entire rig system. Mobile rigs are unit transported in only a few pieces (e.g. mast and substructure moved as two whole units). These designs are common in desert regions involving fast-moving operations across deserted areas.

### Jack-up rigs

Jack-up rigs are self-elevating and bottom-supported units with three or four steel legs that can be “jacked” up and down to adjust the platform’s deck to the water depths. The units are mobile and can lower their legs to any ocean floor as long as a bottom foundation is established, and the water depth is within the rigs’ capabilities.

### Floater

Floater include semi-submersibles and drill ships. A semi-submersible drilling unit is a floating unit with large submerged pontoons providing buoyancy for a drill deck situated above sea level. The drill deck and pontoons are connected with columns.

### Water depth categories

Offshore drilling units are often categorized in terms of their maximum water depth capability. There is no consistent industry standard for this categorization but in general, jack-ups typically operate in shallow water and floaters in mid to ultradeep water.

### Operating environment

Rigs operating in regions such as Brazil, West Africa, Persian Gulf, South East Asia and parts of Australia rarely observe severe weather condition and are referred to as benign regions. Rigs operating in regions with strong winds, weather- and sea states, often combined with low temperatures as observed in for example North West Europe and Canada, are referred to as harsh regions.

### Global oil and gas market

### Covid-19 and liquids demand

Over the past decade, high levels of economic growth across the US, China and India boosted liquids demand across all key segments. Demand associated with road transport, both passenger vehicles and heavy transport, represented the key growth segment across key demand centers. However, in 2019, political tensions between the US and China combined with a negative economic outlook resulted in the lowest

growth seen since the financial crisis. Pre Covid-19, the expectations for 2020 were around the 2019-level.

In February/March 2020, Covid-19 swiftly spread across the globe. In order to manage the pandemic, governments have implemented restrictions of varying degrees of severity, e.g. social distancing measures, travel restrictions (border closures), quarantine regimes and lock-downs/curfews. These measures have not only dramatically reduced transportation activity worldwide, but also activity in many other sectors. In the oil market, the result has been an oil demand collapse unlike anything ever seen historically at almost 10 million barrels per day.

#### Liquids supply and balances

After the liquids demand collapsed as a result of COVID restrictions, the oil price plunged, also driven by a supply/market share war between Russia and Saudi Arabia. In April 2020, OPEC+ agreed on record high production cuts, and in May, OPEC+ cut almost 10 million barrels of crude oil and condensate production. In addition, other supply segments and regions have contributed to lower supply, e.g. US (shale/tight oil) and Canada. Several other countries globally have also experienced lower production levels through 2020 compared to what was expected pre-Covid. From January to May 2020, the market was heavily oversupplied by liquids, and stocks built from January through June. After production was cut by OPEC+ and other countries, the balances turned to deficit mid-2020s which resulted in an increased oil price that stabilized at around 40 USD/bbl in the second half of the year. In January 2021, Saudi Arabia announced another production cut, and together with a general vaccine optimism and other positive factors, the oil price has increased to pre-Covid levels. Moving forward, the oil price recovery will depend on, among other, the Covid-19 situation/recovery and OPEC+ quota policy.

#### Covid-19 effect on gas market

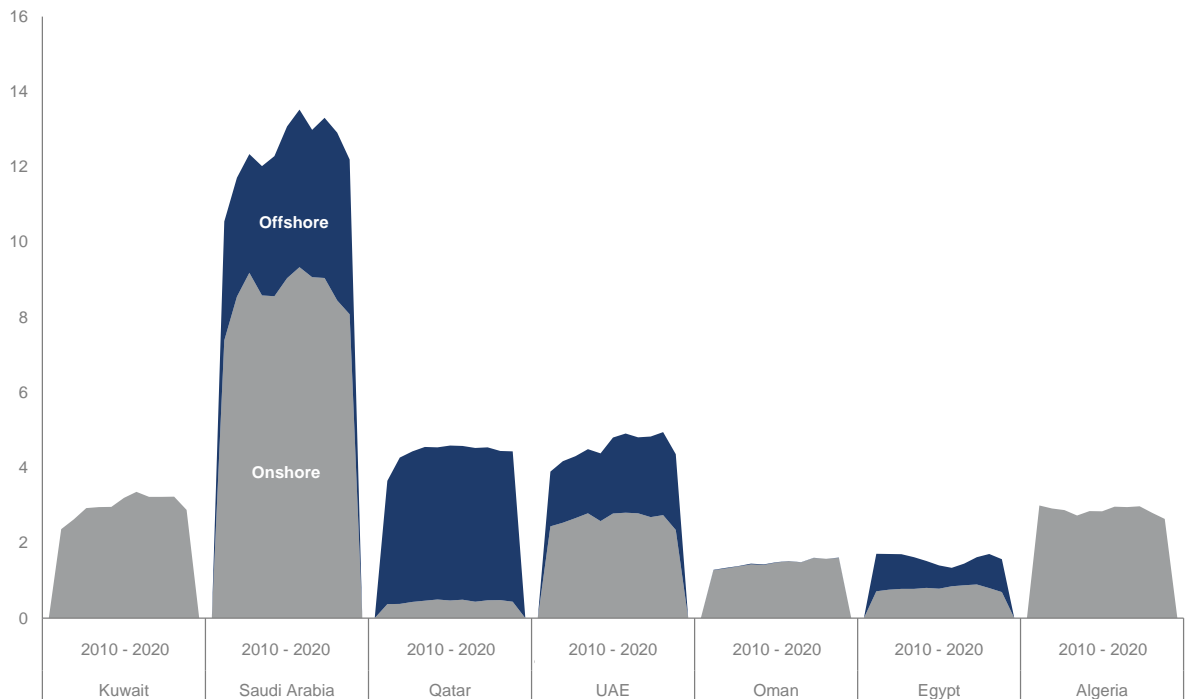
The global gas markets were already facing challenging conditions when the Covid-19 pandemic came. A mild winter and growing LNG supply from the US and Russia, among others, had already resulted in historically low prices during the winter of 2019/2020. Nonetheless, the decreased demand for gas due to Covid-19 resulted in lower prices during the spring and summer months of 2020. However, on a global scale, gas demand has limited exposure in the transportation sector (as fuel), and has as such been somewhat shielded by its major applications, e.g. power generation. Furthermore, the low gas prices mean that gas has remained competitive in the power sector against coal.

#### Global E&P trends

In the 2017-2019 period, the free cash flow of the E&P companies increased significantly, primarily due to higher oil prices, lower cost level in the industry, and generally lower greenfield and brownfield development activity. With improved conditions for the E&P companies, in addition to a more positive market sentiment, sanctioning activity (final investment decisions) increased in the 2017-2019 period.

#### MENA rig market

**Figure 6: Oil and gas production in MENA, by offshore/onshore [Million boe per day]**



Source: Rystad Energy UCube April 2021

### Onshore

Figure 6 shows that all seven key countries have significant onshore volumes, hence all will be included in this section

### Fleet

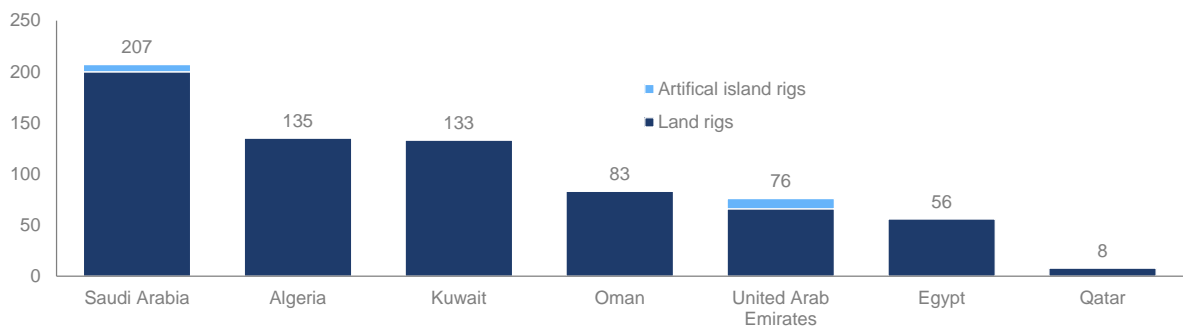
#### Overview

The onshore rig supply data is based on company reporting. Data shows that there are currently about 700 land rigs in the region, including both regular land rigs and those used on artificial islands.

#### Region

Figure 7 shows the 2020 rig supply in each of the countries. Most of the supply is located in Saudi Arabia, Kuwait and Algeria. RE reporting indicates that only 5 onshore rigs are situated in Qatar. In the MENA region, artificial islands are only present in Saudi Arabia and UAE.

Figure 7: Onshore rig supply\* 2020 in MENA by country [# rigs]



\* Excludes workover rigs. Source: Rystad Energy, RE reporting

### Type

Onshore rig supply in the region is dominated by units with 1000 to 2000 horsepower, which in 2020 accounted for around 79% of total supply. Light units (0 to 1000 HP) and heavy units (2000+ HP) accounted for 12% and 9%, respectively.

### **Rig owner/contractor**

In the onshore segment, Sinopec is the contractor with most units located in the MENA region, followed by ADNOC Drilling. The ADNOC Drilling onshore fleet consists of units within the entire HP classification spectra, but is dominated by the 1001-1500 segment. The ADNOC Onshore fleet is also solely located in UAE. Within the onshore segment, several other players are also focusing on one country only, e.g. ENTP (Algeria), ENAFOR (Algeria) and SANAD (Saudi Arabia).

### **Demand and supply**

Saudi Aramco is by far the operator with highest rig demand, accounting for around 36% of the onshore MENA demand. Kuwait Petroleum Corporation (KPC), Petroleum Development Oman, ADNOC Onshore and Sonatrach are the four other main operators over the last five years. Market share

As opposed to offshore where market shares are calculated based on contracted supply, the onshore market shares are calculated based on total supply for each of the contractors. The markets in Qatar, UAE and Egypt are characterized by one main rig contractor holding more than 50% of the rig supply in the region, being respectively GDI (100%), ADNOC Drilling (91%) and EDC (62%). In Algeria, ENTP and ENAFOR make up about 85% of the market. The market shares in Saudi Arabia, Kuwait and Oman are more evenly distributed between the contractors present in the countries.

### **Day rates**

Data on day rates as in the onshore segment is harder to come by as contracts are not as transparent as in the offshore segment. It is not uncommon that agreements are made without the details, such as rates, becoming publicly available.

### **Offshore**

Saudi Arabia, Qatar, UAE and Egypt are the only countries (among the MENA focus countries) with significant offshore production. Kuwait and Algeria only produce hydrocarbons onshore, whereas Oman produces an insignificant amount offshore. The offshore section will thus focus on Saudi Arabia, Qatar, UAE and Egypt, with Oman being included in some of the sub-sections. Fleet

### **Overview**

When talking about rig supply, rig years is a commonly used measure. Rig years is calculated as the number of days a rig is part of relevant supply throughout a year. If e.g. a newbuild enters a given market on the 1<sup>st</sup> of December, then it will add 31/365 = 0.08 rig years to the rig supply that year. If a rig is moved between Saudi Arabia and Oman in the middle of the year, then the rig will add 0.5 rig years to supply in Saudi Arabia, and 0.5 rig years to supply in Oman. The 2020 offshore rig supply in the defined MENA region consists of 148 rig years, where 98% (144) of these are jack-ups and only 2% (4) are floaters. These numbers include all parts of supply, both rigs on contract, warm- and cold stacked. The high share of jack-ups is a natural consequence of the shallow water depth in the MENA region.

### **Region**

Saudi Arabia holds the largest portion of supply followed by UAE. Both these countries have a mix between rigs being younger and older than 20 years. Qatar stands out as a country dominated by younger units whereas the opposite is the case for Egypt.

### **Type**

The majority (57%) of the jack-up rig fleet in the MENA region is classified as Standard, whereas 36% and 7% are classified as Premium and High Spec, respectively.

### **Rig owner/contractor**

In 2020, ADNOC Drilling was the largest jack-up drilling contractor in the region with a total of 20 standard jack-up units. Valaris and Seadrill stand out as contractors with higher spec fleets compared to the other players.

#### Demand and supply

Saudi Aramco is by far the largest operator accounting for approximately 46% of total MENA demand. ADNOC Offshore, Qatar Petroleum, Gulf of Suez Oil Company (GUPCO) and North Oil Company are the four other main operators over the last five years.

After the financial crisis, from 2010 to 2014, when the oil price increased and reach more than 100 USD/bbl, jack-up rig demand in MENA increased rapidly from around 75 rig years in 2010 to over 100 rigs years in 2014. Demand decreased again in 2016 and 2017 following the oil price downturn. In 2019, jack-up demand in MENA reached a high of approximately 110 rig years, which continued into 2020.

#### Market share

From 2016 to 2020, the active MENA jack-up supply (units on contract) is split between the contractors for each of the key offshore countries; Saudi Arabia, Qatar, UAE and Egypt. The jack-up contractor market in Saudi Arabia is spread over a set of companies with Valaris being the largest contractor. The top five contractors in Saudi Arabia have combined a 2/3 market share, which is smaller compared to top five in the other countries. In Egypt and Qatar, the top five players hold more than 80% of the entire market. In Qatar, Gulf Drilling International is the main player with 60% share and in Egypt the market is dominated by Advanced Energy Systems (ADES) with 45% share. In UAE, ADNOC Drilling has in principle a 100% market share, but since the company is also subcontracting to third party suppliers, its operational/direct market share is around 63%. The other top 5 contractors in UAE are Shelf drilling, Ocean Oilfield, Noble Drilling and Saipem.

#### Day rates

Currently, premium and standard jack-ups contracted in the MENA region receive a day rate of around 60K USD/day. Since the drilling environment in this region is usually characterized by shallow water, benign conditions the majority of the jack-ups contracted in the MENA region are standard and premium jack-ups.

#### MENA market size

RE estimates that the total E&P expenditure (excluding internal costs and onshore LNG investments) in MENA (Algeria, Egypt, Kuwait, Oman, Qatar, Saudi Arabia, UAE), often referred to as the total oilfield service market, amounted to approximately USD 52 billion in 2020. Well Services, which includes all services related to drilling, intervention, workover and P&A, in addition to drilling tools and commodities, amounted to around USD 11 billion in 2020.

#### Drilling market size

The market has historically been in the range of approximately USD 8-10 billion per year. Compared to other regions globally, the MENA market has been relatively stable, even after the downturn in 2014. In 2020, the drilling market declined by approximately 25%, reaching around USD 7.5 billion - the lowest level since 2011.

#### Well services market size

Over the past ten years, the MENA well services market has been stable compared to other regions globally. In 2020, countries in MENA, and especially Saudi Arabia, has reduced its production due to the collapse in liquids demand after the Covid-19 outbreak. This has naturally resulted in reduced drilling and well service activity. From 2019 to 2020, the well service market in MENA declined by around 25%, compared to the global level at around 35%. Towards 2024, the total well service market in MENA is forecast to increase moderately in the 2021-2024 period.

### **3. Statement of capital development**

### Company's current share capital structure before the commencement of the Offering

On incorporation in 1972, our share capital consisted of 100,000 Bahraini Dinars divided into 10,000 shares of 10 Bahraini Dinars each. The UAE dirham was introduced in circulation for the first time in 19 May 1973 so at the time of the Company's incorporation in 1972, the Bahraini Dinar was the commonly used currency in Abu Dhabi. Our share capital was increased to AED 105,000,000 divided into 1,050,000 shares of AED 100 each by virtue of Law No. 4 of 1981, and was subsequently increased by virtue of Law No. 21 of 2018 to AED 400,000,000 divided into 4,000,000 Ordinary Shares of AED 100 each, which have been subscribed in full by the Selling Shareholder and Baker Hughes.

Prior to Listing, pursuant to the Recapitalization, we increased the number of Shares from 4,000,000 to 16,000,000,000 through the capitalization of AED 1,200,000,000 of retained earnings and the reduction of the par value per Share from AED 100 to AED 0.10. The Recapitalization has no impact on our cash position or our total shareholders' equity.

The Selling Shareholder will offer [●]% of the Company's share capital for sale as part of the Offering.

The following table sets forth our shareholder holding our Shares (i) as at the date of this Prospectus, with a total share capital of 16,000,000,000 shares of AED 0.10 each, and (ii) immediately following the Offering, assuming that the Selling Shareholder sells all of the Shares being offered:

As at the date of this Prospectus -

#### Before the Offering:

	Number Shares	of Percentage
<i>Shareholder</i>		
ADNOC	15,200,000,000	95%
Baker Hughes	800,000,000	5%

#### After the Offering:

Name	Nationality	Type of Shares	Number of Shares owned	Total value of Shares owned*	Ownership percentage
ADNOC	United Arab Emirates	Ordinary	[●]	[●]	[●]%
Baker Hughes	ADGM	Ordinary	[●]	[●]	5%

### Company's capital structure upon completion of the Offering

Upon the completion of the Offering, the Company's paid-up share capital shall be AED 1,600,000,000 (one billion and six hundred million), divided into 16,000,000,000 (sixteen billion) Shares with a nominal value of AED 0.10 per Share.

The Founders hold [●]% [the figure in words] of the Shares as set out above. The Company has presented its plan to the Authority for the Selling Shareholder to offer [●]% [the figure in words] of the total share capital. The Selling Shareholder reserves the right to increase the size of the Offering at any time prior to the end of the subscription period at its sole discretion, subject to the applicable laws and SCA's approval.

No. of Founders' Shares: [●] [the figure in words] Shares

No. of total Subscribers' Shares (assuming all Offer Shares are allocated including all tranches mentioned under the Prospectus): [●][the figure in words] Shares

Total: [●][the figure in words] Shares

**4. Statement of the status of litigations actions and disputes with the Company over the past three years**

There are no outstanding material governmental, legal or arbitration proceedings pending against us, and we are not aware of any such proceedings which are threatened.

**5. Statement of the number and type of employees of the Company:**

As at 31 December 2020, we had 8,000 employees, 1,017 of whom were employed in our head office, corporate and administrative functions and in field support, 4,169 of whom were employed in our Onshore segment, 1,836 of whom were employed in our Offshore jack up segment, 708 of whom were employed in our Offshore-island segment, and 489 of whom were employed in our Oilfield services segment.

**6. Accounting policies adopted at the Company:**

The Company prepares its accounts in accordance with IFRS as issued by the International Accounting Standards Board and applicable requirements of UAE laws.

**7. Statement of Company's loans, credit facilities and indebtedness and the most significant conditions thereof:**

The Company entered into a USD 1,500,000,000 term loan facility agreement on 8 November 2018 (the "**Facility Agreement**") with (i) Abu Dhabi Commercial Bank PJSC, Bank of America Merrill Lynch International Limited, Citibank N.A., UAE Branch, First Abu Dhabi Bank PJSC, Mizuho Bank, LTD, SGBTCl S.A., Sumitomo Mitsui Banking Corporation DIFC Branch - Dubai, Unicredit Bank Austria AG, and Union National Bank PJSC (collectively, as arrangers); (ii) First Abu Dhabi Bank PJSC, and Sumitomo Mitsui Banking Corporation DIFC Branch - Dubai (collectively, as coordinators and bookrunners); (iii) First Abu Dhabi Bank PJSC (the "**Facility Agent**"); and (iv) certain other banks and financial institutions.

The purpose of the facility is for general corporate purposes (which include, among other things, payment of dividends, payments for products and services to develop integrated drilling services capabilities and the payment of transaction costs associated with the facility). The Company may only utilize the facility by delivery to the Facility Agent of a duly completed "utilization request", in the form attached to the facility agreement, pursuant to the terms of the facility agreement. The Company is



not, however, able to deliver a “utilization request” if as a result of the proposed utilization more than five loans would be outstanding under the facility agreement.

The rate of interest on each loan for each interest period is the percentage rate per annum which is the aggregate of the (i) margin of 0.90% per annum; and (ii) LIBOR.

The Company is required to repay the loan after five years from the date of the Facility Agreement, unless the Company repays the loan prior to such date.

#### Shareholder Loan Agreement

We entered into a shareholder loan facility of USD 1,250,000,000 (“Facility”) with ADNOC on 16 August 2021 (the “Shareholder Loan Agreement”). The purpose of the Facility is to provide financing for working capital and general corporate purposes. Pursuant to the Shareholder Loan Agreement (i) the Facility maturity date will be 30 June 2023, unless extended, cancelled in the event of non-utilization or the Facility is repaid in accordance with the terms of the Shareholder Loan Agreement; and (ii) interest will be the aggregate of six (6) month LIBOR plus a margin of 1.2% per annum, payable biannually on 30 June and 31 December of each year. The principal amount of the Facility is payable upon maturity or termination. The Shareholder Loan Agreement contains no maintenance or incurrence covenants.

#### 8. **Statement of current pledges and encumbrances on the Company’s assets:**

There are no current pledges or encumbrances on the Company’s assets.

#### 9. **Decision of the Board of Directors and the General Assembly to offer shares:**

On [●] 2021 the Company's general assembly approved the following:

- (1) offering a percentage of the Company's shares for public subscription; and
- (2) submitting an application for listing all the Company’s Shares on ADX.

#### 10. **Founders Committee:**

The Founders elected a committee (the “**Founders Committee**”) to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering, including dealing with the competent authorities.

The Founders Committee is composed the following individuals as representatives of ADNOC Drilling Company PJSC:

1. HE Dr. Sultan Al Jaber (Chairman);
2. Mr. Abdulmunim AlKindi (Member);
3. Mr. Yaser Saeed Almazrouei (Member);
4. Mr. Ahmed Jasim Al Zaabi (Member);
5. Mr. Abdulrahman Abdulla Al Seiari (Member);
6. Mr. Salem Al Derei (Member);
7. Mr. Klaus Froehlich (Member); and
8. Mr. Mohamed Saif Alaryani (Member).

#### 11. **Investment Risks:**

*Investing in and holding the Shares involves financial risk. Prospective investors in the Shares should carefully review all of the information contained in this Prospectus and should pay particular attention to the following risks associated with an investment in the Company and the Shares which should be considered together with all other information contained in this Prospectus. If one or more of the following risks were to arise, our business, financial condition, results of operations, prospects or the price of the Shares could be materially and adversely affected and investors could lose all or part of their investment. The risks set out below may not be exhaustive and do not necessarily include all of the risks associated with an investment in the Company and the Shares. Additional risks and uncertainties not currently known to the Company or which it currently deems immaterial may arise or become material in the future and may have a material adverse effect on the Company's business, results of operations, financial condition, prospects or the price of the Shares.*

## **Risks Relating to Our Business and Industry**

***We currently derive most of our revenues from two main UAE customers, and the loss of either customer could have a material adverse impact on our business, financial condition and results of operations.***

We currently derive most of our revenues and cash flow from two main customers, ADNOC Onshore and ADNOC Offshore, which form part of the ADNOC Upstream Operating Companies, and which are also controlled, by our controlling shareholder. For the six months ended 30 June 2021, ADNOC Onshore accounted for 55.7% and ADNOC Offshore accounted for 38.3% of our total revenues, respectively. All of our drilling contracts have fixed terms, but may be terminated early due to certain events or might nevertheless be lost in the event of unanticipated developments. (Please see “*Our contractual arrangements with ADNOC Onshore and ADNOC Offshore generally cover a shorter period than that specified in the Rig Services Framework Agreement and contain termination provisions, which may result in shorter effective Rig Services contracts and could have a material adverse impact on our business, financial condition and resolutions of operations*” below).

The loss of either of these customers (or their drilling contracts) or a decline in payments under these drilling contracts, could have a material adverse effect on our business, financial condition and results of operations. Similarly, any failure to renew our Rig Services Framework Agreement with ADNOC or any future change in the ownership structure of either of our two main customers whereby either of them is no longer controlled by ADNOC may impact our current arrangements with them and have a material adverse effect on our business, financial condition and results of operations.

In addition, our drilling contracts subject us to counterparty risks. The ability of each of our counterparties to perform its obligations under a contract with us will depend on a number of factors that are beyond our control and may include, among other things, general economic conditions, the condition of the onshore and offshore drilling industry, prevailing prices for oil and natural gas, the overall financial condition of the counterparty, the day rates received and the level of expenses necessary to maintain drilling activities. Should a counterparty fail to honour its obligations under an agreement with us, we could sustain losses, which could have a material adverse effect on our business, financial condition and results of operations.

***Our contractual arrangements with ADNOC Onshore and ADNOC Offshore generally cover a shorter period than that specified in the Rig Services Framework Agreement and contain termination provisions, which may result in shorter effective Rig Services contracts and could have a material adverse impact on our business, financial condition and resolutions of operations.***

Our Rig Services Framework Agreement with ADNOC records the basis on which we provide, or procure the provision of, Rig Services to or on behalf of the ADNOC upstream operating companies. See “*Related Party Transactions - Rig Services Framework Agreement*”. The Rig Services Framework Agreement sets out the agreed minimum initial terms and returns that we may achieve, except as otherwise provided in any current operating company contracts entered into with the ADNOC upstream operating companies. See “*Material Contracts - Customer Contracts*” and “*Related Party Transactions - Master Agreements*”. These operating company contracts take the form of: These operating company contracts take the form of:

- Master agreements, consisting of the ADNOC Onshore Master Agreement and ADNOC Offshore Master Agreement (the “Master Agreements”) with ADNOC Onshore and ADNOC Offshore, respectively; and
- ‘Child Contracts’ in respect of each rig issued under the terms and conditions of the Master Agreements
- ‘Task Orders’ in respect of the works and services provided in relation to such rigs, issued under the terms and conditions of the Master Agreements.

Our operating company contracts cover periods that are shorter than the 15-year base term provided under the Rig Services Framework Agreement. While all of our operating company contracts have been renewed or extended for additional terms and remain valid and effective, they nonetheless grant ADNOC Onshore and ADNOC Offshore the right to terminate the provision of Rig Services for convenience prior to the end of their respective terms.

Early termination of any of the Master Agreements or ‘Child Contracts’ or ‘Task Orders’, or failure to renew such agreements, could impact our current drilling arrangements with the ADNOC upstream operating companies and may have a material adverse impact on our business, financial condition and results of operations. See “*Related Party Transactions - Master Agreements*”.

***Our strategy relies on Abu Dhabi’s growth plans in the oil and gas sector. Any changes to these plans could have a material adverse impact on our business, results of operations, financial condition and prospects.***

In November 2020, the former Supreme Petroleum Council (now the Supreme Council for Financial and Economic Affairs) approved a AED 448 billion (approx. USD 122 billion) budget for spending on oil and natural gas over the next five years and reaching gas self-sufficiency by 2030. Accordingly, ADNOC plans to raise daily capacity of crude oil to 5 million barrels by 2030 from approximately 4 million barrels in 2020. Our forecasts and growth strategy have, in part, been based on the plan to capitalise on ADNOC’s growth plans to increase crude oil production to 5 million barrels and produce 1 billion cubic feet of unconventional gas, in each case, per day by 2030. Should, however, any changes occur to ADNOC’s growth plan, which may lead to a reduction in the anticipated activity levels of the ADNOC Upstream Operating Companies (including our two main customers), this may have a material adverse impact on our business, results of operations, financial condition and prospects. See “- *Risks Relating to Our Business and Industry - Any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC’s oil production and therefore adversely affect drilling activity and potentially our revenues, cash flows and profitability*” and “- *Risks Relating to Our Business and Industry - we currently derive most of our revenues from two main UAE customers, and the loss of either customer could have a material adverse impact on our business, financial condition and results of operations*”.

***Fluctuations in oil and natural gas prices could adversely affect drilling activity and potentially our revenues, cash flows and profitability.***

Our operations depend on the level of spending by ADNOC Upstream Operating Companies for exploration, development and production activities. Both short-term and long-term trends in oil and natural gas prices affect these activity levels. Oil and natural gas prices, as well as the level of drilling, exploration and production activity, have been highly volatile over the past few years and are expected to continue to be volatile for the foreseeable future. Declines in oil prices are primarily caused by, among other things, an excess of supply of crude oil in relation to demand. Worldwide military, political and economic events, including initiatives by the Organization of Petroleum Exporting Countries (“OPEC”) and OPEC+, affect both the supply of and demand for oil and natural gas. In addition, weather conditions, governmental regulation (both in the United States and elsewhere), levels of consumer demand for oil and natural gas, general economic conditions, oil and gas production levels by non-OPEC countries, decisions by more expensive production sources to continue producing oil and gas despite excess supply, the availability and demand for drilling equipment and pipeline capacity, availability and

pricing of alternative energy sources, and other factors beyond our control may also affect the supply of and demand for oil and natural gas.

Lower oil and natural gas prices also could adversely impact our cash forecast models used to determine whether the carrying values of our long-lived assets exceed our future cash flows, which could result in future impairment to our long-lived assets. Lower oil and natural gas prices also could affect our ability to retain skilled rig personnel and affect our ability to access capital to finance and grow our business. There can be no assurances as to the future level of demand for our services or future conditions in the oil and natural gas and oilfield services industries.

The drilling industry has historically been cyclical and is impacted by oil and gas price levels and volatility. There have been periods of high demand, short rig supply and high day rates, followed by periods of low demand, excess rig supply and low day rates. Changes in commodity prices can have a dramatic effect on rig demand, and periods of excess rig supply may intensify competition in the industry and result in rigs being idle for long periods of time. In addition, certain competitors may be better suited to withstand periods of low utilisation and compete more effectively on the basis of price. Additionally, since our business depends on the level of activity in the oil and natural gas industry, any improvement in or new discoveries of alternative energy technologies that increase the use of alternative forms of energy and reduce the demand for oil and natural gas could have a material adverse effect on our business, financial condition and results of operations.

***Any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC's oil production and therefore adversely affect drilling activity and potentially our revenues, cash flows and profitability.***

Despite Abu Dhabi's growth plans in the oil and gas sector and ADNOC's plans to increase crude oil and natural gas production, any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC's oil production level and therefore adversely affect our business, financial condition and results of operations. See ("*Risks Relating to Our Business and Industry - Our strategy relies on Abu Dhabi's growth plans in the oil and gas sector. Any changes to these plans could have a material adverse impact on our business, results of operations, financial condition and prospects*". On 12 April 2020, OPEC+ agreed to cut production by 9.7 billion barrels per day in May and June 2020, and on 6 June 2020 extended the production cut through July 2020. On 15 July 2020, OPEC+ agreed to reduce existing oil production caps by approximately 1.6 million barrels a day starting in August 2020. On 19 July 2021, OPEC+ agreed to extend the April 2020 agreement until 31 December 2022 with a further upward adjustment of overall production by 500,000 barrels per day. OPEC+ members also agreed to assess market developments and OPEC+ members' performance in December 2021 and endeavor to end production adjustments by the end of September 2022, subject to market conditions. In July 2021, it was reported that an agreement was reached among OPEC+ members for Abu Dhabi's production to be increased from 3.176 million barrels to 3.65 million barrels from April 2022. Due to the existing volatility of crude oil prices, we are unable to fully predict the level of exploration, drilling and production activities of our customers and whether some of our customers and/or vendors will be able to sustain their operations and fulfil their commitments and obligations. If oil prices decrease and/or global economic conditions deteriorate, there could be a material adverse impact on the liquidity and operations of some of our customers, vendors and other business partners, which in turn could have a material impact on our business, financial condition and results of operations.

***We face risks associated with creating and executing new business models.***

We aim to explore innovative business models with customers and partners in order to expand our share of the value chain, while simultaneously creating better outcomes for our customers and long-term resilience of our business through increased customer collaboration, differentiation and utilisation. Although such business model innovation is intended to offer further earnings opportunities for us, there are risks associated with creating and executing new business models, particularly when such business models involve a risk profile, remuneration, or financial scheme that is different from our core business model. For example, we are aiming to increase the number of rigs performing unconventional drilling and to move towards higher-margin business, including more integrated drilling services and oil field services as part of our strategy to become a regional leader in unconventional and biogenic development. We believe

this will open up additional revenue streams for us. However, we do not enjoy any legal/regulatory advantage vis-à-vis our competitors in providing these services in Abu Dhabi or elsewhere. In addition, the development of unconventional fields, which is a key growth driver especially for the oilfield services segment, is still in appraisal phase and may therefore not yield the forecasted outcomes. Should we be unsuccessful in executing our new business models, this could have a material adverse effect on our business, financial condition and results of operations.

***Expanding regionally exposes us to lower margins and more competition and risks.***

We are the sole provider of drilling rig hire services and certain associated rig-related services to ADNOC Upstream Operating Companies. All rigs required for exploration operations must be procured from or through us. We, therefore, operate in “captive” market conditions which, depending on the level of activity of our customers, provide stability.

Moreover, the anticipated benefits of any strategic expansion may not be fully realized, or may be realized more slowly than expected, and may result in operational and financial consequences, including, but not limited to, the loss of key customers, suppliers or employees, or the disposition of certain assets or operations, which may have an adverse effect on our business, financial condition and results of operations.

In addition, the drilling industry outside of the UAE market is highly competitive with numerous industry participants. Drilling contracts are generally awarded on a competitive bid basis. Intense price competition is often the primary factor in determining which qualified contractor is awarded a job, although rig availability and the quality and technical capability of services and equipment are also considered. Contract drilling companies compete primarily on a regional basis, and competition may vary significantly from region to region at any particular time. Additionally, when entering into new contracts with customers outside of the UAE, we may not be afforded the same level of protection that we currently benefit from under our contracts in the UAE, which may in turn expose us to greater risks than we normally assume in our UAE operations. Most rigs and drilling-related equipment can be moved from one region to another in response to changes in levels of activity and market conditions, which may result in an oversupply of such rigs and drilling related equipment in certain areas, and accordingly, increased price competition. In addition, an important factor in determining job awards is our ability to maintain a strong safety record. If we are unable to remain competitive based on these and/or other competitive factors, we may be unable to bid competitively within external markets, which could adversely affect our business, financial condition, results of operations and cash flows.. Additionally, in Abu Dhabi, we are not required to hold certain licences to operate our business as the authority to conduct our business is provided under our establishment law. However, in the case of regional expansion, we would be required to obtain, maintain and renew certain operating licences in order to carry out drilling services. There is no assurance that we would be able to obtain, maintain and/or renew all required licences and this may in turn adversely affect our business, financial condition and results of operations.

***Our insurance coverage may be inadequate to cover potential losses we could suffer in the case of regional expansion into markets outside of the UAE.***

We procure and maintain all of our insurance through a group-wide, centralized insurance function administered by ADNOC. However, we are not fully insured against all risks incident to our business should we expand our operations regionally, and we may be unable to obtain or maintain insurance with the coverage that we desire at reasonable rates. As a result of market conditions, the premiums and deductibles for certain of our insurance policies have increased and could continue to do so. Certain insurance coverage could become unavailable or available only for reduced amounts of coverage. If we were to incur a significant liability for which we were not fully insured, it could have a material adverse effect on our business, financial condition and results of operations. See “*Business Description—Operations—Insurance*”.

***Any expansion into markets outside of the UAE may increase the compliance risk associated with applicable anti-bribery and anti-corruption laws, and applicable trade sanctions.***

Any expansion into markets outside of the UAE may subject us to the requirements of anti-bribery and anti-corruption laws in other jurisdictions. We are committed to doing business in

accordance with applicable anti-bribery and anti-corruption laws and have adopted policies and procedures which are designed to promote legal and regulatory compliance therewith.

Additionally, to support our business operations, we source labour, equipment, and parts from a variety of countries, including the U.S. and countries within the European Union and Asia-Pacific. Due to the international movement of assets, goods, people, and funds inherent in our operations, we are subject to economic and trade sanctions and export control laws and regulations. Under economic and trade sanctions laws and regulations, relevant authorities may seek to restrict business practices and modify compliance programmes, which may consequently restrict our business, increase compliance costs, and, in the event of any violations, subject us to fines, penalties, and other sanctions.

We are committed to doing business in accordance with applicable sanctions and export control laws and regulations and have adopted policies and procedures which are designed to promote legal and regulatory compliance therewith. However, if we were to fail to comply with applicable sanctions through our foreign trade control compliance programmes, we could be subject to substantial fines, sanctions, deferred settlement agreements, penalties, or curtailment of operations in certain jurisdictions, which could adversely affect our business, financial condition and results of operations. Similarly, our reliance on third party subcontractors to perform some parts of our projects create additional compliance risk, as such third parties' non-compliance may expose us to additional sanctions or penalties.

***We rely on Baker Hughes to provide us with certain exclusive equipment to operate our business and Baker Hughes requires their consent to use their equipment outside of the UAE.***

We rely on Baker Hughes to provide us with exclusive direction drilling, logging while drilling (LWD) and wireline equipment, as well as some exclusive drilling and completion fluid chemicals and cementing slurries/chemicals as set out in the Baker Hughes commercial framework agreement for use in the UAE. Baker Hughes also provides us with maintenance services and operational procedures with respect to said equipment. Additionally, Baker Hughes provides us with all necessary software to operate the provided equipment. (See "*Material Contracts - Agreements with Baker Hughes - Baker Hughes Commercial Framework Agreement*"). Baker Hughes performs certain services and provide certain equipment in areas where we do not have the requisite expertise. The failure or inability of Baker Hughes to provide us with required equipment could adversely affect our ability to manage our business, which could adversely affect our business, financial condition and results of operations. Notwithstanding the above, on and from 1 January 2022, to the extent Baker Hughes, is unable to supply us with any required equipment, we will be entitled to procure such required equipment from third party suppliers.

Additionally, the use of integrated drilling services equipment, spare parts, consumables and software supplied by a member of the Baker Hughes group outside of the UAE is subject to certain conditions, including Baker Hughes having profit sharing rights under the relevant customer contracts. If we use or permit the use of any of these proprietary goods and services outside of the UAE or by any third party in contravention with the provisions of the commercial framework agreement, then we would be liable to make certain payments to Baker Hughes depending on the price of such goods and Baker Hughes would be entitled to take certain actions such as refuse to provide maintenance, spare parts and/or any related services to us in respect of such goods, which may limit our ability to conduct our operations outside of the UAE and may in turn adversely affect our business, financial condition and results of operations.

***We depend on ADNOC to provide us with certain services to operate our business and our operations are conducted under the ADNOC brand name pursuant to a brand usage agreement with ADNOC.***

On or prior to Listing, we will enter into a Shareholder Services Agreement with ADNOC pursuant to which ADNOC will agree to provide us with certain treasury, insurance and other services to support our business. If ADNOC were to fail to provide these services, we would be required either to contract with another provider of these services, or to develop the capability to perform these services internally, either of which could take a considerable amount of time and increase our costs. Consequently, ADNOC's inability or unwillingness to provide these

services to us could have a material adverse effect on our business, financial condition and results of operations. See “*Related Party Transactions—Shareholder Services Agreement*”.

Additionally, we believe that the success of our operations is dependent in part on the continuing favourable reputation, market value and name recognition associated with the ADNOC brand. In addition to our operations, the ADNOC brand is associated with the operations of ADNOC and numerous other ADNOC-affiliated companies. Erosion of the value of the ADNOC brand for any reason or any negative events or developments that adversely affect the market perception or value of the ADNOC brand, including due to the activities and operations of these other ADNOC-affiliated companies over which we have no control, could have a material adverse effect on our business, financial condition and results of operations. There can be no assurance that we will be successful in negotiating the continued use of the ADNOC brand name, or that the royalties we will be obligated to pay to ADNOC will not have a material adverse effect on our results of operations or our financial condition. See “*Related Party Transactions—Brand Usage Agreement*”.

***Under most agreements, we will be required to indemnify ADNOC for damages it may incur in connection with its performance of services.***

We are required to indemnify ADNOC and its affiliates, directors, officers, employees and representatives from any claims or demands arising out of our breach of the Brand Usage Agreement, including (but not limited to) any such breach which results in damage to the reputation of ADNOC or its goodwill associated with its trademarks.

***Damage to our reputation and business relationships may have an adverse effect on the business.***

Our business depends in part on maintaining good relationships with customers, partners, suppliers, employees and regulators. In addition to certain events or circumstances having a direct monetary impact on us, such circumstances or events may also publicly damage the reputation or damage our business relationships. Damage to our reputation and/or relationships could result in future loss of business, which could materially adversely affect our business, financial condition and results of operations.

***We rely on third-party suppliers, manufacturers and service providers to secure equipment, components and parts used in rig operations, conversions, upgrades and construction.***

Our reliance on third-party suppliers, manufacturers and service providers to provide equipment and services exposes us to volatility in the quality, price and availability of such items. Certain components, parts and equipment that we use in our operations may be available only from a small number of suppliers, manufacturers or service providers. The failure of one or more third-party suppliers, manufacturers or service providers to provide equipment, components, parts or services, whether due to capacity constraints, production or delivery disruptions, price increases, quality control issues, recalls or other decreased availability of parts and equipment, is beyond our control and could materially disrupt our operations or result in the delay, renegotiation or cancellation of drilling contracts, thereby causing a loss of contract drilling backlog and/or revenue to us, as well as an increase in operating costs.

Our operations also rely on consumable spare parts and equipment to maintain and repair our fleet. We also rely on the supply of ancillary services, including supply boats and helicopters. Shortages in materials, manufacturing defects, delays in the delivery of necessary spare parts, equipment or other materials, or the unavailability of ancillary services could negatively impact our future operations and result in increases in rig downtime and delays in the repair and maintenance of our fleet.

Additionally, our suppliers, manufacturers, and service providers could be negatively impacted by changes in industry conditions or global economic conditions. If certain of our suppliers, manufacturers or service providers were to curtail or discontinue their business as a result of such conditions, it could result in a reduction or interruption in supplies or equipment available

to us and/or a significant increase in the price of such supplies and equipment, which could adversely impact our business, financial condition and results of operations.

***A decline in our safety performance could result in lower demand for our services.***

Standards for accident prevention in the oil and natural gas industry are governed by safety policies and procedures, accepted industry safety practices, customer-specific safety requirements, and health and safety legislation. Safety is a key factor that customers consider when selecting a drilling company. A decline in our safety performance could result in lower demand for services, and this could have a material adverse effect on our business, financial condition, results of operations. We are subject to various health and safety laws, rules, legislation and guidelines which can impose material liability, increase our costs or lead to lower demand for our services.

***Our business involves numerous operating hazards, which may subject us to reputational damage and, in some instances, liability claims.***

Our operations are subject to the usual hazards inherent in the drilling of oil and gas wells, such as blowouts, reservoir damage, loss of production, loss of well control, lost or stuck drill strings, equipment defects, fires, explosions and pollution, which may be damaging to our reputation (See “*Investment Risks - Risks Relating to Our Business and Industry - Damage to our reputation and business relationship may have an adverse effect on the business*”). Contract drilling requires the use of heavy equipment and exposure to hazardous conditions, which may subject us to liability claims by employees, customers and other parties. These hazards can cause personal injury or loss of life, severe damage to or destruction of property and equipment, pollution or environmental damage, claims by third parties or customers and suspension of operations. Our offshore fleet is also subject to hazards inherent in marine operations, either while on site or during mobilisation, such as capsizing, sinking, grounding, collision, piracy, damage from severe weather and marine life infestations. Operations may also be suspended because of machinery breakdowns, abnormal drilling conditions, failure of subcontractors to perform or supply goods or services or personnel shortages, all of which may have an adverse impact on our business, financial condition and results of operations.

***We expect to require additional debt financing to achieve our business plan and there can be no assurance that we will be able to obtain such financing on attractive terms, or at all.***

We expect to require additional debt financing to achieve our business plan and there can be no assurance that we will be able to obtain such financing on attractive terms, or at all. However, our ability to access capital markets and debt financing could be limited or adversely affected by, among other things, oil and gas prices, our existing capital structure, our credit ratings, interest rates and the health or market perceptions of the drilling and overall oil and gas industry and the global economy. In addition, many of the factors that affect our ability to access capital markets, such as the liquidity of the overall capital markets and the state of the economy and oil and gas industry, are outside of our control. No assurance can be given that we will be able to access capital markets or debt financing on terms acceptable to us, or at all, when required to do so, which could adversely affect our business, liquidity and results of operations.

***Substantial capital and operating expenditure is required to maintain the operating capacity of our fleet, and we may be required to make significant capital expenditures to execute growth plans, each of which could negatively affect our business, financial condition and result of operations.***

We must make substantial capital and operating expenditures to maintain and replace, over the long-term, the operating capacity of our fleet. For example, a portion of our fleet is relatively older in age and would therefore require replacement over time. Including amounts for replacing current drilling rigs at the end of their useful lives. Maintenance and replacement capital expenditures include capital expenditures for maintenance (including special classification surveys) and capital expenditure associated with modifying an existing drilling rig, including to upgrade its technology, extending the useful life of existing drilling rigs, acquiring a new drilling rig or otherwise replacing current drilling rigs at the end of their useful lives to the extent these expenditures are incurred to maintain or replace the operating capacity of our fleet. These



expenditures could vary significantly from quarter to quarter, and from year to year, and could increase as a result of changes in the following:

- the cost of labour and materials;
- customer requirements;
- fleet size;
- the cost of replacement drilling rigs;
- the cost of replacement parts for existing drilling rigs;
- the geographic location of the drilling rigs;
- length of drilling contracts;
- governmental regulations and technical standards relating to safety, security or the environment; and
- industry standards.

Changes in onshore and offshore drilling technology, customer requirements for new or upgraded equipment and competition within our industry may require us to make significant capital expenditures in order to maintain our competitiveness. In addition, changes in governmental regulations, safety or other equipment standards, as well as compliance with standards imposed by the competent authorities, may require us to make additional unforeseen capital expenditures. As a result, we may be required to take our rigs out of service for extended periods of time, with corresponding losses of revenues, in order to make such alterations or to add such equipment. In the future, market conditions may not justify these expenditures or enable us to operate our older rigs profitably during the remainder of their economic lives.

***Failure to comply with or changes to governmental and environmental laws could adversely affect our business.***

Many aspects of our operations are subject to various laws and regulations in the UAE, including those relating to drilling practices and comprehensive and frequently changing laws and regulations relating to the safety and to the protection of human health and the environment. Environmental laws apply to the oil and gas industry including those regulating air emissions, discharges to water, and the transport, storage, use, treatment, disposal and remediation of, and exposure to, solid and hazardous wastes and materials. These laws can have a material adverse effect on the drilling industry, including our operations, and compliance with such laws may require us to make significant capital expenditures, such as the installation of costly equipment or operational changes, and may affect the resale values or useful lives of our drilling rigs. If we fail to comply with these laws and regulations, we could be exposed to substantial penalties and/or delays in permitting or performance of projects. Violations of environmental laws may also result in liabilities for personal injuries, property and natural resource damage and other costs and claims.

Additional legislation or regulation and changes to existing legislation and regulation may reasonably be anticipated, and the effect thereof on our operations cannot be predicted. To the extent new laws are enacted or other governmental actions are taken that prohibit or restrict drilling in areas where we operate or impose additional environmental protection requirements that result in increased costs to the oil and gas industry, in general, or the drilling industry, in particular, our business or prospects could be materially adversely affected.

***Our shipyard projects and operations are subject to delays and cost overruns.***

Our rigs will undergo shipyard projects from time to time, which include maintenance and underwater inspection and “class” inspections (see “*Investment Risks- If any of our offshore drilling rigs fails to maintain its class certification or fails any required survey, that drilling rig would be potentially unable to operate, thereby reducing revenues and profitability*”). These

shipyard projects are subject to the risks of delay or cost overruns inherent in any such construction project resulting from numerous factors, including the following:

- shipyard availability, failures and difficulties;
- shortages of equipment, materials or skilled labour;
- unscheduled delays in the delivery of ordered materials and equipment;
- design and engineering problems, including those relating to the commissioning of newly designed equipment;
- latent damages or deterioration to hull, equipment and machinery in excess of engineering estimates and assumptions;
- unanticipated actual or purported change orders;
- disputes with shipyards and suppliers;
- failure or delay of third-party vendors or service providers;
- availability of suppliers to recertify equipment for enhanced regulations;
- strikes, labour disputes and work stoppages;
- customer acceptance delays;
- adverse weather conditions, including damage caused by such conditions;
- terrorist acts, war, piracy and civil unrest;
- unanticipated cost increases; and
- difficulty in obtaining necessary permits or approvals.

These factors may contribute to cost variations and delays in the delivery of our rigs undergoing shipyard projects. Delays in the delivery of these units would result in delay in contract commencement, resulting in a loss of revenue to us, and may also cause customers to terminate or shorten the term of the drilling contract for the rig pursuant to applicable late delivery clauses. In the event of termination of any of these drilling contracts, we may not be able to secure a replacement contract on as favourable terms, if at all.

***The coronavirus pandemic has affected our business, results of operations and financial condition.***

The impact of the coronavirus pandemic continues to unfold which creates material uncertainty across the oil and gas market in the UAE, the region and globally. Our operations are susceptible to declines in oil prices and lower demand as a result of the coronavirus pandemic. We have taken steps to mitigate the impact of the coronavirus pandemic on our business, however, there is no assurance that these measures will be sufficient to offset the full impact of the coronavirus pandemic. Our Offshore-Island segment was impacted by the coronavirus pandemic in terms of the stacking of certain assets, including the deactivation of certain machinery/equipment and the reduction of crew members on rigs. The Offshore-Island segment experienced operational constraints such as a large number of assets being stacked to comply with our customers' revised production requirements. See "*Business - Impact of the Coronavirus Pandemic*". Additionally, we incurred increased costs related to polymerase chain reaction ("PCR") testing for our employees, expenses arising out of quarantine periods, overtime and overstay payments, as well as expenses related to travel of additional personnel to cater for rotational cycles at our rigs. We were also required to incur increased costs related to our inventory for drilling and completion services to cater for any possible business disruptions due to lock down restrictions. Even after the coronavirus pandemic has passed, the impact of this pandemic on consumer behaviour and their preferences may continue in the medium to longer-term. This could result in diminished demand for our services and impact our ability to obtain new contracts or renew existing ones. Any of the foregoing, including a

prolonged period of travel, commercial or other similar restrictions, as well as any resulting deterioration in general economic conditions or change in customer behaviour, could have a material adverse effect on our business, results of operations and financial condition.

***We may not be able to keep pace with a significant step-change in technological development. Additionally, new technologies may cause our drilling methods and equipment to become less competitive and it may become necessary to incur higher levels of capital expenditures in order to keep pace with the disruptive trends in the drilling industry. Growth through the building of new drilling rigs and improvement of existing rigs is not assured.***

The market for our services is affected by significant technological developments that have resulted in, and will likely continue to result in, substantial improvements in equipment functions and performance throughout the industry. As a result, our future success and profitability will be dependent in part on our ability to:

- provide existing services, rigs and equipment;
- address the increasingly sophisticated needs of our customers;
- anticipate major changes in technology and industry standards and respond to technological developments on a timely basis.

Although we take measures to ensure that we develop and use advanced oil and natural gas drilling technology, changes in technology or improvements by competitors could make our equipment less competitive. There can be no assurance that we will:

- have sufficient capital resources to improve existing rigs or build new, technologically advanced drilling rigs;
- avoid cost overruns inherent in large fabrication projects resulting from numerous factors such as shortages or unscheduled delays in delivery of equipment or materials, inadequate levels of skilled labour, unanticipated increases in costs of equipment, materials and labour, design and engineering problems, and financial or other difficulties;
- successfully deploy idle, stacked, new or upgraded drilling rigs;
- effectively manage the increased size or future growth of our organization and drilling fleet;
- maintain crews necessary to operate existing or additional drilling rigs; or
- successfully improve our financial condition, results of operations, business or prospects as a result of improving existing drilling rigs or building new drilling rigs.

In the event that we are successful in developing new technologies for use in our business, there is no guarantee of future demand for those technologies. Customers may be reluctant or unwilling to adopt our new technologies. We may also have difficulty negotiating satisfactory terms for our technology services or may be unable to secure prices sufficient to obtain expected returns on our investment in the research and development of new technologies.

If we are not successful in upgrading existing rigs and equipment or building new rigs in a timely and cost effective manner suitable to customer needs, demand for our services could decline and we could lose market share. One or more technologies that we may implement in the future may not work as we expect and our business, financial condition, results of operations and reputation could be adversely affected as a result. Additionally, new technologies, services or standards could render some of our services, drilling rigs or equipment obsolete, which could

reduce our competitiveness and have a material adverse impact on our business, financial condition and results of operations.

***If any of our offshore drilling rigs fails to maintain its class certification or fails any required survey, that drilling rig would be potentially unable to operate, thereby reducing revenues and profitability.***

Every offshore drilling rig must be “classed” by a classification society. The classification society certifies that the drilling rig is “in-class,” signifying that such drilling rig has been built and maintained in accordance with the rules of the classification society and complies with applicable rules and regulations of the drilling rig’s country of registry and the international conventions of which that country is a member. In addition, where surveys are required by international conventions and corresponding laws and ordinances of a flag state, the classification society will undertake such surveys on application or by official order, acting on behalf of the authorities concerned. While more than half of our drilling jack up rigs are less than ten years old, seven of our drilling jack up rigs are over 30 years old. We maintain and service our drilling rigs regularly; however, if any drilling rig does not maintain its class and/or fails any annual survey or special survey, this may impact the navigation licences granted to our offshore rigs and the drilling rigs will be unable to carry on operations and will be unemployable and uninsurable. Any such inability to carry on operations or be employed could have a material adverse impact on our business, financial condition and results of operations.

***There may be limits to our ability to mobilise rigs between geographic areas, and the duration, risks and associated costs of such mobilisations may be material to us.***

The offshore drilling industry is a global market as rigs can, depending on the technical capability of a rig to relocate and operate in various environments, as well as a rig’s regulatory compliance with local technical requirements, be moved from one area to another. However, mobilisation of rigs is expensive and time-consuming and can be impacted by several factors including, but not limited to, governmental regulation and customs practices, availability of tugs and dry tow vessels, weather, currents, political instability, civil unrest, and military actions and rigs may as a result become stranded. Some jurisdictions enforce strict technical requirements on the rigs, requiring substantial physical modification to the rigs before they can be utilised. Such modifications may require significant capital expenditures, and as a result, may limit the use of the rigs to those jurisdictions in the future. In addition, mobilisation always carries the risk of damage to the rig. Failure to mobilise a rig in accordance with the deadlines set by a specific customer could result in a loss of compensation, liquidated damages or the cancellation or termination of the contract. Our current costs matrix does not always contemplate mobilisation costs (when it comes to moving rigs outside of Abu Dhabi), which we aim to mitigate by developing a new operating cost model for day rates to ensure the mobilisation costs are built into the day rate. In some cases, we may not be paid for the time that a rig is out of service during mobilisation. In addition, in the hope of securing future contracts, we may choose to mobilise a rig to another geographic location without a customer contract in place. If no customer contracts are acquired, we would be required to absorb these costs. Mobilisation and relocating activities could therefore potentially have a material adverse effect on our business, financial condition and results of operations.

***Reactivation of stacked rigs is subject to risks, including delays and cost overruns, which could have an adverse impact on our available cash resources and results of operations.***

We expect to reactivate those rigs that are currently stacked once such rigs are contracted, and may consider reactivating additional rigs in anticipation of expected positive economic returns on such reactivation. Reactivation projects are subject to execution risks, including cost overruns or delays, which may adversely affect our business, financial condition and results of operations. Capital expenditures and deferred costs for reactivation of stacked rigs could also exceed our planned capital expenditure. Failure to complete a reactivation on time may, in some circumstances, result in the delay, renegotiation or cancellation of a drilling contract and could put at risk planned arrangements to commence operations on schedule, exposing us to contractual penalties. A successful reactivation project could be impacted if incorrect or

insufficient preservation processes were used during the stacking period, causing increased costs and/or delays for reactivation beyond that budgeted.

***We have a significant carrying amount of long-lived assets, which is subject to impairment testing (if there are indicators of impairment), and may be required to recognize losses on impairment of long-lived assets.***

The carrying amount of our property and equipment was USD 3,253 million and USD 3,180 million, representing 59.9% and 63.6% of our total assets at 30 June 2021 and 30 June 2020, respectively. In accordance with our critical accounting policies, we review our property and equipment for impairment when events or changes in circumstances indicate that the aggregate carrying amount of our assets held and used may not be recoverable. Future expectations of lower day rates or rig utilisation rates or changes in market conditions could lead us to believe that the carrying amount of our long-lived assets is unrecoverable. If we determine that the carrying amount is not recoverable, we could be required to recognize losses on impairment of our long-lived asset group, which could adversely affect our business, financial condition and results of operations.

***Regulation of greenhouse gases and climate change could have a negative impact on our business, financial condition and results of operation.***

In 2015, the UAE Green Agenda 2015-2030 was adopted as the implementation framework of the UAE Green Growth Strategy. In 2016, the UAE Council on Climate Change and Environment (MOCCAEE) was formed and the UAE ratified the Paris Climate Agreement. The Climate Plan aims to manage emissions, to ensure that climate action furthers the achievement of economic goals for the UAE while meeting its climate change objectives by decoupling emissions from economic growth. In line with Vision 2021 and National Agenda, the UAE needs to generate 27% of the energy requirements from clean energy sources, reduce its per capita greenhouse gas emissions and achieve average oil consumption of 5 tonnes per person by 2021. These measures are aimed at reducing reliance on and future demand for oil, which could have a material impact on our business. Laws, regulations, treaties and international agreements related to greenhouse gases and climate change may unfavourably impact our business, suppliers and customers, may result in increased compliance costs and operation restrictions, and could reduce drilling in the oil and gas industry and natural gas industry, all of which would have an adverse impact on our business, financial condition and results of operations.

***Our operations are subject to risks of litigation and other legal and regulatory proceedings.***

We may in the future be, from time to time, involved in various litigation matters. These matters may include, among other things, contract disputes, personal injury claims, environmental claims or proceedings, asbestos claims, employment matters, governmental claims for duties and other litigation that arises in the ordinary course of our business. We cannot predict with certainty the outcome or effect of any claim or other litigation matter, and the ultimate outcome of any litigation or the potential costs to resolve them may have a material adverse effect on us. Insurance may not be applicable or sufficient in all cases, insurers may not remain solvent and policies may not be located. To the extent that one or more pending or future litigation matters is not resolved in our favour and is not covered by insurance, a material adverse effect on our business, financial condition and results of operations.

***Some of our drilling contracts may not permit us to fully recoup cost increases in the event of an increase in expenses.***

Some of our drilling contracts have day rates that are fixed over the contract term. In order to mitigate the effects of inflation on revenues from these term contracts, we have included and will continue to aim to include escalation provisions in our new drilling contracts. These provisions allow us to adjust the day rates based on certain published indices and our historical costs. These provisions are designed to compensate us for certain cost increases, including wages, insurance and maintenance costs. However, actual cost increases may result from events or conditions that do not cause correlative changes to the applicable indices. Furthermore, certain indices may be outdated at the time of adjustment. In addition, the adjustments are normally performed only periodically. For these reasons, the timing and amount received as a result of the adjustments may differ from the timing and amount of

expenditures associated with actual cost increases, which could adversely affect our business, financial condition and results of operations. Notwithstanding the above, certain of our future drilling contracts may not include such provisions, which would further expose our results of operations to the effects of inflation on our expenses.

***Our operating and maintenance expenses include fixed costs that may not decline in proportion to decreases in rig utilisation and day rates or fluctuate in proportion to changes in operating revenues.***

Our drilling services operating expense includes all direct and indirect costs associated with the operation, maintenance and support of our drilling equipment, which is often not affected by changes in day rates and utilisation. During periods of reduced revenue and/or activity, certain of our fixed costs (such as depreciation) may not decline and often we may incur additional costs. Additionally, our operating and maintenance expenses will not necessarily fluctuate in proportion to changes in operating revenues. During times of reduced utilisation, reductions in costs may not be immediate as we may incur additional costs associated with maintaining and cold stacking a rig, or we may not be able to fully reduce the cost of our support operations in a particular geographic location due to the need to support the remaining drilling rigs in that region. Accordingly, a decline in revenue due to lower day rates and/or utilisation may not be offset by a corresponding decrease in drilling services and solutions expense, which could have a material adverse impact on our business, financial condition and results of operations.

***Failure to recruit and retain key personnel as well as inability to attract talent could hurt operations.***

We depend on the continuing efforts of highly skilled personnel to operate and provide technical services and support for our business. Historically, competition for the personnel required for drilling operations has intensified as the number of rigs activated, added to fleets or under construction increased, leading to shortages of qualified personnel in the industry and creating upward pressure on wages and higher turnover. We may experience a reduction in the experience level of the personnel involved in our operations as a result of any increased turnover, which could lead to higher downtime and more operating incidents, which in turn could decrease revenues and increase costs. If increased competition for qualified personnel were to intensify in the future, we may experience increases in costs or limits on operations.

***Our labour costs and the operating restrictions under which we operate could increase as a result of changes in labour laws and regulations.***

A number of factors could increase our labour costs and potentially affect other costs of operations. During historic periods of growth within the industry, the cost of qualified personnel and equipment has increased substantially. Even during periods of low growth within the industry, personnel and operating costs related to specific operations may increase as a result of increasingly-stringent local requirements, which require personnel, services, and equipment to be sourced from the UAE.

***Information technology systems are subject to cybersecurity risks and threats.***

We depend on digital technologies to conduct our offshore and onshore operations, to collect payments from customers and to pay vendors and employees. Threats to our information technology systems associated with cybersecurity risks and cyber incidents or attacks continue to grow. In addition, breaches to our systems could go unnoticed for some period of time. Risks associated with these threats include disruptions of certain systems on our rigs; other impairments of our ability to conduct our operations; loss of intellectual property, proprietary information or customer data; disruption of our customers' operations; loss or damage to our customer data delivery systems; and increased costs to prevent, respond to or mitigate

cybersecurity events. If such a cyber-incident were to occur, it could have a material adverse effect on our business, financial condition and results of operations.

***We do not own the land on which our assets are located. As a result, we are subject to the possibility of the loss of, or increased costs to retain, necessary land use which would adversely affect our results of operations and financial condition.***

All of the properties used by us, including industrial land, office space, warehouse space and accommodation for our employees, are leased from either the Abu Dhabi Government or entities owned by the Abu Dhabi Government and mainly by ADNOC. We are subject to the possibility that rent increases under any of these leases or subleases will increase our operating costs. Our inability to maintain the right to utilise the properties on which we operate our businesses on acceptable terms, or increased costs to maintain such rights, could have a material adverse effect on our business, financial condition and results of operations. See “*Business - Properties*” and “*Related Party Transactions*”.

Because of the restrictions on land granted to us and in our agreements with ADNOC, we are not able to, and are not able to require ADNOC to, sell, transfer, mortgage or otherwise take actions that might monetise the value of the land on which we conduct our operations, and no value is attributed to this land in our statement of financial position.

***We may be unsuccessful in enhancing the integrity, reliability and efficiency of our internal control over financial reporting***

Our business relies on internal controls and procedures that regulate customer and management information, finance, credit exposure and other aspects of our business. Our financial auditors have not recorded any material gaps in our internal controls in their financial reporting audits. However, there can be no assurances that these controls and procedures will be adequate for our requirements generally or our requirements as a publicly-owned company.

If material weaknesses in our internal control over financial reporting occur in the future, our financial statements may contain material misstatements, we would be required to restate our financial results and investors could lose confidence in our reported financial information. In addition, if we are unable to produce accurate and timely financial statements, the market price of our shares may be adversely affected.

## **Risks Relating to the UAE and to the MENA Region**

***General economic, financial and political conditions, especially in Abu Dhabi and elsewhere in the UAE, where we conduct substantially all of our operations, may materially adversely affect our results of operations and financial condition.***

General economic, financial, and political conditions, especially in Abu Dhabi and elsewhere in the UAE where we conduct substantially all of our operations, may have a material adverse effect on our business, results of operations, financial condition and prospects. Declines in consumer confidence and/or consumer spending, changes in unemployment, significant inflationary or deflationary changes or disruptive regulatory or geopolitical events could contribute to increased volatility and diminished expectations for the economy and our markets, including the market for our products and services, and lead to demand or cost pressures that could negatively and adversely impact our business, results of operations, financial condition and prospects. The UAE’s economy may be adversely affected by tightening global economic conditions and external shocks, including financial market volatility, trade disruptions and protectionist trade policies or threats thereof. In particular, a global shift in policies, including towards protectionism, with lower global growth due to reduced trade, migration and cross-

border investment flows, could slow non-oil growth in the UAE and Abu Dhabi. These conditions could affect all of our business segments. Examples of such conditions could include:

- a general or prolonged decline in, or shocks to, regional or broader macro-economies;
- regulatory changes that could impact the markets in which we operate; and
- deflationary economic pressures, which could hinder our ability to operate profitably in view of the challenges inherent in making corresponding deflationary adjustments to our cost structure.

The nature of these types of risks make them unpredictable and difficult to plan for or otherwise mitigate, compounding their potential impact on our business, results of operations, financial condition and prospects. See “*–Risks Relating to Our Business and Industry– The coronavirus pandemic has affected the Company’s business, results of operations and financial condition*”.

***Abu Dhabi’s economy is significantly affected by volatility in international crude oil prices and its economy has in the past been, and is likely in the future to continue to be, materially adversely affected by lengthy periods of low crude oil prices.***

Abu Dhabi’s economy is significantly impacted by international crude oil prices and is highly dependent upon its hydrocarbon-related revenue. The hydrocarbon sector accounted for 50% of Abu Dhabi’s nominal GDP in 2020 compared to 40.8% in 2019 and 41.7% in 2018, with the growth generally reflecting increasing crude oil prices (source: Statistics Centre Abu Dhabi 2020). Crude oil prices have historically fluctuated in response to a variety of factors beyond our control, including (without limitation):

- economic and political developments both in oil-producing regions, particularly in the Middle East, and globally (see “*–General economic, financial and political conditions, especially in Abu Dhabi and elsewhere in the UAE, where we conduct substantially all of our operations, may materially adversely affect our results of operations and financial condition*”);
- global and regional supply and demand, and expectations regarding future supply and demand, for oil and gas products;
- the ability of the members of OPEC and OPEC+ to agree upon and maintain specified global production levels and prices (See “*–Risks Relating to Our Business and Industry– Fluctuations in oil and natural gas prices could adversely affect drilling activity and potentially our revenues, cash flows and profitability - and - Any future decision by OPEC to limit or restrict oil production quotas could affect ADNOC’s oil production and therefore adversely affect our drilling contracts*”);
- the impact of international environmental regulations designed to reduce carbon emissions, and global weather and environmental conditions (See “*–Risks Relating to Our Business and Industry– Failure to comply with or changes to governmental and environmental laws could adversely affect our business*”); and
- prices, availability and trends relating to the use of alternative fuels and technologies (See “*–Risks Relating to Our Business and Industry– Fluctuations in oil and natural gas prices could adversely affect drilling activity and potentially our revenues, cash flows and profitability*”).

Many economic sectors within Abu Dhabi and the wider UAE, including Dubai, remain in part dependent, directly or indirectly, on crude oil prices, so extended periods of low crude oil prices may have a negative impact across the economic landscape of Abu Dhabi and other Emirates. For example, the Abu Dhabi, Dubai or other Emirati governments may decide to reduce government expenditures in light of the budgetary pressures caused by lower crude oil prices, which may, in turn reduce fiscal spending on infrastructure and other projects that create revenue streams for both public and private entities. Local financial institutions may experience lower liquidity (if significant government and government-owned company deposits are withdrawn to fund deficits) or higher loan losses or impairments. Furthermore, businesses that are dependent on household consumption, including consumer products, education,



healthcare and housing, may be adversely affected by lower levels of economic activity created by extended periods of low crude oil prices.

On 6 March 2020, OPEC met with OPEC+ to discuss the need to cut oil supply to balance oil markets as demand concerns intensified in response to the spread of what the WHO would soon identify as the COVID-19 pandemic. No agreement was reached among OPEC+ members at this meeting and, on 7 March 2020, Saudi Aramco, a Saudi Arabian multinational petroleum and natural gas company, cut its official selling prices, prioritising market share considerations over pricing implications. As a result, crude oil prices fell materially. On 12 April 2020, OPEC+ agreed to cut production by 9.7 billion barrels per day in May and June 2020, and on 6 June 2020 extended the production cut through July 2020. On 15 July 2020, OPEC+ agreed to reduce existing oil production caps by approximately 1.6 million barrels a day starting in August 2020. As a result of the foregoing OPEC+ discussions and agreements, crude oil prices have stabilised, although they are expected to continue to be subject to significant volatility and may decline given ongoing demand concerns, particularly if there are additional waves of the COVID-19 pandemic or resurgences thereof. In addition, according to Fitch, OPEC+ is likely to face the continued challenge of trying to balance the need for higher oil prices with the risk of losing market share to U.S. shale as a result of the above. In November 2020, Fitch reported that renewed European lockdowns is likely to delay demand recovery in the global oil market. Moreover, in January 2021, Fitch reported that although demand remained subdued due to the coronavirus pandemic, oil prices have increased materially since October 2020 due to OPEC+ production cuts, reduced oil inventories and increased investor optimism, supported by the vaccine roll-out in many countries. On March 4, OPEC+ rolled over existing production quotas until April 2021 (Kazakhstan and Russia were allowed marginal production increases) and Saudi Arabia committed to keeping its voluntary cuts. According to Fitch, this should accelerate inventory normalisation and support prices. Once inventories have been normalised, Fitch expect OPEC+ to adjust its production in line with demand to avoid significant deficits or surpluses. On 19 July 2021, OPEC+ agreed to extend the April 2020 agreement (see above) until 31 December 2022 with a further upward adjustment of overall production by 500,000 barrels per day. OPEC+ members also agreed to assess market developments and OPEC+ members' performance in December 2021 and endeavor to end production adjustments by the end of September 2022, subject to market conditions. In July 2021, it was reported that an agreement was reached among OPEC+ members for Abu Dhabi's production to be increased from 3.176 million barrels to 3.65 million barrels from April 2022.

As lockdown measures and restrictions on international and domestic travel and transport are eased globally, oil-producing countries may further increase output to meet recovering demand, which may result in further volatility of crude oil prices, both in the UAE and globally. See “—*Risks Relating to Our Business and Industry— The coronavirus pandemic has affected the Company's business, results of operations and financial condition*”.

Any of the factors described above, including further developments with respect to the COVID-19 pandemic (and the possibility of additional waves or resurgences thereof) and OPEC or OPEC+ agreements, could have a material adverse effect on the economic, political and fiscal position of Abu Dhabi (and the UAE generally, including Dubai), and may consequently have a material adverse effect on our business, results of operations, financial condition and prospects and the trading prices of the Shares.

***Continued instability and unrest in the MENA region, or the escalation of armed conflict, may materially adversely affect our results of operations and financial condition.***

Although Abu Dhabi and the wider UAE enjoy domestic political stability and generally healthy international relations, since 2011 there has been political unrest in a number of countries in the MENA region, including Bahrain, Egypt, Iran, Iraq, Libya, Syria, Tunisia and Yemen. The unrest has ranged from public demonstrations to, in extreme cases, armed conflict and civil war and has given rise to a number of regime changes and increased political uncertainty across the region. It is not possible to predict the occurrence of events or circumstances such as war or other hostilities, or the impact that such events or occurrences might have on Abu Dhabi and the UAE. The MENA region currently is subject to a number of armed conflicts including those in Yemen, Syria (in which multiple state and non-state actors are involved, such as the US,

Russia, Turkey and Iran), Iraq and Palestine, as well as conflicts with militants associated with the Islamic State.

Abu Dhabi, Dubai and the other Emirates are, and will continue to be, affected by political developments in or affecting the UAE and the wider MENA region, and investors' reactions to developments in any country in the MENA region may affect securities of issuers in other markets, including the UAE. On 14 September 2019, the Abqaiq processing facility and the Khurais oil field in Saudi Arabia were significantly damaged in attacks by unmanned aerial vehicles and missiles, which caused an immediate significant reduction in the oil output of Saudi Aramco. In January 2020, direct confrontation occurred between the US and Iran when a targeted drone strike killed a senior Iranian military commander in Iraq which was followed by an Iranian attack using ballistic missiles on a US military base in Iraq. In the course of this confrontation, the government of Iran confirmed that it would no longer adhere to the terms of the Joint Comprehensive Action Plan in respect of Iran's nuclear power programme. On 11 April 2021, a major power failure occurred at the Natanz complex south of Tehran, Iran, as a result of an explosion which has been reported to be caused by an attack on the Natanz complex. Although the UAE has not experienced terrorist attacks or armed conflict such as those experienced by a number of other countries in the MENA region, there can be no assurance that extremists or terrorist groups will not initiate terrorist or other violent activity in the UAE, or that the UAE will not be impacted by any escalation of regional armed conflict. Any terrorist incidents in or affecting Abu Dhabi or the UAE and increased regional geopolitical instability (whether or not directly involving Abu Dhabi or the UAE), or any heightened levels of military conflict in the region, may have a material adverse effect on Abu Dhabi and the UAE's attractiveness for foreign investment and capital, their ability to engage in international trade, their tourist industry, and, consequently, their economic, external and fiscal positions, and therefore could adversely impact our business, results of operations, financial condition and prospects and the trading prices of the Shares.

Furthermore, the UAE is dependent on expatriate labour, including unskilled labourers as well as highly skilled professionals in a range of industry sectors, and has made significant efforts in recent years to attract high volumes of foreign businesses and tourists to the country. These steps make the UAE potentially more vulnerable should regional instability increase, foreign militants commence operations in the Emirate, or extremist or terrorist groups engage in activities in the country. In addition, as the government endeavours to further diversify the UAE's economy into other sectors, including tourism, the exposure to broader regional and global economic trends and geopolitical developments likely will increase.

***Abu Dhabi and the UAE may introduce new laws and regulations, including the introduction of a corporate income tax, which could adversely affect the way in which we are able to conduct our businesses and our results of operations and financial condition.***

Emerging market economies generally and the UAE in particular are characterised by less comprehensive legal and regulatory environments than are found in more developed regions. However, as these economies mature, and in part due to the desire of certain countries in the MENA region, including in particular the UAE, to accede to the World Trade Organisation, the governments of these countries have begun, and we expect will continue, to implement new

laws and regulations which could impact the way we conduct our business and have a material adverse effect on our business, results of operations, financial condition and prospects.

Changes in investment policies or in the prevailing political climate in the UAE could result in the introduction of changes to government regulations with respect to:

- price controls;
- export and import controls;
- income and other taxes;
- foreign ownership restrictions;
- foreign exchange and currency controls; and
- labour and welfare benefit policies.

We are not currently subject to corporate income tax in the UAE, although some consideration has been given to the introduction of a corporate income tax in Abu Dhabi. See “*Taxation—UAE Taxation*”. There can be no assurance that the introduction of a corporate income tax or any other changes to current laws would not increase our costs or otherwise materially adversely affect our business, results of operations, financial condition and prospects.

***The UAE’s Emiratisation initiative may increase our costs and may reduce our ability to rationalise our workforce.***

Emiratisation is an initiative by the UAE government to employ its citizens in a meaningful and efficient manner in the public and private sectors and to reduce its reliance on foreign workers. Under the initiative, companies are encouraged to employ Emiratis in management, administrative and technical positions. However, the cost of employing UAE nationals typically is significantly higher than the cost of employing foreign workers. In addition, meeting and maintaining our Emiratisation targets reduces our flexibility to rationalise our workforce, which limits our ability to reduce costs in many areas of our operations and may be made further difficult as a result of the COVID-19 pandemic (particularly if additional waves or resurgences thereof occur). See “*—Risks Relating to Our Business and Industry— The coronavirus pandemic has affected the Company’s business, results of operations and financial condition*”. As a result, there can be no assurance that meeting and maintaining our Emiratisation targets will not have a material adverse effect on our business, results of operations, financial condition and prospects.

***A downgrade in the credit rating of Abu Dhabi could adversely affect us.***

As at the date of this Prospectus, ADNOC holds 95% of our issued share capital, and immediately following the Offering ADNOC will continue to hold at least 75% of our share capital, assuming that the Selling Shareholder sells all of the Shares being offered. ADNOC is owned by the government of Abu Dhabi. Abu Dhabi has a long-term foreign currency debt rating of “AA” with a stable outlook from Standard & Poor’s Financial Services (“S&P”), a long-term foreign currency issuer default rating of “AA” with a stable outlook from Fitch Ratings (“Fitch”), and a long-term credit rating of “Aa2” from Moody’s Investor Service (“Moody’s”). Any downgrade or withdrawal at any time of a credit rating assigned to Abu Dhabi by any rating agency could have a material adverse effect on their cost of borrowing and could limit their access to debt capital markets, which could in turn adversely affect companies owned by the Abu Dhabi government, including ADNOC and us, or companies which have significant operations in the UAE. There can be no assurance that the credit ratings of Abu Dhabi will remain for any given period of time or that any such credit rating will not be downgraded or withdrawn entirely by any of the rating agencies in the future. Any such downgrade or withdrawal could have a material adverse effect on borrowing costs and access to debt capital markets for us, which could negatively impact our ability to grow and execute our strategy, and

result in a material adverse effect on our business, results of operations, financial condition and prospects.

***Our financial condition and results of operations may be materially adversely affected if the USD/AED exchange rate were to change.***

Most of our revenue and certain of our expenses are denominated in USD. In addition, all of the indebtedness under our term loan facility agreement is denominated in USD. Although the UAE dirham has been pegged to the US dollar at a rate of AED 3.6725 to USD 1.00 since 1997, there can be no assurance that the UAE Central Bank will continue to maintain this fixed rate in the future, particularly if there continues to be increased demand for the US dollar as a result of the COVID-19 pandemic and any additional waves or resurgences thereof. The existing fixed rate may be adjusted in a manner that exposes us to volatility in rates or an increase in repayment obligations under our term loan and revolving credit facilities that we unable to hedge through our interest rate swaps or otherwise. Any change to the USD/AED exchange rate could increase the costs that we pay for our products or to service our indebtedness, or could cause our results of operations and financial condition to fluctuate due to currency translation effects, any of which could have a material adverse effect on our business, results of operations, financial condition and prospects.

#### **Risks Relating to the Offering and to the Shares**

***After the Offering, ADNOC will continue to be able to exercise control over us, our management and our operations.***

As at the date of this Prospectus, ADNOC holds 95% of our issued share capital, and immediately following the Offering ADNOC will continue to hold at least 75% of our share capital, assuming that the Selling Shareholder sells all of the Shares being offered. As a result, ADNOC will be able to exercise control over our management and operations and over matters requiring the consent of our shareholders, such as in relation to the payment of dividends and the election of the members of our Board of Directors and other matters. There can be no assurance that the interests of ADNOC will coincide with the interests of purchasers of the Shares. On or prior to Listing, we will enter into a relationship agreement (the "Relationship Agreement") with ADNOC that records the principal terms of the relationship between us and ADNOC. See "*Related Party Transactions*" and "*Relationship Agreement*".

Furthermore, ADNOC's significant Share ownership may (i) delay or deter a change of control of the Company (including deterring a third party from making a takeover offer for the Company), (ii) deprive shareholders of an opportunity to receive a premium for their Shares as part of a sale of the Company, and (iii) affect the liquidity of the Shares, any of which could have a material adverse effect on the market price of the Shares. In addition, there may be circumstances where our businesses compete directly or indirectly with ADNOC's businesses, and ADNOC may take decisions with respect to those businesses that are adverse to the interests of our other shareholders.

***Substantial sales of Shares by ADNOC could depress the price of the Shares.***

Sales of a substantial number of Shares by ADNOC following the completion of the Offering may significantly reduce our share price. ADNOC has agreed in the Underwriting Agreement to certain restrictions on its ability to sell, transfer and otherwise deal in its Shares for a period of twelve (12) months from the Closing Date, except in certain limited circumstances, unless otherwise consented to by the Joint Global Coordinators (such consent not to be unreasonably withheld or delayed). See "*Lock-up Arrangements*". Nevertheless, we are unable to predict whether substantial amounts of Shares (in addition to those which will be available in the Offering) will be sold in the open market following the completion of the Offering. Any sales of

substantial amounts of Shares in the public market, or the perception that such sales might occur, could materially and adversely affect the market price of the Shares.

***The Offering may not result in an active or liquid market for the Shares, and trading prices of the Shares may be volatile and may decline. In addition, the ADX is significantly smaller in size than other established securities markets, which may also affect liquidity in the Shares.***

Prior to the Offering, there has been no public trading market for the Shares. We cannot guarantee that an active trading market will develop or be sustained following the completion of the Offering, or that the market price of the Shares will not decline thereafter below the offer price. The trading price of the Shares may be subject to wide fluctuations in response to many factors, as well as stock market fluctuations and general economic conditions or changes in political sentiment that may adversely affect the market price of the Shares, regardless of our actual performance or conditions in the UAE.

The Company has applied for the Shares to be listed on the ADX. The ADX was established in 2000, but its future success and liquidity in the market for the Shares cannot be guaranteed. The ADX is substantially smaller in size and trading volume than other established securities markets, such as those in the United States and the United Kingdom. As of 30 June 2021, there were 78 companies with securities traded on the ADX with a total market capitalisation of approximately AED 1,191 billion. The ADX had a total regular trading volume of AED 64 billion in 2020. Brokerage commissions and other transaction costs on the ADX are generally higher than those in Western European countries.

These factors could generally decrease the liquidity and increase the volatility of share prices on the ADX, which in turn could increase the price volatility of the Shares and impair the ability of a holder of Shares to sell any Shares on the ADX in the desired amount and at the price and time achievable in more liquid markets.

***We may not pay cash dividends on the Shares. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them.***

While we intend to pay dividends in respect of the Shares, there can be no assurance that we will do so. Any decision to declare and pay dividends in the future will be made at the discretion of our Board of Directors and will depend on, among other things, applicable law and regulations, our results of operations, financial condition, cash requirements, contractual restrictions (including, in particular, those contained in the debt financing), our future projects and plans and other factors that our Board of Directors may deem relevant. As a result, you may not receive any return on an investment in the Shares unless you sell your Shares for a price greater than that which you paid for them. See “*Dividend Policy*”.

***It may be difficult for shareholders to enforce judgments against us in the UAE, or against our directors and senior management.***

The Company is a public joint stock company incorporated in the UAE. All of our directors and all of our officers reside outside the United States, the United Kingdom and the European Economic Area (“**EEA**”). In addition, all of our assets and the majority of the assets of our directors and senior management are located outside the United States, the United Kingdom and the EEA. As a result, it may not be possible for investors to effect service of process outside the UAE upon the Company or our directors and senior management or to enforce judgments obtained against them in courts outside the UAE, including judgments predicated upon the civil liability provisions of the securities laws of the United States, the United Kingdom or the EEA.

***Holders of the Shares in certain jurisdictions outside of the UAE, including the United States, may not be able to exercise their preemptive rights if we increase our share capital.***

Under our Articles of Association to be adopted in connection with the Global Offering, holders of the Shares generally have the right to subscribe and pay for a sufficient number of our ordinary shares to maintain their relative ownership percentages prior to the issuance of any new ordinary shares in exchange for cash consideration. US holders of the Shares may not

be able to exercise their preemptive rights unless a registration statement under the Securities Act is effective with respect to such rights and the related ordinary shares or an exemption from the registration requirements of the Securities Act is available. Similar restrictions exist in certain other jurisdictions outside the UAE. We currently do not intend to register the Shares under the Securities Act or the laws of any other jurisdiction, and no assurance can be given that an exemption from such registration requirements will be available to enable US or other holders of the Shares to exercise their preemptive rights or, if available, that we will utilise such exemption. To the extent that the US or other holders of the Shares are not able to exercise their preemptive rights, the preemptive rights would lapse and the proportional interests of such US or other holders would be reduced.

## **UAE Taxation**

*The following comments are general in character and are based on the current applicable tax regime in the UAE and the current practice of the UAE authorities as at the date of this Prospectus. The comments do not purport to be a comprehensive analysis of all the tax consequences applicable to all types of shareholders and do not relate to any taxation regime outside the UAE. Each shareholder is responsible for its own tax position and, if you are in any doubt as to your own tax position, you should seek independent professional advice without delay.*

### **Taxation of Corporates and Individuals**

There is no corporate tax legislation at the federal UAE level. However, corporate tax legislation has been enacted in some of the Emirates (including Abu Dhabi) through their own decrees. These tax decrees are currently only enforced on foreign oil companies and branches of foreign banks. However, it should be noted that there is no guarantee that tax will not be enforced on other corporate entities at some time in the future since there is no specific legislation that grants an exemption from tax to entities which are not foreign oil companies and branches of foreign banks.

There is currently no personal tax levied on individuals in the UAE.

### **Taxation of purchase of Shares**

Completion of the Offering is likely to be characterised for UAE tax purposes as a purchase of Shares by the shareholders. If a shareholder is tax resident outside the UAE and/or is subject to tax in another jurisdiction, the Offering may be characterised differently and may be subject to tax in that other jurisdiction.

There are no transfer taxes in the UAE on the purchase of Shares. Accordingly, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE. Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations.

### **Taxation of dividends and capital gains on sale**

Based on the tax practice within the UAE outlined above, the purchase of Shares should not result in any UAE tax liabilities for shareholders who are individuals or corporations tax resident in the UAE, provided they are not subject to tax in the UAE by virtue of them being a foreign oil company or branch of a foreign bank. Non-UAE tax residents, or dual tax residents, individuals and corporations, may be subject to taxation in jurisdictions outside the UAE with respect to the ownership of, or income derived in connection with, the Shares based on local tax regulations.

Based on the same principles as outlined above, UAE resident shareholders who are not subject to tax in the UAE or jurisdictions outside the UAE (both corporate and individual), should not currently be taxed on the receipt of dividend income and gains on the future sale of the Shares.

Shareholders who are subject to tax in the UAE by virtue of being a foreign oil company or branch of a foreign bank, or tax resident in jurisdictions outside the UAE, as well as shareholders tax resident in the UAE but also subject to tax in jurisdictions outside the UAE (both corporate and individual), should consult their own tax advisers as to the taxation of dividend income and gains on the future sale of the Shares under the relevant applicable local laws in those jurisdictions.

There is currently no withholding tax in the UAE and as such, any dividend payments made by the Company should be made free of any UAE or Abu Dhabi withholding tax, unless the applicable tax regime changes.

It is important to note that the UAE corporate tax treatment applicable to foreign oil companies or branches of a foreign bank referred to above, applies to Emirate level (Abu Dhabi, Dubai, Sharjah, Ras Al Khaimah, Fujairah, Um Al Quwain, Ajman) taxation only. In this regard, a new

corporate Federal tax law was under discussion, however, the UAE Ministry of Finance has confirmed that no Federal corporate tax will be introduced within the next few years.

## **UAE VAT**

The UAE has adopted an excise tax, which was effective on 1 October 2017, and implemented a VAT, which was effective on 1 January 2018. The excise tax imposes a 50% tax on carbonated beverages and a 100% tax on tobacco products and energy drinks. On 27 August 2017, the VAT Law was published on the website of the Federal Tax Authority. The executive regulations of the VAT Law were issued on 28 November 2017 under Cabinet decision No. 52 of Federal Decree Law No. (8). The executive regulations provide more detail about products and services that are subject to VAT and which particular products are zero-rated or exempted. The executive regulations of the VAT Law outline the conditions and parameters of such VAT treatment. The GCC VAT Framework Agreement, which is a country level agreement between all the GCC States, sets out broad principles that should be followed by all the GCC countries in their VAT laws while providing individual member states some discretion to adopt a different VAT treatment in respect of certain matters. Each GCC country will enact its own domestic VAT legislation based on the underlying principles in this common framework.

VAT applies on the sale of goods and services in the UAE and on imports to the UAE. Unless the supply of goods and services falls within a category that is specifically exempt or is subject to the zero rate of VAT. VAT will apply at the standard rate. The standard VAT rate in the UAE is 5%.

The mandatory registration threshold is AED 375,000 and the voluntary registration threshold is AED 187,500. Businesses must register for VAT if they have annual turnover that exceeds the mandatory registration threshold and an option to register for VAT is available if the taxable supply and imports are below the mandatory registration threshold but exceed the voluntary registration threshold.

The supply of goods or services by VAT registered businesses is subject to VAT at either the standard rate or zero rate. Businesses are entitled to claim a credit for VAT paid on their purchases if they relate to a supply that is standard rated or zero-rated. However, any VAT incurred in connection with a supply that is exempt from VAT cannot be reclaimed.

Article 42 of the executive regulations outlines the scope of financial services classified as exempt and, on this basis, no VAT would be applied on any transfer of Shares. However, it should be noted that fees relating to the transfer of ownership of Shares would be standard rated at 5%.

## **Lock-up Arrangements**

Pursuant to the terms of the Underwriting Agreement, we have contractually agreed, for a period of twelve (12) months after Listing, not to (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant, or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of, directly or indirectly, any Shares or other shares of the Company, or securities convertible or exchangeable into or exercisable for any Shares or warrants or other rights to purchase Shares or any security or financial product whose value is determined directly or indirectly by reference to the price of the Shares, or file any registration statement under the Securities Act or any similar document with any other securities regulator, stock exchange, or listing authority with respect to any of the foregoing, (ii) enter into any swap, or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of the Shares, in each case, whether any such transaction is to be settled by delivery of Shares or other securities, in cash or otherwise, or (iii) publicly announce such an intention to effect any such transaction, in each case, without the prior written consent of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed.



### Third section: Financial disclosures

#### Summary of the Company's Financial Statements and a Summary of Key Notes and Key Financial Indicators as of and for the Years Ended 31 December 2019 (with comparative financials for the year ended 31 December 2018) and 31 December 2020, and for the six-month period ended 30 June 2021 (and the comparative financials for the six-month period ended 30 June 2020).

The following discussion and analysis should be read in conjunction with the Company's audited financial statements, including the notes thereto, included in this Prospectus as at and for the years ended 31 December 2019 (with comparative financial information as at and for the year ended 31 December 2018) and 2020 and the Company's reviewed interim financial statements as at and for the six-month period ended 30 June 2021 (and the comparative financials for the six-month period ended 30 June 2020) included in this Prospectus. Investors should also read certain risks associated with the purchase of Offer Shares in the section entitled "Investment Risks".

EBITDA and Net debt are Non-IFRS measures and were calculated by the Company based on data derived from the Company's Financial Statements.

#### 1. Selected Financial Information and Operating Data

The selected financial information set forth below shows our historical financial information and other unaudited operating information as at and for the years ended 31 December 2018, 2019 and 2020 and as at and for the six-month period ended 30 June 2021.

The financial information set forth below under the captions "Statement of Profit or Loss Data", "Statement of Financial Position Data", "Statement of Changes in Equity Data" and "Statement of Cash Flows Data" has been derived from, and should be read in conjunction with, the Financial Statements included elsewhere in this Prospectus.

#### 2. Statement of Profit or Loss Data

	For the years ended 31 December						For the six months ended 30 June			
	2020		2019		2018		2021		2020	
	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000
Revenue .....	2,097,860	7,704,391	2,061,717	7,571,655	1,961,355	7,203,076	1,123,475	4,125,962	1,001,840	3,679,257
Direct cost .....	(1,291,942)	(4,744,657)	(1,264,319)	(4,643,212)	(1,102,414)	(4,048,615)	(683,695)	(2,510,870)	(578,400)	(2,124,174)
<b>Gross Profit .....</b>	<b>805,918</b>	<b>2,959,734</b>	<b>797,398</b>	<b>2,928,443</b>	<b>858,941</b>	<b>3,154,461</b>	<b>439,780</b>	<b>1,615,092</b>	<b>423,440</b>	<b>1,555,083</b>
General and administrative expenses .....	(215,305)	(790,708)	(194,533)	(714,422)	(180,978)	(664,640)	(158,540)	(582,238)	(109,552)	(402,330)
Other income, net .....	2,895	10,632	29,997	110,165	13,622	50,028	9,010	33,089	4,270	15,682
Finance cost, net .....	(24,474)	(89,881)	(49,509)	(181,820)	(6,808)	(25,004)	(8,662)	(31,811)	(15,627)	(57,390)
<b>Profit for the year/period ....</b>	<b>569,034</b>	<b>2,089,777</b>	<b>583,354</b>	<b>2,142,366</b>	<b>684,777</b>	<b>2,514,845</b>	<b>281,588</b>	<b>1,034,132</b>	<b>302,531</b>	<b>1,111,045</b>
Other comprehensive income for the year/period .....	-	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the year/period ..</b>	<b>569,034</b>	<b>2,089,777</b>	<b>583,354</b>	<b>2,142,366</b>	<b>684,777</b>	<b>2,514,845</b>	<b>281,588</b>	<b>1,034,132</b>	<b>302,531</b>	<b>1,111,045</b>

#### 3. Statement of Financial Position Data

	As at 31 December						As at 30 June		
	2020		2019		2018		2021		
	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	
<b>ASSETS</b>									
<b>Non-current assets</b>									
Property and equipment	3,261,436	11,977,624	3,243,086	11,910,232	3,262,078	11,979,983	3,252,854	11,946,106	
Right-of-use assets	39,301	144,333	15,941	58,542	-	-	43,196	158,637	
Advance to a related party	408	1,498	146,954	539,690	300,041	1,101,900	8,464	31,084	
Advance payments	4,250	15,608	5,751	21,119	8,131	29,860	3,502	12,861	
<b>Total non-current assets .....</b>	<b>3,305,395</b>	<b>12,139,063</b>	<b>3,411,731</b>	<b>12,529,583</b>	<b>3,570,250</b>	<b>13,111,743</b>	<b>3,308,016</b>	<b>12,148,689</b>	
<b>Current assets</b>									
Inventories	177,053	650,227	124,176	456,036	84,356	309,796	162,863	598,114	
Trade and other receivables	139,296	511,565	63,133	231,855	33,238	122,066	123,590	453,884	
Due from related parties	902,601	3,314,802	1,688,981	6,202,782	644,715	2,367,717	1,412,891	5,188,842	
Cash and cash equivalents	953,465	3,501,600	133,808	491,409	324,573	1,191,995	419,246	1,539,681	
<b>Total current assets .....</b>	<b>2,172,415</b>	<b>7,978,194</b>	<b>2,010,097</b>	<b>7,382,082</b>	<b>1,086,882</b>	<b>3,991,574</b>	<b>2,118,590</b>	<b>7,780,522</b>	
<b>Total assets .....</b>	<b>5,477,810</b>	<b>20,117,257</b>	<b>5,421,828</b>	<b>19,911,665</b>	<b>4,657,132</b>	<b>17,103,317</b>	<b>5,426,606</b>	<b>19,929,211</b>	
<b>EQUITY AND LIABILITIES</b>									

	As at 31 December						As at 30 June	
	2020		2019		2018		2021	
	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000
<b>Equity</b>								
Share Capital	108,918	400,001	108,918	400,000	108,918	400,000	108,918	400,001
Retained Earnings	3,142,893	11,542,275	3,273,654	12,022,496	2,741,794	10,069,237	2,724,481	10,005,656
<b>Total equity</b>	<b>3,251,811</b>	<b>11,942,276</b>	<b>3,382,572</b>	<b>12,422,496</b>	<b>2,850,711</b>	<b>10,469,237</b>	<b>2,833,399</b>	<b>10,405,658</b>
<b>Non-current liabilities</b>								
Borrowings	1,500,000	5,508,750	1,500,204	5,509,500	1,500,204	5,509,500	1,500,000	5,508,750
Lease liabilities	28,389	104,259	15,995	58,743	-	-	15,196	55,807
Provisions for employees' end of service benefits	86,460	317,524	87,492	321,315	77,549	284,799	110,549	405,991
<b>Total non-current liabilities</b>	<b>1,614,849</b>	<b>5,930,533</b>	<b>1,603,692</b>	<b>5,889,558</b>	<b>1,577,753</b>	<b>5,794,299</b>	<b>1,625,745</b>	<b>5,970,549</b>
<b>Current liabilities</b>								
Trade and other payables	413,789	1,519,640	394,051	1,447,151	200,450	736,154	370,361	1,360,151
Lease liabilities	11,723	43,053	3,370	12,378	-	-	22,278	81,816
Due to related parties	185,638	681,756	38,143	140,082	28,217	103,627	574,823	2,111,037
<b>Total current liabilities</b>	<b>611,150</b>	<b>2,244,448</b>	<b>435,565</b>	<b>1,599,611</b>	<b>228,667</b>	<b>839,781</b>	<b>967,462</b>	<b>3,553,004</b>
<b>Total liabilities</b>	<b>2,225,999</b>	<b>8,174,981</b>	<b>2,039,256</b>	<b>7,489,169</b>	<b>1,806,421</b>	<b>6,634,080</b>	<b>2,593,207</b>	<b>9,523,553</b>
<b>Total equity &amp; liabilities</b>	<b>5,477,810</b>	<b>20,117,257</b>	<b>5,421,828</b>	<b>19,911,665</b>	<b>4,657,132</b>	<b>17,103,317</b>	<b>5,426,606</b>	<b>19,929,211</b>

#### 4. Statement of Cash Flow Data

	For the years ended 31 December					
	2020		2019		2018	
	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000
<b>Cash flows from operating activities</b>						
Profit for the year	569,034	2,089,777	583,354	2,142,366	684,777	2,514,845
<i>Adjustments for:</i>						
Depreciation of property and equipment	357,037	1,311,218	374,936	1,376,951	380,363	1,396,884
Depreciation of right-of-use assets	9,177	33,703	7,519	27,614	-	-
Provision for employees' end of service benefit	12,691	46,608	15,119	55,526	9,565	35,129
Reversal of provision for employees end of service benefit	(2,537)	(9,317)	-	-	-	-
Credit note issued to a related party	41,717	153,206	-	-	-	-
(Reversal)/allowance for slow moving and obsolete inventories	(1,939)	(7,121)	226	829	3,496	12,840
Loss on disposal property and equipment	616	2,262	1,004	3,689	454	1,668
Finance cost	25,346	93,083	53,328	195,846	8,766	32,192
Finance income	(872)	(3,202)	(3,819)	(14,026)	(1,957)	(7,188)
	<b>1,010,270</b>	<b>3,710,217</b>	<b>1,031,666</b>	<b>3,788,795</b>	<b>1,085,465</b>	<b>3,986,370</b>
<b>Changes in working capital</b>						
Increase in inventories	(50,934)	(187,055)	(40,046)	(147,069)	(11,049)	(40,576)
Decrease/(increase) in advance payments	1,501	5,512	2,380	8,741	(4,044)	(14,853)
Increase in trade and other receivables	(76,163)	(279,709)	(29,895)	(109,789)	(1,529)	(5,614)
Decrease/(increase) in due from related parties	744,664	2,734,779	(1,044,265)	(3,835,065)	(191,097)	(701,805)
Increase/(decrease) in trade and other payables	22,986	84,416	94,160	345,803	(54,911)	(201,661)
Increase/(decrease) in due to related parties	147,494	541,672	9,926	36,455	(35,132)	(129,024)
Employees' end of service benefit paid	(11,190)	(41,095)	(5,176)	(19,010)	(4,830)	(17,738)
<b>Net cash generated from operating activities</b>	<b>1,788,628</b>	<b>6,568,736</b>	<b>18,750</b>	<b>68,861</b>	<b>782,872</b>	<b>2,875,099</b>
<b>Cash flows from investing activities</b>						
Additions to property and equipment	(146,565)	(538,260)	(33,371)	(122,554)	(48,177)	(176,930)
Advance to a related party	(86,141)	(316,353)	(71,050)	(260,931)	(300,041)	(1,101,900)
Finance income received	872	3,202	3,819	14,026	1,957	7,188
<b>Net cash used in investing activities</b>	<b>(231,834)</b>	<b>(851,410)</b>	<b>(100,601)</b>	<b>(369,459)</b>	<b>(346,261)</b>	<b>(1,271,642)</b>
<b>Cash flows from financing activities</b>						
Repayment of related party loan	-	-	-	-	(313,043)	(1,149,649)
Borrowings	-	-	-	-	1,500,204	5,509,500
Lease liabilities paid on principal	(11,791)	(43,302)	(4,094)	(15,035)	-	-
Dividends paid	(700,000)	(2,570,750)	(51,493)	(189,107)	(1,572,213)	(5,773,953)
Finance cost paid	(25,346)	(93,083)	(53,328)	(195,846)	(1,859)	(6,826)
<b>Net cash used in financing activities</b>	<b>(737,137)</b>	<b>(2,707,136)</b>	<b>(108,914)</b>	<b>(399,988)</b>	<b>(386,910)</b>	<b>(1,420,928)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>819,657</b>	<b>3,010,190</b>	<b>(190,765)</b>	<b>(700,586)</b>	<b>49,702</b>	<b>182,529</b>
Cash and cash equivalents at the beginning of the year	133,808	491,410	324,573	1,191,995	274,872	1,009,466
<b>Cash and cash equivalents at end of the year</b>	<b>953,465</b>	<b>3,501,600</b>	<b>133,808</b>	<b>491,409</b>	<b>324,573</b>	<b>1,191,995</b>
<b>Non-cash transactions:</b>						
Recognition of right of use assets under IFRS 16/ Additions and modification right-of-use assets and lease liabilities	<b>32,537</b>	<b>119,492</b>	23,460	86,156	-	-
Additions to property and equipment against advances paid to a related party	<b>232,687</b>	<b>854,543</b>	224,136	<b>823,141</b>	-	-
Additions to property and equipment against payables	-	-	99,440	365,194	50,261	184,585
Accrued interest	-	-	-	-	6,907	25,366
Transfers from inventory to property & equipment	-	-	-	-	15,289	56,148

	For the six months ended 30 June			
	2021		2020	
	USD'000	AED'000	USD'000	AED'000
<b>Cash flows from operating activities</b>				
Profit for the period	<b>281,588</b>	<b>1,034,132</b>	<b>302,531</b>	<b>1,111,045</b>
<i>Adjustments for:</i>				
Depreciation of property and equipment	194,308	713,596	172,716	634,300
Depreciation of right-of-use assets	14,963	54,952	5,364	19,699
Provision for employees' end of service benefit	26,815	98,478	7,475	27,452
Allowance/(reversal) for slow moving and obsolete inventory	6,036	22,167	(270)	(992)
Finance cost	9,099	33,416	16,134	59,252
Finance income	(437)	(1,605)	(507)	(1,862)
	<b>532,372</b>	<b>1,955,136</b>	<b>503,443</b>	<b>1,848,894</b>
<b>Changes in working capital</b>				

	For the six months ended 30 June			
	2021		2020	
	USD'000	AED'000	USD'000	AED'000
Decrease/(increase) in inventories	8,154	29,946	(12,750)	(46,824)
Decrease in advance payments	748	2,747	726	2,666
Decrease/(increase) in trade and other receivables	15,706	57,680	(48,335)	(177,510)
(Increase)/decrease in due from related parties	(120,290)	(441,765)	579,730	2,129,058
Increase/(decrease) in trade and other payables	45,829	168,307	(61,339)	(225,267)
(Decrease)/increase in due to related parties	(815)	(2,993)	18,828	69,146
Employees' end of service benefit paid	(2,726)	(10,011)	(2,387)	(8,766)
<b>Net cash generated from operating activities</b>	<b>478,978</b>	<b>1,759,047</b>	<b>977,916</b>	<b>3,591,397</b>
<b>Cash flows from investing activities</b>				
Payments for purchase of property and equipment	(245,249)	(900,677)	(19,148)	(70,321)
Advance issued to a related party	(37,664)	(138,321)	(59,860)	(219,836)
Finance income received	437	1,605	507	1,862
<b>Net cash used in investing activities</b>	<b>(282,476)</b>	<b>(1,037,393)</b>	<b>(78,501)</b>	<b>(288,295)</b>
<b>Cash flows from financing activities</b>				
Payment for principal and interest portion on lease liabilities	(22,022)	(80,876)	-	-
Dividends paid	(700,000)	(2,570,750)	(700,000)	(2,570,750)
Finance cost paid	(8,699)	(31,947)	(15,926)	(58,488)
<b>Net cash used in financing activities</b>	<b>(730,721)</b>	<b>(2,683,573)</b>	<b>(715,926)</b>	<b>(2,629,238)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(534,219)</b>	<b>(1,961,919)</b>	<b>183,489</b>	<b>(673,863)</b>
Cash and cash equivalents at the beginning of the period	953,465	3,501,600	133,808	(491,410)
<b>Cash and cash equivalents at the end of the period</b>	<b>419,246</b>	<b>1,539,681</b>	<b>317,297</b>	<b>1,165,273</b>
<b>Non-cash transactions:</b>				
Transfer of capital spares from inventory to property and equipment	-	-	830	3,048
Additions and modification right-of-use assets and lease liabilities	18,858	69,256	16,355	60,064

## 5. Statement of Changes in Equity Data

### Statement of changes in equity for the six-month period ended 30 June 2021

	Share capital USD'000	Share capital AED'000	Retained earnings USD'000	Retained earnings AED'000	Total equity USD'000	Total equity AED'000
Balance at 1 January 2020 (audited)	108,918	400,001	3,273,859	12,023,247	3,382,777	12,423,249
Total comprehensive income for the period	-	-	302,531	1,111,045	302,531	1,111,045
Dividends	-	-	(700,000)	(2,570,750)	(700,000)	(2,570,750)
Balance at 30 June 2020 (unaudited)	108,918	400,001	2,876,390	10,563,542	2,985,308	10,963,544
Balance at 1 January 2021 (audited)	108,918	400,001	3,142,893	11,542,275	3,251,811	11,942,276
Total comprehensive income for the period	-	-	281,588	1,034,132	281,588	1,034,132
Dividends	-	-	(700,000)	(2,570,750)	(700,000)	(2,570,750)
<b>Balance at 30 June 2021 (unaudited)</b>	<b>108,918</b>	<b>400,001</b>	<b>2,724,481</b>	<b>10,005,656</b>	<b>2,833,399</b>	<b>10,405,658</b>

### Statement of changes in equity for the year ended 31 December 2020

	Share capital USD'000	Share capital AED'000	Retained earnings USD'000	Retained earnings AED'000	Total equity USD'000	Total equity AED'000
At 1 January 2019	108,918	400,001	2,741,997	10,069,984	2,850,915	10,469,985
Total comprehensive income for the year	-	-	583,355	2,142,371	583,355	2,142,371
Dividends paid	-	-	(51,493)	(189,108)	(51,493)	(189,108)
At 1 January 2020	108,918	400,001	3,273,859	12,023,247	3,382,777	12,423,249
Total comprehensive income for the year	-	-	569,034	2,089,777	569,034	2,089,777
Dividends paid	-	-	(700,000)	(2,570,750)	(700,000)	(2,570,750)
<b>At 31 December 2020</b>	<b>108,918</b>	<b>400,001</b>	<b>3,142,893</b>	<b>11,542,275</b>	<b>3,251,811</b>	<b>11,942,276</b>

### Statement of changes in equity for the year ended 31 December 2019

	Share capital USD'000	Share capital AED'000	Retained earnings USD'000	Retained earnings AED'000	Total equity USD'000	Total equity AED'000
At 1 January 2018	108,918	400,000	3,629,229	13,328,345	3,738,147	13,728,345
Total comprehensive income for the year	-	-	684,777	2,514,845	684,777	2,514,845
Dividends declared	-	-	(1,572,213)	(5,773,953)	(1,572,213)	(5,773,953)
At 1 January 2019	108,918	400,000	2,741,794	10,069,237	2,850,711	10,469,237
Total comprehensive income for the year	-	-	583,354	2,142,366	583,354	2,142,366
Dividends declared	-	-	(51,493)	(189,107)	(51,493)	(189,107)
<b>At 31 December 2019</b>	<b>108,918</b>	<b>400,000</b>	<b>3,273,654</b>	<b>12,022,496</b>	<b>3,382,572</b>	<b>12,422,496</b>

## 6. Other Financial Information

For the years ended 31 December						For the six months ended 30 June			
2020		2019		2018		2021		2020	
USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000	USD'000	AED'000

	For the years ended 31 December						For the six months ended 30 June			
	2020		2019		2018		2021		2020	
EBITDA <sup>(1)</sup> .....	959,722	3,524,579	1,015,317	3,728,751	1,071,949	3,936,733	499,521	1,834,491	496,238	1,822,434
Net debt <sup>(2)</sup> .....	(546,535)	(2,007,150)	(1,366,192)	(5,018,091)	(1,175,427)	(4,317,505)	(1,080,754)	(3,969,069)	(1,182,703)	(4,343,477)

- (1) In this Prospectus, we present EBITDA as a measure to assess the financial performance of our business. EBITDA represents earnings for the period before interest, tax, and depreciation and amortisation. EBITDA is termed a "non IFRS measure" because it excludes amounts that are included in, and includes amounts that are excluded from, the most directly comparable measure calculated and presented in accordance with IFRS, being profit for the period. Information regarding EBITDA is sometimes used by investors to evaluate the efficiency of a company's operations and its ability to employ its earnings toward repayment of debt, capital expenditures and working capital requirements. We use EBITDA in assessing our growth and operational performance. There are no generally accepted principles governing the calculations of EBITDA, and the criteria upon which EBITDA is based can vary from company to company. EBITDA does not by itself provide a sufficient basis to compare our performance with that of other companies and should not be considered in isolation or as a substitute for operating profit or any other measure as an indicator of operating performance, or as an alternative to cash generated from operating activities as a measure of liquidity. In addition, this measure should not be used instead of, or considered as an alternative to, our historical financial results. We have presented this non-IFRS measure because we believe it is helpful to investors and financial analysts in highlighting trends in our overall business. EBITDA has limitations as an analytical tool. Some of these limitations are: (a) it does not reflect cash expenditures or future requirements for capital expenditure or contractual commitments; (b) it does not reflect changes in, or cash requirements for, our working capital needs; (c) it does not reflect the significant interest expense, or the cash requirements necessary to service interest or principal payments, on our debt; (d) although depreciation and amortisation are non cash charges, the assets being depreciated and amortised will often have to be replaced in the future, and EBITDA does not reflect any cash requirements for such replacements; and (e) it is not adjusted for all non cash income or expense items that are reflected in our statements of cash flows. The table below sets forth a reconciliation of EBITDA to profit for each period presented:

	For the years ended 31 December						For the six months ended 30 June			
	2020		2019		2018		2021		2020	
	USD '000	AED '000	USD '000	AED '000	USD '000	AED '000	USD '000	AED '000	USD '000	AED '000
<b>Profit for the year</b>	<b>569,034</b>	<b>2,089,777</b>	<b>583,354</b>	<b>2,142,366</b>	<b>684,777</b>	<b>2,514,845</b>	<b>281,588</b>	<b>1,034,132</b>	<b>302,531</b>	<b>1,111,045</b>
Finance cost	24,474	89,881	49,509	181,820	6,808	25,004	8,662	31,811	15,627	57,390
Depreciation included in direct cost	356,702	1,309,988	376,724	1,383,519	377,819	1,387,542	186,203	683,831	166,612	611,883
Depreciation included in general and administrative expenses	9,512	34,933	5,731	21,046	2,544	9,342	23,068	84,717	11,468	42,116
<b>EBITDA</b>	<b>959,722</b>	<b>3,524,579</b>	<b>1,015,317</b>	<b>3,728,751</b>	<b>1,071,949</b>	<b>3,936,733</b>	<b>499,521</b>	<b>1,834,491</b>	<b>496,238</b>	<b>1,822,434</b>

- (2) Net debt represents total borrowings (including current and non-current borrowings) less cash and cash equivalents. Net debt is sometimes used by investors to evaluate a company's level of indebtedness after taking into account its available cash. We use net debt in assessing our capital structure. For purposes of calculating the net debt amount, an exchange rate of USD 1: AED 3.673 was used for total borrowings for the years ended 31 December 2018 and 2019 which amounted to USD 1.5 billion at the end of each period.

## Dividend Policy

Our ability to pay dividends is dependent on a number of factors, including the availability of distributable reserves and our capital expenditure plans and other cash requirements in future periods, and there is no assurance that we will pay dividends or, if a dividend is paid, what the amount of such dividend will be. See "*Investment Risks – Risks Relating to the Global Offering and to the Shares – We may not pay cash dividends on the Shares. Consequently, you may not receive any return on investment unless you sell your Shares for a price greater than that which you paid for them.*" Any level or payment of dividends will depend on, among other things, future profits and the business plan of the Company, at the discretion of our Board of Directors.

Subject to the foregoing, our Board has approved a dividend payment of USD 360.3 million, reflecting the dividends for the first half of 2021, to be distributed to existing shareholders ahead of the Offering. We intend to pay dividends twice each fiscal year after the Offering, with an initial payment in April and a second payment in October of each year. Subject to the foregoing, we expect to pay a fixed dividend amount of USD 325 million for the second half of 2021, to be paid in April 2022. Thereafter, we expect to grow the dividend amount from USD 650 million (annualized dividend of second half of 2021), by a growth rate of 5% per annum on a dividend per share basis over the next five years (2022 - 2026). This dividend policy is designed to reflect our expectation of strong cash flow and our expected long-term earnings potential, while allowing us to retain sufficient capital to fund ongoing operating requirements and continued investment for long-term growth. This dividend policy is subject to consideration by our Board of Directors of the cash management requirements of our business for operating expenses, interest expense, and anticipated capital expenditures. In addition, we expect that our Board of Directors also will consider market conditions, the then current operating environment in our markets, and the Board of Directors' outlook for our business.

## Material events and contracts concluded by the Company (including related party agreements)

The following is a summary of certain terms of our material contracts. The following summaries do not purport to describe all of the applicable terms and conditions of such contracts and are qualified in their entirety by reference to the actual agreements.

### Principal Shareholders and Selling Shareholder

The following table sets forth our shareholder holding our Shares (i) as at the date of this Prospectus, with a total share capital of 16,000,000,000 shares of AED 0.10 each, and (ii) immediately following the Offering, assuming that the Selling Shareholder sells all of the Shares being offered:

<i>Shareholder</i>	As at the date of this Prospectus		Immediately following the Offering <sup>(1)</sup>	
	Number of Shares	Percentage	Number of Shares	Percentage
ADNOC	15,200,000,000	95%	[●]	[●]%
Baker Hughes	800,000,000	5%	[●]	5%

(1) Assumes that the maximum number of Shares offered in the Offering are sold. [●] Shares are being offered in the Offering.

Prior to Listing, pursuant to the Recapitalization, we increased the number of Shares from 4,000,000 to 16,000,000,000 through the capitalization of AED 1,200,000,000 of retained earnings and the reduction of the par value per Share from AED 100 to AED 0.10. The Recapitalization has no impact on our cash position or our total shareholders' equity.

ADNOC is wholly owned by the government of Abu Dhabi. No Shares have voting rights that differ from those of any other Shares. As at the date of this Prospectus, the Company is not aware of any arrangements that may result in a change in control of the Company.

### Founders Committee

The Founders Committee is a committee elected by the Founders to undertake all steps and procedures necessary on their behalf and on behalf of the Company to complete all the procedures required with regard to the Offering, including dealing with the competent authorities. The Founders Committee is composed of the following individuals as representatives of the Company:

1. HE Dr. Sultan Al Jaber (Chairman);
2. Mr. Abdulmunim AlKindi (Member);
3. Mr. Yaser Saeed Almazrouei (Member);
4. Mr. Ahmed Jasim Alzaabi (Member);
5. Mr. Abdulrahman Abdulla Al Seiri (Member);
6. Mr. Salem Al Derei (Member);
7. Mr. Klaus Froehlich (Member); and
8. Mr. Mohamed Saif Alaryani (Member).

### Related Party Transactions

We are and have been a party to various agreements and other arrangements with related parties comprising ADNOC and certain of its other subsidiaries and Baker Hughes. The most

significant of these transactions are described below. For details of the impact of related party transactions on our financial position and financial results as at and for the years ended 31 December 2018, 2019 and 2020, as at 30 June 2021, and for the six months ended 30 June 2020 and 2021, please refer to note 14 of the financial statements, included elsewhere in this Prospectus.

### **Relationship Agreement**

We intend to enter into the Relationship Agreement with ADNOC on or prior to Listing. For a description of the principal terms of this agreement, please see "*Relationship Agreement*".

### **Brand Usage Agreement**

In October 2018, we entered into a brand usage agreement (the "**Brand Usage Agreement**") with ADNOC pursuant to which ADNOC had granted us a limited, royalty-bearing, non-exclusive licence to use certain of ADNOC's trademarks, logo and materials in Africa, Europe and the GCC, in connection with the provision of certain services in respect of drilling wells and related services that the Company is engaged in. ADNOC also granted us the right to sub-licence the rights and licences granted under the Brand Usage Agreement to certain parties (including its affiliates and third-party franchisees). The licence granted under the Brand Usage Agreement is royalty-free for the first four years. Thereafter, ADNOC has the right to charge a licence fee to be agreed in good faith among the parties. The Brand Usage Agreement will continue in force unless terminated (i) on 12 months' prior written notice by either party in the event the parties are unable to agree a licence fee, or (ii) by ADNOC on 12 months' prior written notice to the Company.

### **Shareholder Services Agreement**

On or prior to Listing, we will enter into a Shareholder Services Agreement with ADNOC on an arms' length basis pursuant to which ADNOC will provide us with, or procure the provision of, certain administrative services and other support in the areas such as communications, tax, legal and compliance support, HR, logistics, information technology, procurement, insurance, risk management, record keeping, reporting and other services, to the extent required and determined by us based on our business requirements. Pursuant to the terms of the Shareholder Services Agreement, we will be entitled to request that additional services be performed or procured by ADNOC in order to supplement our own capabilities. ADNOC will provide or procure the provision of such services (or additional services) through the use of highly qualified and experienced personnel of third-party services providers (as appropriate for the agreed service or additional service). In consideration for the performance of the services by ADNOC, we will pay to ADNOC an amount equal to the actual cost incurred by ADNOC, provided that in each year of the term of the Shareholder Services Agreement, the fees shall not exceed an amount equal to the applicable budgeted service fee plus 15%. The Shareholder

Services Agreement has an initial four-year term which may be terminated earlier or extended by agreement of us and ADNOC.

### **Lease Agreements entered into with ADNOC**

All properties used by, including industrial land, office space, warehouse space and accommodation for our employees, are leased or subleased from ADNOC. Please see "*Business Description - Properties*".

### **ADNOC VAT Group Risk Management Deed**

On or prior to Listing, we will enter into the ADNOC VAT Group Risk Management Deed with ADNOC (in its capacity as the "Representative Member" of the ADNOC VAT group) and other members of the ADNOC VAT group as set out therein. We will enter into the ADNOC VAT Group Risk Management Deed to record certain matters relating to the joint and several liability of the ADNOC VAT group. Pursuant to the ADNOC VAT Group Risk Management Deed, when determining the liability for VAT, Supplies (as defined below) will not be automatically deemed to have been made by or to the Representative Member but will instead be attributed to the relevant VAT group member that was a party to that Supply. Under the ADNOC VAT Group Risk Management Deed, we, along with the other VAT group members signatories to this deed, agree and acknowledge that we will be severally (and not jointly) liable for any VAT imposed, on or in connection with, any errors included in, any omissions from, any late or incomplete submission of, or any failure to submit, any VAT return, in each case to the extent that such error, omission or other compliance failing relates to a supply of goods or a supply of services as interpreted under the relevant VAT law and executive regulations ("Supply" or "Supplies") to which the relevant VAT group member was a party or results from the conduct of that member. We along with the VAT group members signatories to this deed also agree that the Representative Member will not be liable for any VAT imposed on or in connection with any errors, omissions or other compliance failing in respect of any VAT return. We, along with the other VAT group members, also agree to indemnify and hold harmless the Representative Member against any and all claims, losses, damages, costs, expenses and liabilities arising in respect of or in connection with VAT, any VAT return, and the Representative Member's role as representative member for the purposes of VAT law of the ADNOC VAT group.

### **Shareholder Loan Agreement**

We entered into the Shareholder Loan Agreement on 16 August 2021. Please see "*Statement of Company's loans, credit facilities and indebtedness and the most significant conditions thereof*".

### **Master Agreements**

We entered into master agreement no. 15672.00 with ADNOC Onshore on 1 October 2015 for the provision of drilling, workover and water well services ("ADNOC Onshore Master Agreement") for an initial period of three years, up to 30 September 2018. The ADNOC Onshore Master Agreement has been renewed for additional short terms since then. All of the 'Child Contracts' and 'Task Orders' between us and ADNOC Onshore are issued under the terms and conditions of the ADNOC Onshore Master Agreement. We also entered into contract no. 15067 for hoist services with ADNOC Onshore on 15 July 2012 for a period of 10 years.

We also entered into master agreement no. 39648 with ADNOC Offshore on 5 November 2002 for the provision of drilling and workover services ("ADNOC Offshore Master Agreement") for an initial period of three years (with an effective date of 1 July 2001). The ADNOC Offshore Master Agreement has been renewed for additional short terms since then. All of the 'Child

Contracts' and 'Task Orders' between us and ADNOC Offshore are issued under the terms and conditions of the ADNOC Offshore Master Agreement. We also entered into contract no. CTDR UZ900954 for the hire of cluster type onshore drilling rigs dated 18 May 2011 with ADNOC Offshore ("UZ Project Contract"). The contracts based on the UZ Project Contract are not due to expire until 22 January 2023.

The ADNOC Onshore Master Agreement, ADNOC Offshore Master Agreement and UZ Project Contract contain certain early termination provisions. Upon a termination for convenience, we are entitled to receive:

- (i) stacking costs:
  - a. in relation to rigs leased under the ADNOC Offshore Master Agreement and the UZ Project Contract, the daily standby / non-operating rates for:
    - i. if 60-days' notice of termination is given, 90 days;
    - ii. if 180-days' notice of termination is given, 30 days;
  - b. in relation to rigs leased under the ADNOC Onshore Master Agreement, for 30 days (or until we secure other services for the rig);
- (ii) moving costs associated with the move of the rigs to a different location;
- (iii) repatriation and mothballing costs (either as a lump sum (in the case of the ADNOC Offshore Agreement) or based on actual documented costs (in the case of the ADNOC Onshore Agreement)), provided that, such costs are payable if we are unable to secure other work for the rig in question within one month of termination;
- (iv) for rigs leased under the ADNOC Onshore Master Agreement: (a) the net book value of the rig (being the purchase cost less accumulated depreciation up to the termination date), which is due 12 months following termination in cases where we could not secure alternative revenue from the sale, use or hire of such rig, and (b) in respect of certain rigs, if such rigs are released at the end of the term of the ADNOC Onshore Master Agreement but prior to completion of 15 years of operations, the abovementioned costs in (i)(b) to (iii) and the shortfall from the sale below the net book value of the rig and relevant equipment at the time of termination, if and when we sell the rigs;
- (v) for rigs leased under the ADNOC Offshore Master Agreement, the costs mentioned in items (i)(a), (ii) and (iii) above, and if and when we sell the rig, the shortfall from the sale of the rig below the net book value of the rig at the time of termination, provided that, in the event we sell or secure other work for such rig within twelve months following the expiry date of the contract, ADNOC Offshore is not liable to pay such shortfall; and
- (vi) for rigs leased under the UZ Project Contract, the costs mentioned in items (i)(a) and (ii) above, repatriation costs and, if and when we sell the rig, the shortfall from the sale of the rig below the net book value at the time of termination. In the event we do not sell or secure other work for such rig within 24 months following the termination of the contract, ADNOC Offshore is not liable to pay such shortfall. ADNOC Offshore is liable to pay the applicable early termination charges after two years of the early termination date.

### **Rig Services Framework Agreement**

We entered into a rig services framework agreement (the "Rig Services Framework Agreement") with ADNOC on 8 October 2018 in order to record the basis on which we will continue to provide, or procure the provision of, Rig Services to or on behalf of the ADNOC Upstream Operating Companies (i.e., any current and future upstream, exploration or drilling company controlled by ADNOC that requires the performance of any Rig Services, including (a) ADNOC Offshore, (b) ADNOC Onshore, (c) ADNOC Sour Gas, (d) Al Dhafra, and (e) Al Yasat). Except as may otherwise be set out in any current operating company contract entered into with the ADNOC Upstream Operating Companies, during the "Initial Rig Base Term" (being, with respect to any rig owned by us, the period commencing on the date of initial delivery of such rig by us to an ADNOC upstream operating company and expiring on the 15<sup>th</sup> anniversary of such date, the rates charged by us for the Rig Services provide for the recovery of no less than a 11% IRR and no more than a 13% IRR in respect of any offshore rig and no less than a 10% IRR and no more than a 12% IRR in respect of any onshore rig, as determined by us at



our sole discretion, on our capital and operational costs incurred during the relevant period.. Following the expiry of the Initial Rig Base Term, the rates we charge for the Rig Services:

- (i) in respect of onshore rigs, provide for the recovery of operating costs on a cost-plus basis to allow for no less than 15% EBIT Margin and no more than 17% EBIT Margin (as determined by us at our sole discretion); and
- (ii) in respect of offshore rigs, the higher of:
  - (a) the GCC average rate for all active contracts (as set out in the RigLogix database) and excluding any contracted rig owned by us (and any duplications or anomalies) following application of a 16% discount; and
  - (b) rates which provide for the recovery of operating costs on a cost-plus basis to allow for no less than 15% EBIT Margin and no more than 17% EBIT Margin (as determined by us at our sole discretion).

Pursuant to the Rig Services Framework Agreement, we will be entitled, at any time, to review the rates charged by us to any operating company under any future operating company contracts to ensure that the agreed minimum IRR (our nominal rate of return for the provision of the relevant service) and EBIT Margins (in relation to the relevant service, our earnings before interest and taxes divided by total revenue) set out in the Rig Services Framework Agreement are maintained, provided that, the rates relating to the provision of services for (i) offshore rigs are reviewed at least on an annual basis, and (ii) onshore rigs are reviewed at least every three years. If upon such review, we determine that our actual IRR or EBIT Margin is lower than the agreed minimum, we are entitled to immediately adjust the rates charged by us to any ADNOC upstream operating company under any future operating company contracts (and ADNOC agreed to procure that such ADNOC upstream operating company agrees to such adjusted rates) to maintain the agreed minimum IRR and EBIT Margins set out in the Rig Services Framework Agreement. The term of the Rig Services Framework Agreement is 40 years from the effective date, unless terminated earlier (or extended) by mutual agreement.

### **Integrated Drilling Services Framework Agreement**

We entered into an integrated drilling services framework agreement (the “IDS Framework Agreement”) with ADNOC on 8 October 2018 in order to record the basis on which ADNOC will procure that the ADNOC Upstream Operating Companies (i.e., any current and future upstream, exploration or drilling company controlled by ADNOC that may require or benefit from any integrated drilling services, including (a) ADNOC Offshore, (b) ADNOC Onshore, (c) ADNOC Sour Gas, (d) Al Dhafra, and (e) Al Yasat) procure integrated drilling services from us, and for us to provide, or procure the provision of, integrated drilling services to or on behalf of the ADNOC Upstream Operating Companies. Pursuant to the terms of the IDS Framework Agreement, ADNOC agreed to procure that the ADNOC Upstream Operating Companies procure integrated drilling services (or any service equivalent or identical to, or performing the same function as, any integrated drilling service) from us for the development of conventional wells and unconventional wells, provided that we are able to provide such integrated drilling services to the ADNOC Upstream Operating Companies. Under the IDS Framework Agreement, the intention of the parties is to achieve, within seven complete financial years following the effective date (being, the completion date as defined in the share sale and purchase agreement entered in between ADNOC (as seller) and Baker Hughes (as purchaser) on 8 October 2018), no less than 50% of all of the conventional wells to be developed by or on behalf of the ADNOC Upstream Operating Companies on the basis of integrated drilling

services performed by us. The term of the IDS Framework Agreement is 40 years from the effective date, unless terminated earlier (or extended) by mutual agreement.

### **Relationship Agreement**

On or prior to Listing, we will enter into a Relationship Agreement with ADNOC pursuant to which ADNOC will agree, for so long as the Shares are listed on the ADX and ADNOC owns or controls more than 50% of the Shares, to take or not to take certain specified actions. These include: (a) not to take certain actions that might interfere with our status as an independent company, including (i) ADNOC will not take any action that would interfere with our ability to comply with our obligations under certain ADX and SCA listing and governance rules, and (ii) ADNOC will conduct all transactions with us on arms' length terms and on a commercial basis and will allow us to carry out our business independently; (b) not to terminate, and to renew at our request, any real estate lease or land-use agreement, the Brand Usage Agreement, and the Shareholder Services Agreement, in each case so long as we are not in material default of our obligations under those agreements; and (c) to acquire or lease, on our behalf and at our expense, any real estate needed for the operation of our business, and to enter into a corresponding lease agreement, sub-lease agreement or land use agreement with us for such land, save that if ADNOC ceases to hold the majority of the Company's shares, it shall continue to adhere to the provisions described in (b) and (c) as if it still held such majority, subject to any instruction or direction from a Governmental Authority, until such time as an alternative arrangement giving effect to the same can be entered into. In addition, ADNOC will agree not to seek to induce certain specified senior employees to become engaged (whether as an employee, consultant or otherwise) with ADNOC for a period of twelve months from the listing date.

Pursuant to the Relationship Agreement, we also will agree to enter into transactions with ADNOC and other members of the ADNOC group only with the approval of a majority of our directors, including a majority of the independent non-executive directors (other than transactions that, in accordance with our delegation of authority, do not require Board approval). Any enforcement of the provisions of the Relationship Agreement against ADNOC requires approval by our Board of Directors. However, for so long as ADNOC holds the majority of the Company's shares, ADNOC will agree to procure that there shall be a majority of independent non-executive directors appointed to the Board at all times and, and, if the overall size of the Board increases, that the number of independent non-executive directors appointed to the Board shall, if necessary, also be increased so they amount to more than half of the total number of directors on the Board.

### **Material Contracts**

We entered into the Facility Agreement on 8 November 2018.

#### **Agreements with Baker Hughes**

Baker Hughes invested in our business and agreed with ADNOC to an activity- and milestone-based deferred consideration mechanism, beginning in 2023, linked to the development of ADNOC's new conventional and unconventional development program. Any payments under this deferred consideration mechanism would be between ADNOC and Baker Hughes, and would not result in any payments to or from us.

Simultaneously, Baker Hughes entered into a series of agreements with us to enable us to become the first provider of integrated drilling services in the region, acting as the sole interface with customers. The partnership with Baker Hughes added oil field services equipment,

services, technology and further manpower capabilities to our existing in-house rig rental and rig management capabilities.

### **Baker Hughes Commercial Framework Agreement**

On 8 October 2018 we entered into a commercial framework agreement (“**CFA**”) with Baker Hughes relating to integrated drilling services (i.e. rig-hire services, rig related services, drilling and completion services and project management services). The CFA, amongst other things, sets out the terms of the relationship between us and Baker Hughes, and contemplates a series of other framework agreements which govern specific aspects of the commercial arrangement between us and Baker Hughes, specifically the:

- (i) Framework Purchase Agreement for the purchase of goods;
- (ii) Framework AMO Services Agreement for AMO services;
- (iii) Framework Consultancy Agreement for training services and consulting services;
- (iv) Framework Software License Agreement for the provision / licensing of software; and
- (v) Framework Software Support Agreement for the provision of software services,

(together the “**Baker Hughes Framework Agreements**”) each as discussed below.

Under the CFA, we may not, without the prior express written consent of Baker Hughes: (i) resell or offer to resell any of Proprietary Goods whether inside or outside of the UAE, or (ii) use or allow the use of the proprietary goods outside of the UAE, unless we are providing integrated drilling services using proprietary goods to (a) ADNOC or a person controlled by ADNOC, or (b) a person controlled by the Government of Abu Dhabi (other than ADNOC) or in which the Government of Abu Dhabi holds directly or indirectly a set percentage of the voting rights. If we were to use the proprietary goods or provide services to persons that utilize, incorporate or disclose any proprietary goods outside of the UAE, then we would be required to pay Baker Hughes a set percentage of the net profits in respect of the contract entered into with such persons (which varies depending on whether the contract is entered into with a person under limb (a) or (b) above).

#### *Framework Purchase Agreement*

Pursuant to the CFA, we entered into a Framework Purchase Agreement with Baker Hughes on 8 October 2018. The Framework Purchase Agreement sets out the terms and conditions which Baker Hughes agrees to supply goods to us (e.g. certain new and refurbished equipment, and new spare parts or consumables related to the provision of integrated drilling services). The Framework Purchase Agreement is a master agreement under which the parties may execute purchase orders for the supply of goods.

#### *Framework AMO Services Agreement*

We entered into a framework AMO services agreement (the “**Framework AMO Services Agreement**”) with Baker Hughes on 8 October 2018 in accordance with the terms of the CFA for the provision of integrated drilling services and associated products and services. Pursuant to the relevant articles of the CFA, we agreed to enter into the Framework AMO Services Agreement for assembly, maintenance and/or overhaul services, in relation to integrated drilling services on certain goods related to the provision of integrated drilling services purchased from Baker Hughes by us, for the term of the CFA. The parties may from time to time during the term

of the Framework AMO Services Agreement execute separate “call-off orders”, in the form attached to the Framework AMO Services Agreement, regarding each desired service. The “call-off orders” form an integral part of the Framework AMO Services Agreement and are binding on the parties upon execution. We pay Baker Hughes the fees in accordance with the terms of the applicable “call-off order”, in consideration for providing the works. The Framework AMO Services Agreement will remain in full force and effect, unless terminated earlier pursuant to its terms. If the CFA is terminated, either party may, on written notice to the other party terminate the Framework AMO Services Agreement, provided that the effective date of the termination may not be earlier than the date of termination of the CFA.

#### *Framework Consultancy Agreement*

We entered into a framework consultancy agreement (the “Framework Consultancy Agreement”) with Baker Hughes on 8 October 2018 involving the provision of training services and consulting services, in relation to integrated drilling services. Pursuant to the Framework Consultancy Agreement, Baker Hughes agreed to perform and complete the works and services and any other deliverables to be performed pursuant to a “call-off order”, in the form attached to the Framework Consultancy Agreement, for our benefit. Separate “call-off orders” are required to be entered into between the parties in respect of each desired service unless varied in accordance with the terms of the Framework Consultancy Agreement. The “call-off orders” form an integral part of the Framework Consultancy Agreement and are binding on the parties upon execution. Under the Framework Consultancy Agreement, we have the right to request Baker Hughes to carry out a variation of an agreed “call-off order” with respect to the works or the requirements for the works, as long as it is within the ambit of the scope of work, by providing a written request describing the nature of the variation. No variation, however, will in any way invalidate the terms of the Framework Consultancy Agreement. We pay Baker Hughes the fees in accordance with the terms of the applicable “call-off order”, in consideration for providing the works. The Framework Consultancy Agreement will remain in full force and effect, unless terminated earlier pursuant to its terms. If the CFA is terminated, either party may, by written notice to the other party, terminate the Framework Consultancy Agreement, provided that the effective date of the termination may not be earlier than the date of termination of the CFA.

#### *Framework Guarantee*

As part of the CFA and the other Baker Hughes framework agreements, we entered into a deed of guarantee with Baker Hughes Holdings LLC (“Baker Hughes Guarantor”) whereby the Baker Hughes Guarantor unconditionally and irrevocably guarantees the obligations of Baker Hughes under the Baker Hughes Framework Agreements (including all payment obligations). The guarantee is continuing and remains in full force and effect until all obligations, warranties, duties and undertakings under the CFA and the Baker Hughes Framework Agreements have been satisfied or performed in full.

#### *Framework Software License Agreement*

Pursuant to the CFA, we entered into a Framework Software License Agreement with Baker Hughes on 8 October 2018. The agreement sets out the terms and conditions upon which Baker Hughes licenses software to the Company. The software licensed by Baker Hughes under the agreement includes commercial software, internal software and non-commercial software. Third party software (i.e. software that is owned and licensed by third parties to Baker Hughes) is excluded from the agreement, and if such third-party software is provided to us as part of the

Baker Hughes software, then Baker Hughes has no liability towards us in relation to the use of such third party software.

#### *Framework Software Support Agreement*

Pursuant to the CFA, we entered into a Framework Software Support Agreement with Baker Hughes on 8 October 2018. The agreement sets out the terms and conditions upon which Baker Hughes will supply certain software services in relation to the software provided under the Software License Agreement. The services include maintenance services and certain works required to be performed in relation to the software provided under the Software License Agreement.

#### *Customer Contracts*

We entered into the ADNOC Onshore Master Agreement and ADNOC Offshore Master Agreement in relation to the provision of Rig-hire Services to our customers, ADNOC Onshore and ADNOC Offshore. The Rig-hire Services performed under the Master Agreements are performed pursuant to 'Child Contracts' or 'Task Orders' issued under specified terms and conditions, or pursuant to specific amendments to terms and conditions applicable to specific portions of said services. See "*Related Party Transactions - Master Agreements*".

#### *Supply Contracts*

We receive certain goods, equipment and services, and we lease equipment and vehicles from third party suppliers in connection with the performance of our business. The majority of our supply contracts are based on our standard terms and conditions, which vary depending on whether the supply contract concerns the supply of goods or equipment, the provision of services or the lease of equipment and vehicles. The majority of our supply of goods contracts are pricing agreements valid for terms of two to three years and all such pricing agreements have an option to extend the term upon the mutual agreement of the parties. The majority of the supply of services contracts are valid for terms of three to four years, however one of our supply of services contract with Abu Dhabi Oil Refinery Company TAKREER is valid for an initial term of 15 years (subject to automatic extensions thereafter). The majority of equipment leases are valid for terms of two to three years.

**Fifth section: Other details**

**1. The Company's proposed management structure**

- Company's Board structure**

The Board consists of seven Directors, [seven] of whom are independent.

The management expertise and experience of each of the Directors is set out below:

Name	Experience
H.E. Dr. Sultan Ahmed Al Jaber	His Excellency Dr. Sultan Ahmed Al Jaber has served as Group Chief Executive Officer and Managing Director of ADNOC since February 2016. Prior to taking on the leadership position at ADNOC, Dr. Al Jaber served as Chief Executive Officer of the Energy platform, of Mubadala Development Company. Dr. Al Jaber is a member of the UAE Federal Cabinet, Minister of Industry and Advanced Technology, a position he has held since July 2020, and the UAE's special envoy for climate change. He also holds several additional leadership roles and advisory positions and counsels on issues related to Energy, Economics, Strategic Communications and Sustainable Development. In July 2020, Dr. Al Jaber was appointed Chairman of Emirates Development Bank, a key partner in providing financial services for the sustainable economic and social development of the UAE. In December 2020, Dr. Al Jaber was appointed as a board member to the Abu Dhabi Supreme Council for Financial and Economic Affairs. He is an active member of the Emirates Diplomatic Academy Board of Trustees, and Chairman of the Board of Trustees of the Mohamed bin Zayed University of Artificial Intelligence and holds a Ph.D. in Business and Economics from Coventry University, UK, an MBA from California State University, USA, and a BSc in Chemical and Petroleum Engineering from the University of Southern California, USA.
Abdulmunim Saif Hamoud Ahmed AlKindi	Mr. Abdulmunim Saif Hamoud Ahmed AlKindi has served as our Chairman from March 2016 to immediately prior to Admission. Mr. AlKindi serves as Executive Director, People Technology and Corporate Support Directorate at ADNOC since January 2020. Prior to that, from March 2016 to January 2020, Mr. AlKindi served as Executive Director, ADNOC Upstream Directorate. Mr. AlKindi also serves as a member of the Board of Directors of several ADNOC-affiliated companies. Mr. AlKindi holds an MBA from Brunel University, UK.
Yaser Saeed Ahmed Omran Almazrouei	Mr. Yaser Saeed Ahmed Omran Almazrouei has served as Executive Director, Upstream Directorate, at ADNOC since January 2020. He also served as the Chief Executive Officer of ADNOC Onshore from May 2018 through January 2020. Mr. Almazrouei also serves as a member of the Board of Directors of several ADNOC-affiliated companies. Mr. Almazrouei

	holds a Master's Degree in Petroleum Engineering from the University of London, UK.
Ahmed Jasim Yousif Naser Al Zaabi	Mr. Ahmed Jasim Yousif Naser Al Zaabi has served as Group Chief Financial Officer of ADNOC since December 2019, and as Director, Finance & Investments Directorate of ADNOC from February to December 2019. He also serves as a member of the Board of Directors of Khalifa Fund for Enterprise Development, Abu Dhabi Oil Refining Company (ADNOC Refining), Abu Dhabi National Oil Company for Distribution PJSC (ADNOC Distribution) as well as several ADNOC-affiliated companies. Mr. Al Zaabi holds a Master's degree in Economics Science with Honors from University of Aberdeen, UK.
Mohamed Saif Ali Abed Alaryani	Mr. Mohamed Saif Ali Abed Alaryani has served as Senior Vice President, Strategic Investments at ADNOC since 2019. Mr. Alaryani is a CFA Charter holder and holds a Bachelor's and Master's degree in Chemical Engineering from Imperial College (London University), UK.
Muna Khalifa Mohamed Hazeem Almheiri	Ms. Muna Khalifa Mohamed Hazeem Almheiri is the Chief Executive Officer of Ruwais Fertilizer Industries LLC (Fertil). Ms. Almheiri held various senior positions in ADNOC Onshore, where she served as Senior Vice President (Terminals and Pipelines Operations) from July 2019 to January 2020. From 2017 to July 2019, Ms. Almheiri served as Senior Vice President (Strategy and Business Support) and from 2015 to September 2017, she served as Senior Vice President (Corporate Support). Ms. Almheiri holds a Bachelor's degree in Chemical Engineering and a Master's degree in Business Administration from United Arab Emirates University, UAE.
Omar Ahmed Hassan Suwaina Alsuwaidi	Mr. Omar Ahmed Hassan Suwaina Alsuwaidi currently serves as an Undersecretary at the Ministry of Industry and Advanced Technology. Mr. Alsuwaidi held various positions in ADNOC, starting as a geologist in 1990. From October 2020 to February 2021, Mr. Alsuwaidi served as a Director, Commercial and In-Country Value. Prior to that, Mr. Alsuwaidi served as a Director, The Executive Office Directorate, from May 2017 to November 2020. Mr. Alsuwaidi holds a BSc in Geological Engineering from Colorado School of Mines, USA.

- **Senior Management**

- In addition to the members of the Board of Directors, the day-to-day management of our operations is conducted by our senior management team, as follows:

Name	Year of birth	Position	Date of appointment
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Abdulrahman Abdulla Hasan Bamajboor AlSeiari	1964	Chief Executive Officer	2020
Fuad Shamekh Al Shamekh AlBadi	1973	Senior Vice President, Onshore	2018
Ahmed Rashid Juma AlMughanni AlHmoudi	1970	Senior Vice President, Administration	2020
Hamad Saleh Hamad Saleh Aljneibi	1975	Senior Vice President, Offshore	2016
Ali Essa Hoor Alqushairi AlMahri	1973	Senior Vice President, Technical	2018
Emri Mahmoud Yousri Mohamed Zeineldin	1969	Senior Vice President, Oil Field Services	2018
Alexander Kennedy Urquhart	1971	Chief Financial Officer	2018
Alaina Ramsay	1983	General Counsel	2018

- The management expertise and experience of each of the senior management team is set out below:
- Mr. Abdulrahman Abdulla AlSeiari has over 42 years of onshore and offshore drilling experience within the ADNOC upstream group companies, with his most recent appointment being in 2020 as our Chief Executive Officer. From 1999 to 2019, Mr. Alseiri held numerous senior positions within ADNOC Onshore and within the Company, including ADNOC Drilling Assistant General Manager and Acting General Manager for operations onshore and offshore from 2000-2008. Thereafter Mr. Alseiri was appointed as Senior Vice President of operations, where he was responsible for and had full oversight of the company's entire onshore and offshore operations. Mr. Alseiri was also responsible for a number of efficiency objectives within the Company, including camp centralisation initiatives, training centre set up and optimisation of rig moves across the fleet. From 2016 to 2019, Mr. Alseiri was appointed as Senior Vice President of drilling within ADNOC Onshore, where we had oversight of all major drilling operations in the company's largest and most complex fields. During his appointment with ADNOC Onshore, Mr. Alseiri was involved in some of the company's major achievements to date including rig stacking strategies, enhancing performance driven culture, as well as the development of young UAE national talent.
- Mr. Fuad AlBadi joined us in 2018 as Senior Vice President, Operations (Land). Prior to that, Mr. Al Badi served as Drilling Department Manager in ADNOC, where he was responsible for developing ADNOC upstream drilling strategies, policies, short and long-term goals in order to enhance the drilling activities, optimise the drilling cost, maximise well quality and minimise drilling risks. Prior to that, Mr. Al Badi served as Vice President, Crisis Management & Business Continuity at ADNOC Onshore, where he was responsible for the development of business strategy and operational plans for the quality and performance improvement team as well as the development of and continuous improvement in Health, Safety and Crisis Management in accordance with the company's business management system, strategy, mission and vision. Prior to that, Mr. Al Badi held numerous senior positions within the ADNOC group companies and the Abu Dhabi Tawteen Council where he gained a wealth of experience in the implementation of drilling and production operations as well as project management. Mr. Al Badi holds a Bachelor of Science in Petroleum Engineering from UAE University.
- Mr. Ahmed AlMughanni joined us in 2019 as Senior Vice President, Human Capital and Shared Services. Before joining us, Mr. Almughanni was Senior Vice President, Strategy & Corporate Support at ADNOC Gas Processing, where he was responsible for guiding the development of the company's corporate strategy, long-term business plans, and corporate balance scorecard in line with the corporate vision and mission.



Prior to that, Mr. Almughanni was Vice President, Information Technology at ADNOC Onshore, where he was responsible for developing the company's information and technology vision, mission, plans and programs in accordance with its corporate strategy and business plan. Prior to that, Mr. Almughanni was Head, Plant & Engineering Solutions at ADNOC LNG, where he was responsible for planning, directing and supervising the activities of the Manufacturing and Knowledge Management IS solutions department. Mr. Almughanni holds a Bachelor of Business in Management Information Systems from the University of Toledo.

- Mr. Hamad AlJneibi joined us in January 2016 as Senior Vice President, Operations, with oversight and responsibility over our offshore jack up, island rig and marine service divisions. Mr. Al Junaibi has a wealth of drilling operational experience, with his experience focused on drilling operations from both service provider and operator perspectives. Prior to his appointment with us, Mr. Al Junaibi served in ADNOC Offshore as a Drilling Supervisor, located on site for over 7 years. Mr. Al Junaibi has since held several senior operational positions within ADNOC Offshore, overseeing their drilling operations, including Senior Drilling Engineer, Drilling Engineering Manager and Senior Drilling Engineering Manager. Mr. Al Junaibi holds a Petroleum Engineering degree from UAE University and an MBA from Abu Dhabi University.
- Mr. Ali AlMahri joined us in 2018 as Senior Vice President, Technical, with responsibility over our Engineering, Projects, Maintenance, Business Development and Asset Integrity Departments. Prior to that, Mr. Al Mehri served as Vice President, Drilling, in ADNOC Offshore from 2017 to 2018 with responsibility over their offshore and islands drilling activities in their various field concessions. From 2015 to 2017, Mr. Al Mehri served as Vice President, Drilling, in Upper Zakum Development Co. (ZADCO) with responsibility over the Extended Reach Drilling (ERD) project. Mr. Al Mehri holds a Bachelor degree in Petroleum Engineering from the National University of UAE.
- Mr. Emri Zeineldin joined us in December 2018 as Senior Vice President, Oil Field Services. Before joining us, Mr. Zeineldin held various senior positions within the Baker Hughes oilfield services division from 2003 to December 2018, including as Director and General Manager of BHGE in the UAE and Yemen from 2017 to 2018, where he was responsible for all the BHGE activities for OFS, OFE, Turbomachinery & Digital business. Prior to that, from 2016 to 2017, Mr. Zeineldin was the Managing Director and General Manager for the UAE, Qatar & India geomarket. From 2014 to 2016 Mr. Zeineldin held the position of Director of sales, marketing & business development for the Middle East & Asia Pacific Region while being based in Dubai, UAE. Prior to that, from 2009 to 2014, Mr. Zeineldin held various senior roles in the Baker Hughes OFS organization, Director of Technical & Sales for the Egyptian geomarket until 2011 during which time he was based in Cairo, Egypt.. From 2003 to 2009 Mr. Zeineldin also held various managerial roles within the Baker Hughes Oil Field Services Organization. Prior to his time with Baker Hughes, Mr. Zeineldin was the country manager in the UAE for Smith International while being based in Abu Dhabi from 1997 to 2003. Prior to his time with Smith International, Mr. Zeineldin worked as a geophysicist with Schlumberger in Cairo until 1997. Mr. Zeineldin holds a Bachelor Degree with Honors and a Masters Degree in Geophysics from Ain Shams University, Egypt, where he also worked as an assistant lecturer from 1991 - 1996.
- Mr. Alexander Urquhart joined us in 2018 as Deputy Chief Financial Officer, and has served as our Chief Financial Officer since 2020. Before joining us, Mr. Urquhart had a long career with BP spanning 23 years where he held various finance positions across BP businesses and geographies with his last one being Vice President of Finance for BP's Global Exploration Function. Mr. Urquhart holds a Master's degree in Engineering from Imperial College, Master of Business Administration from London Business School and is a Fellow of the Institute of Global Management Accountants.
- Ms. Alaina Ramsay joined us in 2018 as General Counsel and Board Secretary. Before joining us, Ms. Ramsay was General Counsel and Board Secretary within National Petroleum Services from 2017, where she was responsible for the company's regional legal, governance and compliance matters. Prior to that Ms. Ramsay held several

senior positions within Transocean PLC., across several of the Transocean business and geographies, including UKCS, MENA and Asia Pacific. Prior to her time with Transocean, Ms. Ramsay was working within the Wood organization, where she had legal oversight of the company's aero and gas turbine division in the UK and Europe. Ms. Ramsay holds a BA Honors in Law and Management; a BA in Law and a Diploma in Legal practice from the Robert Gordon University, Scotland. Ms. Ramsay is an active member of the Law Society of Scotland

- **Company's Organization Chart**

The Company does not have any subsidiaries.

- **Employment positions of members of the senior executive in subsidiaries and other joint stock companies:**

Not applicable.

- **Employment positions of members of the board of directors in subsidiaries and other joint stock companies:**

Not applicable.

- **Conditions of eligibility, election, removal and proposed names of the Company's first Board formation:**

Board members will be elected by an Ordinary General Assembly Meeting by cumulative voting by secret ballot. However, the first appointment of the Directors was made by the Founders.

- **Director's competencies and responsibilities:**

The principal duties of the Board are to provide the Company's strategic leadership, to determine the fundamental management policies of the Company and to oversee the performance of the Company's business. The Board is the principal decision making body for all matters that are significant to the Company, whether in terms of their strategic, financial or reputational implications. The Board has final authority to decide on all issues save for those which are specifically reserved to the General Meeting of Shareholders by law or by the Company's Articles of Association.

The key responsibilities of the Board include:

- determining the Company's strategy, budget and structure;
- approving the fundamental policies of the Company;
- implementing and overseeing appropriate financial reporting procedures, risk management policies and other internal and financial controls;
- proposing the issuance of new ordinary shares and any restructuring of the Company;
- appointing executive management;
- determining the remuneration policies of the Company and ensuring the independence of Directors and that potential conflicts of interest are managed; and
- calling Shareholder meetings and ensuring appropriate communication with Shareholders.

Members of the Board are appointed by the Shareholders for three-year terms. Board members may serve any number of consecutive terms.

## 2. Board Committees

In line with the Governance Rules, the Board will be assisted by two Board-level committees: Audit Committee and Nomination and Remuneration Committee.

- **Audit Committee**

The Audit Committee assists the Board in discharging its responsibilities with regard to financial reporting, external and internal audits and controls, including reviewing and monitoring the integrity of the Company's annual and interim financial statements, reviewing and monitoring the extent of the non-audit work undertaken by external auditors, advising on the appointment of external auditors, overseeing the Company's relationship with its external auditors, reviewing the effectiveness of the external audit process, and reviewing the effectiveness of the Company's internal control review function. The ultimate responsibility for reviewing and approving the annual report and accounts remains with the Board. The Audit Committee will give due consideration to the applicable laws and regulations of the UAE, the Authority and the ADX, including the provisions of the Governance Rules.

The Governance Rules, as reflected in the Audit Committee Terms of Reference, require that the Audit Committee must be comprised of at least three members who are non-executive Directors, at least two of whom must be independent. One of the independent members must be appointed as the Chairman of the Audit Committee. In addition, at least one member is required to have recent and relevant audit and accounting experience. The Audit Committee will be chaired by one of the independent members and will include other members elected by the Board. The Audit Committee will meet not less than four times a year.

The Audit Committee has taken appropriate steps to ensure that the Company's Auditors are independent of the Company as required by the Governance Rules and has obtained written confirmation from the Company's Auditors that they comply with guidelines on independence issued by the relevant accountancy and auditing bodies.

- **Nomination and Remuneration Committee**

The Nomination and Remuneration Committee assists the Board in discharging its responsibilities relating to the composition and make-up of the Board and any committees of the Board. It is responsible for evaluating the balance of skills, knowledge and experience and the size, structure and composition of the Board and committees of the Board and, in particular, for monitoring the independent status of the independent Non-Executive Directors. It is also responsible for periodically reviewing the Board's structure and identifying potential candidates to be appointed as Directors or committee members as the need may arise. In addition, the Nomination and Remuneration Committee assists the Board in determining its responsibilities in relation to remuneration, including making recommendations to the Board on the Company's policy on executive remuneration, setting the over-arching principles, parameters and governance framework of our remuneration policy and determining the individual remuneration and benefits package of each of the Company's Executive Directors and senior management.

- The Governance Rules, as reflected in the Nomination and Remuneration Committee Terms of Reference, require the Nomination and Remuneration Committee to be comprised of at least three non-executive Directors, at least two of whom must be independent. The chairman of the Nomination and

Remuneration Committee must be chosen from amongst the independent committee members, and its other members will be appointed by the Board. The Nomination and Remuneration Committee will meet based on the Company's requirement from time to time.

### **3. Internal Audit Committee**

An external, independent auditor will be appointed to undertake our internal control review function, and in the long-term we expect to create our own internal control review function.

### **4. Shareholders' rights and responsibilities**

The Shareholders' key rights as per the Companies Law and the Articles of Association are as follows:

- The right to dividend distributions determined by the General Assembly.
- The priority right to subscribe for new shares in the case of a share capital increase of the Company offerings and to receive their share of the assets upon liquidation of the Company.
- The right to attend General Assembly Meetings and receive a copy of the Company's financial statements.
- The right to request the nullity of any resolutions passed at the General Assembly and to prosecute the board members.
- The right to be nominated as a member of the Board of Directors.
- The right to appoint the auditors of the Company and determine their remuneration.
- The right to act in any way with respect to the shares, in accordance with the law.
- The limitation of liability of each Shareholder to the payment of the purchased share value, but not for the Company's debts except within the limits of the nominal value of his shares.

### **5. Memorandum of Association and Articles of Association**

The full text of the Memorandum of Association and Articles of Association of the Company are annexed to the Prospectus.

### **6. Legal matters**

The following summary is qualified by the relevant provisions of the Company's Memorandum of Association and the Articles of Association and the Companies Law.

- **Articles of Association**

The Company's Articles of Association describe the rights and obligations associated with the ownership of the Shares in detail.

- **Attending General Assembly and voting rights**

Each Shareholder shall have the right to attend the General Assembly meetings and shall have a number of votes equal to the number of his Shares.

- **Share register**

Upon listing on the ADX, the Shares will be dematerialized and the share register will be maintained by the ADX.

- **Financial information**

A Shareholder is entitled to request a copy of the annual audited financial statements of the Company.

- **Financial year**

The financial year of the Company will start on the 1st of January and end on 31st of December of each year.

- **Dividends and liquidation proceeds**

The Company shall pay dividends on Shares in compliance with the regulations and decisions issued by the Authority. Eligible Shareholders shall have the sole right to the profits due on those Shares. In the event of liquidation of the Company, each Shareholder shall be entitled to a part of the Company's assets in accordance with Article 169 of the Companies Law.

- **Interim Dividends**

Subject to the shareholders' approval, the Company may distribute interim dividends on a semiannual or quarterly basis.

- **General Assembly**

The Board may convene a General Assembly whenever it deems necessary. The Shareholders may also require the Board to convene a meeting if it is requested by a number of Shareholders holding not less than [●]% (twenty per cent). of the Company's issued share capital. In any event, the General Assembly must convene at least once a year upon an invitation by the Board within the four (4) months following the end of the financial year at the place and the time specified in the invitation to the meeting.

Any resolution adopted by the General Assembly without consideration to the Company's interests in favor of a particular group of Shareholders, causing damage to them or providing a private benefit to the members of the Board or to third parties, may be revoked.

The judgment annulling a resolution of an Ordinary General Assembly shall consequently lead to the resolution being considered as non-existent vis a vis all Shareholders. The Board must publish the annulment judgment in two local daily newspapers published in the Arabic language.

Proceedings for annulment are time barred on the expiry of one year from the date of adopting the resolution contested. Initiating the proceedings will not prevent the implementation of the resolution unless the court decides otherwise.

- **Liability of the Board**

The Board shall be liable towards the Company, the Shareholders and third parties for all acts of fraud, abuse of power, violation of the law or the Company's Articles of Association, in addition to mismanagement. The Company shall have the right to initiate proceedings against the members of the Board claiming damages suffered by the Shareholders as a result of the Board's abuse of power, violation of the law or the Company's Articles of Association and mismanagement. A resolution of the General Assembly shall be adopted specifying who shall initiate the proceedings on behalf of the Company.

Any Shareholder may independently initiate proceedings if the Company fails to do so, if the Board's acts have caused a particular damage to the initiating Shareholder. However, he must notify the Company of his intention to initiate proceedings beforehand.

- **Appointment of the Chairman and the Powers of the Chairman**

The Articles of Association provide that the Board of Directors shall elect, from amongst their members, a chairman and a vice-chairman. The chairman shall represent the Company before the courts and shall execute the resolutions adopted by the Board of Directors. In the event that there is an equality of votes by the directors, then the Chairman shall have a casting vote.

## 7. Independent Auditors

Deloitte & Touche (M.E.), undertook the task of auditing the Company's financial statements for the year ended 31 December 2020 and reviewing the interim, unaudited financial statements for the six-month period ended 30 June 2021, as described in their report which is attached as in Annex 1.

PricewaterhouseCoopers (Abu Dhabi Branch) undertook the task of auditing the Company's reissued financial statements for the year ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018), as stated in their report (which contains an emphasis of matter paragraph drawing attention to Notes 2.1.2 and 27 to the financial statements which describe the details of amendments made to the previously issued financial statements for the year ended 31 December 2019 and which contains an emphasis of matter paragraph drawing attention to Notes 2.12 and 4(g) to the financial statements which sets out the key considerations and judgements applied by management in the treatment of the shares and dividend loans which is classified as equity).

<u>For the year ended 31 December 2020 and six-month period ended 30 June 2021</u>	<u>For the year ended 31 December 2019 (with comparative financial information for the year ended 31 December 2018)</u>
<b>Deloitte &amp; Touche (M.E.)</b>	<b>PricewaterhouseCoopers (Abu Dhabi Branch)</b>
11 Floor, Al Sila Tower, ADGM Square P.O. Box 990	Al Khatem Tower, Level 25, Al Maryah Island
Telephone Number: +971 (0)2 408 2424	Abu Dhabi Global Market, P.O. Box 45263
Fax Number: +971 (0)2 408 2525	Telephone Number: [●]
Abu Dhabi, United Arab Emirates	Fax Number: [●]
	Email address: [●]
	Abu Dhabi, United Arab Emirates

## 8. Details of any employee ownership scheme

Other than the Offering of Shares to the ADNOC Group Companies Employees under the Third Tranche, as set out in this Prospectus, the Company does not have any employee ownership scheme.

**Acknowledgement issued by the Founders Committee and members of the Board**

The members of the Founders Committee and members of the Board of **ADNOC Drilling Company PJSC** (a public joint stock company), in their joint and several capacity, hereby acknowledge full responsibility with respect to the validity of the data and information contained in the subscription Prospectus. Having exercised the standard of care of a reasonable person, we confirm that there is no material facts or information the lack of which in the Prospectus will make any statement contained therein to be misleading or influential in the investment decision of the Subscribers.

They are committed to the issuance and disclosure rules issued by the Authority and undertake to notify the Authority of any material events or changes that may affect the financial position of the Company as of the date of submitting the application to offer the Shares for public subscription to the Authority until the date of starting the subscription process. They also confirm that they applied adequate diligence in concluding agreements that determine the duties and responsibilities of the parties participating in the subscription process according to the best terms available at the contractual date and pursuant to the requirements issued by the Authority.

Upon any change or amendment in the subscription information or conditions, they undertake to notify the Authority immediately and to obtain the approval of the Authority on the advertisements, publication and promotional campaigns that the company may wish to publish to promote and introduce the subscription.

Upon the completion of the subscription, they undertake to convene the constitutive general assembly on the date, time and place mentioned in this Prospectus and to complete the registration and listing of the subscribed Shares with the competent bodies within a period not exceeding the time appointed by the Authority.

**Chairman of the Founders Committee**

## Annex 1 - Financial Statements



**Annex 2 - Articles and Memorandum of Association**

### Annex 3 - Receiving Banks' Branches

#### Lead Receiving Bank - First Abu Dhabi Bank PJSC

S.No	Branch name	Branch Location-Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Business Park, Abu Dhabi	Abu Dhabi	08: am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Khalifa Park Al Qurm, PO BOX:6316
2	Al Ain New	Al Ain - Abu Dhabi	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Al Ain New PO BOX: 17822
3	FAB One Tower, Abu Dhabi	Abu Dhabi	08: am to 03:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Intersection of Shaikh Khalifa street and Baniyas street, PO BOX:2993
4	Al Batin	Abu Dhabi	08: am to 03:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Street No. 9 Next to Bateen Bus Terminal and Al Bateen Mall; PO BOX:7644
5	Sheikh Rashid Road Branch	Abu Dhabi	08: am to 02:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Airport Street – Ramy Hotel Building – Abu Dhabi
6	Bur Dubai	Dubai	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Abdulla Al Rostamani Building, Khalid Bin Walid Road, Bur Dubai; PO BOX:115689
7	Sheikh Zayed Rd.	Dubai	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	ALQUZE NEXT TO GOLDEN DAIMOND ;PO BOX:52053
8	Jumeirah Branch	Dubai	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Link International Building, Jumeirah Beach Road Umm suqeim
9	Deira Branch (ABS)	Dubai	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Abu Baker Al Siddique Rd, Deira
10	Jabal Ali Branch	Dubai	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Near Gate No.5, Adjacent to Dubai Chamber Office
11	RAK (LNBAD)	RAK	08:00 am to 02:00 pm (Sat- Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	FAB RAK (LNBAD) , Corniche Al Qawasim Road , Near to NMC Royal Medical Center , RAK
12	Fujairah	Fujairah			

			08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Opposite to Plaza Theatre Hamdan Bin Abdulla street; PO BOX:79
13	Sharjah	Sharjah	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Al Reem Plaza, Ground floor Buheira Corniche, Sharjah;PO BOX:1109
14	Umm al-Quwain	UAQ	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Building No 211, King Faisal Road Al Maidan Area, Umm Al Quwain;Po BOX:733
15	Ajman	Ajman	08:00 am to 02:00 pm (Sat-Wed); 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Lulu Center, Al Ittihad street, Downtown, Ajman
16	Salam Street	Abu Dhabi	08:00 am to 02:00 pm Sat – Wed 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Salam Street, Abu Dhabi
17	Khubeirah	Abu Dhabi	08: am to 02:00 pm (Sat- Thur);	8 am to 1 pm - Sat - Thurs.	Near Spinneys, Khalidya Street Abu Dhabi
18	Oud Al Touba	Al Ain - Abu Dhabi	08:00 am to 02:00 pm Sat – Wed 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Oud Al Touba Area, National housing loans bulding, Ali Bin Abi Talieb street, Al Ain.
19	Ruwais	Abu Dhabi	08:00 am to 02:00 pm Sat – Wed 08:00 am to 01:00 pm (Thu)	8 am to 1 pm - Sat - Thurs.	Central Market, ADNOC Housung complex, Ruwaise
20	ADNOC HO	Abu Dhabi	08 am to 0300 pm (Sun - Thu )	8 am to 1 pm - Sat - Thurs.	ADNOC HQ - ABUDHABI Corniche Street
21	ZADCO - Khalifa Energy Complex	Abu Dhabi	08 am to 0300 pm (Sun - Thu )	8 am to 1 pm - Sat - Thurs.	ZADCO CASH OFFICE - Corniche Street, Abu Dhabi

## Receiving Bank - Abu Dhabi Commercial Bank PJSC

S.No	Branch name	Branch Location-Area	Branch Customer Timing	IPO Subscription Timings	Branch Address
1.	Khalidiya Tower Branch	Abu Dhabi	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Corniche Road, Opp Emirates Palace Hotel
					P.O Box: 59919 Abu Dhabi
2.	ADNEC	Abu Dhabi	08:00 AM – 03:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	AD-1 Tower, ADNEC AREA
			Saturday to Thursday		P.O.Box: 939 Abu Dhabi
3.	Dalma Mall	Abu Dhabi	10:00 AM - 09:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	Dalma Mall- 1st floor - Mussafah
			Saturday to Thursday		
4.	Shahama Branch	Abu Dhabi	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Dubai Abu Dhabi Road, Near Bani Yas Coop
					P.O.Box: 76122
5.	Hazza Bin Zayed Stadium Branch	Abu Dhabi, Al Ain	08:00 AM - 07:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	Hazza Bin Zayed Stadium, Al Ain
			Saturday to Thursday		
6.	Zayed Town Branch	Abu Dhabi, Al Dhafra Region	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Zayed Town Main Street, Near Zayed Town Court
					P.O.Box: 50013 Zayed Town
7.	Al Riggah Branch	Dubai	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Al Riggah Road, Near Al Riggah Metro-Station
					P.O.Box: 5550
8.	Business Bay Branch	Dubai	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Business Bay, Al Khaleej Al Tejari, Dubai, Nearest landmark - Business Bay metro station
9.	Al Zahiya City Centre Branch	Sharjah	10:00 AM - 09:00 PM	08:00 AM - 01:00 PM Saturday to Thursday	Sheikh Mohammed Bin Zayed Street, Al Zahia City Centre, Ground level, near Entrance A, P.O.Box: 23657
			Saturday to Thursday		
10.	Ajman	Ajman	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Al Ittihad Street, Near Lulu centre
					P.O.Box: 1843
11.	Umm Al Quwain	UAQ	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Nesto Hypermarket King Faisal Street
					P.O.Box: 214 Umm Al Quwain
12.	Ras Al Khaimah	RAK	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Al Naeem Mall, New central business district
					P.O.Box: 1633
13.	Fujairah	Fujairah	08:00 AM - 03:00 PM Saturday to Thursday	08:00 AM - 01:00 PM Saturday to Thursday	Hamed Bin Abdulla Street, Near ADNOC
					P.O.Box: 770

## Receiving Bank - Abu Dhabi Islamic Bank PJSC

S. No	Branch name	Branch Location-Area	Customer Timing (Saturday-Thursday)	IPO Subscription Timings (Saturday-Thursday)	Branch Address
1	Al Bateen Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Abu Dhabi - Al Bateen king Abdulla bin AbdulAziz Al Sauod Street - near UAE Central Bank
2	Najda Street Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Next to Al Mariah Mall (on the intersection of Al Najda street and Hamdan Street).
3	Abu Dhabi Police GHQ Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Abu Dhabi police general head quarter- Al Saada Street, opposite Sheikh Khalifah University
4	Sheikh Zayed Main Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Sheikh Rashid Bin Saeed St (Old Airport Road) opposite to Hilton Capital Grand Hotel
5	Abu Dhabi Judiciary Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Al Khaleej Al Arabi Street –Judicial Department Building – Ground Floor Office (GR-A-051)
6	Sheikh Khalifa Energy Complex Branch	Abu Dhabi	8:00 AM to 3:00 pm	9:00 AM to 1:00 PM	Sheikh Khalifa Energy complex - Corniche Street
7	Marina Mall Branch	Abu Dhabi	10:00 AM to 10:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Corniche Street - Marina Mall - First floor, next to Yas Perfumes
8	Nation Towers Branch	Abu Dhabi	10:00 AM to 10:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Nation Towers Galleria – Corniche Road, First Floor
9	Baniyas Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Al Mafraq –Dubai Road opposite Al Mafraq Hospital - Baniyas
10	Mussafah Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Industrial Area- M9
11	Khalifa A City Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Khalifa A city, street # 16/21 southwest.
12	Shahama Branch	Abu Dhabi	8:00 AM to 2:00 pm	9:00 AM to 1:00 PM	Old Shahama area near Police Station
13	Al Silaa Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Sila’a Area, opposite Al Areej School
14	Madinat Zayed Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Madinat Zayed City - Western Region
15	Ghayathi Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Ghayathi Area- Western Region
16	Al Marfaa Branch	Abu Dhabi West (Gharbiya)	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Marfaa Area - Western Region

17	Ruwais Mall Branch	Abu Dhabi West (Gharbiya)	10:00 am to 10:00 pm	10:00 am to 2:00 PM 04:00 pm to 09:00 PM	First Floor of Ruwais Mall, Ruwais Area
18	Oud Al Tobba Ladies Branch	Al Ain	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Ain City - Oud Al Touba street no.133
19	Bawadi Mall Branch	Al Ain	10:00 am to 3:30 pm 04:00 pm to 09:00 pm	10:00 am to 2:00 PM 04:00 pm to 09:00 PM	Al Ain City - Al Bawadi Mall, Ground Floor, Mizyad Area
20	Al Ain Branch	Al Ain	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Ain City - Central District - Shaikh Zayed Bin Sultan Street - Near Clock Tower
21	Al Yahar Branch	Al Ain	08:00 am to 02:00 pm	9:00 AM to 1:00 PM	Al Ain City - Al Yahar Main Street
22	Al Hili Mall Branch	Al Ain	10:00 am to 3:30 pm 04:00 pm to 09:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Al Ain City - Hili Mall - Ground Floor
23	Al Twar Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Al Nahda Street, Al Twar Center Near to Ministry of Education
24	Al Mamzar Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Abu Hail Area - Al Wahaida Street, Hor Al Anz
25	Second of December Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Jumeirah beach street, Dubai
26	Sheikh Zayed Road Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Emarat Atrium Building, Sheikh Zayed Road
27	Dubai Internet City - Arenco Branch	Dubai	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Arenco Tower, Dubai Internet City
28	Fujairah Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Shaikh Hamad Bin Abdulla Street
29	Ras Al Khaimah Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Opposite Al Manar Mall, Al Muntasir Road
30	Dibba Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Sheikh Zayed Street, Opposite Dibba Police Station - Fujairah
31	Kalba Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Al Wahda Street - Khamis Khalfan Al Zahmi Building - Block No:19
32	Al Dhaid Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Al Dhaid Main Street - Mosque Square
33	Khorfakkan Branch	East Coast	08: 00am to 02:00 pm	9:00 AM to 1:00 PM	Corniche Road, Banks Area
34	Umm Al Quwain Branch	Sharjah North East Area	08: am to 02:00 pm	9:00 AM to 1:00 PM	King Faisal Street opposite Umm Al Quwain Mall
35	Sharjah Main Branch	Sharjah North East Area	08: am to 02:00 pm	9:00 AM to 1:00 PM	Al Mussala Area opposite Etisalat building
36	Al Rahmania Mall Branch	Sharjah North East Area	10:00 am to 03:30 pm 04:00 pm to 10:00 pm	10:00 am to 2:00 pm 04:00 pm to 09:00 pm	Al Rahmania Mall - First Floor

## Receiving Bank - Emirates NBD Bank PJSC

S. No	Branch name	Branch Location - Area	Customer Timing	IPO Subscription Timings	Branch Address
1	Group Head Office Branch	Dubai	Sunday to Thursday (8:00 AM - 3:00 PM)	Sunday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Emirates NBD Group Head Office, Baniyas Road, Deira, Dubai
2	Jumeirah Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Emirates NBD Building, Al Wasl Rd Intersection, Umm Suquiem 3, Jumeirah, Dubai
3	Al Qusais Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Damascus St, Near Dubai Grand Hotel, Al Qusais, Dubai
4	Al Karama Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Za'abeel Rd, Near General Post Office, Karama, Dubai
5	Hamriya Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Union Cooperative Hyper Market, Hamriya Shopping Complex, Hor Al Anz, Dubai
6	Jebel Ali Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Jebel Ali Free Zone, Next to CBD and HSBC
7	Rashidiya Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Rashidiya Central Market, Rashidiya, Dubai
8	Al Mankhool Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Nashwan Building, Al Mankhool Rd, Dubai
9	Oud Metha Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Gulf Residence Building, Oud Metha Road, Dubai
10	Sheikh Zayed Road Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Saeed Tower, Sheikh Zayed Rd, Dubai
11	Al Barsha Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Emirates NBD Building, Al Barsha 2, Dubai
12	Burj Al Arab Branch	Dubai	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Umm Suqueim 3, Opposite Jumeira Beach Hotel, Jumeira Road, Dubai
13	Abu Dhabi Main Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Al Neem Building, Shaikh Khalifa street, Abu Dhabi
14	Electra Street Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 8:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Zayed The Second Street, Near Electra Park, Abu Dhabi

15	Al Muroor Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	New Airport Road, Muroor, Abu Dhabi
16	Al Ain Main Branch	Abu Dhabi	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Sheikh Khalifa Bin Zayed St, (in front of Burjeel Hospital), Al Ain
17	Sharjah Main Branch	Sharjah	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Ground Floor, Emirates NBD Building, Immigration Road, Al Qassimia Area, Sharjah
18	Ajman Main Branch	Ajman	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Emirates NBD Building, Sheikh Rashid Bin Humaid St, Al Sawan, Ajman
19	Umm Al Quwain Branch	UAQ	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	King Faisal Road, Al Raas B, Umm Al Quwain, Near Umm Al Quwain Hospital, Umm Al Quwain
20	Fujairah Main Branch	Fujairah	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Sheikh Hamad Bin Abdullah Street, Town Centre 3, Fujairah, Opposite Al Diar Siji Hotel, Fujairah
21	Ras Al Khaimah Main Branch	Ras Al Khaimah	Saturday to Thursday (8:00 AM - 2:00 PM)	Saturday to Thursday (8:00 AM - 1:00 PM)	Al Muntasir Road, Al Mamourah Road Intersection, Ras Al-Khaimah