

ADNOC Drilling Confirms New Enhanced Dividend Policy with Minimum 10% Annual Growth for Five Years

New and progressive dividend policy will see dividends grow by at least 10% per annum between 2024 to 2028 translating into at least 61% cumulative growth over the five years.

Policy gives Board of Directors ability to approve additional discretionary dividends and dividend growth.

New policy will see at least \$4.8 billion distributed to shareholders between 2024 to 2028, demonstrating company's commitment to delivering highly attractive shareholder returns.

Abu Dhabi, UAE – June 25, 2024: ADNOC Drilling Company PJSC (“ADNOC Drilling” or the “Company”) (ADX symbol: ADNOC DRILL / ISIN: AEA007301012) announces shareholder approval of new progressive dividend policy at its General Shareholder Meeting. The new, progressive policy will see dividends grow by at least 10% per annum on a dividend per share basis over the next five years (2024-2028).

The expected cumulative minimum yield from the new policy in the period 2024-2028 is more than 27%¹

Furthermore, the Board of Directors, at its discretion, may approve additional dividends over and above the progressive dividend policy after considering free cash flow accretive growth opportunities. Dividends are expected to be paid semi-annually with a final dividend distributed to shareholders in the first half, and the payment of the interim dividend in the second half of each fiscal year.

Commenting on the new dividend policy, **Abdulmunim Saif Al Kindy, ADNOC Upstream Executive Director and Vice Chairman of ADNOC Drilling**, said: “The approval of this enhanced dividend policy reflects ADNOC Drilling's commitment to delivering increasing value to shareholders, enabled by an accelerated and multi-faceted growth strategy that embraces artificial intelligence, digitization, and advanced technologies both in the UAE and internationally.

“ADNOC's recent placement of an additional 5.5% of ADNOC Drilling's share capital means there is now a greater number of shareholders to benefit from these enhanced returns.”

On May 23, 2024, ADNOC completed a \$935 million institutional placement of ADNOC Drilling shares. This placement represented 5.5% of ADNOC Drilling's total issued and outstanding share capital and increased the Company's free float to 16.5%.

¹ Based on the ADNOC Drilling closing share price on June 24, 2024 of AED 4.03



This transaction represents the largest ever ABB (“Accelerated Book Building”) done in the MENA region so far, reflecting the strong demand from the market.

The higher free float resulted in a higher weight in FTSE indices and is expected to provide a pathway towards inclusion in the Morgan Stanley Capital International (MSCI) Emerging Market Index, subject to the Company meeting the relevant inclusion criteria. MSCI inclusion will contribute to the diversification of the Company’s investor base and significantly broaden awareness of the unique value proposition.

ADNOC Drilling’s strategy is focused on the expansion of its fleet and the development of integrated drilling services to enable ADNOC’s production capacity growth, which includes leveraging the transformational opportunities presented by the UAE’s world-class unconventional energy resources. ADNOC Drilling has established a new company – Turnwell – to focus on the considerable opportunities in unconventional resources, including an initial contract to deliver 144 wells and the potential for thousands more over time which are incremental to the current growth guidance. Additionally, ADNOC Drilling is actively pursuing regional growth through the expansion of its operations and potential regional acquisitions.

Through its strategic joint venture with Alpha Dhabi, Enersol, ADNOC Drilling aims to acquire and invest in global energy technologies, fostering a scalable technology ecosystem to enhance market value and improve operational efficiencies. Enersol has recently acquired a 67.2% controlling stake in Gordon Technologies, closing of the transaction is subject to customary regulatory approval, and is in the final stages of two additional transactions, with a major focus on investments that support the UAE’s wider energy security ambitions, net-zero agenda, and ongoing economic diversification efforts. These transactions would drive additional growth for ADNOC Drilling over and above the current growth outlook.

ENDS

About ADNOC Drilling

ADNOC Drilling, listed on the Abu Dhabi Securities Exchange (ADX symbol “ADNOCDRILL”; ISIN AEA007301012), is the largest drilling and integrated drilling services (IDS) company in the Middle East by fleet size, owning and operating one of the largest multi-discipline drilling fleets in the world. The Company is a critical link in ADNOC’s upstream business, as ADNOC responsibly accelerates its production capacity targets in light of globally increasing demand for energy and enables the UAE’s gas growth. ADNOC Drilling incorporated IDS into its portfolio in 2018 and now offers a total solution of start-to-finish wells and associated services that encompass the entire drilling value chain.

To find out more, visit: www.adnocdrilling.ae

For media inquiries please contact:

Iain Cracknell
Vice President, Corporate Communications
+971 2 698 3614

For investor inquiries please contact:

Massimiliano Cominelli
Vice President, Investor Relations
+971 2 698 3383