

TASI

Oil & Gas Drilling

1Q26 Financials Review

ADES AB drove sector growth, supported by Shelf's first full quarter contribution, higher offshore activity and a broader international revenues. ARABIAND AB returned to profitability sequentially, but recovery remains constrained from weakness in land segment, lower rig move revenue and temporary offshore suspensions. Sector revenue rose 35% Y/Y to SAR 3.2bn and EBITDA increased 20% Y/Y to SAR 1.44bn, while net income declined 9.6% Y/Y on margin dilution and higher finance costs. Maintain BUY on ADES AB and ARABIAND AB.

Stocks covered	Rating	Target Price
ADES AB	Maintain BUY	SAR 23.4
ARABIAND AB	Maintain BUY	SAR 105



SECTOR AGGREGATE FINANCIALS

ADES drove the step-up in sector revenue and EBITDA, but Shelf margin dilution, ADC land weakness and higher finance costs kept net income below last year.

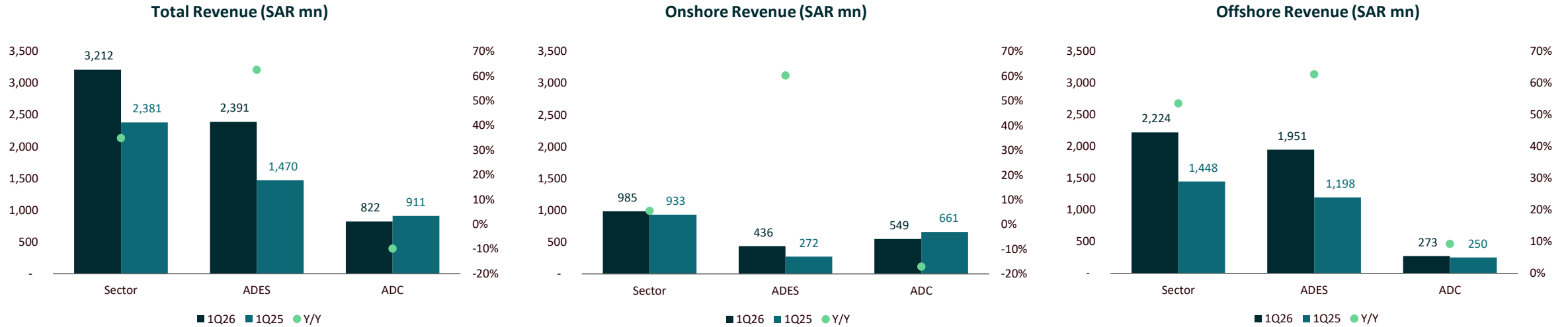
SAR mn	Quarterly					Rolling 4 quarters		
	1Q26	4Q25	1Q25	Q/Q	Y/Y	Mar-26	Mar-25	Y/Y
Revenue	3,212	2,810	2,381	14.3%	34.9%	10,953	9,700	12.9%
Onshore	985	880	933	11.9%	5.5%	3,690	3,591	2.7%
Offshore	2,224	1,930	1,448	15.2%	53.6%	7,259	6,109	18.8%
GROSS PROFIT	979	715	770	37.0%	27.2%	3,116	3,018	3.3%
Opex	244	221	158	10.6%	54.8%	820	740	10.8%
Operating Profits	735	494	612	48.9%	20.0%	2,297	2,278	0.8%
EBITDA	1,439	1,281	1,197	12.3%	20.2%	5,034	4,584	9.8%
Finance Cost	362	328	270	10.4%	34.0%	1,252	1,045	19.8%
Net Income	243	66	269	266.3%	-9.6%	717	1,050	-31.7%
Gross Margin	30.5%	25.4%	32.3%	506 bps	-185 bps	28.5%	31.1%	-266 bps
Operating Margin	22.9%	17.6%	25.7%	531 bps	-283 bps	21.0%	23.5%	-252 bps
EBITDA Margin	44.8%	45.6%	50.3%	-79 bps	-549 bps	46.0%	47.3%	-130 bps
Net Margin	7.6%	2.4%	11.3%	521 bps	-373 bps	6.5%	10.8%	-428 bps
Interest Coverage	2.0	1.5	2.3	0.5 times	-0.2 times	1.8	2.2	-0.3 times
Net Debt/EBITDA	3.6	4.0	3.1	-0.4 times	0.5 times	4.2	3.2	0.9 times
Land Contracted Rigs	72	67	65	5 rigs	7 rigs	72	65	7 rigs
Offshore Contracted Rigs	87	85	53	2 rigs	34 rigs	87	53	34 rigs
Land Utilization	81%	75%	73%	562 bps	787 bps	76%	79%	-311 bps
Offshore Utilization	93%	89%	84%	308 bps	843 bps	89%	86%	247 bps
Implied Land Day Rates (USD)	40,540	38,070	42,549	6.5%	-4.7%	39,962	39,493	1.2%
Implied Offshore Day Rates (USD)	75,747	84,857	80,939	-10.7%	-6.4%	81,663	83,527	-2.2%

1Q26 implied offshore day rates is the weighted average of shelf's standalone contribution and ADES legacy /Arabian drilling rigs contribuition

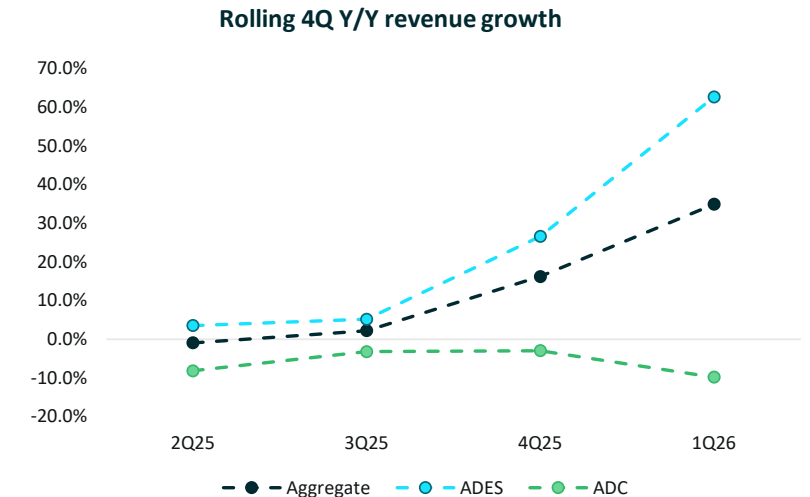
Rolling 4 quarters Utilization and Day Rates averages out last 4 quarters from reporting date

SECTOR REVENUE

Shelf's first full-quarter contribution lifted sector revenue, while ADC's recovery remained early-stage

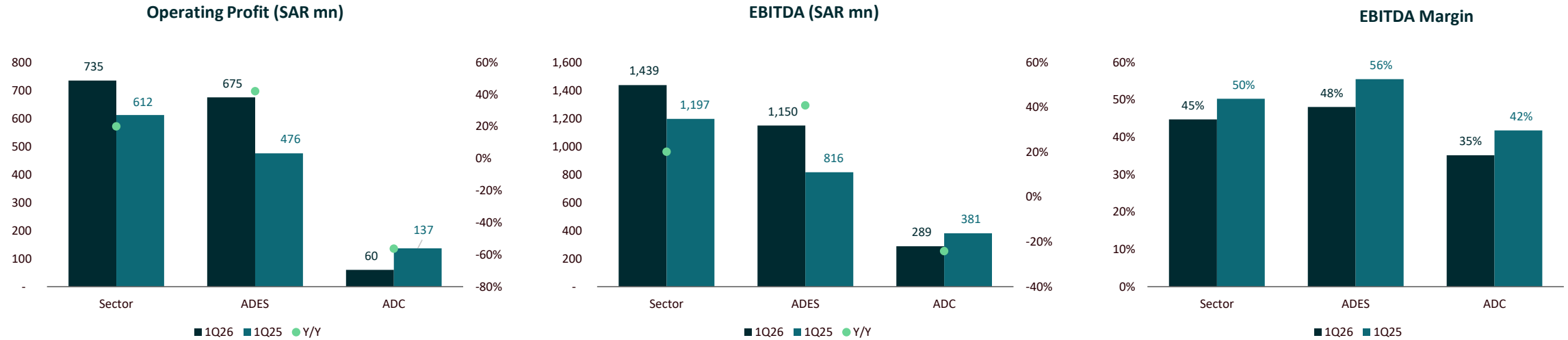


- **Sector revenue increased 34.9% Y/Y and 14.3% Q/Q to SAR 3.21bn in 1Q26**, with growth again by offshore. Offshore revenue rose 53.6% Y/Y and 15.2% Q/Q to SAR 2.22bn, while onshore revenue increased 5.5% Y/Y and 11.9% Q/Q to SAR 985mn.
- **ADES remained the clear sector growth driver**, with revenue increasing 63% Y/Y and 20% Q/Q to SAR 2.39bn, supported by Shelf's first full-quarter consolidation, higher offshore activity and broader contribution from West & Central Africa, Southeast Asia, India, Kuwait and Norway.
- **ADC's revenue recovery was still limited**, with revenue broadly flat Q/Q at SAR 822mn but down 10% Y/Y. Higher offshore activity and drilling revenue were offset by weaker land revenue, lower high-margin rig move contribution and idle rig costs.
- **Offshore remained the main source of sector growth and mix improvement.** ADES accounted for around 74% of sector revenue and nearly 88% of sector offshore revenue, while ADC's offshore revenue increased 9% Y/Y and 8% Q/Q as suspended rigs resumed during the quarter.
- **On a rolling four-quarter basis**, sector revenue increased 12.9% Y/Y to SAR 10.95bn, with offshore revenue up 18.8% to SAR 7.26bn and onshore revenue up only 2.7% to SAR 3.69bn, leaving sector growth increasingly dependent on offshore activity and ADES's enlarged international base.



SECTOR OPERATING PROFITABILITY AND MARGINS

EBITDA grew, but margins remained below last year as Shelf dilution and ADC land weakness offset activity gains



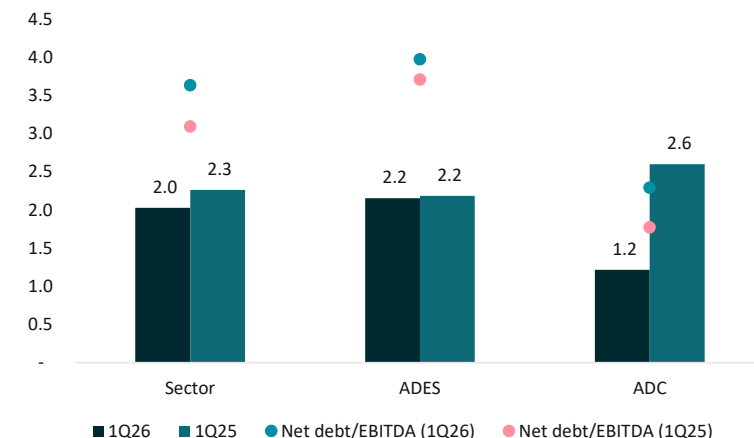
- **Sector gross profit increased 27.2% Y/Y and 37.0% Q/Q to SAR 979mn**, with gross margin improving to 30.5% from 25.4% in 4Q25. The sequential recovery was helped by ADC's return to gross profit and stronger offshore activity, though margin remained below 32.3% in 1Q25..
- **Sector operating profit increased 20% Y/Y and 48.9% Q/Q to SAR 735mn**, while operating margin improved to 22.9% from 17.6% in 4Q25. However, operating margin remained below 25.7% in 1Q25, reflecting Shelf's lower-margin contribution and weaker land profitability at ADC.
- **Sector EBITDA increased 20.2% Y/Y and 12.3% Q/Q to SAR 1.44bn**, but EBITDA margin declined to 44.8% from 50.3% in 1Q25 and 45.6% in 4Q25.
- **ADES remained the sector EBITDA anchor**, generating SAR 1.15bn of EBITDA, around 80% of sector EBITDA. However, ADES's EBITDA margin declined to 48.1% from 55.5% in 1Q25, reflecting Shelf margin dilution, higher maintenance costs and integration-phase cost structure.
- **ADC showed a clear Q/Q margin recovery but remained well below last year**. EBITDA increased to SAR 289mn from SAR 263mn in 4Q25, with margin improving to 35.2% from 31.9%, but EBITDA was still down 24% Y/Y as land gross margin remained near breakeven at 2.2%.

SECTOR LEVERAGE AND BOTTOMLINE PROFITABILITY

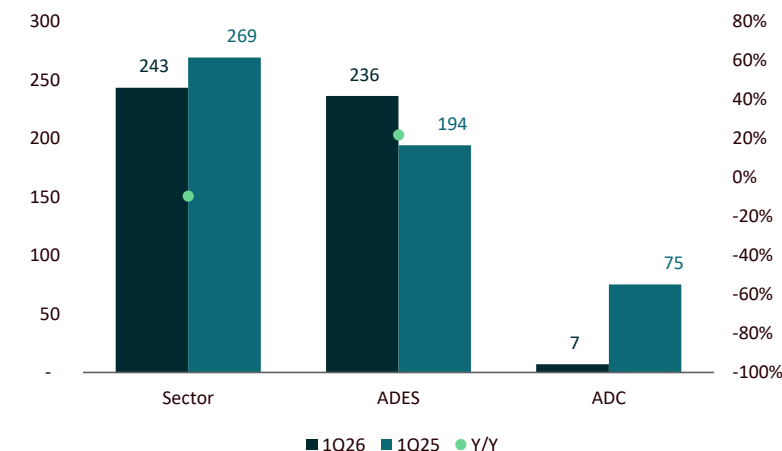
Net income recovered Q/Q as ADC one-offs reversed, but higher depreciation and finance costs kept sector net income below last year

- Sector net income increased to SAR 243mn in 1Q26 from SAR 66mn in 4Q25, mainly due to ADC returning to a small profit and the non-recurrence of 4Q25 one-offs. However, net income still declined 9.6% Y/Y from SAR 269mn despite 20.2% EBITDA growth.
- Sector finance costs increased 34% Y/Y and 10.4% Q/Q to SAR 362mn, led by ADES's higher debt base after Shelf consolidation. Interest coverage improved to 2x from 1.5x in 4Q25, but remained below 2.3x in 1Q25.
- Net debt/EBITDA improved to 3.6x from 4.0x in 4Q25 as EBITDA stepped up, but remained above 3.1x in 1Q25. On a rolling four-quarter basis, net debt/EBITDA stood at 4.2x versus 3.2x in Mar-25.
- ADES carried both the sector's growth and leverage burden. Net profit rose to SAR 236mn, but the bottomline uplift was partly absorbed by higher depreciation and finance costs, with finance costs increasing 44% Y/Y to SAR 313mn.
- ADC saw a recovery, with net income of SAR 7mn versus a SAR 149mn loss in 4Q25, supported by offshore reactivations, lower G&A and lower finance costs.

Interest coverage and Net Debt/EBITDA



Net Income (SAR mn)



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ADES Holding Co. (ADES)

1Q26 Financials Review

Bloomberg	ADES AB
Rating	BUY
Market Price	18.4
12-month Target Price	23.4
Upside / Downside	27%
Mkt Cap (SAR mn)	20,797
52 week High/Low	19.74/12.2



ADES Holding Co. (BUY, TP: SAR 23.4, 2382.SE) 1Q26 Results Review

Full Shelf contribution and international growth lift EBITDA, while margin dilution and higher finance costs limit bottomline conversion

ADES reported a net profit attributable to equity holders of SAR 236mn, up 22% Y/Y and 10% Q/Q. The quarter saw a sharp step up in revenue and EBITDA, driven by the first full-quarter consolidation of Shelf Drilling, higher offshore activity and a broader international contribution across West & Central Africa, Southeast Asia, India, Kuwait and Norway. However, the bottomline growth was modest, as the uplift was partly absorbed by the higher depreciation base, finance costs and operating costs following the Shelf consolidation. Depreciation within cost of sales rose 39% Y/Y and 10% Q/Q to SAR 468mn, while finance costs increased 44% Y/Y and 15% Q/Q to SAR 313mn.

- At 1Q26 end, the combined fleet stood at 123 rigs, comprising 83 offshore rigs and 40 onshore rigs across 20 countries. Total contracted rigs stood at 110, including 77 offshore and 33 onshore rigs, while total operating rigs stood at 96, comprising 71 offshore and 25 onshore rigs. The offshore fleet included 50 legacy ADES rigs, of which 49 were contracted and one was cold stacked, and 33 Shelf rigs, of which 28 were contracted and five were uncontracted. Backlog stood at SAR 34.47bn, broadly stable Q/Q versus SAR 34.7bn at end of 2025, with a weighted average remaining tenor of 4.73 years. Offshore continued to dominate the backlog at 83.8% of the total, while GCC NOCs accounted for 69% of the book and Saudi Arabia remained the largest country exposure at 55%.
- Revenue grew 63% Y/Y and 20% Q/Q to SAR 2.39bn. Offshore remained the key driver, with revenue rising 63% Y/Y and 16% Q/Q to SAR 1.95bn, supported by the first full-quarter contribution from Shelf and higher international activity. Onshore revenue also increased 60% Y/Y and 41% Q/Q to SAR 436mn, supported mainly by Kuwait and North Africa despite lower Saudi utilization. Saudi Arabia revenue declined 5% Y/Y to SAR 854mn owing to the impact of rig suspensions. West & Central Africa contributed SAR 290mn, Southeast Asia revenue rose 87% Y/Y to SAR 257mn, Egypt increased 68% Y/Y to SAR 230mn, Kuwait rose 86% Y/Y to SAR 204mn, India increased 161% Y/Y to SAR 160mn and Norway contributed SAR 123mn. As a result, GCC revenue concentration declined to 47.4% highlighting the post Shelf shift toward a broader international revenue base.
- Gross profit increased 49% Y/Y and 18% Q/Q to SAR 879mn, though gross margin declined to 36.8% from 40.1% in 1Q25 and was broadly flat versus 37.5% in 4Q25. The Y/Y margin compression was due to the consolidation of Shelf at lower margins, higher maintenance costs and lower Saudi utilization, partly offset by stronger offshore activity and operating scale. This fed through to EBITDA, which rose 41% Y/Y and 13% Q/Q to SAR 1.15bn, with EBITDA margin declining to 48.1% from 55.5% in 1Q25 and 51.2% in 4Q25. The stronger EBITDA only partly flowed through into earnings, as below-EBITDA costs continued to rise with the enlarged fleet base. Total depreciation and amortization increased 39% Y/Y to SAR 474mn, finance costs reached SAR 313mn, up 44% Y/Y, and income tax expense was up 55% Y/Y to SAR 62mn.
- ADES has established the first full-quarter run-rate of the post-Shelf consolidation, with revenue of SAR 2.39bn and EBITDA of SAR 1.15bn, broadly tracking toward the upper end of management's 2026 EBITDA guidance range of SAR 4.50-4.87bn. The main near-term drag is 2Q26, where GCC suspensions are expected to have a more visible impact, although management has already built this into guidance under a conservative disruption scenario running until early October, while one offshore resumption notice has already been received. We continue to view this as a temporary utilization issue, supported by presence across 20 countries and lower GCC revenue concentration of 47% post Shelf. 2H26 remains supported by potential renewal across 14 legacy ADES rigs and roughly half the Shelf fleet, with recent West Africa awards clearing at USD 120-130k+/day and Southeast Asia tender activity improving. Insurance costs of more than SAR 40mn in 1Q26 are expected to continue into 2Q26 and are already included in guidance. We trim our 2026 estimates slightly due to higher expected run rate of finance costs. Maintain BUY.

Rating and Risks

We are BUY rated on ADES with a 12-month TP of SAR 23.4. Upside risks include faster Shelf integration, earlier synergy capture, stronger repricing on renewals and quicker resolution of recent Aramco suspensions. Downside risks include a more prolonged GCC disruption, slower contracting / utilization ramp of the acquired Shelf fleet, weaker renewals in key international markets, and a heavier-than-expected drag from depreciation and finance costs on earnings conversion.

SAR mln	1Q26	4Q25	1Q25	Q/Q %	Y/Y %
Revenues	2391	1986	1470	20%	63%
Cost of Goods	1512	1241	880	22%	72%
Gross Profit	879	745	590	18%	49%
G&A Expenses	204	160	115	27%	78%
EBITDA	1150	1018	816	13%	41%
Net Income attri. Equity holders	236	215	194	10%	22%
EPS	0.21	0.19	0.17	10%	22%

Margins (%)

Gross Margin	36.8	37.5	40.1	-73 bps	-338 bps
EBITDA Margin	48.1	51.2	55.5	-315 bps	-744 bps
Net Margin	9.9	10.8	13.2	-94 bps	-332 bps

Rating Summary and Forecasts

Rating Summary

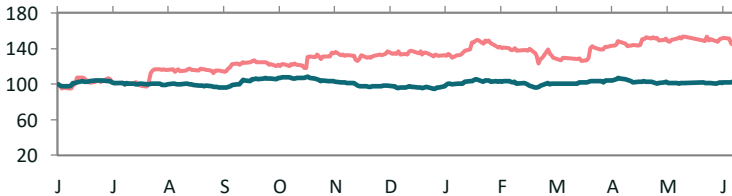
Rating	BUY
Market Price	18.4
12-month Target Price	23.4
Upside / Downside	27%
Mkt Cap (SAR mn)	20,797
52 week High/Low	19.74/12.2

Forecasts

	12/25 A	12/26 E	12/27 E	12/28 E
Net Income (SAR mn)	818	922	1157	1292
PER (x)	21.6	22.6	18.0	16.1
PBV (x)	2.6	2.9	2.7	2.6
EPS (SAR)	0.7	0.8	1.0	1.1
DPS (SAR)	0.5	0.5	0.7	0.7
RoE (%)	12.3	13.2	15.6	16.4
Dividend Yield (%)	2.9	2.8	3.5	4.0

Price Chart

● ADES ● TASI



ADES Holding Co: Summary Financials

<i>SAR mn</i>	A Dec-24	A Dec-25	A Dec-26	A Dec-27	A Dec-28	A Dec-29
	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
Income Statement						
Revenue	6,199	6,689	9,913	10,329	10,607	10,739
Offshore	4,841	5,485	8,075	8,468	8,740	8,849
Onshore	1,358	1,204	1,835	1,861	1,866	1,889
Gross Profit	2,359	2,533	3,307	3,384	3,554	3,611
Operating Profit	1,824	2,006	2,553	2,678	2,828	2,864
EBITDA	3,037	3,553	4,709	5,077	5,229	5,267
Finance Costs	804	941	1,256	1,018	967	941
Profit Attributable to Equity Holders	802	818	922	1,157	1,292	1,308
EPS	0.7	0.7	0.8	1.0	1.1	1.2
DPS	0.4	0.5	0.5	0.7	0.7	0.7
Balance Sheet						
Total Current Assets	3,261	5,670	5,348	5,335	5,095	5,032
Property And Equipment	17,568	25,031	24,447	23,657	22,951	22,216
Total Non-Current Assets	18,368	25,742	25,223	24,896	23,985	23,053
Total Assets	21,629	31,412	30,570	30,231	29,080	28,085
Current Portion Of Loans And Leases	2,275	3,460	4,406	4,379	2,876	2,704
Total Current Liabilities	3,831	6,203	7,345	7,113	5,145	4,990
Long Term Loans And Leases	9,945	17,012	14,764	14,191	14,635	13,326
Total Non-Current Liabilities	11,260	18,395	15,957	15,380	15,698	14,307
Total Liabilities	15,091	24,599	23,302	22,493	20,843	19,298
Total Equity	6,538	6,813	7,268	7,738	8,236	8,788
Total Equity And Liabilities	21,629	31,412	30,570	30,231	29,080	28,085

<i>SAR mn</i>	A Dec-24	A Dec-25	A Dec-26	A Dec-27	A Dec-28	A Dec-29
	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
CashFlow Statement						
Operating Cashflows	2,996	2,981	3,930	3,902	4,121	4,342
Capex Including Acquisitions	(3,086)	(2,919)	(1,606)	(2,073)	(1,497)	(1,471)
Free Cashflow To Firm	(90)	62	2,325	1,829	2,624	2,872
Cashflow To Lenders	745	1,953	(2,599)	(1,617)	(2,026)	(2,422)
Cashflow To Equity Holders	(247)	(487)	(508)	(712)	(822)	(785)
Increase In Cash And Equivalents	312	1,714	(746)	(491)	(217)	(328)
Ratios						
Gross Margin	38%	38%	33%	33%	34%	34%
Operating Margin	29%	30%	26%	26%	27%	27%
EBITDA Margin	49%	53%	48%	49%	49%	49%
Net Margin	13%	12%	9%	11%	12%	12%
RoE	13%	12%	13%	16%	17%	16%
Debt to Assets	0.6	0.7	0.6	0.6	0.6	0.6
Net Debt/EBITDA	3.9	5.1	3.8	3.5	3.2	3.0
Interest Coverage	2.2	2.1	2.0	2.5	2.8	2.9

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Arabian Drilling Co.

1Q26 Financials Review

Bloomberg	ARABIAND AB
Rating	BUY
Market Price	92.4
12-month Target Price	105.0
Upside / Downside	14%
Mkt Cap (SAR mn)	8,219
52 week High/Low	106/72.4



Arabian Drilling Co. (BUY, TP: SAR 105, 2381.SE) 1Q26 Results Review

Offshore reactivations and lower demobilization costs drove margin recovery, while idle land rigs kept onshore contribution near breakeven

ADC reported net income of SAR 7mn, versus a net loss of SAR 148.6mn in 4Q25 and net income of SAR 75.2mn in 1Q25. The Q/Q improvement was driven by the non-recurrence of 4Q25's impairment, higher fleet utilization, offshore rig reactivations, cost efficiency initiatives and lower finance costs. However, Y/Y profitability remained sharply weaker due to lower land utilization, weaker high margin rig move activity and idle rig costs.

- As of 1Q26, ADC operated 60 rigs, unchanged Q/Q and Y/Y. Active rigs increased to 49 from 45 in 4Q25, with utilization improving to 82% from 75%, although still below 83% in 1Q25. Land active rigs increased to 39 from 37 in 4Q25, while offshore active rigs increased to 10 from 8, reflecting the resumption of suspended rigs during the quarter. Total idle and suspended rigs declined to 11 from 15 in 4Q25, comprising 10 land rigs and 1 offshore rig. Backlog reached a record SAR 12.5bn, up 31% Y/Y and 1% Q/Q with average remaining contract tenure of 3.3 years. Management also highlighted three land rig extensions worth SAR 1.4bn, while the 11 Gas LSTK rigs were extended to end-August 2026, with retendering results expected in 2Q26.
- Revenue was broadly flat Q/Q at SAR 822mn, but declined 10% Y/Y from SAR 911mn, as higher offshore activity and drilling revenue were offset by weaker land revenue and lower rig move contribution. Drilling revenue increased to SAR 692mn (+14% Q/Q, +5% Y/Y), while rig move revenue was flat Q/Q at SAR 139mn but declined 19% Y/Y due to the absence of the high-margin long moves that benefited 1Q25. Mobilization revenue declined to SAR 23mn (-9% Q/Q, -10% Y/Y), while manpower subcontracting and other revenue increased to SAR 53mn (+6% Q/Q, +2% Y/Y). By segment, land revenue declined to SAR 549mn (-4% Q/Q, -17% Y/Y), reflecting lower rig move activity, the impact of idle rigs and minor land day-rate discounts. Offshore revenue increased to SAR 273mn (+8% Q/Q, +9% Y/Y), supported by rig reactivations and higher utilization.
- At gross profit level, ADC recovered to a profit of SAR 101mn from a loss of SAR 30mn in 4Q25, but remained down 44% Y/Y from SAR 180mn in 1Q25. Gross margin improved to 12.2% from -3.6% in 4Q25, but remained below 19.8% in 1Q25. Land remained the main drag, with contribution falling to SAR 12mn from SAR 124mn in 1Q25, and land gross margin at only 2.2% versus 18.8% in 1Q25. Offshore was the key offset, with contribution rising to SAR 88mn from SAR 50mn in 4Q25 and SAR 56mn in 1Q25, while offshore gross margin expanded to 32.4% from 20% in 4Q25 and 22.3% in 1Q25. G&A declined to SAR 53mn (-13% Q/Q, -12% Y/Y), while EBITDA increased to SAR 289mn (+10% Q/Q, -24% Y/Y), with margin improving to 35.2% from 31.9% in 4Q25 but still below 41.8% in 1Q25. Finance costs declined to SAR 49mn (-12% Q/Q, -6% Y/Y), supporting the return to a small net profit.
- 1Q26 showed early signs of normalization, but the recovery remains back-ended and dependent on contract renewals and offshore resumption. We expect the current suspension impact to last through 2Q26, with management guiding for revenue to decline by up to 12% Q/Q due to temporary offshore suspensions and a delayed offshore rig start. Thereafter, we expect a gradual recovery in 2H26 to support the bottom line, led by offshore resumptions, land utilization improving toward the 90-95% historical peak, and the outcome of Aramco's Gas LSTK retender for 11 rigs, with results expected during 2Q26. Cost optimization should also support margins, with management citing a 20-30% Y/Y improvement in rig move efficiency and broader initiatives across maintenance scheduling and internal services. We expect more than 80% of ADC's 2026E earnings to be concentrated in 2H26, supported by gradual rig activity recovery. Maintain BUY.

Rating and Risks

We are BUY rated on ADC, and 12-month price target of SAR 105. Upside risks include faster than expected rig reactivations and utilization recovery, roll-off of offshore day-rate discounts, stronger than expected renewal outcomes on the 2026 land contract book, and successful redeployment of idle rigs locally or internationally. Downside risks include prolonged offshore suspensions, weaker renewal outcomes on the large 2026 land tender/renewal pool, continued pricing pressure, and further impairment charges on the idle fleet.

SAR mln	1Q26	4Q25	1Q25	Q/Q %	Y/Y %
Revenues	822	824	911	0%	-10%
Cost of Goods	721	854	731	-16%	-1%
Gross Profit	101	-30	180	NA	-44%
G&A Expenses	53	61	59	-13%	-12%
EBITDA	289	263	381	10%	-24%
Net Income	7.0	-148.6	75.2	NA	-91%
EPS	0.08	-1.67	0.84	NA	-91%

Margins (%)

Gross Margin	12.2	-3.6	19.8	NA	-751 bps
EBITDA Margin	35.2	31.9	41.8	323 bps	-663 bps
Net Margin	0.9	-18.0	8.3	NA	-740 bps

Rating Summary and Forecasts

Rating Summary

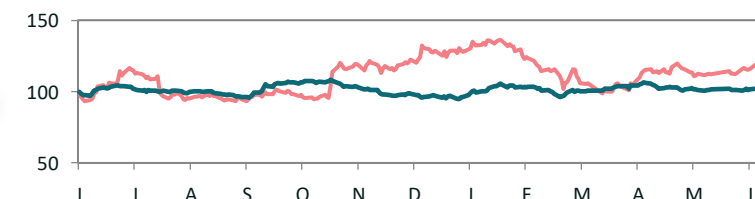
Rating	BUY
Market Price	92.4
12-month Target Price	105.0
Upside / Downside	14%
Mkt Cap (SAR mn)	8,219
52 week High/Low	106/72.4

Forecasts

	12/25 A	12/26 E	12/27 E	12/28 E
Net Income (SAR mn)	-75	184	496	556
PER (x)	-103.6	44.8	16.6	14.8
PBV (x)	1.4	1.4	1.3	1.3
EPS (SAR)	-0.8	2.1	5.6	6.2
DPS (SAR)	0.0	1.3	4.2	6.2
RoE (%)	-1.3	3.2	8.3	9.0
Dividend Yield (%)	0.0	1.5	4.5	6.8

Price Chart

● ADC ● TASI



Arabian Drilling Co: Summary Financials

<i>SAR mn</i>	A Dec-24	A Dec-25	A Dec-26	A Dec-27	A Dec-28	A Dec-29
	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
Income Statement						
Revenue	3,619	3,433	3,514	4,044	4,112	4,173
Onshore	2,142	2,434	2,547	2,674	2,735	2,776
Offshore	1,476	998	1,053	1,369	1,377	1,398
Gross Profit	760	374	586	874	889	913
Operating Profits	566	168	387	657	668	689
EBITDA	1,508	1,240	1,321	1,630	1,657	1,678
Finance costs	229	220	180	143	91	84
Profit Attributable to Equity Holders	321	(75)	184	496	556	585
EPS	3.6	(0.8)	2.1	5.6	6.2	6.6
DPS	2.7	-	1.3	4.2	6.2	6.6
Balance Sheet						
Total Current Assets	1,681	1,549	1,274	1,279	1,574	1,803
Property And Equipment	8,710	8,405	8,298	7,925	7,538	7,152
Total Non-Current Assets	8,849	8,512	8,463	8,051	7,624	7,199
Total Assets	10,536	10,089	9,766	9,358	9,226	9,031
Current Portion Of Loans And Leases	346	381	2,213	1,848	1,874	1,700
Total Current Liabilities	1,296	1,115	2,752	2,416	2,432	2,259
Long Term Loans And Leases	2,677	2,657	600	278	37	-
Total Non-Current Liabilities	3,301	3,228	1,144	822	582	545
Total Liabilities	4,597	4,343	3,896	3,238	3,014	2,804
Total Equity	5,939	5,746	5,870	6,120	6,212	6,227
Total Equity And Liabilities	10,536	10,089	9,766	9,358	9,226	9,031

<i>SAR mn</i>	A Dec-24	A Dec-25	A Dec-26	A Dec-27	A Dec-28	A Dec-29
	<i>Actual</i>	<i>Actual</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>	<i>Forecast</i>
Cashflow Statement						
Operating Cashflows	1,756	1,103	950	1,524	1,563	1,636
Capex Including Acquisitions	(1,841)	(764)	(899)	(573)	(573)	(576)
Free Cashflow To Firm	(85)	339	51	951	990	1,061
Cashflow To Lenders	(395)	(251)	(872)	(556)	(558)	(558)
Cashflow To Equity Holders	(345)	(120)	(225)	(686)	(215)	(212)
Increase In Cash And Equivalents	(854)	13	(388)	(107)	235	212
Ratios						
Gross Margin	21%	11%	17%	22%	22%	22%
Operating Margin	16%	5%	11%	16%	16%	17%
EBITDA Margin	42%	36%	38%	40%	40%	40%
Net Margin	9%	-2%	5%	12%	14%	14%
RoE	5%	-1%	3%	8%	9%	9%
Debt to Assets	0.3	0.3	0.3	0.2	0.2	0.2
Net Debt/EBITDA	1.6	2.0	2.0	1.2	1.0	0.7
Interest Coverage	2.6	0.8	2.2	4.6	7.4	8.3

Rating Framework

Buy

Shares of the companies under coverage in this report are expected to outperform relative to the sector or the broader market.

Hold

Shares of the companies under coverage in this report are expected to perform in line with the sector or the broader market.

Sell

Shares of the companies under coverage in this report are expected to underperform relative to the sector or the broader market.

Saudi Fransi Capital

(Closed Joint Stock Company Owned by Banque Saudi Fransi)

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