الشركة العملية للطاقة (ش.م.ك.ع)
Action Energy Company (K.S.C.P)

Earnings Presentation

Q1 2026

Today's Presenters

Vice Chairman

Eng. Rawaf Bourisli

Board Member & Chief Executive Officer

Ahmad Al-Ajlan

Board Member

Vikas Arora

General Manager – Finance

Jainuddin Jhabuawala

General Manager – Services & BD

Ivan Chikunov

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Company Overview

Introduction to Action Energy Company

At a Glance
Powering the Future of Energy

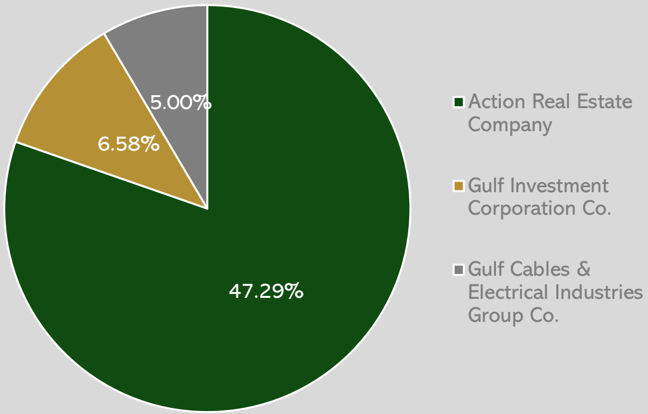
Market Share (as of FY25)
10%

Backlog
KWD 358 mn

Operational Onshore Rigs
20
Under Mobilization
7

Total Installed Capacity
20,600 HP

Major Shareholders



JVs and Partnerships

TRG, COSL, CPVEN, KCA DEUTAG, H&P, Expert Optima, Jereh, GILGAMESH OILFIELD SERVICES, KERUI PETROLEUM & GAS, NaftoServ Energy Services

Established in 2015, AEC has grown into a leading provider of onshore drilling services in Kuwait, operating 20 rigs as of 2025, representing approximately 10% of Kuwait's active rig fleet. The Company operates primarily through two key complementary business segments:

- Drilling Services, supported by a modern, high-utilization rig fleet, and
- Oilfield Services, providing well lifecycle support through a combination of in-house capabilities and strategic technical partnerships.

Comprehensive Platform Delivering Full-Cycle Value

Drilling Services

AEC rig fleet is in range of high-spec rigs (550–3,000 HP) with 20,600 HP installed

Prequalified for drilling, workover and heavy oil services

Enhanced rig-move capabilities designed to optimize operational efficiency, safety and costs

Number of Operational Rigs (Q1 2026)*	20

Oilfield Services[(1)]

- *Electrical Submersible Pumps*
- *Slickline Services*
- *Once Through Steam Generator Services*
- *Tubular Inspection*
- *Mobile Equipment Inspection*
- *Directional Drilling*
- *Wireline*
- ***Workover, Well Testing & Maintenance** – Pressure, SCSSSV, valve servicing, and surface wells*

Action Energy's Platform Enables Comprehensive Operations and Contracts

- P *Diverse product offering with clear synergies across the business verticals*
- P *Longstanding Collaboration with Core Client*
- P *Maximizing Value through Strong Client Relationship*
- P *Enhanced Efficiency Through In-House Capabilities*

AEC's diverse service offering allows it to capitalize on clear synergies across offerings by delivering comprehensive contracts ensuring it continues to capture value

Source: Company Information
Notes: (1) Oilfield services are newly introduced, with contracts either signed or pending commencement,
*** 7 rigs are under mobilization**

Strategic Review

Investment Highlights

One of Kuwait's Leading Onshore Drilling And Oilfield Services Providers

Clear Strategy For Disciplined Growth and Shareholder Returns

Seasoned Leadership Team and Institutionalized Governance

Significant Backlog Providing Multi-year Revenue Stability

Young, Fit-for-purpose Fleet Driving Efficiency, Reliability, And Safety

Attractive Financial Profile With Strong Cash Generation

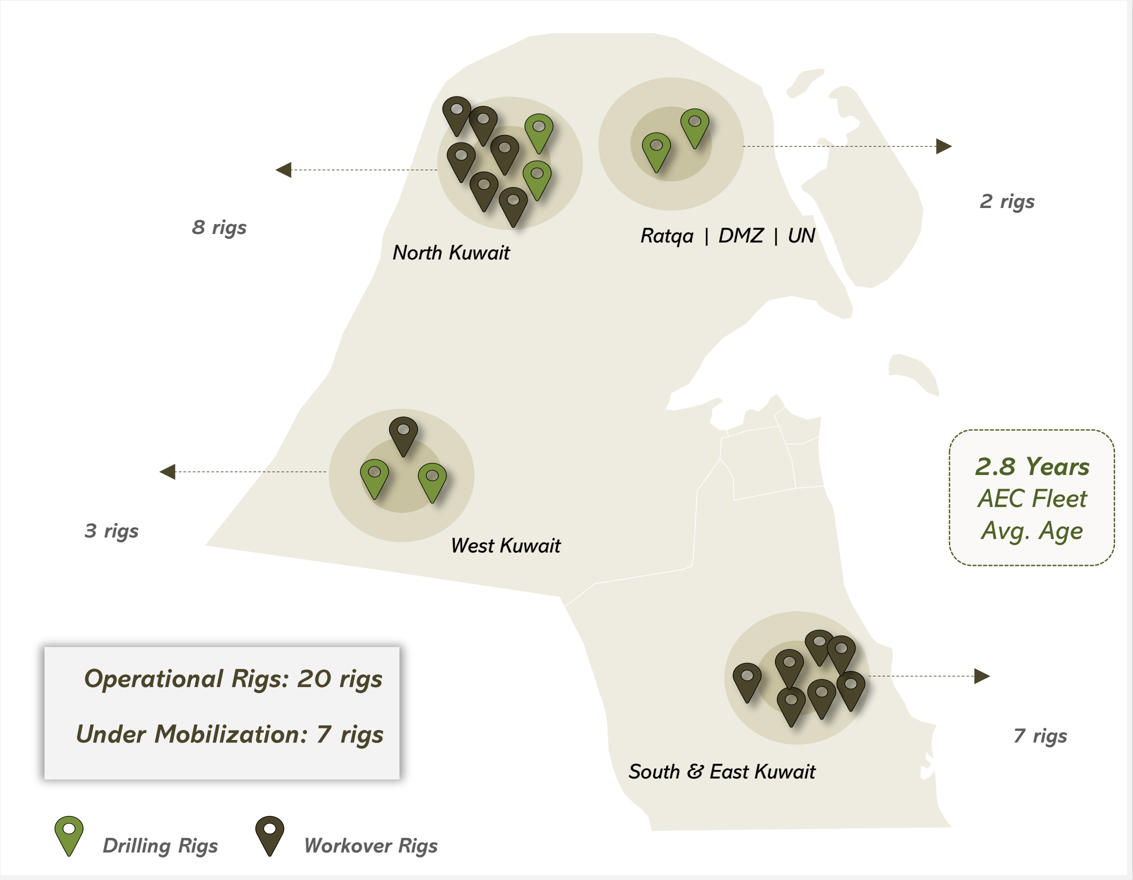
Operating in an Industry With Favorable Fundamentals and Multi-year Visibility

Resilient Business Model Proven Across Cycles

Full Spectrum Upstream Capabilities Supported By Strategic Partnerships

One of Kuwait's Leading Onshore Drilling And Oilfield Services Providers

Demonstrating a Dominant Presence in Kuwait



Proven Consolidator Through Cycles

20 operational rigs
(Q1 2026)

5x since 2022

Leading Scale & Profitability

FY2025	Q1 2026
KWD 31.9mn *Revenue*	**KWD 9.1mn** *Revenue*
KWD 16.4mn *EBITDA*	**KWD 4.6mn** *EBITDA*
51.3% *Margin*	**50.2%** *Margin*

Visible, Contracted Growth

KWD 321 mn Backlog **FY 2025**	**KWD 358 mn** Backlog **Q1 2026**
Up **2.5x** *since 2022*	Up **2.7x** *since 2022*

Partner of Choice for Kuwait's Key Energy Supplier

AEC also maintains deep, long-standing relationships with leading international partners

Committed to Operational Excellence and Efficiency

100%

1Q 2026 average utilization

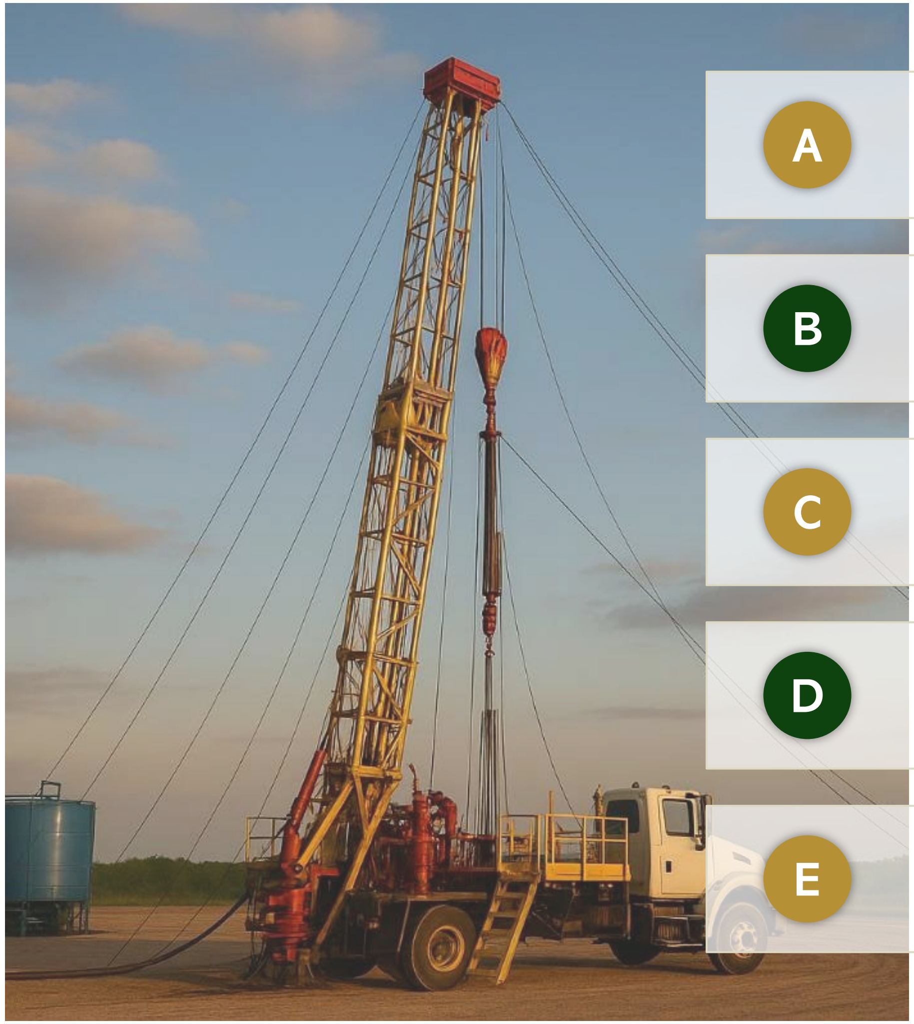
Culture Focused on Safety

0.00 LTIR (Q1 2026) (1)

c. **96%** lower than global onshore average

(1) LTIR is the lost time incident rate used to measure the number of workplace incidents or injuries that result in lost time

Attractive Financial Profile With Strong Cash Generation



A. *Largely derisked, contracted, growing and resilient top line supported by a strong backlog*

B. *Robust margins supported by a lean cost structure*

C. *Disciplined capital expenditure and working capital management*

D. *Efficient capital structure with opportunities for further optimization*

E. *Best-in-class returns, with further capability to deliver in the long term*

Source: Company Information

Operating in an Industry With Favorable Fundamentals and Strategically Positioned for Growth

Highest Reserve Life
Maintains an oil and gas reserve life of 276 years

Low Lifting Cost
Boasts a competitive lifting cost of $8.50 per barrel

Reduced Emissions
Achieves a minimal CO2 intensity of 8.5kg per barrel

Significant Barriers to Entry
Stringent regulatory and licensing requirements apply for Kuwait operations

Right Timing
- GCC NOCs have committed to substantial investment
- Strong local demand for drilling capacity today
- Kuwait's long-standing focus on expanding hydrocarbon production

Right Location
- Systemically critical for energy security-of-supply
- Resilient and growing drilling markets

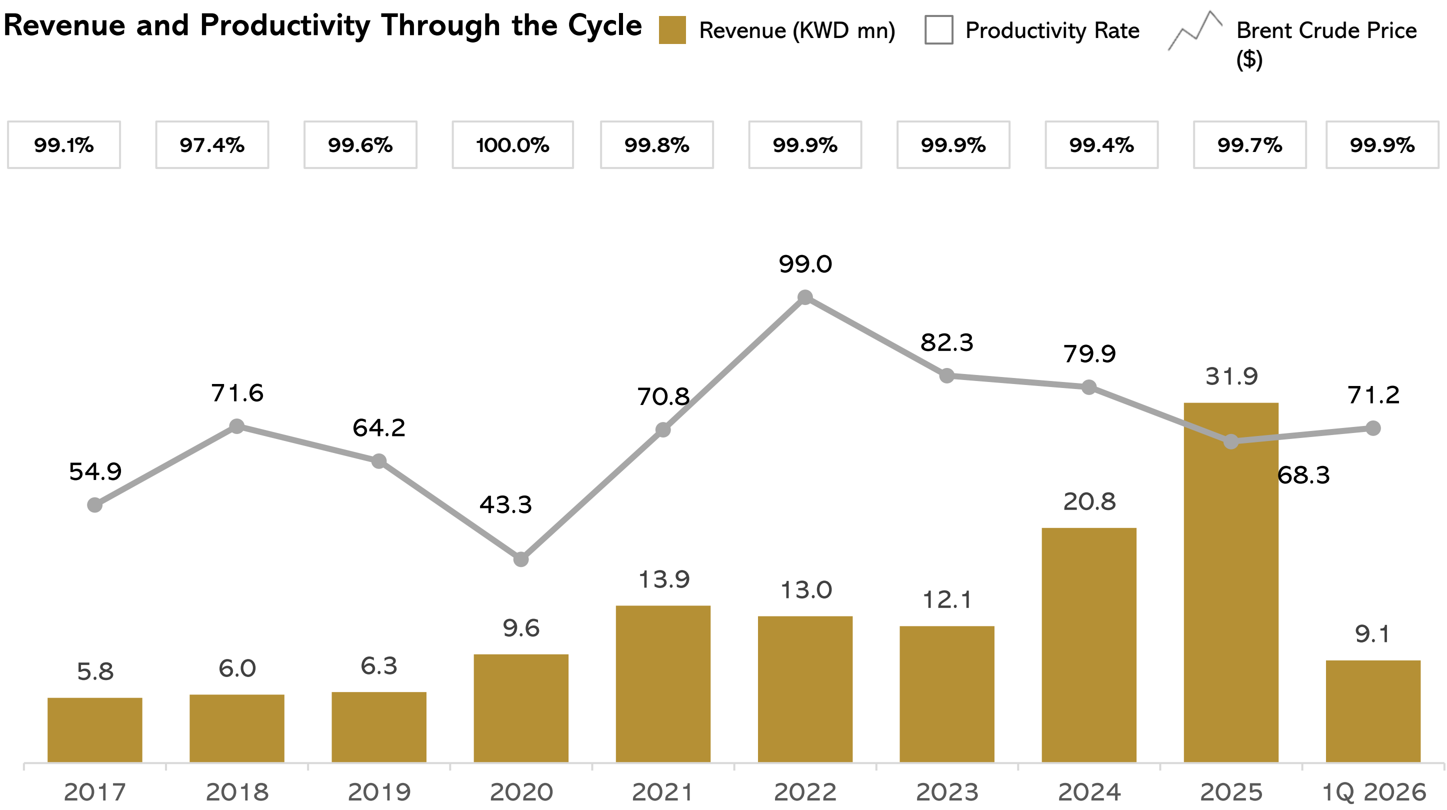
Right Assets
- Focus drilling segment accounts for over 69.1% of regional oil & gas production
- Awarded recurring tenders, highlighting strong compliance & expertise
- Youngest rig fleet in Kuwait, ensuring efficiency, mobility, and reliability

Right People
- Skilled, long-tenured team delivering consistent operational excellence
- Proven track record built on the commitment and expertise of AEC's people
- Robust management team with over a decade of sector experience

Resilient Business Model Proven Across Cycles

Track Record of Rapid Growth Throughout Market Cycles

Revenue and Productivity Through the Cycle



	Backlog (KWD mn)	EBITDA Margin (%)	Operational Rigs (#)
2022	131	70%	4
2023	119	59%	9
2024	184	49%	10
2025	321	51%	20
1Q 2026	358	50%	20
Δ 2022 – 1Q 2026	+ 227 KWD mn	NMF	+ 16 rigs

De-risked Growth with Long-Term Horizon
Customer base dominated by NOCs

Insulated from Energy Price Volatility
Competitive day rates

Low Costs
Lean operations & overhead; economies of scale

Source: Company Information

Full Spectrum Upstream Capabilities Supported By Strategic Partnerships

Action Energy operates across multiple stages of the oil & gas drilling value chain, with JV partners enabling expansion into specialized, high-value services

Oil & Gas Drilling Value Chain

1. **Exploration**
   - Exploration Studies & Licensing
   - Exploration Drilling
2. **Drilling & Well Construction**
   - **Rig Contracting & Mobilization**
   - **Well Design, Drilling & Evaluation**
3. **Completion & Production Start-Up**
   - Well Completion
   - Testing & Start-Up
4. **Production Operations**
   - **Production Optimization**
   - **Well Intervention & Workovers**
5. **Abandonment & Decommissioning**
   - Plugging Wells
   - Site Restoration

Strategic JV International Partners Enabling Expanded Capabilities

- **TRG** – Partner for the provision of ESP services
- **KCA Deutag** – AEC has leased out two 3000 HP rigs to KCAD
- **COSL** – Partner for provision of Wireline, Logging and Perforation Services
- **KERUI** – Partner for the provision of oil service workshop
- **Jereh** – Technical partner for Operational and Maintenance services
- **Expert Optima** – Partner for the provision of Slickline services
- **NaftoServ** Energy Services – Partner for the provision of Directional Drilling

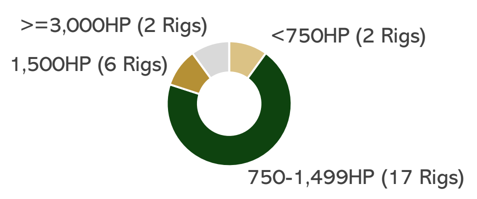
Action Energy operates across multiple stages of the oil & gas drilling value chain, with JV partners enabling expansion into specialized, high-value services

Source: Company Information

Young, Fit-for-purpose Fleet Driving Efficiency, Reliability, And Safety

State of the Art Rig Fleet…

Fleet Breakdown by Horsepower (HP)

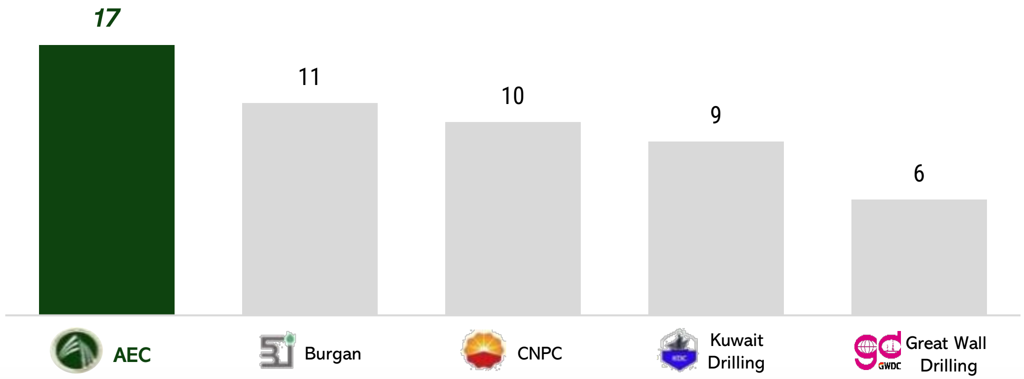


Operational Status

100%

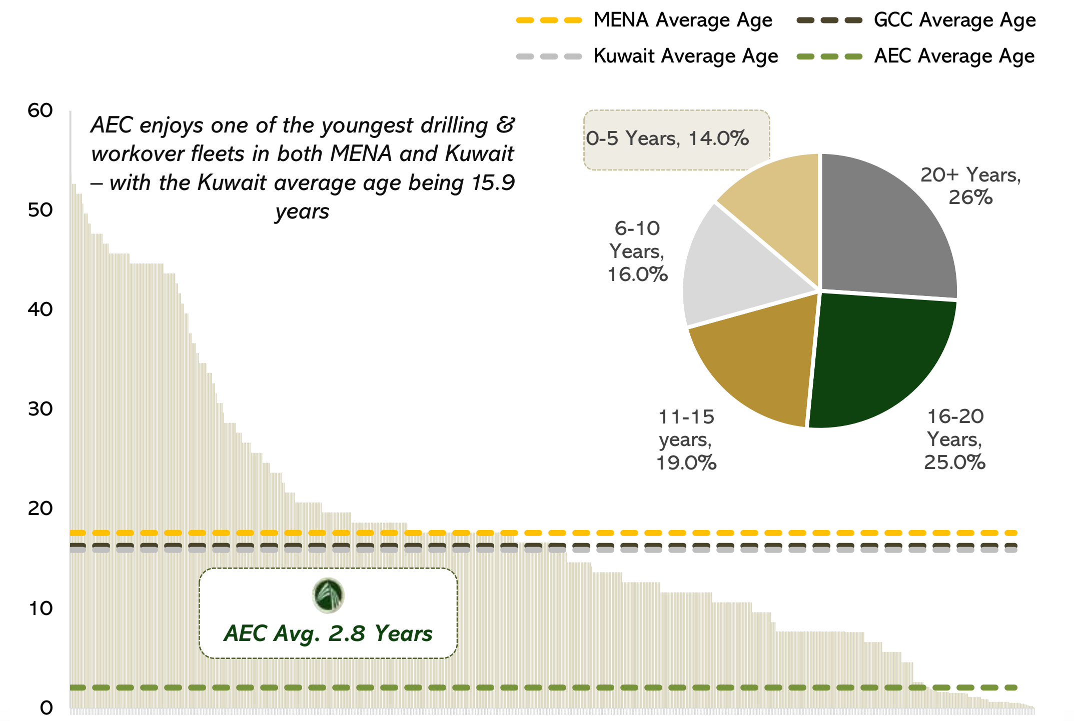
of AEC's rigs are currently contracted and fully operational

Top 5 Kuwait Players with Land Rigs between 750-1,499HP



…and the Youngest Fleet in the Region, Built for Efficiency, Safety, and Mobility

Drilling Rig Ages in MENA & GCC

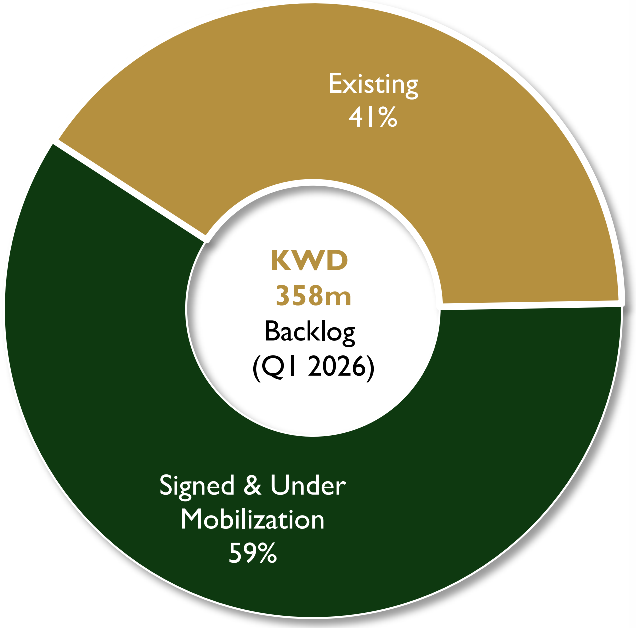


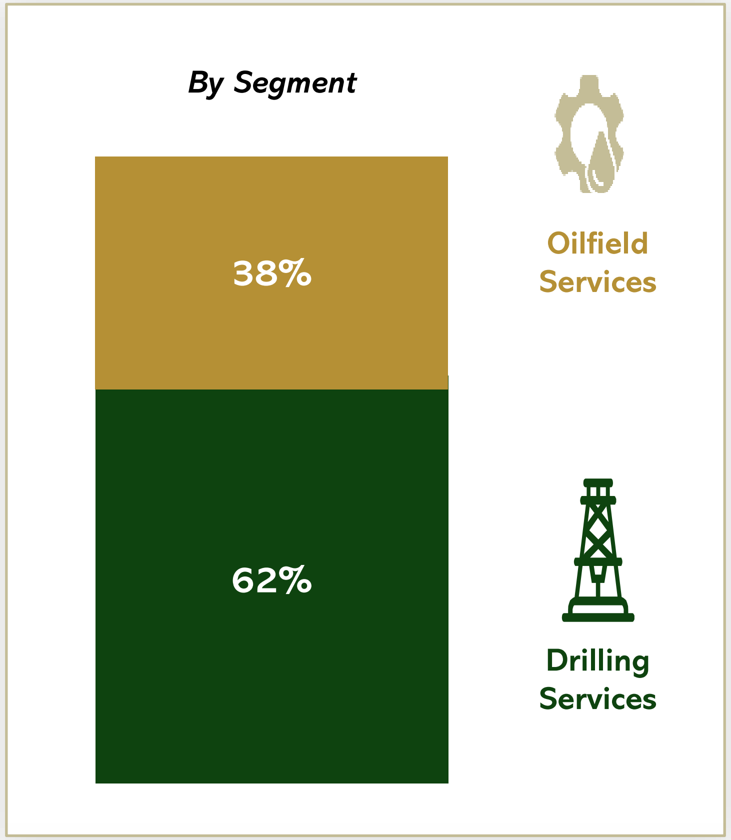
AEC's young and modern rigs combine efficiency and versatility, positioning the company to capture Kuwait's rising demand

Source: Company Information, Westwood Global Energy Group (August 2025)

Significant Backlog Providing Multi-year Revenue Stability

Significant Backlog and Attractive Contract Terms





5.2 Years

Weighted Average Residual Contract Life

5.4 Years

Average Contract Duration

+1-year renewal clauses in place, with AEC already re-tendered

KWD Denominated

95% of Backlog Revenue

Strong Customer Relationships

Longstanding and Collaborative Relationship with KOC

6.8x

Backlog / Net Debt (Q1 2026)

Significant KWD-Denominated Backlog with Long Contract Tenure Anchors Cash Flow Visibility and Strengthens Downside Protection

Source: Company Information

Seasoned Leadership Team and Institutionalized Governance

Executive Team

Tenure at AEC: *3 years*
Education: *Bachelor's of Business – Kuwait University*
Recent Experience:
- *Board Member of Qurain Petrochemical Industries Company from 2005 to 2009*
- *Board Member of Zumorrroda Leasing from 2006 to 2009*

Mr. Ahmed Al-Ajlan
Chief Executive Officer

Tenure at AEC: *5 years*
Education: *Masters in Mechanical Engineering from Moscow Technical State University*
Recent Experience:
- *Field Services Manager at Schlumberger from 2010 to 2020*

Mr. Ivan Chikunov
General Manager – Services & Business Dev

Tenure at AEC: *7 years*
Education: *University of Salford Manchester*
Recent Experience:
- *HRM at Gulf Drilling & Maintenance Co. from 2016 to 2019*
- *HR Team Lead at SGS from 2011 to 2016*

Mrs. Wafaa Al Shatti
General Manager – HR & Admin

Tenure at AEC: *9 years*
Education: *Rig Technician Level 3*
Recent Experience:
- *Drilling Superintendent at Grey Wolf Drilling from 2014 to 2015*
- *Operations Manager at Weatherford Drilling from 2007 to 2014*

Mr. Craig Rasmussen
General Manager – Drilling & Workover

Tenure at AEC: *8 years*
Education: *CA, Bachelor's Degree in Commerce*
Recent Experience:
- *Head of Finance at Hadi Hospital from 2015 till 2017*
- *Assurance Manager at E&Y from 2008 to 2014*

Mr. Jainuddin Jhabuawala
General Manager – Finance

Tenure at AEC: *9 years*
Education: *Bachelor's Degree in Mechanical Engineering – University of San Jose*
Recent Experience:
- *QHSE Manager at Eurasia Drilling from 2013 to 2015*
- *Senior QHSE Advisor at Dalma Gulf Drilling from 2008 to 2013*

Mr. Egbert Micame
Health, Safety, and Environment Manager

Seasoned Leadership Team and Institutionalized Governance, cont'd.

AEC is Compliant with CMA's Listing Requirements

- The Company's Board of Directors consists of 7 members, including 2 independent seats.
- Board committees established in line with CMA requirements, including the Risk & Audit Committee and the Nomination & Remuneration Committee.
- Governance framework enhanced through updated policies and procedures to ensure full compliance with CMA regulations.
- Organizational structure strengthened with a compliance function and an Investor Relations function in place, supported by the appointment of a dedicated Investor Relations Officer.

Board of Directors

- *Founding Chairman, Action Real Estate*
- *Founding Chairman of Action Hotels*
- *Board Member of Egypt Kuwait Holding*

Sheikh Mubarak Al-Sabah
Chairman

- *General Manager of Action Real Estate Company*
- *Vice Chairman of Action Hotels*

Eng. Rawaf Bourisli
Vice Chairman

- *Member of Arab Stock Market Union*
- *Board Member of Qurain Holding*

Mr. Ahmed Al-Ajlan
Board Member and CEO

- *CFO of Action Group Holdings from 2016 to 2023*
- *Group Financial Controller at M H Alshaya from 2006 to 2016*

Mr. Vikas Arora
Board Member

- *Partner at Soor Capital*
- *Previously VP of Investments at Gatehouse Capital*

Mr. Mohamed T Razouqi
Board Member

- *Key tenure at United Industries Company (KIPCO Group) from 2002 to 2013*
- *Held senior leadership roles at Al Ahlia Investment Group and others*

Mr. Essa Khaled Essa Al Saleh
Independent Member

- *Board Member of ACICO Industries & KNET*
- *Previously Group Chief of Retail & Private Banking at KFH and CEO – Wealth Management at BNP Paribas (Kuwait)*

Mr. Waleed Mandani
Independent Member

Source: Company Information.

Clear Strategy For Disciplined Growth and Shareholder Returns

Building Kuwait's Only Local Player Covering Drilling, Workover, and Oilfield Services

Built on Strong Foundations and Proven Track Record

1. *Entered market with 2 drilling rigs and 2 leased rigs through JV with Sun Drilling, securing contracts with KOC and KCAD*

\+

2. *Established credibility as Kuwait's only local drilling contractor, with shallow, medium, and deep drilling rigs*

=

- P — Global players partnered with AEC to enter Kuwait market
- P — Secured 1-year contract extensions twice

Local Champion Through Strategic Service Expansion and Strong Shareholder Backing

AEC's Strategic Offering Expansion

- P — Drilling Rigs
- P — Workover Rigs
- P — Oilfield Services

Expanded into workover and OFS, combining timely entry with proven know-how to capture fast-growing opportunities

Strong Shareholder Backing

مؤسسة الخليج للإستثمار Gulf Investment Corporation

Backed by GIC, enabling entry into high-value niche OFS segments

Anchored Leadership in Kuwait Through Proof of Concept

Positioning

Sole Kuwaiti player with proven Drilling, Workover, and OFS capabilities, validated by multiple contracts

Barriers

Prequalified for Drilling, Workover, and OFS, while new entrants face 5+ years to catch up

- P — ***Protected by new rules banning JVs in local tenders***
- P — ***Already prequalified across multiple drilling and oilfield services***
- P — ***Invested USD 1mn+ in policies and procedures to support independent operations and compliance***

Source: Company Information

Strategic Pillars of Growth

Sustain and Grow Market Leadership in Kuwait

Demand for onshore drilling underpinned by Kuwait Oil Company's long-term target to increase crude production capacity to 4.0 mmbpd (million barrels per day) by 2035 and expand free gas output.

With one of the youngest fleets in the country and a 94% success rate in drilling tenders to date, AEC is well-positioned to capture a share of this expansion.

The Company's strong track record, long-standing relationship with KOC, and fully pre-qualified rig
fleet support its ability to sustain and grow market share in its core domestic market.

Expand and Diversify Oilfield Services

The Company has already secured pre-qualifications and awards in areas such as electric submersible pumps (ESP), slickline, inspection, and once-through steam generator (OTSG) services, and continues to pursue additional service line pre-qualifications.

Strategic partnerships with global technology providers enable knowledge transfer, technical capability enhancement, and transition from JV-based participation to independent execution.

This diversification broadens AEC's role as a partner to KOC, deepens integration with the upstream value chain, and enhances resilience through recurring service revenues.

Pursue Regional Expansion and Selective M&A

AEC is evaluating opportunities to replicate its operating model across the GCC, where significant incremental demand for drilling and workover rigs is expected by 2030. Growth avenues include bidding independently using existing pre-qualifications, entering into JVs, & selectively acquiring local operators or service providers to accelerate entry into attractive markets.

Within Kuwait, bolt-on acquisitions in OFS segments such as well services, slickline, and production support are also being assessed to broaden technical expertise and strengthen AEC's long-term value proposition.

All expansion is guided by a disciplined capital allocation framework, maintaining conservative leverage and a focus on sustainable shareholder returns.

Embedded HSE Culture Aligned with International Standards and Industry Best Practice

AEC Has a High HSE Standard Allowing it to Maximize Efficiency and Reduce Risk

HSEQ a Key Pillar to AEC's Successful Business Model

Key Memberships & Accreditations

9-Year Free LTI Safety Award
Awarded to Rig SD-16 with KOC in 2026

2-Year Free LTI Safety Award
Awarded to Rigs SD-206, SD-205, SD-204, SD-203, SD-202, & SD-201 with KOC in 2026

1-Year Free LTI Safety Award
Awarded to Rigs AEC-253, AEC-254, SD-207, SD-208, SD-215, SD-216, SD-217, SD-218, SD-219, SD-220 & SD-15 with KOC in 2026

Safety Metrics

	2022A	2023A	2024A	2025A	Q1 2026
LTIR(1)	0.00	0.00	0.09	0.00	0.00
TRIR(2)	0.00	0.00	0.18	0.09	0.09
RTAF(3)	0.00	0.00	0.00	0.45	0.47
Employee Fatalities	0.00	0.00	0.00	0.00	0.00

HSE Standards on par with global standards

Strong HSE track record gives edge when tendering

CERTIFIED ISO 45001 CERTIFIED

CERTIFIED ISO 9001 CERTIFIED

CERTIFIED ISO 14001 CERTIFIED

Source: Company Information
Notes: (1) Lost-Time Incident Rate, (2) Total Recordable Incident Rate, (3) Road Traffic Accident Rate

Financial Review

Key Financial Highlights

Revenue

KWD **9.1** mn

▲ +69%

YoY

EBITDA

KWD **4.6** mn

▲ +54%

YoY

Net Profit

KWD **2.2** mn

▲ +150%

YoY

Backlog

KWD **358** mn

▲ +101%

YoY

Net Debt to Equity

0.61x

▼ Dec 2025: 0.55x

Op. Cash Flow

KWD **2.2** mn

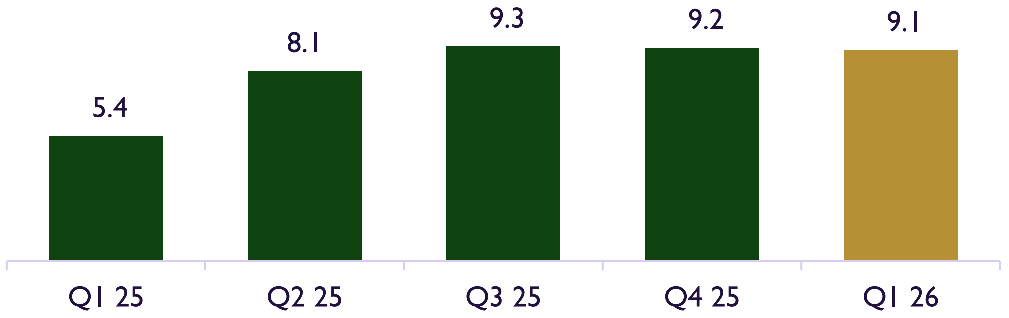
▲ +179%

YoY

Revenue & Backlog

Revenue

(KWD millions)

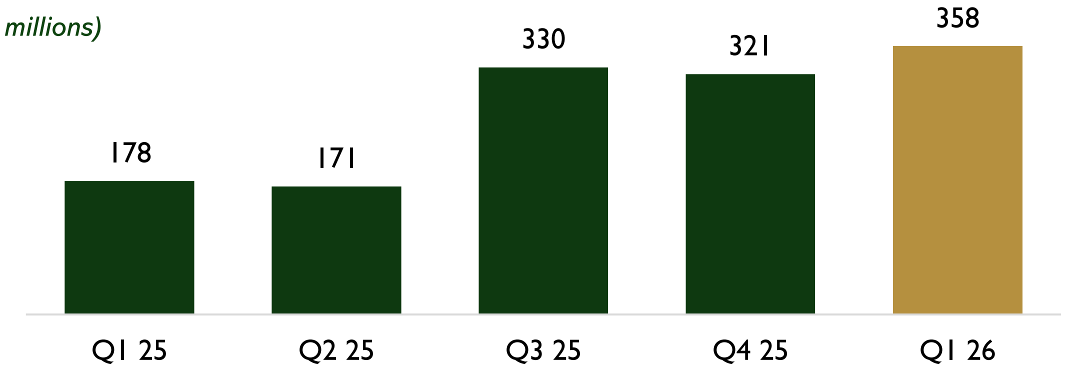


Highlights

- Revenue grew by 69% to KWD 9.1 million in Q1 2026, driven by the expansion of the rig fleet and higher operational efficiency.
- As of Q1 2026, the Company operated 20 rigs, including 10 newly commissioned units that were fully active throughout the quarter, resulting in a significant increase in activity levels and revenue generation.
- Backlog increased 101% YoY, providing high earnings visibility and cash flow certainty. At the same time, disciplined execution and sustained operational excellence continued to strengthen client confidence and support long-term growth potential.

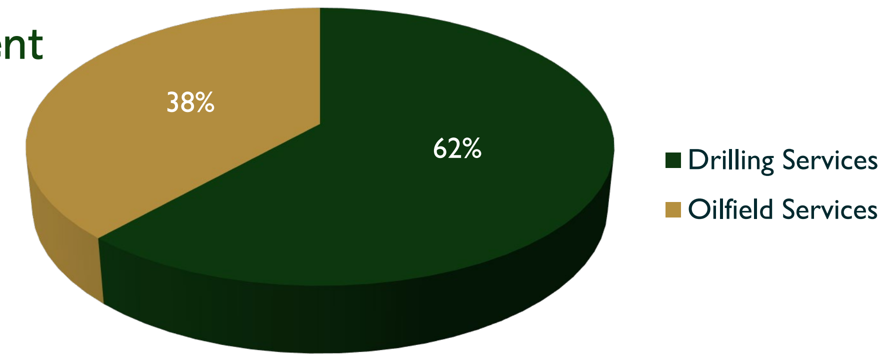
Backlog Evolution

(KWD millions)



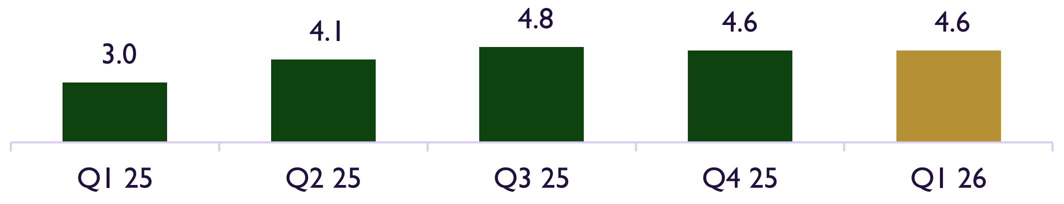
Backlog By Segment

(%)



Financial Performance

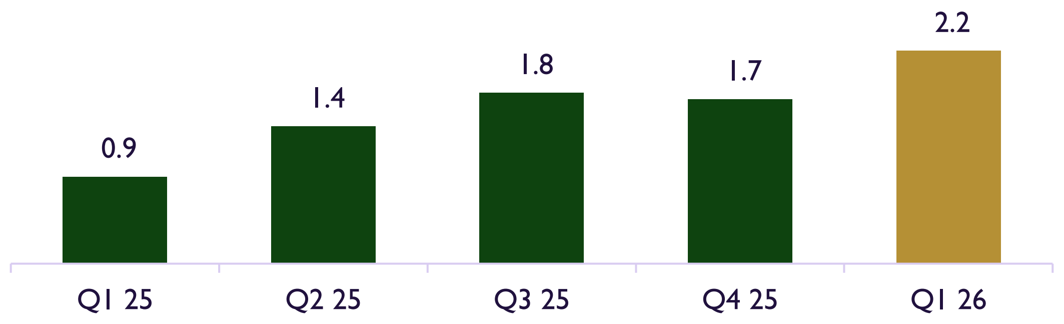
EBITDA
(KWD millions)



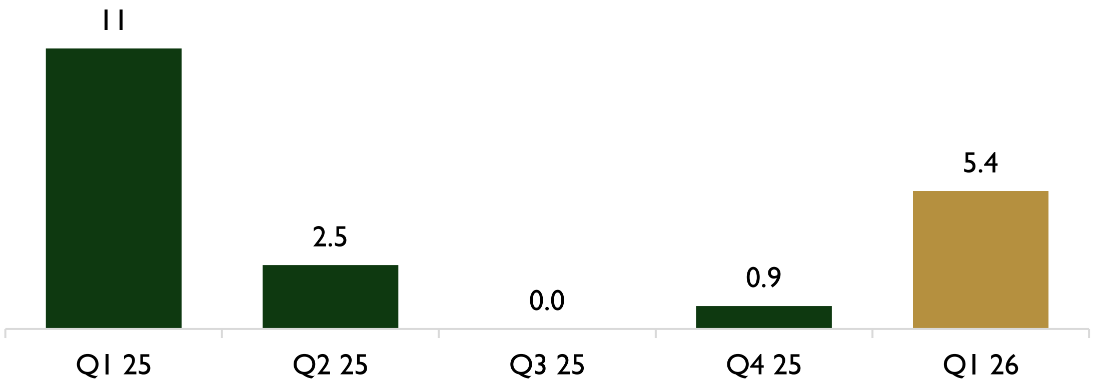
Highlights

- G&A expenses increased 89% YoY to KWD 0.6 million, due to higher staffing, and mobilization costs associated with managing a larger fleet.
- Lower capitalization of costs in Q1 2026 resulted in more expenses being recognized through the income statement.
- EBITDA was up 54% YoY, while EBITDA margin declined 510 bps to 50.2%, as a result of a shift in revenue mix, with lower contribution from rig lease revenue.
- Capex decreased substantially to KWD 5.4 million, due to a change in the type and timeline of projects.

Net Profit
(KWD millions)

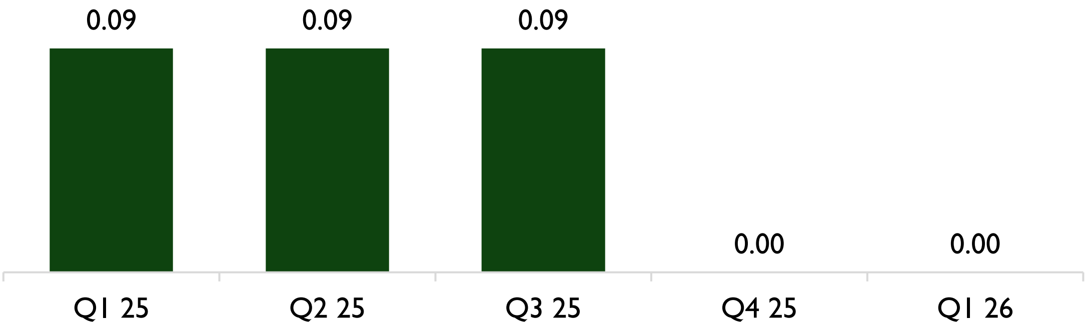


Capex
(KWD millions)

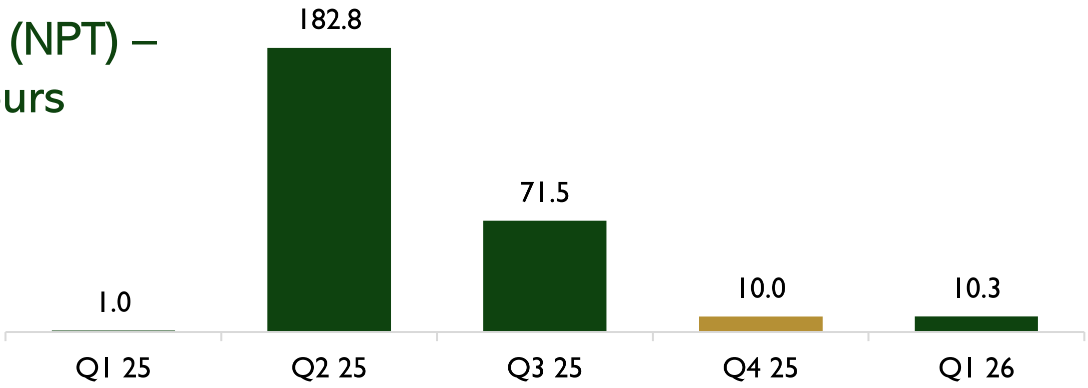


Key Operational Highlights

Lost Time Incident Rate (LTIR)



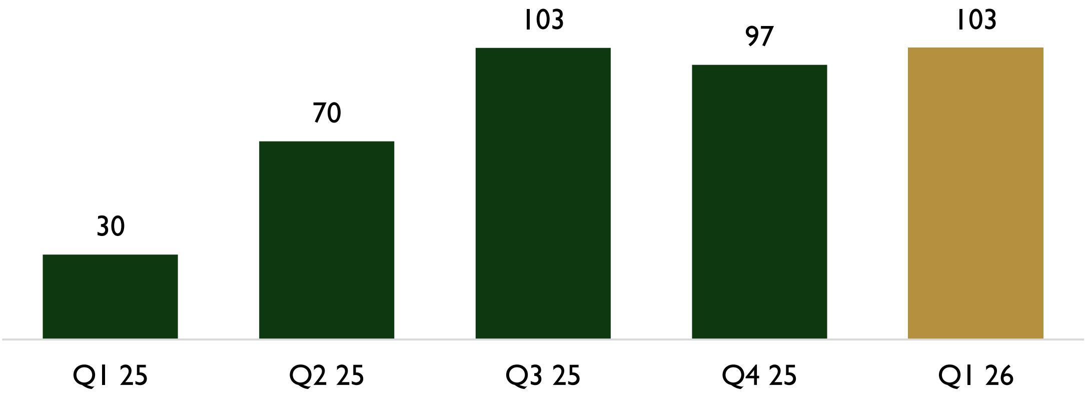
Non-Productive Time (NPT) – in hours



Highlights

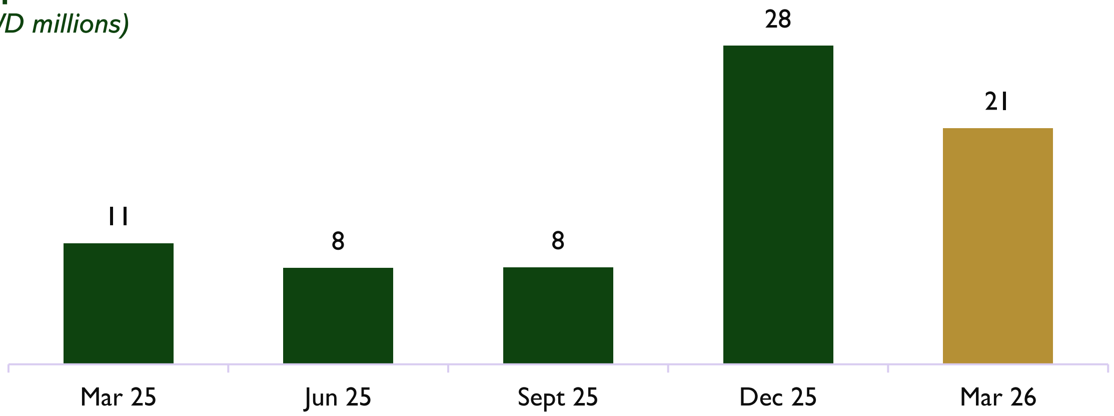
- Operational safety and reliability continue to be key areas of focus for Action Energy, with zero LTIR recorded in Q1 2026 and structurally low Non-Productive Time, underscoring the effectiveness of the company's HSE framework and disciplined execution.
- Robust operational efficiency across the fleet, enabling high utilization, seamless rig movements, and minimized downtime, as activity levels increase, thus reinforcing AEC's positioning in the market.

Rig Moves

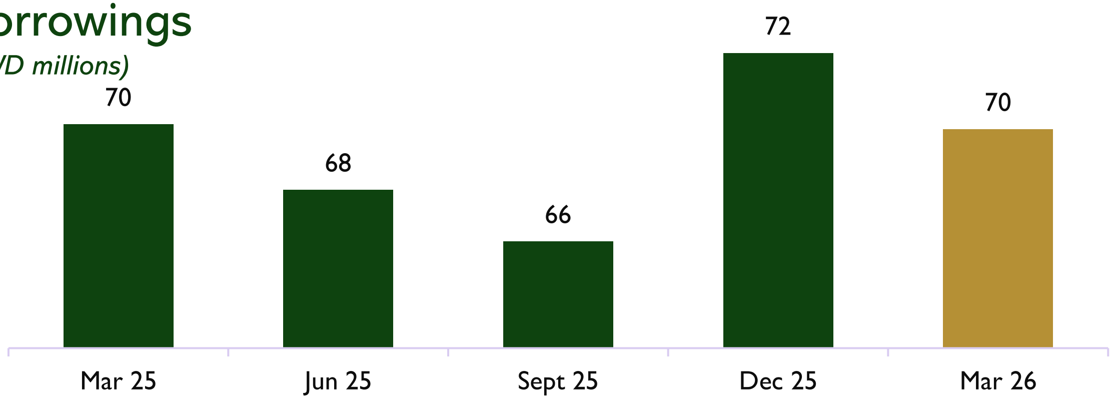


Balance Sheet Position

Cash & Equivalents
(KWD millions)



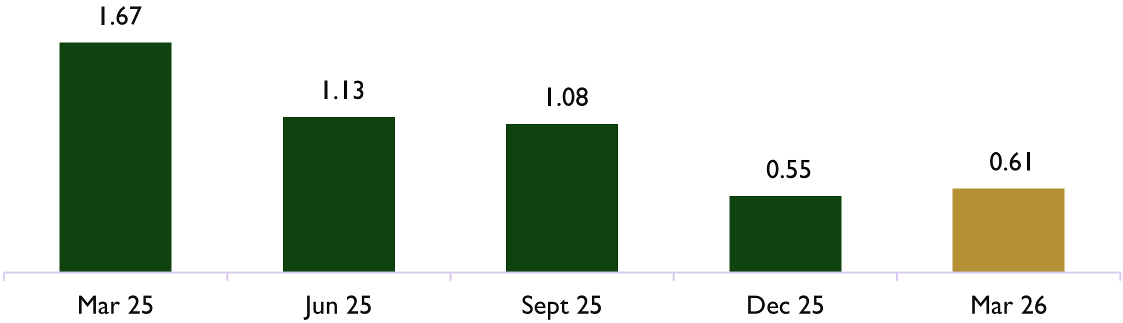
Long Term Borrowings
(KWD millions)



Highlights

- Strong liquidity position, with KWD 21 million in cash, providing substantial headroom to fund growth, enhance resilience, and execute strategic initiatives.
- Material balance-sheet deleveraging, with net debt-to-equity reduced to 0.61x, underscoring disciplined capital management and a significantly strengthened financial profile.
- Optimally positioned for the next phase of growth, combining robust cash reserves with stable long-term borrowings, to support fleet expansion and diversification into oilfield services.

Net Debt/Equity
(times)



Concluding Remarks

THANK YOU

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الشركة العملية للطاقة (ش.م.ك.ع)

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