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ADES International Holding  
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## ADES acquires 31 onshore drilling rigs in Kuwait, Saudi Arabia, Algeria

**(London & Dubai, 11 July 2018)** ADES International Holding Ltd. ("ADES" or the "Company") (LON: ADES), the London-listed company providing offshore and onshore oil and gas drilling and production services in the Middle East and Africa through its subsidiaries, is pleased to announce that it has signed a definitive agreement with Weatherford International plc ("Weatherford") for the acquisition of thirty-one onshore drilling rigs (the "Transaction") for a purchase price of c.US\$ 287.5 million, in line with its strategy to strengthen its onshore capabilities.

The Transaction will be financed through a combination of cash and secured debt instruments, and is expected to close in the second half of 2018, subject to customary closing conditions agreed upon in the agreement.

As part of the Transaction, ADES will acquire Weatherford's onshore drilling operations, including their associated assets, contracts, management systems and approximately 2,300 employees and contract personnel spread across Algeria, Kuwait and Saudi Arabia, where Weatherford has built a substantial presence and track record that will enable ADES to expand its presence across attractive pre-selected markets within the Middle East and Africa, consistent with its strategy.

The acquired assets consist of twelve rigs in Kuwait, eleven rigs in Saudi Arabia, six rigs in Algeria and two rigs in Southern Iraq. Twenty of the acquired 31 rigs are currently operational and the remaining eleven will be used in tendering activities and for strategic inventory purposes that will enable ADES to continue to grow in these attractive markets within the Middle East and Africa. Upon completion of the Transaction, the rigs are expected to generate an annual revenue of US\$150 million, while allowing the group to utilise its focused business model and leverage its economies of scale in existing markets. The acquired contracted rigs add an estimated cumulative backlog of US\$750 million, with a weighted average contract tenor of 4.5 years.

The Transaction brings the number of ADES' onshore rigs in MENA to thirty-four, significantly increasing its onshore capabilities and cementing the group's position as a major drilling contractor for both onshore and offshore markets in the region.

Commenting on the transaction, Dr. Mohamed Farouk, Chief Executive Officer of ADES International Holding, said: "We are truly delighted to have signed this agreement with Weatherford, where its reputation as one of the world's largest oilfield service companies and its deep-rooted knowledge and experienced professionals in over 90 countries guarantees that this substantial asset and personnel addition will be a net positive for ADES. This landmark transaction significantly expands ADES' total fleet and more than doubles its operational fleet, in line with our strategy of executing smart acquisitions, alongside building our backlog and participation in tenders. Similar to our prior acquisitions, ADES is

committed to the swift value extraction of its acquired assets utilising the Company's focused business model.

"The new assets under ADES' umbrella reinforce its position in the Saudi Arabian and Algerian markets and mark the expansion of its regional footprint into Kuwait and Southern Iraq. The acquisition of onshore drilling operations in Kuwait will now allow ADES to identify new opportunities and actively participate in tenders in this strategic market."

"We are pleased to have signed an agreement with ADES, a company that is known for providing high quality and efficient services with an extensive track record of serving leading regional and global oil and gas customers," said Mr. Mark McCollum, President and Chief Executive Officer of Weatherford. "ADES is acquiring an efficient fleet of land drilling rigs and a dedicated workforce with more than 60 years of experience in delivering drilling efficiency, operational excellence, and first-class safety. It was very important to us to find a buyer who will continue to provide the same level of service quality, safety and dedication to our customers in this region."

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## Enquiries

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## NOTES TO EDITORS

### About ADES International Holding

ADES International Holding extends oil and gas drilling and production services through its subsidiaries and is a leading service provider in the Middle East and Africa, offering onshore contract drilling as well as workover and production services. Its over 1,200 employees serve clients including major national oil companies ("NOCs") such as Saudi Aramco and Sonatrach as well as joint ventures of NOCs with global majors including BP and Eni. While maintaining a superior health, safety and environmental record, the Group currently has a fleet of thirteen jack-up offshore drilling rigs, three onshore drilling rigs, a jack-up barge, and a mobile offshore production unit ("MOPU"), which includes a floating storage and offloading unit. For more information, visit [investors.adihgroup.com](http://investors.adihgroup.com).

### About Weatherford International plc

Weatherford is one of the largest multinational oilfield service companies providing innovative solutions, technology and services to the oil and gas industry. The Company operates in over 90 countries and has a network of approximately 780 locations, including manufacturing, service, research and development, and training facilities and employs approximately 28,700 people. For more information, visit [www.weatherford.com](http://www.weatherford.com).

## Forward-looking statements

Certain statements contained in this announcement, including any information as to the Group's strategy, plans or future financial or operating performance constitute "forward looking statements". These forward-looking statements can be identified by the use of forward looking terminology, including the terms "believes", "estimates", "anticipates", "projects", "expects", "intends", "aims", "plans", "predicts", "may", "will", "seeks" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include statements regarding the intentions, beliefs or current expectations of the Directors of the Company concerning, amongst other things, the Group's results of operations, financial condition and performance, prospects, growth and strategies and the industry in which the Group operates.

By their nature, forward looking statements address matters that involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward looking statements are not guarantees of future performance and the Group's actual results of operations and financial condition, and the development of the business sector in which the Group operates, may differ materially from those suggested by the forward-looking statements contained in this announcement. In addition, even if the Group's results of operations and financial condition, and the development of the industry in which the Group operates, are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods.

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