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ADES International Holding

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## ADES Extends Three Major Contracts in the Gulf of Suez

**(London & Dubai, 11 January 2018)** ADES International Holding Ltd. (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, has successfully extended two existing contracts for Admarine II, Admarine IV and renewed its lease for Admarine VI, all of which are in the Gulf of Suez area.

The extension of the Admarine II and Admarine IV contracts are broadly in line with historical rates and serve as a prelude to finalising their renewals. Meanwhile, the renewal of the Admarine VI lease will secure multi-million dollar revenue streams for ADES for the next two years.

The Gulf of Suez Petroleum Company (GUPCO), a joint venture between BP PLC and the Egyptian General Petroleum Company (EGPC), has extended its existing contract for ADES' Admarine II jack-up barge, which expired in December 2017, for another three months. Admarine II was acquired by ADES in 2004 and has been leased to GUPCO since September 2012. The extension is intended to cover the period during which a fifth consecutive contract renewal term for Admarine II with GUPCO is finalised.

GUPCO also extended its existing contract for ADES' jack-up rig, Admarine IV, which expired in December 2017, for a further six months. Admarine IV was acquired by ADES in 2013 and has been leased to GUPCO since January 2014 for drilling in the Gulf of Suez. ADES expects to sign a fifth consecutive lease agreement with GUPCO for Admarine IV in the coming months.

Finally, ADES has also successfully renewed its existing contract for its Admarine VI jack-up rig with the General Petroleum Company (GPC), the first national oil company in Egypt. Originally due to expire in March 2018, the contract has been renewed for two years and marks GPC's third consecutive renewal for Admarine VI since the company first began leasing the rig in April 2015.

**Commenting on the contract awards, Dr. Mohamed Farouk, Chief Executive Officer of ADES International Holding, said:**

"Our ability to successfully extend and renew existing contracts with high-profile clients underlines the superiority of ADES' services and its exemplary safety record. Securing these new awards is directly in line with our growth strategy and allows us to deliver on one of our primary pillars, namely the continued build-up of our backlog."

"The renewals are also another vote of confidence for ADES at an opportune moment when the Egyptian government has announced plans to open up new areas for oil exploration in the Red Sea. ADES hopes to leverage its position as a leading oil and gas services provider in Egypt to maintain existing relationships as well as develop new ones and scale-up operations in its home country's ever-expanding oil and gas industry."

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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 in Egypt, Algeria and Saudi Arabia. The company is pre-qualified in markets including Egypt, Saudi Arabia, Algeria, India, Mexico and the Saudi-Kuwaiti Neutral Zone. 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 nine 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.

The Group is the largest offshore drilling operator in Egypt by number of rigs. [investors.adihgroup.com/](http://investors.adihgroup.com/)

### About Gulf of Suez Petroleum Company (GUPCO)

Gulf of Suez Petroleum Company (GUPCO), through its subsidiaries, provides oil and gas exploration, refining, and production services throughout the Gulf of Suez. GUPCO was formed as a joint-venture between the British Petroleum (BP) and the Egyptian General Petroleum Company (EGPC). The

company has reserves of more than 345 million barrels of crude oil and 771 billion cubic feet (bcf) of natural gas as of August 2017.

## **About General Petroleum Company (GPC)**

Egyptian General Petroleum Corporation, through its subsidiaries, provides oil and gas exploration, refining, and production services. The company, formerly known as General Petroleum Authority was founded in 1956 and is based in Cairo, Egypt. GPC operates across 28 oil and gas concessions with combined area of more than 18 thousand square kilometres across major hydrocarbon basis in the Eastern Desert, Gulf of Suez, Western Desert and Sinai.

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