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## ADES completes the acquisition of three operational offshore jack-up rigs from Nabors in the Arabian Gulf

**(London & Dubai, 13 June 2018)** ADES International Holding Ltd. ("ADES" or the "Group") (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, following its initial announcement in December 2017, the Group has completed the acquisition of three operating offshore jack-up rigs in the Arabian Gulf from subsidiaries of Nabors Industries Ltd ("Nabors") (NYSE: NBR) (the "Transaction").

### Transaction Highlights

- The Transaction was completed for a total purchase price of US\$83 million, payable in a combination of cash and ADES shares.
- Consideration for the Transaction includes a cash payment equivalent to 75% of the total Transaction value and the remaining 25% paid in the form of newly issued shares of ADES ("Consideration Shares"), approved by shareholders at the ADES EGM on 18 March 2018.
- The acquisition is expected to add approximately US\$60 million annually to ADES' revenue, while maintaining the Group's margins.

The acquisition closed on 12 June 2018, following the fulfilment of the Conditions Precedent agreed upon in the Purchase and Sale Agreement (PSA), which included the renewal of two of the rigs' expired drilling contracts. The rigs are currently contracted by a major national oil company in the Arabian Gulf and are expected to add approximately US\$140 million to ADES' backlog, while enabling the Group to capitalise on its existing presence in the region.

The acquired rigs have been renamed to Admarine 655, Admarine 656 and Admarine 657. Admarine 655 is currently undergoing an ABS recertification process in the shipyard, while Admarine 656 and Admarine 657 will generate revenue immediately, with their material impact expected to be weighted towards 2H2018 earnings.

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

"This Transaction adds three offshore drilling rigs to our existing fleet, thereby enhancing our position in our core business and reflecting our continued commitment to the Arabian Gulf's offshore shallow water drilling market. The acquisition brings our jack-up offshore drilling rigs to thirteen, making us one of the

main players in the MENA region.

"The Transaction will have a positive impact on our 2H2018 revenues and ADES' cash flow-generating ability, and we look forward to expanding further across the GCC markets through new value-accretive acquisitions and tenders."

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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.

[investors.adihgroup.com](http://investors.adihgroup.com)

### About Nabors Industries

Nabors Industries (NYSE: NBR) owns and operates one of the world's largest land-based drilling rig fleets and is a provider of offshore platform rigs in the United States and numerous international markets. Nabors also provides directional drilling services, performance tools, and innovative technologies for its own rig fleet and those of third parties. Leveraging advanced drilling automation capabilities, Nabors' highly skilled workforce continues to set new standards for operational excellence and transform our industry.

[investor.Nabors.com](http://investor.Nabors.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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