

ADES expands its global footprint into the 8th country of operations with the first long-term contract in Indonesia and solidifies its presence in Algeria

Al-Khobar, KSA - 21 November 2023: ADES Holding Company (“**ADES**”, the “**Group**” or the “**Company**”), a world leading oil and gas drilling services provider, announced its expansion into Southeast Asia with the award of a long-term contract (LOA) with Pertamina Drilling Services Indonesia (“PDSI”) to operate its existing jackup drilling rig “Emerald Driller” in the Java Sea, Indonesia for Pertamina in Region 2. Additionally, the Company further solidifies its presence in Algeria following an award of two long term contracts (LOA) by Sonatrach for two of its existing onshore rigs.

Key Highlights of the awards

- The Group has been awarded a jackup contract in Indonesia, extending its footprint into the 8th country of operations. The contract comprises a 3-year firm period and a 2-year option. The work is expected to commence during the 2nd half of 2024 utilizing the existing jackup drilling unit, “Emerald Driller”, which will move to Indonesia immediately after concluding its contract in Qatar.
- ADES further solidified its presence in Algeria by securing a 5-year contract for 2 of its existing onshore rigs, namely “ADES 810” and “ADES 815” which are currently working in Egypt and expected to commence operations with Sonatrach in Algeria during 2H 2024.
- Total backlog additions from the three (3) newly awarded contracts exceed SAR 1.098 billion (USD 293 million)
- In line with guidance provided to market regarding future potential renewals and contract extensions in today’s market environment, the award in Indonesia comes at a higher daily rate compared to our current average Jackup daily rates (high double-digit increase).

Dr. Mohamed Farouk, CEO of ADES Holding said, “*We are pleased with the opportunity to enter the Indonesian market, through our strategic partnership with Pertamina Drilling Services Indonesia (PDSI) who is a leading drilling contractor in Southeast Asia to provide our best-in-class drilling service to Pertamina in Region 2. With this award, ADES extends its geographical footprint to a very promising and demanding market, namely Indonesia and Southeast Asia, a step that paves the way & unlocks real potential for sustainable growth in this part of the world. Such geographic expansion, along with the recent awards in Algeria, underpins the Group’s continuous focus on backlog replenishment through long-term contracts, offering robust cashflow visibility, and is a testament to the Group’s strategy to tap into diversified and value-accretive markets, seizing growth prospects while maintaining our operational excellence and commitment to safety.*”

About ADES Holding

ADES Holding Company, headquartered in Al Khobar in the Kingdom of Saudi Arabia, is a leading oil and gas drilling and production services provider in the MENA region and India. The Company has over 7,500 employees and a fleet of 87 rigs across seven countries in the MENA region and India, including 38 onshore drilling rigs, 46 jackup offshore drilling rigs, two jackup barges, and one mobile offshore production unit ("MOPU").

For more information, visit <https://investors.adessgroup.com/>

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