



ADES International Holding plc declares cash offer by Innovative Energy Holding Ltd unconditional

- *The offer from Innovative Energy to purchase ADES International has been declared unconditional*
- *Innovative Energy has acquired or contracted to acquire 98.6% of ADES International and is commencing the compulsory acquisition process to acquire the remainder of the ADES Shares*
- *The transaction will result in significant expansion of operations in Saudi Arabia for ADES International*

(London & Dubai, Riyadh, 22 April 2021) ADES International Holding plc (“ADES International” or the “Company”), a leading oil and gas drilling and production services provider in the Middle East and North Africa, is pleased to announce that the recommended offer by Innovative Energy Holding Ltd (“Innovative Energy”) has now been declared unconditional in all respects, as detailed in the RNS announcement dated 21 April 2021.

Innovative Energy is a newly established company that is jointly owned by the Public Investment Fund (“PIF”) - the sovereign wealth fund of Saudi Arabia, which will hold a 32.5% stake in Innovative Energy, Zamil Group Investment Co. (“Zamil Investments”) which was an existing investor in the Company and will hold 10% of Innovative Energy, and ADES Investments Holding Ltd with a majority ownership of 57.5% in Innovative Energy, in each case following completion of the acquisition of all ADES Shares.

As set out in the offer document published by Innovative Energy on 11 March 2021 (the “Offer Document”), now that the Offer has become unconditional in all respects, Innovative Energy intends to procure that ADES International will make applications to the Financial Conduct Authority (the “FCA”) for the cancellation of the listing of the ADES Shares from the Standard Segment of the Official List and to London Stock Exchange plc (the “London Stock Exchange”) for the cancellation of the admission to trading of the ADES Shares on the London Stock Exchange’s Main Market for listed securities. The cancellation of listing and admission to trading is anticipated to take effect approximately 20 business days after the date of the RNS announcement issued on 21 April. Furthermore, Innovative Energy intends to exercise its rights pursuant to Article 98 of the DIFC Companies Law to acquire compulsorily the remaining ADES Shares in respect of which it has not received acceptances of the Offer on the same terms as the Offer.

Commenting on the Offer becoming unconditional, Dr. Mohamed Farouk, Chief Executive Officer of ADES International said: “We’re delighted to have declared this offer unconditional and to be partnering with PIF, a strategic partnership with one of the world’s largest sovereign wealth funds, that believes in ADES International’s ability to generate long-term sustainable value. PIF’s investment in ADES International is a vote of confidence in our Company and a testament to management’s success in executing its strategy, even during the challenging last twelve months, and ability to deliver on our long-term growth plans.

At the time of our IPO on the London Stock Exchange in 2017, our target was to access a larger pool of investors to raise capital and seize attractive market opportunities while growing the business through the acquisition and refurbishment of rigs and other assets. Over the last four years we have delivered on this strategy and transformed ADES International from a local, offshore-focused driller in Egypt, to a regional champion with a significant asset base across both the on- and offshore segments. We are thus pleased to have provided our shareholders with the opportunity to capitalise on this success through a significant liquidity event, realising an attractive cash premium for their shares.

Going forward, ADES International will continue to focus on providing quality, innovative services to our clients and leveraging our existing asset base to capture new business as a private company that is able to benefit from a longer-term



approach to strategy and decision making. In addition, as part of the wider vision of the Company, the operational headquarters of the ADES International group will be relocated to the Kingdom of Saudi Arabia. ADES International will also have greater flexibility to pursue strategic opportunities, including in relation to capital allocation and financing.”

Commenting on the announcement, Yazeed Alhumied, PIF Head of Local Holdings Investments Division said: The Public Investment Fund is delighted to have declared the offer for ADES International unconditional, as we continue to support Saudi Arabia’s private sector. ADES International is a leading regional oil and gas drilling services provider and we are pleased to be its partner of choice. This important move aligns closely with PIF’s strategic objective to build partnerships and localize knowledge as outlined in the PIF Program 2021-2025. The partnership will create a national champion in Saudi Arabia in a critical part of the upstream value chain. Alongside the creation of significant employment opportunities in the Kingdom, this will help localize best-in-class practice and lead to the important knowledge transfer of fuel usage reduction technologies which can deliver both cost savings and environmental benefits.”

Zamil Group Chief Executive Officer, Mr. Adib AlZamil, said: "Zamil Investments Co is pleased to partner with The Public Investment Fund and ADES International. As 'Partners in Nation Building,' we are excited about this strong partnership which will further support private sector growth through the localizing of knowledge and technology solutions in the upstream space. This deal will see the development of a company that will be an integral part of the oil & gas and hydrocarbon value chain, add immense economic and intellectual value to the Saudi market, and create job opportunities for Saudis in this vital sector."

Further to ADES International's announcement on 12 April 2021 of the satisfaction of conditions relating to the Saudi General Authority for Competition and shareholder approval of the Disapplication Resolution (as defined in the Offer Document), the Offer has now become unconditional in all respects. The offer price of US\$ 12.50 per share in cash for each ADES Share values the existing issued share capital (excluding Treasury Shares) of ADES International at approximately US\$ 516 million.

—Ends—

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NOTES TO EDITORS

About the Public Investment Fund

The Public Investment Fund is one of the largest and most impactful sovereign wealth funds in the world, driving the economic transformation of Saudi Arabia for the benefit of its people while helping shape the future global economy. PIF is building a world-class portfolio through investments in attractive, long-term opportunities across diverse industries and asset classes internationally, while unlocking new sectors at home. PIF works alongside global strategic partners and renowned investment managers, and acts as the Kingdom of Saudi Arabia’s primary investment arm aiming toward generating long-term value for the Kingdom of Saudi Arabia in line with Vision 2030.

More information can be found at www.pif.gov.sa

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About Zamil Group Investment Co.



Zamil Group Investment Co. is the investment arm of Zamil Group, a family-owned holding company founded in 1920 and headquartered in Saudi Arabia. Zamil Group has built a diversified investment portfolio across various industry sectors operating businesses in building materials, manufacturing, ship building and offshore operations, petrochemicals, trade and services, real estate, and investments. With the motto 'Partners in Nation Building', Zamil Group remains dedicated to adding value to all its stakeholders as a proud and responsible corporate citizen.

About ADES International Holding plc

ADES International Holding plc extends oil and gas drilling and production services through its subsidiaries and is a leading service provider in the Middle East and North Africa, offering onshore and offshore contract drilling as well as workover and production services. Its c.3,500 employees serve clients including major national oil companies ("NOCs") such as Saudi Aramco and Kuwait Oil Company 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 thirty-six onshore drilling rigs, thirteen jack-up offshore 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.