



September 08, 2021

ADNOC and Helmerich & Payne Form Strategic Alliance; Helmerich & Payne Makes Cornerstone Investment in ADNOC Drilling IPO

- ADNOC Drilling will acquire eight world-class land rigs from Helmerich & Payne as part of the strategic alliance
- Helmerich & Payne will make a cornerstone investment in ADNOC Drilling's upcoming Initial Public Offering as it seeks to grow in the region
- Strategic alliance and cornerstone investment demonstrates confidence in ADNOC Drilling's unique market offering as ADNOC continues to enhance performance and maximize value

TULSA, Oklahoma, – September 08, 2021 (Business Wire) – The Abu Dhabi National Oil Company ("ADNOC") and its subsidiary ADNOC Drilling Company ("ADNOC Drilling") and Helmerich & Payne, Inc. (NYSE: HP) ("H&P"), a global leader in rig technologies and drilling solutions, jointly announced today a strategic alliance, that will see ADNOC Drilling acquire eight FlexRig® land rigs from H&P for \$86.5 million. Following this transaction, H&P will make a \$100 million cornerstone investment into ADNOC Drilling's recently announced Initial Public Offering ("IPO").

The strategic alliance and rig acquisition will support ADNOC's target of reaching 5 million barrels per day (mbpd) production capacity and gas self-sufficiency for the UAE by 2030, along with plans to unlock its unconventional oil and gas resources. These agreements will further drive ADNOC Drilling's growth and expansion as well as enhance its rig-based operational performance by providing access to the world-class H&P FlexRig® land rig fleet and leveraging H&P's expertise and technologies. In addition, the alliance will support ADNOC Drilling in further driving operational excellence through maintenance efficiencies, supplementing supply-chain capabilities, and adding engineering and rig design competencies. The alliance will also deliver more competitive well completion times, greater drilling efficiencies and improved well economics.



For H&P, these agreements help facilitate its goal of allocating capital internationally, particularly in the MENA region, by accelerating its access into the attractive and fast-growing Abu Dhabi market as a key platform for further regional expansion. H&P's cornerstone investment in the upcoming ADNOC Drilling IPO also highlights its confidence in the attractiveness and long-term value creation potential of ADNOC's unique energy assets to leading international market participants.

His Excellency Dr. Sultan Ahmed Al Jaber, UAE Minister of Industry and Advanced Technology and ADNOC Managing Director and Group CEO, said: "I am pleased to announce a strategic alliance with Helmerich & Payne, a globally renowned drilling solutions provider. This exciting alliance and value creation opportunity will provide ADNOC Drilling with access to new world-class rigs and services, enabling it to continue to support ADNOC in our ambitious production capacity expansion plans.

"H&P's cornerstone investment in our planned ADNOC Drilling IPO further reinforces ADNOC's continued success as a primary catalyst in attracting leading global investors and industry partners into Abu Dhabi and the UAE."

On September 6, 2021, ADNOC announced its intention to float a 7.5 percent minority stake of ADNOC Drilling on the Abu Dhabi Securities Exchange ("ADX") through an IPO, demonstrating the continued growth, strength and prominence of Abu Dhabi's financial marketplace. Both ADNOC and H&P will remain committed, long-term shareholders in ADNOC Drilling.

John Lindsay, H&P's President and CEO commented: "We are excited to enter into this strategic alliance with ADNOC Drilling and the value this alliance can create for both companies and stakeholders. Our investment in ADNOC Drilling is an additional step in the execution of our international growth strategy to allocate additional capital outside the U.S. and serves as a testament of our belief in what ADNOC Drilling and H&P can achieve together. We look forward to partnering with ADNOC and ADNOC Drilling to help create a similar value proposition that we have for customers in the U.S. and other international locations."

H&P's cornerstone investment will be at the IPO price and is subject to a three-year lock-up. As stated in the ADNOC Drilling Prospectus, like other shareholders, H&P expects to benefit from ADNOC Drilling's commitment to a robust dividend policy. The rigs are expected to be delivered and commissioned in stages over a twelve-month period subject to acceptance upon successful completion of a final inspection on customary terms and conditions.



The strategic alliance and cornerstone investment announced today represents a natural evolution in ADNOC's value creation plan and will provide ADNOC Drilling with a significant competitive advantage in the region, enabling it to further capitalize on its leading position as the largest national drilling company in the Middle East with 96 rigs, nearly twice the size of the next largest regional drilling provider.

Moelis & Company acted as exclusive financial advisor to ADNOC.

Morgan Stanley & Co. LLC acted as exclusive financial advisor to H&P.

About ADNOC

ADNOC is a leading diversified energy and petrochemicals group wholly owned by the Emirate of Abu Dhabi. ADNOC's objective is to maximize the value of the Emirate's vast hydrocarbon reserves through responsible and sustainable exploration and production to support the United Arab Emirates' economic growth and diversification.

To find out more, visit www.adnoc.ae

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About ADNOC Drilling

ADNOC Drilling was founded in 1972 and is the largest national drilling company in the Middle East by rig fleet size as well as the sole provider of drilling rig hire services and certain associated rig-related services to ADNOC Group. ADNOC Drilling is also the first national Integrated Drilling Services (IDS) company in the region, offering start-to-finish wells and services that encompass the entire drilling value chain. The company is a critical link in ADNOC's upstream business, as ADNOC continues to move towards its oil production capacity target of 5 million barrels per day by 2030 and enables gas self-sufficiency for the UAE.



About Helmerich & Payne, Inc.

Founded in 1920, Helmerich & Payne, Inc. is committed to delivering industry leading drilling productivity and reliability. H&P operates with the highest level of integrity, safety and innovation to deliver superior results for our customers and returns for shareholders. Through its subsidiaries, the Company designs, fabricates and operates high-performance drilling rigs in conventional and unconventional plays around the world. H&P also develops and implements advanced automation, directional drilling and survey management technologies. For more information, visit www.helmerichpayne.com.

Forward-Looking Statements

This press release includes “forward-looking statements” within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, and such statements are based on current expectations and assumptions that are subject to risks and uncertainties. Factors that might cause actual results to differ include the possibility that the conditions to the closing of the pending transactions described herein (the “Transactions”), including the possible cancellation, rescission, or termination of any rig purchase as a result of mechanical difficulties, performance issues, excessive delays, catastrophic loss or other reasons; the conditions related to obtaining regulatory approvals, may not be satisfied in a timely manner or at all, that if such conditions are not satisfied, they may not be waived, that the Transactions may not be completed on the terms currently contemplated or at all; the failure to realize the anticipated benefits of the Transactions, assuming they are completed; and the risk factors discussed from time to time in each of H&P’s documents and reports filed with the SEC. Except as required by law, H&P undertakes no obligation to revise or publicly release the results of any revision to any forward-looking statements.

Helmerich & Payne uses its website as a channel of distribution for material company information. Such information is routinely posted and accessible on its Investor Relations website at www.helmerichpayne.com.

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