

## Update on Saudi strategy

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**LAMPRELL PLC**  
("Lamprell" and with its subsidiaries the "Group")

### **UPDATE ON SAUDI STRATEGY**

Lamprell today announces an update on its strategy in Saudi Arabia and the development of its local presence in the Kingdom.

Lamprell's investment into Saudi Arabia is core to the Group's growth strategy where our primary focus to date has been the investment into the joint venture between Saudi Aramco, Bahri and Hyundai Heavy Industries to develop a major maritime yard in the Arabian Gulf, known as International Maritime Industries.

Lamprell is also pursuing other opportunities to gain a stronger foothold in Saudi Arabia. Among other things, one objective is to qualify as a contractor to Saudi Aramco on their Long Term Agreement ("LTA") programme. The LTA programme is where contractors undertake offshore engineering, procurement, construction and installation projects in the oil & gas sector. A key component of all LTA projects is Saudi Aramco's In-Kingdom Total Value Add ("IKTVA") programme, which is designed to encourage and increase local investment by the LTA contractors.

Lamprell is taking steps to achieve its IKTVA commitments by developing its in-Kingdom capabilities and by partnering with strong local businesses. A key component of our plans to reach the IKTVA goal is through the formation of Lamprell Saudi Arabia ("LKSA"), a Saudi limited liability company, which is a joint venture including Asyad Holdings as our local partner. Asyad Holdings brings significant regional knowledge and forms part of a group of companies managing a diversified portfolio of businesses, including working on major projects in Saudi Arabia.

Further to our announcement of 14 June 2018, Blofeld Investment Management ("Blofeld") has increased its shareholding in the Company to 10.08%. Blofeld is a private family fund based in Saudi Arabia that is ultimately owned by the same investor from Saudi Arabia which owns Asyad Holdings. Lamprell welcomes the increase in shareholding by Blofeld and views the investment by Blofeld and partnering with Saudi businesses as supportive to the Company's strategic exposure in the region.

#### **Christopher McDonald, CEO, Lamprell, said:**

"We are uniquely positioned to build our business in Saudi Arabia with the complementary opportunities of investment in the International Maritime Industries yard and our LTA bid to Saudi Aramco. We are committed to developing our local capabilities and we are looking to realise these opportunities by aligning with strong partners in-Kingdom. We are therefore pleased to gain the support from Saudi investors, both as a major shareholder through Blofeld Investment Management and as our local partner in our Saudi joint venture. The region has some of the strongest fundamentals in the oil sector and has demonstrated resilient production throughout the market downturn with an exceptional growth strategy going forward. Much of Lamprell's effort over the past two years focused on building a presence in the region and we are pleased to see our strategy supported by local partners."

- Ends -

**Enquiries:**

**Lamprell plc**

Christopher McDonald, Chief Executive Officer	+971 4 803 9308
Antony Wright, Chief Financial Officer	+971 4 803 9308
Maria Babkina, Investor Relations	+44 (0) 7852 618 046

**Tulchan Communications, London**

Martin Robinson	+44 (0) 207 353 4200
Martin Pengelley	

**Notes to editors**

Lamprell PLC, based in the United Arab Emirates ("UAE") and with over 40 years' experience, is a leading provider of fabrication, engineering and contracting services to the offshore and onshore oil & gas and renewable energy industries. The Group has established leading market positions in the fabrication of shallow-water drilling jackup rigs, liftboats, land rigs, and rig refurbishment projects, and it has an international reputation for building complex offshore and onshore process modules and fixed platforms.

Lamprell employs more than 5,000 people across multiple facilities, with its primary facilities located in Hamriyah, Sharjah and Jebel Ali, all of which are in the UAE. In addition, the Group has facilities in Saudi Arabia (through a joint venture agreement). Combined, the Group's facilities cover approximately 828,000 m2 with 1.6 km of quayside.

Lamprell is listed on the London Stock Exchange (symbol "LAM").

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