NATIONAL ENERGY SERVICES REUNITED CORP.

FORM 8-K
(Current report filing)

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or Section 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 12, 2018 (June 6, 2018)

NATIONAL ENERGY SERVICES REUNITED CORP.
(Exact name of registrant as specified in its charter)

British Virgin Islands	**001-38091**	**N/A**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(I.R.S. Employer Identification Number)

777 Post Oak Blvd., Suite 730 Houston, Texas	**77056**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: **(832) 925-3777**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation to the registrant under any of the following provisions:

[ ] Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

[ ] Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

[ ] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

[ ] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company [X]

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. [ ]

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Current Report on Form 8-K ("Report") contains forward-looking statements in the sections captioned "Description of Business," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Plan of Operations" and elsewhere. Any and all statements contained in this Report that are not statements of historical fact may be deemed forward-looking statements. Terms such as "may," "might," "would," "should," "could," "project," "estimate," "pro-forma," "predict," "potential," "strategy," "anticipate," "attempt," "develop," "plan," "help," "believe," "continue," "intend," "expect," "future," and terms of similar import (including the negative of any of these terms) may identify forward-looking statements. However, not all forward-looking statements may contain one or more of these identifying terms. Forward-looking statements in this Report may include, without limitation, statements regarding the plans and objectives of management for future operations, projections of income or loss, earnings or loss per share, capital expenditures, dividends, capital structure or other financial items, our future financial performance, including any such statement contained in a discussion and analysis of financial condition by management or in the results of operations included pursuant to the rules and regulations of the Securities and Exchange Commission ("SEC"), and the assumptions underlying or relating to any such statement.

The forward-looking statements are not meant to predict or guarantee actual results, performance, events or circumstances and may not be realized because they are based upon our current projections, plans, objectives, beliefs, expectations, estimates and assumptions and are subject to a number of risks and uncertainties and other influences, many of which we have no control over. Actual results and the timing of certain events and circumstances may differ materially from those described by the forward-looking statements as a result of these risks and uncertainties. Factors that may influence or contribute to the accuracy of the forward-looking statements or cause actual results to differ materially from expected or desired results may include, without limitation:

- The inability to maintain the listing of our ordinary shares on the NASDAQ Capital Market following the Business Combination;
- The ability to recognize the anticipated benefits of the Business Combination, which may be affected by, among other things, the price of oil, natural gas, natural gas liquids, competition and the ability of the combined business to grow and manage growth profitably;
- Costs related to the proposed Business Combination;
- Estimates of our future revenue, expenses, capital requirements and our need for financing;
- The risk of legal complaints and proceedings and government investigations;
- Our financial performance;
- Success in retaining or recruiting, or changes required in, our officers, key employees or directors following the Business Combination;
- Current and future government regulations;
- Developments relating to our competitors;
- Changes in applicable laws or regulations;
- The possibility that NESR may be adversely affected by other economic and market conditions, political disturbances, war, terrorist acts, international currency fluctuations, business and/or competitive factors; and
- Other risks and uncertainties, set forth in the Proxy Statement (as defined below) in the section entitled " *Risk Factors* " beginning on page 32 of the Proxy Statement.

Readers are cautioned not to place undue reliance on forward-looking statements because of the risks and uncertainties related to them and to the risk factors. We disclaim any obligation to update the forward-looking statements contained in this Report to reflect any new information or future events or circumstances or otherwise, except as required by law. Readers should read this Report in conjunction with the discussion under the caption " *Risk Factors* ," our financial statements and the related notes thereto in this Report, and other documents which we may file from time to time with the SEC.

EXPLANATORY NOTE

National Services Reunited Corp., a British Virgin Islands corporation ("Company"), was incorporated in the British Virgin Islands as a company with limited liability on January 23, 2017 for the purpose of acquiring, engaging in a share exchange, share reconstruction and amalgamation, or contractual control arrangement with, purchasing all or substantially all of the assets of, or engaging in any other similar business combination with one or more businesses or entities.

On June 6, 2018 ("Closing Date"), the Company consummated the transactions contemplated by those certain stock purchase agreements dated November 12, 2017, namely the Stock Purchase Agreement ("NPS Stock Purchase Agreement") for shares of NPS Holdings Limited ("NPS") and the Agreement for the Sale and Purchase of Shares in Gulf Energy S.A.O.C. ("GES Stock Purchase Agreement" and, together with the NPS Stock Purchase Agreement, the "Stock Purchase Agreements"), along with related contracts, all of which collectively provide for: (i) our acquisition of all of the outstanding issued shares and other equity interests in NPS, and (ii) our acquisition, of all of the issued and outstanding shares of capital stock in Gulf Energy S.A.O.C. ("GES").

Both NPS and GES shall be referenced hereafter as the "Target Companies." The Target Companies and their consolidated subsidiaries shall be referenced hereafter as "NPS Group" and "GES Group," respectively, and collectively as the "Target Group," and the acquisitions of the Target Companies and related transactions collectively shall be referenced hereafter as the "Business Combination."

As a result of the Business Combination, the Company will continue the business operations of the Target Companies as a publicly traded company under the name of National Energy Services Reunited Corp.

The Company was determined to be the accounting acquirer for accounting purposes and NPS the predecessor prior to the Business Combination. For the basis of presentation in future filings with the SEC, the historical financial statements prior to the Business Combination will be replaced with the historical financial statements of NPS. Subsequent to the Business Combination, the financial statements of the Company will be presented on a consolidated basis.

As used in this Report, unless otherwise stated or the context clearly indicates otherwise, the terms "Company," "Registrant," "NESR," "we," "us" and "our" refer to National Energy Service Reunited Corp., giving effect to the Business Combination.

This Report contains summaries of the material terms of various agreements executed in connection with the Business Combination described herein. The summaries of these agreements are subject to, and are qualified in their entirety by reference to, these agreements, which are filed as exhibits hereto and incorporated herein by reference.

Prior to the Business Combination, we were a "shell company" as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended ("Exchange Act"). As a result of the Business Combination, we have ceased to be a "shell company." The information contained in this Report constitutes the information necessary to satisfy the conditions contained in Rule 144(i)(2) under the Securities Act of 1933, as amended ("Securities Act").

Item 1.01. Entry into a Material Definitive Agreement.

The information contained in Item 2.01 below relating to the various agreements described therein is incorporated herein by reference.

Item 2.01. Completion of Acquisition of Disposition of Assets.

THE BUSINESS COMBINATION AND RELATED TRANSACTIONS

The Business Combination

On November 12, 2017, NESR, entered into the following agreements to acquire 100% of the shares of two independent oil field service companies operating in the Middle East and North Africa, GES and NPS:

- the NPS Stock Purchase Agreement entered among Abdulaziz Al-Dolaimi, Al Nowais Investments LLC, Arab Petroleum Investments Corporation, Castle SPC Limited, Fahad Abdulla Bindekhayel, OFS Investments Limited (collectively, the "NPS Selling Stockholders"), NPS, Hana Investments Co. WLL ("Hana Investments") and NESR, pursuant to which the NPS Selling Stockholders agreed, to sell to the Company 100% of the NPS shares for cash and NESR ordinary shares valued at $10.00 per share and certain potential earn out amounts and Hana Investments agreed to exchange its shares in NPS for NESR ordinary shares valued at $11.244 per share, subject to NESR shareholder approval.

- a Form of Relationship Agreement (the "ANI Relationship Agreement") with Al Nowais Investments LLC ("ANI"), pursuant to which the Company agreed, until such time as ANI or its affiliates no longer hold at least 50% of the number of NESR ordinary shares acquired pursuant to the NPS Stock Purchase Agreement, to (i) nominate to the Company's Board of Directors (the "Board") a person designated by ANI and (ii) permit one additional representative of ANI to observe the meetings of the Board in a non-voting capacity;

- a Form of Relationship Agreement (the "WAHA Relationship Agreement") with WAHA Finance Company ("WAHA") pursuant to which the Company agreed, until such time as WAHA or its affiliates no longer hold at least 50% of the number of NESR ordinary shares acquired pursuant to the NPS Stock Purchase Agreement, to (i) nominate to the Board a person designated by WAHA and (ii) permit one additional representative of WAHA to observe the meetings of the Board in a non-voting capacity;

- the GES Stock Purchase Agreement among the Company and Mubadarah Investments LLC ("Mubadarah"), Hilal Al Busaidy ("Hilal"), and Yasser Said Al Barami ("Yasser" and together with Hilal, the "GES Founders") and collectively (the "GES Selling Stockholders"), whereby the Company would acquire 61% of the outstanding shares of GES through a stock exchange for NESR ordinary shares valued at $10.00 per share. The GES Stock Purchase Agreement provided a contractual right to nominate two members to be appointed to the NESR Board;

- a Contribution Agreement ("SV3 Contribution Agreement") between the Company and SV3 Holdings, Pte Ltd ("SV3"), pursuant to which the Company would acquire 27.3% of GES shares from SV3 (the "SV3 Contribution") in exchange for NESR ordinary shares valued at $10.00 per share;

- a Shares Exchange Agreement between the Company and NESR Holdings Ltd., a British Virgin Island company ("Sponsor"), whereby the Sponsor would assign 11.7% of the outstanding shares of GES to NESR in exchange for NESR assuming certain outstanding liabilities of the Sponsor to the 11 private investors that funded Sponsor's acquisition of 11.7% of the outstanding shares of GES ("GES Investors"); and

- a Voting Agreement with SV3 ("SV3 Voting Agreement"), relating to the Company's agreement to nominate for election to the Board a nominee of SV3 and to allow at least one additional observer to attend Board meetings so long as SV3 and its affiliates maintain a certain percentage of NESR shares that SV3 and its affiliates would acquire pursuant to the SV3 Contribution Agreement.

The Business Combination was approved by NESR's shareholders at the special meeting in lieu of an annual meeting of shareholders (the "Special Meeting") on May 18, 2018. At the Special Meeting, 26,238,964 ordinary share, were voted in favor of the proposal to approve the Business Combination, 123,129 ordinary shares were voted against the proposal, and holders of 14,620 ordinary shares abstained from voting on the proposal. In connection with the Business Combination, public shareholders holding 1,916,511 ordinary shares elected to have such shares redeemed for an aggregate amount of $19,379,614.

On June 6, 2018, NESR consummated the Business Combination and related transactions, including but not limited to an approximately $48.2 million drawdown on the Backstop, (as defined below) and a $50 million convertible loan borrowed from Hana Investments Co. WLL, all as described in further detail below.

As of the Closing Date and following the completion of the Business Combination and related redemptions, the Company had the following outstanding securities: (a) 85,562,769 ordinary shares, (b) 22,921,700 public warrants, and (c) 12,618,680 private warrants.

Prior to the Closing, NESR was a shell company (as defined in Rule 12b-2 of the Exchange Act) with no operations, formed as a vehicle to effect a business combination with one or more operating businesses. After the Closing, the Company became a holding company whose assets primarily consist of interests in its subsidiaries, NPS and GES. The following information summarizes the material agreements and related transactions that were entered into and consummated in connection with the Business Combination.

The NPS Transaction

NPS Stock Purchase Agreement

The NPS Selling Stockholders agreed pursuant to the NPS Stock Purchase Agreement to sell to NESR and Hana Investments, by June 30, 2018 or at such later time as mutually agreed upon by the parties, 100% of the 370,000,000 outstanding NPS shares in two (2) separate closings. The total consideration to be paid to the NPS Selling Stockholders pursuant to the Hana Investments and the NESR closings, assuming no NPS Leakage (defined below) adjustments, will be $442.8 million in cash (including $150.0 million from Hana Investments) plus 11,318,828 ordinary shares of NESR valued at $10.00 per share. In addition, the NPS Selling Stockholders elected to declare a dividend after execution of the NPS Stock Purchase Agreement and receive a distribution out of certain receivables proceeds from NPS, of $48 million (the "Receivable Proceeds").

First Closing . Hana Investments agreed in the NPS Stock Purchase Agreement to pay $150.0 million of the total cash requirements to NPS Selling Stockholders in exchange for 83,660,878 shares of NPS. This payment was made on January 14, 2018. The NPS Selling Stockholders mutually agreed on the proportion of cash to be received by each of the NPS Selling Stockholders and on the allocation of NESR shares to be received among the NPS Selling Stockholders who remain shareholders in NESR through the Closing Date.

Second Closing. Upon approval by the shareholders of NESR, NESR agreed to buy the remaining outstanding NPS shares by (i) paying the remaining $292.8 million cash required and (ii) issuing 11,318,828 ordinary shares of NESR ordinary shares valued at $10.00 per share for the balance of the purchase price, adjusted for any NPS Leakage. "NPS Leakage" is defined in the NPS Stock Purchase Agreement to cover transfers or removals of assets from NPS for the benefit of the NPS Selling Stockholders, other than Receivable Proceeds.

Contemporaneously with the Closing Date, Hana Investments agreed to transfer the 83,660,878 NPS shares it acquired from the NPS Selling Stockholders to NESR in exchange for NESR ordinary shares valued at $11.244 per share, which will result in the issuance of 13,340,448 ordinary shares of NESR to Hana Investments. In addition, NESR shall pay Hana Investments an amount of interest accrued from the date of the payment of the $150.0 million to the NPS Selling Stockholders until the Closing Date up to $4.7 million in cash or ordinary shares at a value of $11.244 equal to 418,001 ordinary shares. On the Closing Date, the Company paid interest totaling $4.7 million in stock.

Earnout Consideration. Potential earn-out mechanisms enable the NPS Selling Stockholders to receive additional consideration after the Closing Date as follows:

- Cash Earn-Out: NESR agreed to pay an additional $7,572,444 in cash payable upon renewal of a major customer contract by NPS or its subsidiaries, provided the renewal is on materially the same terms. Such customer contract will not be deemed to be renewed on materially the same terms if some services are excluded or prices are materially reduced from the prior year upon renewal. This contract was renewed prior to closing.

- Equity Stock Earn-Out: Up to 1,671,704 NESR ordinary shares would be issued to the NPS Selling Stockholders that exchange their shares for NESR stock, if the 2018 EBITDA of NESR satisfies scheduled financial thresholds.

- Second Equity Stock Earn-Out: Up to an additional 1,671,704 NESR ordinary shares would be issued to the NPS Selling Stockholders if the 2018 EBITDA of NESR satisfies scheduled thresholds higher than the first Equity Stock Earn-Out financial thresholds.

NESR is also required to make additional payments for delays in receiving shareholder approval ("Ticker Fee") to complete the Business Combination beyond December 31, 2017 as per the NPS Stock Purchase Agreement. The NPS Selling Stockholders have agreed to waive the Ticker Fee associated with Hana Investments payment of $150.0 million which was made on January 14, 2018 to purchase 83,660,878 NPS Shares. For the remaining cash payments, the NPS Selling Stockholders agreed to waive $8.7 million of the Ticker Fee, such that the total Ticker Fee payable by NESR amounts to $13,411,501, which amount was paid in full to the NPS Selling Stockholders at the closing of the Business Combination. The total Ticker Fee as agreed to by the parties is set forth in a letter agreement reached between the NPS Selling Stockholders and NESR on June 6, 2018. Pursuant to the letter agreement, the parties further agreed that NESR would reimburse the NPS Selling Stockholders for a total of $5,240,401 in fees, costs and expenses incurred by the NPS Selling Stockholders, to be paid on or before July 3, 2018.

Assumed Liabilities

The existing bank agreement of NPS allows the banks to terminate the loan contract upon a change of control. The NPS Selling Stockholders have provided assurances or commitments backing these facilities. NESR has executed, or has agreed to execute, guarantees of the NPS debt and additional borrowings leaving these facilities in place. Such a guarantee of NESR only became effective upon closing, and there was liability to NESR if the Business Combination did not occur.

Management Alignment/Lock Up

The NPS Stock Purchase Agreement imposes a contractual restriction upon NESR management's ability to sell or transfer legal title to any of the Founder Shares acquired by Sponsor upon formation of NESR and owned beneficially for the original management group. The Sponsor previously agreed in connection with NESR's IPO to prohibit sales after the Business Combination for a period of one year or earlier if the stock price exceeds $12.00 per share. The NPS Stock Purchase Agreement imposes further restrictions on 50% of the Founder Shares during the one year period, permitting the sale of up to 75% of the Founder Shares when the price of NESR stock exceeds $15.00, and the 100% of the shares may be traded after the share price exceeds $17.50, for 20 trading days within any 30 day trading period.

Other Lock-Up Agreements

Pursuant to the ANI Relationship Agreement and the WAHA Relationship Agreement, each of ANI and WAHA and their affiliates agreed not to sell the shares acquired pursuant to the NPS Stock Purchase Agreement for six months after the Closing Date.

Relationship Agreements

Two of the NPS Selling Stockholders have agreed to enter into the ANI Relationship Agreement and the WAHA Relationship Agreement which become effective on the Business Combination until they are terminated. Pursuant to these agreements each of ANI and WAHA are entitled to nominate a member and observer to the Board and together with their affiliates agreed not to sell the shares acquired pursuant to the NPS Stock Purchase Agreement for six months after the Closing Date.

The foregoing description of the Relationship Agreements does not purport to be complete. For further information, please refer to the copy of the Relationship Agreements that are filed as Exhibit 10.1 and 10.2 to this Report.

Voting Rights

Pursuant to each of ANI Relationship Agreement and the Waha Relationship Agreement the Board of NESR will nominate for election to NESR's Board a person nominated by each of those two parties, and each of ANI and Waha will be entitled to nominate a representative on the Board ("Board Observer") in a nonvoting capacity, so long as ANI and Waha continue to hold at least 50% of the total number of NESR shares acquired pursuant to the NPS Stock Purchase Agreement. The first nomination was appointed by the Board when it expanded the size of the board to nine members on June 12, 2018. ANI and Waha have the right to remove the Director nominated by them (with or without cause) at any time. The rights of the Board Observer will include the right to participate in discussions of the Board, to receive notice of the meetings of the Board and to receive copies of all minutes, written consents, and other material received by the members of the Board, as permitted by law. Each Board Observer must accept in writing to keep confidential all information of which they become aware in their position as a Board Observer. Each of ANI and WAHA shall retain the right to nominate a Board member and appoint a Board Observer for so long as the respective shareholder holds 50% of the shares that it acquired pursuant to the NPS Stock Purchase Agreement.

Furthermore, each of ANI and WAHA agreed that for six (6) months after the NESR Closing, it shall not, and shall cause its affiliates to not, directly or indirectly offer, sell, issue, contract to sell, pledge or otherwise dispose of the stock of NESR acquired at the NESR closing. Notwithstanding the lock-up provision, ANI and WAHA shall each have the right to grant a security interest in respect of their acquired NESR stock to any provider of finance provided that it shall retain the voting rights with respect to that stock.

Neither ANI nor WAHA may assign or transfer in whole or in part any rights under either agreement.

In addition, pursuant to the NPS Stock Purchase Agreement, during the 2018 earn-out period the NPS Selling Stockholders shall jointly be entitled by giving written notice to NESR to appoint (and to remove and replace such appointee) and maintain either (at the option of the NPS Selling Stockholders) one director or a Board Observer. The Board Observer shall have the right to attend all meetings of the Board and receive all notices of meetings of the Board and to receive the monthly management reports, chief executive officer commentary and budgets for the 2018 financial year in respect of NESR.

Preemptive Right to Provide Capital

Pursuant to the NPS Stock Purchase Agreement, the reinvesting NPS Selling Stockholders (that accepted NESR ordinary shares) have the right of first refusal to provide up to 50% of any equity financing offered by NESR prior to the Closing Date. When the offer is presented, it must be accepted within 48 hours or will be waived.

Non-solicitation, Non-Compete

For one year after the Closing Date, the NPS Selling Stockholders are prohibited from soliciting certain senior NPS employees and from causing any material adverse change to any relationships that NPS has with a material customer or supplier.

The foregoing description of the NPS Stock Purchase Agreement does not purport to be complete. For further information, please refer to the copy of the NPS Stock Purchase Agreement that is filed as Exhibit 2.1 to this Report. There are representations and warranties contained in the NPS Stock Purchase Agreement that were made by the parties to each other as of specific dates. The assertions embodied in these representations and warranties were made solely for purposes of the NPS Stock Purchase Agreement and may be subject to important qualifications and limitations agreed to by the parties in connection with negotiating their terms. Moreover, some representations and warranties may not be accurate or complete as of any specified date because they are subject to a contractual standard of materiality that is different from certain standards generally applicable to shareholders or were used for the purpose of allocating risk between the parties rather than establishing matters as facts. For these reasons, investors should not rely on the representations and warranties in the NPS Stock Purchase Agreement as statements of factual information.

The GES Transaction

GES Stock Purchase Agreement

On November 12, 2017, the GES Stock Purchase Agreement was entered by which NESR contracted to acquire 61% of the outstanding shares of GES for a valuation of $184.8 million through a stock exchange for NESR ordinary shares valued at $10.00 per share, to occur within one year of the signing of the GES Stock Purchase Agreement or at such later time as mutually agreed upon by the parties. The GES Stock Purchase Agreement provides that the purchase price shall be reduced to the extent that the "Net Debt" in the company (i.e. bank debt less cash) exceeds $47.2 million at the Closing Date and to the extent of any GES Leakage. "GES Leakage" is defined in the GES Stock Purchase Agreement as any dividend distributions or payments to or for the benefit of the GES Selling Stockholders or certain other transactions that would reduce the value of the company, such as transactions not on an arm's-length basis. The GES Stock Purchase Agreement contains substantial seller warranties regarding the stock and the financial condition of GES.

Contribution Agreement of SV3's 27.3% Shares

SV3 and NESR entered into the SV3 Contribution Agreement pursuant to which SV3 agreed to contribute its 27.3% of GES shares to NESR in exchange for NESR ordinary shares at an agreed valuation of $10.00 per NESR share for the net price paid by SV3 to acquire the GES shares. In October 2017, SV3 closed on the purchase of 136,500 shares of GES stock from certain shareholders of GES, representing 27.3% of the outstanding stock of GES, for $68.25 million.

The foregoing description of the Contribution Agreement does not purport to be complete. For further information, please refer to the copy of the Contribution Agreement that is filed as Exhibit 10.4 to this Report.

Minority Interests Acquisitions/ Shares Exchange Agreement

The Sponsor contracted with the GES Selling Stockholders and the National Bank of Oman ("NBO") to acquire for cash 58,500 shares of GES, which represents 11.7% of the outstanding stock of GES, for a total purchase price of $29.2 million. The Sponsor organized for the financing of the acquisition of the 11.7% through Loan Contracts with the GES Investors. The Sponsor also contracted to acquire 5% of the GES shares from NBO for $12.5 million and completed that purchase on or about October 8, 2017. The GES Selling Stockholders agreed to sell 6.7% of the GES shares to the Sponsor for a purchase price of $16.7 million. Nine of the GES Investors provided the total purchase price to acquire 55,100 shares of GES. Two of the GES Investors are affiliates, Antonio Jose Campo Mejia and Round Up Resource Service, Inc., a company controlled by Thomas Wood or his family, which funded Sponsor with $1.2 million to acquire 2,400 shares of GES and $500,000 to acquire 1,000 shares respectively.

Each GES Investor has agreed that Sponsor can assign the Loan Contracts to NESR if the shareholders of NESR approve the Business Combination. Each Investor agreed to accept in repayment of the Loan Contracts either NESR ordinary shares at a value of $10.00 per share (subject to their consent after review of the proxy statement), payment in cash, or GES shares acquired with their respective loans. All Loan Contracts have similar terms, but interest for payment ranges from zero to 18 percent per annum from the respective loan dates.

NESR executed with Sponsor the Shares Exchange Agreement pursuant to which, subject to receiving approval from NESR shareholders for the Business Combination, the Sponsor agreed to assign all 58,500 shares of GES acquired to NESR, and NESR has assumed the obligation to satisfy the Loan Contracts. No GES Investor elected not to accept NESR ordinary shares to satisfy the debt, and NESR issued NESR ordinary shares to the GES Investors to satisfy the debt.

The foregoing description of the Share Exchange Agreement does not purport to be complete. For further information, please refer to the copy of the Share Exchange Agreement that are filed as Exhibit 10.6 to this Report.

Voting Rights

The GES Stock Purchase Agreement provides a contractual right for the two GES Founders to be appointed to the NESR Board.

Also, in connection with the GES acquisition, the SV3 Voting Agreement was executed upon approval by the shareholders of NESR of the Business Combination. The SV3 Voting Agreement provides that the Board of NESR will nominate for election to NESR's Board a person nominated by SV3, and SV3 shall be entitled to have two representatives attend all meetings of the Board in a nonvoting capacity, as long as SV3 and its private equity owners continue to hold at least 60% of the total number of NESR shares acquired pursuant to the SV3 Contribution Agreement. The first nomination was appointed by the Board of Directors on June 6, 2018. SV3 has the right to remove such SV3 Director (with or without cause). The rights of the Board Observer will include the right to participate in discussions of the Board, to receive notice of the meetings of the Board, and to receive copies of all minutes, written consents, and other materials received by the members of the Board, as permitted by law. However, if a Director is duly elected and serving, SV3 shall only have the right to designate one Board Observer. Furthermore, if SV3 owns less than 60% of the NESR ordinary shares acquired but more than 1% of the total outstanding ordinary shares of NESR, then SV3 shall only have the right to designate one Board Observer.

The foregoing description of the Voting Agreement does not purport to be complete. For further information, please refer to the copy of the Voting Agreement that are filed as Exhibit 10.5 to this Report.

Non-Compete

The GES Founders executed a Non-Compete and Non-Disclosure Agreement and agreed to provide advisory services to NESR for five (5) years. Furthermore, pursuant to separate Waiver of Termination Fees Agreements ("Waiver Agreements"), each Founder agreed to waive their right to substantial severance payments triggered either by the event of the termination of their employment or change of control. Pursuant to these commitments and replacing prior compensation structure, the GES Founders will each receive annual payments of $1 million over the course of five years.

Representations, Warranties and Covenants

The GES Stock Purchase Agreement contains customary indemnifications, representations and warranties by the parties thereto. The cap on GES Selling Stockholders liability is 50% of the total consideration received, except for breach of "Fundamental or Tax Warranties" or fraud. The NPS Selling Stockholders under the NPS Stock Purchase Agreement have only provided limited representations with respect to our organization, execution and delivery of the NPS Stock Purchase Agreement, title to the 370 million shares, power and authority to sell, and similar warranties of rights and ability to deliver stock ownership unencumbered. The NPS Stock Purchase Agreement does not have any mechanism for adjusting the purchase price post-closing in the event of undisclosed or contingent liabilities except for Leakage. No party may claim damages for breach of warranty under the NPS Stock Purchase Agreement unless the total damages exceed $2.5 million.

The foregoing description of the GES Stock Purchase Agreement does not purport to be complete. For further information, please refer to the copy of the GES Stock Purchase Agreement that is filed as Exhibit 2.2 to this Report. There are representations and warranties contained in the GES Stock Purchase Agreement that were made by the parties to each other as of specific dates. The assertions embodied in these representations and warranties were made solely for purposes of the GES Stock Purchase Agreement and may be subject to important qualifications and limitations agreed to by the parties in connection with negotiating their terms. Moreover, some representations and warranties may not be accurate or complete as of any specified date because they are subject to a contractual standard of materiality that is different from certain standards generally applicable to shareholders or were used for the purpose of allocating risk between the parties rather than establishing matters as facts. For these reasons, investors should not rely on the representations and warranties in the GES Stock Purchase Agreement as statements of factual information.

Registration Rights Agreement

Various forms of agreements contemplated by the Stock Purchase Agreements were executed by the parties upon closing of the Business Combination, including among others, registration rights agreements for the resale of the shares to be issued to two of the NPS Selling Stockholders, to the Backstop Investor, to Hana Investments and to SV3. The Sponsor is entitled to make three demands that NESR register its securities. WAHA and ANI are entitled to two demands each, but the Company shall not be obligated to grant more than an aggregate of three demand registrations, like the Sponsor. In addition, the Sponsor, WAHA, and ANI have certain "piggy-back" registration rights with respect to registration statements filed subsequent to the Business Combination. NESR has also agreed to file a resale registration statement within a specific period of time following the Closing Date. NESR will bear the expenses incurred in connection with the filing of any such registration statements.

In addition, pursuant to the SV3 Contribution Agreement, SV3 has one demand registration right and piggyback registration rights on terms consistent with the Form of Amended and Restated Registration Rights Agreement, including any amendment thereof. NESR expects to offer the same registration rights to the GES Investors. Similar registration rights will be provided to Hana Investments and the Backstop Investor and certain GES Investors.

The foregoing description of the Registration Rights Agreement does not purport to be complete. For further information, please refer to the copy of the Registration Rights Agreements that are filed as Exhibits 10.3 and 10.16 to this Report.

Backstop and Forward Purchase Agreement

In connection with the Business Combination, on April 27, 2018 the Company entered into the Forward Purchase Agreement with MEA Energy Investment Company 2 Ltd. (the "Backstop Investor"), pursuant to which the Company agreed to sell up to $150 million (the "Backstop") of the Company's ordinary shares to the Backstop Investor or its designees and commonly controlled affiliates, including co-investment funds controlled by Backstop Investor or its affiliates. Such Backstop consisted of: (i) a primary placement to occur concurrently with the closing of the Business Combination, pursuant to which the Company shall sell 7,000,000 ordinary shares at $10.00 per share for a total drawdown of $70 million; and (ii) at the Company's election, a secondary placement, pursuant to which the Company had the option to draw, in one or more installments, up to an additional $80 million by selling up to 7,114,906 ordinary shares at $11.244 per share. If the Company elected to engage in a secondary placement, at least $30 million must be sold on the first draw and at least $12.5 million must be sold in subsequent draws. All draw notices must be given with 3-10 business days' advance written notice, with the applicable closing to occur on or within 3 months after the Business Combination. Such proceeds would (i) offset any capital used for shareholder redemptions; (ii) fund the cash portion of the consideration to certain shareholders of NPS and transaction expenses in connection with the Business Combination; or (iii) be used for other corporate purposes, including satisfaction of its minimum cash requirements immediately following the Business Combination. The Company and the Backstop Investor entered into a registration rights agreement to grant the Backstop Investor certain rights to register the resale of any shares issued in the Backstop Commitment after the Business Combination.

On the Closing Date, the Company drew down $48,293,763 under the primary placement of the Forward Purchase Agreement, and issued 4,829,375 ordinary shares to the Backstop Investor.

The Backstop Investor is wholly owned by Waha Capital. The Forward Purchase Agreement contains a similar provision as the WAHA Relationship Agreement, entitling the Backstop Investor to nominate one person to NESR's board of directors for as long as it directly owns at least 7,057,453 ordinary shares within three months after the Business Combination and Adnan Ghabris is not otherwise nominated to the board; provided, however, that such nominating right shall terminate if and when the Backstop Investor fails to deliver the required purchase price in any drawdown of a secondary placement.

MEA Energy, an affiliate of the Backstop Investor, participated in the negotiation with NESR for the NPS Stock Purchase Agreement and represented the interests of Waha Capital, a shareholder of NPS. As the transaction was being agreed upon in early November 2017, MEA Energy approached NESR with an interest to arrange funding required to close the transaction as well as replacement capital for any redemptions through a private placement. At the start of this process MEA Energy wanted to arrange for these investors on its own and without any involvement from Waha Capital. In line with this, NESR agreed to sign a term sheet with MEA Energy for the Backstop Commitment. NESR was able to negotiate the Backstop Commitment on more favorable terms, than what NESR believed would be offered by alternative financing sources.

The foregoing description of the Forward Purchase Agreement does not purport to be complete. For further information, please refer to the copy of the Forward Purchase Agreement that is filed as Exhibit 10.9 to this Report.

Additional Agreements with Hana Investments

Hana Loan Agreement

In connection with the Business Combination, on June 5, 2018 the Company entered into a Loan Agreement with Hana Investments, pursuant to which the Company borrowed $50,000,000 (the "Hana Loan") on an unsecured basis. The Hana Loan matures on December 17, 2018 and can be prepaid at any time in NESR ordinary shares at a conversion rate of $11.244 per share or cash, at the election of the lender after the Company delivers five business days' notice of its intent to repay the Hana Loan. The Hana Loan is interest bearing and will accrue interest at the greater of (i) an amount equal to $4.0 million or prorated if the loan is prepaid and (ii) at a rate per annum equal to One Month ICE LIBOR, adjusted monthly on the first day of each calendar month, plus a margin of 2.25% payable on maturity or prepaid. The interest is payable in NESR ordinary shares or cash at the election of the lender. In addition, Hana Investments has the right to convert the principal of the Hana Loan into NESR ordinary shares on or prior to maturity at a conversion rate of $11.244 per share. The loan is subject to an origination fee of $600,000 payable in NESR ordinary shares at $11.244 per share or 53,362 shares at closing of the Business Combination. If as a result of exercising any conversion rights in the Hana Loan, Hana Investments' total share ownership equals or exceeds 20% of the then outstanding NESR shares, then the conversion of any amount into NESR ordinary shares will be contingent upon NESR receiving shareholder approval for such issuance of NESR ordinary shares.

The foregoing description of the Hana Loan does not purport to be complete. For further information, please refer to the copy of the Loan Agreement that is filed as Exhibit 10.12 to this Report.

Shares Purchase Exchange Agreement

The Shares Purchase Exchange Agreement provides that Hana Investments shall contribute to the Company the NPS shares owned by Hana Investments as of the Business Combination closing date and NESR shall issue to Hana Investments 13,340,448 shares of NESR ordinary shares. In addition, at closing the Company agreed to pay Hana Investments interest of $4.7 million on Hana Investments initial purchase of NPS shares. The Company has the right to pay the interest in cash or issue 418,001 NESR ordinary shares to Hana Investments. The Company also agreed to enter into the Registration Rights Agreement related to any shares issued by the Company pursuant to the Shares Purchase Exchange Agreement and to enter into the Olayan Relationship Agreement.

The foregoing description of the Shares Purchase Exchange Agreement does not purport to be complete. For further information, please refer to the copy of the Shares Purchase Exchange Agreement that is filed as Exhibit 10.13 to this Report.

Olayan Relationship Agreement

In connection with the Business Combination, on June 5, 2018 the Company entered into a Relationship Agreement with Hana Investments (the "Olayan Relationship Agreement"), to set out certain rights to which Hana Investments will be entitled as a shareholder of the Company and certain obligations of the Company and the Sponsor. The Olayan Relationship Agreement entitles Hana Investments to have the right, as long as Hana Investments and its affiliates collectively hold, in the aggregate, at least 6,879,225 NESR ordinary shares, (i) to nominate, and the Company and the Sponsor shall take all action necessary to cause the NESR Board to include one director to the NESR Board (ii) a second independent director by agreement with the Company management and subject to approval of the Board of the Company, and (iii) Hana Investments shall also have the right to nominate, and the Company and the Sponsor shall take all necessary action to cause the Company senior management to include, one Executive Vice President who shall oversee the Company's operations. Hana Investments further agreed that any shares of the Company received by Hana Investments pursuant to the Shares Purchase Agreement will not be sold by Hana Investments prior to six months after the closing of the Business Combination. The Company also agreed to reimburse Olayan for transaction fees and expenses in the amount of $2.4 million through the issuance of NESR ordinary shares at a conversion rate of $11.244 per share at closing of the Business Combination.

The foregoing description of the Olayan Relationship Agreement does not purport to be complete. For further information, please refer to the copy of the Relationship Agreement that is filed as Exhibit 10.14 to this Report.

Registration Rights Agreement

The Registration Rights Agreement provides that any time after the closing of the Business Combination Hana Investments may make a written demand for registration under the Securities Act of 1933 all or a part of the NESR ordinary shares or other securities held by Hana Investments and the Company shall file a registration statement within 60 days of receiving such demand. The agreement also provides that the registration of securities by the Company in response to such demand can be completed by the Company offering securities in an underwritten offering and Hana Investments shall have the right to participate in any underwritten offering or by participating in certain other registrations of securities by the Company. The Company also agrees to file a shelf registration statement within 4 months following the closing of the Business Combination and to maintain the effectiveness of any shelf registration and that the Company shall file any reports or take further actions allow Hana Investments to sell any registered securities pursuant to Rule 144 under the Securities Act

The foregoing description of the Registration Rights Agreement does not purport to be complete. For further information, please refer to the copy of the Registration Rights Agreement that is filed as Exhibit 10.15 to this Report.

DESCRIPTION OF BUSINESS

The business of NPS and GES prior to the Business Combination are described in the definitive Proxy Statement, dated May 8, 2018 (the "Proxy Statement") in the sections entitled "Information about NPS Group" beginning on page 133 and "Information about GES Group" beginning on page 164, which are incorporated herein by reference. The business of NESR prior to the Business Combination is described in the Proxy Statement in the section entitled "Information about NESR" beginning on page 122, which is incorporated herein by reference.

RISK FACTORS

The risk factors related to the Company's business and operations are described in the Proxy Statement in the section entitled "Risk Factors" beginning on page 32, which is incorporated herein by reference.

SELECTED HISTORICAL FINANCIAL INFORMATION OF NPS AND GES

The selected historical financial information of NPS for the three years ended December 31, 2017 is provided in the Proxy Statement in the section entitled "Selected Historical Financial Information of NPS" beginning on page 27, which is incorporated herein by reference. The selected historical financial information of NPS for the three months ended March 31, 2018 is provided below.

NPS reports its operations on a calendar year ending on December 31. The consolidated statements of operations for the three months ended March 31, 2018 and 2017, and the balance sheet as of March 31, 2018 have been derived from NPS's unaudited condensed consolidated financial statements included elsewhere in this Report.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "NPS Management's Discussion and Analysis of Financial Condition and Results of Operations," and NPS's unaudited consolidated financial statements and the related notes included elsewhere in this Report and in the Proxy Statement.

	Three Months Ended	
	March 31, 2018	March 31, 2017
	(in thousands, except share and per share data)	
Operating Data:		
Revenues, net	$ 76,842	$ 54,739
Cost of services	$ (58,172)	$ (41,753)
Selling, general and administrative expenses	$ (9,409)	$ (7,603)
Operating income	$ 9,170	$ 5,218
Net income	$ 5,453	$ 2,841
Net income attributable to stockholders, net of tax	$ 5,793	$ 3,414
Earnings per common share:		
Basic	$ 0.02	$ 0.01
Diluted	$ 0.02	$ 0.01
Weighted average number of common shares outstanding:		
Basic	345,457,000	342,250,000
Diluted	370,000,000	370,000,000
Dividends per share	$ 0.13	$ -

	As of the Fiscal Quarter Ended
	March 31, 2018
	(in thousands)
Balance Sheet Data:	
Total assets	$ 626,075
Total liabilities	$ 279,759
Working capital	$ 58,389
Total stockholders' equity	$ 346,316

The selected historical financial information of GES for the three years ended December 31, 2017 is provided in the Proxy Statement in the section entitled "Selected Historical Financial Information of GES" beginning on page 28, which is incorporated herein by reference. The selected historical financial information of GES for the three months ended March 31, 2018 is provided below.

GES reports its operations on a calendar year ending on December 31. The consolidated statements of operations data for the three months ended March 31, 2018 and 2017, and the balance sheet as of March 31, 2018 have been derived from GES's unaudited condensed consolidated financial statements included elsewhere in this Report.

The historical results presented below are not necessarily indicative of the results to be expected for any future period. This information should be read in conjunction with "Risk Factors," "GES Management's Discussion and Analysis of Financial Condition and Results of Operations," and GES's unaudited consolidated financial statements and the related notes included elsewhere in this in this Report and in the Proxy Statement.

	Three Months Ended			
	March 31, 2018		March 31, 2017	
	(in thousands)			
Operating Data:				
Net revenue	RO	15,648	RO	18,065
Direct costs	RO	(6,006)	RO	(5,601)
Staff costs	RO	(4,886)	RO	(5,076)
Gross profit	RO	2,807	RO	5,119
Net profit and total comprehensive income for the year	RO	161	RO	2,719
Net profit and total comprehensive income attributable to shareholders	RO	141	RO	2,432

	As of the Fiscal Quarter Ended	
	March 31, 2018	
	(in thousands)	
Balance Sheet Data:		
Total assets	RO	91,276
Total liabilities	RO	48,631
Working capital	RO	11,410
Total equity	RO	42,645

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The unaudited pro forma condensed combined financial information of NESR for the year ended December 31, 2017 included in the Proxy Statement beginning on page 57 is incorporated herein by reference.

In addition, the unaudited pro forma condensed combined financial information of NESR for the period ended March 31, 2018 is provided below.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined balance sheet as of March 31, 2018 and the unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2018 and the year ended December 31, 2017 are based on the historical financial statements of NESR, NPS and GES. NESR, NPS and GES shall collectively be referred to herein as the "combined company."

The unaudited pro forma condensed combined financial information has been prepared in accordance with Article 11 of Regulation S-X. The unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2018 and the year ended December 31, 2017 gives pro forma effect to the Business Combination, the Backstop Commitment, and the Hana Loan as if they had occurred on January 1, 2017. The unaudited pro forma condensed combined balance sheet as of March 31, 2018 assumes that the Business Combination, the Backstop Commitment, and the Hana Loan were completed on March 31, 2018. The unaudited pro forma condensed combined financial information is presented on the basis of NESR as the accounting acquirer.

The unaudited pro forma condensed combined balance sheet as of March 31, 2018 has been prepared using the following:

- NESR's unaudited condensed consolidated balance sheets as of March 31, 2018 and the related notes as included in NESR's Quarterly Report on its Form 10-Q;
- NPS's unaudited condensed consolidated balance sheets as of March 31, 2018 and the related notes, as included elsewhere in this Report on Form 8-K; and
- GES's unaudited condensed consolidated interim statements of financial position as of March 31, 2018 and the related notes, as included elsewhere in this Report on Form 8-K.

The unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2018 has been prepared using the following:

- NESR's unaudited condensed consolidated statements of operations for the three months ended March 31, 2018 and the related notes as included in NESR's Quarterly Report on its Form 10-Q;
- NPS's unaudited condensed consolidated statements of income for the three months ended March 31, 2018 and the related notes, as included elsewhere in this Report on Form 8-K; and
- GES's unaudited condensed consolidated interim statements of profit or loss and other comprehensive income for the three months ended March 31, 2018 and the related notes, as included elsewhere in this Report on Form 8-K.

The unaudited pro forma condensed combined statement of operations for the year ended December 31, 2017 has been prepared using the following:

- NESR's audited consolidated statement of operations for the period from January 23, 2017 (inception) to December 31, 2017 and the related notes as included in NESR's Annual Report on its Form 10-K;
- NPS's audited consolidated income statement for the year ended December 31, 2017 and the related notes, as included elsewhere in this Report on Form 8-K; and
- GES's audited consolidated statement of profit or loss and other comprehensive income for the year ended December 31, 2017 and the related notes, as included elsewhere in this Report on Form 8-K.

The historical financial information of GES has been adjusted to give effect to the differences between the accounting principles generally accepted in the United States of America ("US GAAP") and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The adjustments presented in the unaudited pro forma condensed combined financial information have been identified and presented to provide relevant information necessary for an accurate understanding of the combined company after giving effect to the Business Combination, the Backstop Commitment, and the Hana Loan.

The allocation of the purchase consideration for the Business Combination depends upon certain estimates and assumptions, all of which are preliminary. The allocation of the purchase consideration has been made for the purpose of developing the unaudited pro forma condensed combined financial information. A final determination of fair values of assets acquired and liabilities assumed relating to the acquisition could differ materially from the preliminary allocation of purchase consideration. This final valuation will be based on the actual net tangible and intangible assets of NPS and GES existing at the acquisition date. Therefore, certain pro forma adjustments, such as recording fair value of assets and liabilities, conversion from IFRS as issued by the IASB to US GAAP, and adjustments for consistency of accounting policy, are preliminary in this unaudited condensed combined pro forma financial information and are subject to further adjustments as additional information becomes available and as additional analyses are performed. The final valuation may materially change the allocation of purchase consideration, which could materially affect the fair values assigned to the assets and liabilities and could result in a material change to the unaudited pro forma condensed combined financial information.

The Business Combination is accounted for under the scope of Financial Accounting Standards Board's Accounting Standards Codification Topic 805, *Business Combinations* ("ASC 805"). Pursuant to ASC 805, NESR has been determined to be the accounting acquirer based on evaluation of the following facts and circumstances:

- NESR transferred cash via the use of funds in NESR's trust account, issuing NESR ordinary shares, and incurred liabilities to execute the Business Combination;
- NESR's executive management comprises the executive management of the combined company;
- NESR's existing Board of Directors comprises 4 out of the 9 members of the Board of Directors of the combined company. Furthermore, NESR's Chief Executive Officer is the Chairman of the Board of the combined company. This provides a plurality for NESR with no other company representing more than 3 seats on the Board of the combined company. There are also no special voting rights conveyed in the Business Combination;
- NESR was the entity that initiated the Business Combination; and
- The headquarters of the combined company will be NESR.

The preponderance of the evidence discussed above supports the conclusion that NESR is the accounting acquirer in the Business Combination.

NPS and GES both constitute businesses. Accordingly, the Business Combination constitutes the acquisition of such businesses for purposes of ASC 805, and due to the change in control from the Business Combination, are accounted for using the acquisition method.

UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF MARCH 31, 2018

	As of March 31, 2018						As of March 31, 2018
	NESR (Historical) (US GAAP)	NPS (Historical) (US GAAP)	GES (Historical) (3)	Combined	Purchase Accounting Adjustments	Pro Forma Adjustments	Pro Forma Combined
				(in thousands)			
ASSETS							
Cash and cash equivalents	$ 120	$ 27,857	$ 3,186	$ 31,163	$ (313,775)(b)	$ 211,878(e)(i)	$ 22,227
						48,294(f)	
						(5,333)(g)	
						50,000(j)	
Accounts receivable	-	58,346	30,175	88,521	-	-	88,521
Unbilled revenue	-	35,764	50,026	85,790	-	-	85,790
Inventories	-	32,664	29,193	61,857	-	-	61,857
Other receivable	-	10,013	365	10,378	-	-	10,378
Prepaid expenses	152	4,901	1,879	6,932	-	-	6,932
Due from related parties, current	-	-	1,166	1,166	-	-	1,166
Advances to suppliers and other current assets	-	561	13,013	13,574	-	-	13,574
Total current assets	**272**	**170,106**	**129,003**	**299,381**	**(313,775)**	**304,839**	**290,445**
Cash and marketable securities held in Trust Account	231,258	-	-	231,258	-	(231,258)(e)	-
Property, plant and equipment	-	264,203	103,702	367,905	35,212(c)	-	403,117
Other assets	-	9,713	566	10,279	(4,472)(c)	-	5,807
Intangible assets	-	-	15	15	177,985(c)	-	178,000
Goodwill	-	182,053	-	182,053	260,759(c)	-	442,812
Investments in joint ventures	-	-	4,002	4,002	-	-	4,002
Total assets	**$ 231,530**	**$ 626,075**	**$ 237,288**	**$ 1,094,893**	**$ 155,709**	**$ 73,581**	**$ 1,324,183**
LIABILITIES AND EQUITY							
Accounts payable	$ -	$ 23,566	$ 31,516	$ 55,082	$ -	$ -	$ 55,082
Accrued expenses	5,437	25,246	22,596	53,279	5,240(b)	13,571(h)	72,090
Current portion of loans and borrowings	-	-	19,334	19,334	-	49,400(j)	68,734
Short-term borrowings	-	56,958	7,170	64,128	-	-	64,128
Capital lease obligation, current	-	-	187	187	-	-	187
Advance from related party	1	-	-	1	-	-	1
Due to related parties, current	-	25	9,863	9,888	-	-	9,888
Other current liabilities	-	-	-	-	24,563(b)	-	24,563
Current end of service benefits	-	2,691	-	2,691	-	-	2,691
Income taxes payable	-	3,231	8,563	11,794	-	-	11,794
Total current liabilities	**5,438**	**111,717**	**99,229**	**216,384**	**29,803**	**62,971**	**309,158**
Deferred underwriting fees	9,018	-	-	9,018	-	(9,018)(g)	-
Loans and borrowings	-	147,125	25,174	172,299	3,310(c)	-	175,609
Other liabilities	-	4,472	-	4,472	-	-	4,472
Capital lease obligation	-	-	5	5	-	-	5
Long-term income taxes payable	-	3,530	-	3,530	-	-	3,530
Deferred tax liabilities	-	1,834	-	1,834	35,600(c)	-	37,434
Due to related parties	-	-	445	445	-	-	445
Liability for pension benefits	-	11,081	1,629	12,710	-	-	12,710
Total liabilities	**14,456**	**279,759**	**126,482**	**420,697**	**68,713**	**53,953**	**543,363**
Commitments							
Ordinary shares subject to possible redemption	164,801	-	-	164,801	-	(164,801)(e)	-
Equity							
Ordinary shares	56,989	-	-	56,989	544,118(b)	199,790(e)(f)(g)(i)(j)	800,897
Common stock	-	348,525	1,300	349,825	(349,825)(d)	-	-
Convertible redeemable shares	-	21,475	-	21,475	(21,475)(d)	-	-
Additional paid in capital	-	3,345	29,118	32,463	(32,463)(d)	-	-
Accumulated deficit	(4,716)	(24,294)	78,523	49,513	(54,229)(d)	(15,361)(g)(h)(j)	(20,077)
Accumulated other comprehensive (loss) income	-	(435)	-	(435)	435(d)	-	-
Total shareholders' equity	**52,273**	**348,616**	**108,941**	**509,830**	**86,561**	**184,429**	**780,820**
Non-controlling interests	-	(2,300)	1,865	(435)	435(d)	-	-
Total equity	**52,273**	**346,316**	**110,806**	**509,395**	**86,996**	**184,429**	**780,820**
TOTAL LIABILITIES AND EQUITY	**$ 231,530**	**$ 626,075**	**$ 237,288**	**$ 1,094,893**	**$ 155,709**	**$ 73,581**	**$ 1,324,183**

See accompanying notes to unaudited pro forma condensed combined financial information.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2018

	For the Quarter Ended March 31, 2018	For the Quarter Ended March 31, 2018					For the Quarter Ended March 31, 2018
	NESR (Historical) (US GAAP)	NPS (Historical) (US GAAP)	GES (Historical) (3)	Combined	Purchase Accounting Adjustments	Pro Forma Adjustments	Pro Forma Combined
	(in thousands, except share and per share data)						
Revenues	$ -	$ 76,842	$ 40,696	$ 117,538	$ -	$ -	$ 117,538
Cost of services	-	(58,172)	(33,395)	(91,567)	6,171(aa)	-	(85,396)
Gross profit	**-**	**18,670**	**7,301**	**25,971**	**6,171**	**-**	**32,142**
Depreciation and amortization expense	-	(91)	-	(91)	(3,168)(aa)	-	(3,259)
Selling, general and administrative	(2,560)	(9,409)	(4,851)	(16,820)	(1,317)(aa)	3,896(cc)(dd)	(14,241)
Total operating costs and expenses	**(2,560)**	**(9,500)**	**(4,851)**	**(16,911)**	**(4,485)**	**3,896**	**(17,500)**
Operating (loss) income	**(2,560)**	**9,170**	**2,450**	**9,060**	**1,686**	**3,896**	**14,642**
Change in fair value of deferred underwriting fee liability	4	-	-	4	-	-	4
Unrealized loss on marketable securities held in Trust Account	(30)	-	-	(30)	-	-	(30)
Interest expense	-	(2,825)	(902)	(3,727)	-	428(dd)	(3,299)
Interest income	734	-	-	734	-	-	734
Other (expense) income, net	-	91	(110)	(19)	-	-	(19)
(Loss) income before income taxes	**(1,852)**	**6,436**	**1,438**	**6,022**	**1,686**	**4,324**	**12,032**
Provision for income taxes	-	(983)	(920)	(1,903)	(336)(bb)	(864)(bb)	(3,103)
Net (loss) income	**(1,852)**	**5,453**	**518**	**4,119**	**1,350**	**3,460**	**8,929**
Net loss (income) attributable to non-controlling interests	-	340	(51)	289	-	-	289
Net (loss) income attributable to shareholders	**$ (1,852)**	**$ 5,793**	**$ 467**	**$ 4,408**	**$ 1,350**	**$ 3,460**	**$ 9,218**
Weighted average shares outstanding							
Basic	11,730,425					(ff)	85,562,769
Diluted	11,730,425					(ff)	85,562,769
Net earnings per share							
Basic	$ (0.20)						$ 0.11
Diluted	$ (0.20)						$ 0.11

See accompanying notes to unaudited pro forma condensed combined financial information.

UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2017

	For the Period from January 23, 2017 (Inception) through December 31, 2017	For the Year Ended December 31, 2017					For the Year Ended December 31, 2017
	NESR (Historical) (US GAAP)	NPS (Historical) (US GAAP)	GES (Historical) (3)	Combined	Purchase Accounting Adjustments	Pro Forma Adjustments	Pro Forma Combined
	(in thousands, except share and per share data)						
Revenues	$ -	$ 271,324	$ 186,564	$ 457,888	$ -	$ -	$ 457,888
Cost of services	-	(200,149)	(128,262)	(328,411)	23,210(aa)	-	(305,201)
Gross profit	**-**	**71,175**	**58,302**	**129,477**	**23,210**	**-**	**152,687**
Depreciation and amortization expense	-	(607)	-	(607)	(12,431)(aa)	-	(13,038)
Selling, general and administrative	(4,215)	(30,336)	(17,483)	(52,034)	(5,185)(aa)	1,613(cc)(dd)	(55,606)
Total operating costs and expenses	**(4,215)**	**(30,943)**	**(17,483)**	**(52,641)**	**(17,616)**	**1,613**	**(68,644)**
Operating (loss) income	**(4,215)**	**40,232**	**40,819**	**76,836**	**5,594**	**1,613**	**84,043**
Change in fair value of deferred underwriting fee liability	10	-	-	10	-	-	10
Unrealized loss on marketable securities held in Trust Account	(3)	-	-	(3)	-	-	(3)
Interest expense	-	(6,720)	(3,869)	(10,589)	-	(4,600)(ee)	(15,189)
Interest income	1,344	-	1,611	2,955	-	-	2,955
Other (expense) income, net	-	(573)	5,201	4,628	-	-	4,628
(Loss) income before income taxes	**(2,864)**	**32,939**	**43,762**	**73,837**	**5,594**	**(2,987)**	**76,444**
Provision for income taxes	-	(4,586)	(7,337)	(11,923)	(1,118)(bb)	597(bb)	(12,444)
Net (loss) income	**(2,864)**	**28,353**	**36,425**	**61,914**	**4,476**	**(2,390)**	**64,000**
Net loss (income) attributable to non-controlling interests	-	2,273	(4,310)	(2,037)	-	-	(2,037)
Net (loss) income attributable to shareholders	**$ (2,864)**	**$ 30,626**	**$ 32,115**	**$ 59,877**	**$ 4,476**	**$ (2,390)**	**$ 61,963**
Weighted average shares outstanding							
Basic	9,552,022					(ff)	85,562,769
Diluted	9,552,022					(ff)	85,562,769
Net earnings per share							
Basic	$ (0.40)						$ 0.72
Diluted	$ (0.40)						$ 0.72

See accompanying notes to unaudited pro forma condensed combined financial information.

NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

1. Description of the Business Combination and Basis of Presentation

On June 6, 2018, NESR, NPS and GES consummated the Business Combination, the Backstop Commitment, and the Hana Loan, under which NESR acquired controlling interests in the aforementioned entities.

NPS is a regional provider of products and services to the oil and gas industry in the Middle East, North Africa and Asia Pacific regions. Its revenues are primarily derived from services provided during the drilling, completion and production phases of an oil or natural gas well. NPS operates in twelve countries with the majority of its revenues derived from operations in the Kingdom of Saudi Arabia, Algeria, Qatar, UAE and Iraq.

GES provides drilling equipment for rental and related services, well engineering services and directional drilling services imports, and sells oilfield equipment and renders specialized services to oil companies in the Sultanate of Oman, the Kingdom of Saudi Arabia, Algeria, Kuwait and Yemen.

Description of the NPS Transaction

NESR acquired NPS pursuant to certain transactions (collectively, the "NPS Transaction"), in exchange for cash consideration and the issuance of NESR ordinary shares, discussed further below.

Hana Investments paid $150.0 million of the total cash requirements to certain NPS Selling Stockholders to purchase 83,660,878 shares of NPS.

On June 6, 2018, NESR acquired 100% of the outstanding NPS shares pursuant to the NPS Stock Purchase Agreement, dated as of November 12, 2017, among NESR and Hana Investments, as purchasers, the NPS Selling Stockholders, as sellers, and NPS, pursuant to which the NPS Selling Stockholders sold to NESR and Hana Investments, in a separate closing for each purchaser, 100% of the 370,000,000 outstanding NPS shares, and pursuant to which Hana Investments exchanged its portion of the acquired NPS shares for NESR ordinary shares at the time that NESR completed the Business Combination.

At closing, NESR bought the remaining outstanding NPS shares by (i) paying the remaining $292.8 million cash required and (ii) issuing ordinary shares of NESR for the balance of the purchase price, subject to certain adjustments. NESR has also paid an additional $7.6 million in cash for the renewal of a major customer contract by NPS.

Contemporaneously on the Closing Date, Hana Investments transferred the 83,660,878 NPS shares it acquired from the NPS Selling Stockholders to NESR in exchange for NESR ordinary shares.

Earn-out mechanisms enable the NPS Selling Stockholders to receive additional consideration after the Closing Date as follows:

- First Equity Stock Earn-Out: Up to 1,671,704 NESR ordinary shares will be issued to the NPS Selling Stockholders that exchange their shares for NESR stock if the 2018 EBITDA of NESR satisfies scheduled financial thresholds.

- Second Equity Stock Earn-Out: Up to an additional 1,671,704 NESR ordinary shares will be issued to the NPS Selling Stockholders if the 2018 EBITDA of NESR satisfies scheduled thresholds higher than the First Equity Stock Earn-Out financial thresholds.

NESR was subject to certain penalties for delays in receiving shareholder approval to complete the Business Combination. The NPS Selling Stockholders had negotiated a fee (the "Ticker Fee") that began to accrue daily on cash not paid by January 1, 2018. On June 6, 2018, NESR entered into an agreement with the NPS Selling Stockholders to waive a portion of the Ticker Fee accrued for the period from January 1, 2018 through February 28, 2018. The resulting final Ticker Fee amounted to $13.4 million payable in cash and NESR agreed to reimburse the NPS Selling Shareholders for $5.2 million of fees, costs and expenses.

Description of the GES Transaction

NESR acquired GES pursuant to certain transactions (collectively, the "GES Transaction"), in exchange for the issuance of NESR ordinary shares, discussed further below.

On June 6, 2018, NESR acquired 88% of the outstanding shares of GES from certain owners of GES in exchange for the issuance of NESR ordinary shares.

NESR Holdings acquired the remaining 12% of the outstanding shares of GES for a total purchase price of $29.3 million. NESR Holdings organized financing of the acquisition through certain Loan Contracts with the GES Investors. NESR Holdings then assigned the GES shares which it acquired to NESR, and NESR assumed the obligation to satisfy the Loan Contracts. The Loan Contracts allowed for the GES Investors to receive either NESR ordinary shares, GES shares or cash in satisfaction of the loans, and in most of these contracts such election was at NESR's discretion, subject to the GES Investors having the right for 21 days after filing of the Definitive Proxy Statement to reject in writing acceptance of NESR ordinary shares. NESR elected to issue NESR ordinary shares to satisfy the Loan Contracts, and the GES Investors did not elect to reject in writing their acceptance of said NESR ordinary shares. The Loan Contracts were interest bearing and accrued interest of approximately $1.1 million upon settlement, with such interest being paid in NESR ordinary shares.

Description of the Hana Loan Agreement

On June 5, 2018 the Company entered into a Loan Agreement with Hana Investments, pursuant to which the Company borrowed $50,000,000 (the "Hana Loan") on an unsecured basis. The Hana Loan matures on December 17, 2018 and can be prepaid at any time in NESR ordinary shares at a conversion rate of $11.244 per share or cash, at the election of the lender after the Company delivers five business days' notice of its intent to repay the Hana Loan. The Hana Loan is interest bearing and will accrue interest at the greater of (i) an amount equal to $4.0 million or prorated if the loan is prepaid and (ii) at a rate per annum equal to One Month ICE LIBOR, adjusted monthly on the first day of each calendar month, plus a margin of 2.25% payable on maturity or prepaid. The interest is payable in NESR ordinary shares or cash at the election of the lender. In addition, Hana Investments has the right to convert the principal of the Hana Loan into NESR ordinary shares on or prior to maturity at a conversion rate of $11.244 per share. The loan is subject to an origination fee of $600,000 payable in NESR ordinary shares at $11.244 per share or 53,362 shares at closing of the Business Combination. If as a result of exercising any conversion rights in the Hana Loan, Hana Investments' total share ownership equals or exceeds 20% of the then outstanding NESR shares, then the conversion of any amount into NESR ordinary shares will be contingent upon NESR receiving shareholder approval for such issuance of NESR ordinary shares.

Transaction Sources

Consideration for the Business Combination was funded through the following sources and transactions:

- Investments and cash equivalents held in trust of $211.9 million related to NESR's IPO of units;
- The purchase of 4,829,375 NESR ordinary shares for $48.3 million by the Backstop Investor. The funds received from such Backstop Commitment were used to help fund the cash portion of the consideration to the NPS Selling Stockholders, transaction expenses in the Business Combination, settlement of the Ticker Fee, and for other corporate purposes;
- Borrowings of $50.0 million from the Hana Loan. The funds received from such Hana Loan were used to help fund the cash portion of the consideration to the NPS Selling Stockholders, transaction expenses in the Business Combination, settlement of the Ticker Fee, and for other corporate purposes;
- Issuance of 13,758,449 ordinary shares of NESR to Hana Investments in exchange for its shares in NPS and as payment for interest accrued on Hana Investments' $150.0 million purchase of NPS shares. Based on negotiations between NESR and Hana Investments, NESR has the right and paid the $4.7 million of accrued interest in the form of NESR ordinary shares;

- Issuance of 11,318,828 ordinary shares of NESR to the NPS Selling Stockholders in exchange for their shares in NPS;

- Assumption and subsequent conversion of the GES Loan Contracts and related interest from NESR Holdings into 3,036,381 ordinary shares of NESR in exchange for shares in GES; and

- Issuance of 25,309,848 ordinary shares of NESR to SV3 and to the GES Selling Stockholders in exchange for their shares in GES.

Basis of Presentation

The pro forma adjustments have been prepared as if the Business Combination, the Backstop Commitment, and the Hana Loan had been consummated on January 1, 2017, the beginning of the earliest period presented, in the case of the unaudited pro forma condensed combined statement of operations, and on March 31, 2018 in the case of the unaudited pro forma condensed combined balance sheet.

The unaudited pro forma condensed combined financial information has been prepared using the acquisition method of accounting in accordance with ASC 805, with NESR as the accounting acquirer, using the fair value concepts defined in the Financial Accounting Standards Board's Accounting Standards Codification Topic 820, *Fair Value Measurement* , and based on the historical consolidated financial statements of NESR, NPS and GES. Furthermore, the historical financial information of GES has been adjusted to give effect to the differences between US GAAP and IFRS as issued by the IASB.

Under the acquisition method, the acquisition-date fair value of the purchase consideration paid by NESR to effect the Business Combination was allocated to the assets acquired and the liabilities assumed based on their estimated fair values, as described in Note 5 below. Management has made significant estimates and assumptions in determining the preliminary allocation of the purchase consideration transferred in the unaudited pro forma condensed combined financial information. The allocation is dependent upon certain valuation and other studies that have not yet been completed. Accordingly, the pro forma purchase price allocation is subject to further adjustment as additional information becomes available and as additional analyses and final valuations are completed. As the unaudited pro forma condensed combined financial information has been prepared based on these preliminary estimates, the final amounts recorded may differ materially from the information presented.

The unaudited pro forma condensed combined financial information does not give effect to any anticipated synergies, operating efficiencies or cost savings that may be associated with the Business Combination.

The historical consolidated financial statements have been adjusted in the unaudited pro forma condensed combined financial information to give effect to pro forma events that are (1) directly attributable to the Business Combination, the Backstop Commitment, and the Hana Loan, (2) factually supportable, and (3) with respect to the unaudited pro forma condensed combined statement of operations, expected to have a continuing impact on the results of the combined company.

The pro forma adjustments reflecting the consummation of the Business Combination, the Backstop Commitment, and the Hana Loan are based on currently available information and certain assumptions that NESR believes are reasonable under the circumstances. The unaudited condensed pro forma adjustments may be revised as additional information becomes available. Therefore, it is likely that the actual adjustments will differ from the pro forma adjustments and it is possible the difference may be material. Management believes that its assumptions provide a reasonable basis for presenting all of the significant effects of the Business Combination, the Backstop Commitment, and the Hana Loan based on information currently available to management and that the pro forma adjustments give appropriate effect to those assumptions and are properly applied in the unaudited pro forma condensed combined financial information.

The unaudited pro forma condensed combined statement of operations is not necessarily indicative of what the actual results of operations would have been had the Business Combination, the Backstop Commitment, and the Hana Loan taken place on the date indicated, nor are they indicative of the future consolidated results of operations of the combined company. They should be read in conjunction with the historical consolidated financial statements and notes thereto of NESR, NPS and GES .

2. Reclassification Adjustments

Following the Business Combination, NESR will perform a comprehensive review of NPS's and GES's accounting policies. As a result of the review, management may identify differences between the accounting policies of NESR, NPS and GES which, when conformed, could have a material impact on the financial statements of the combined company. Certain reclassification adjustments have been made to NPS's and GES's historical consolidated balance sheets as of March 31, 2018 and consolidated results of operations for the three months ended March 31, 2018 and the year ended December 31, 2017 to conform to NESR's presentation.

The pro forma financial information may not reflect all reclassifications necessary to conform NPS's and GES's presentations to that of NESR due to limitations on the availability of information as of the date of this Report. Accounting policy differences and additional reclassification adjustments may be identified as more information becomes available.

3. GES Historical Financial Statements

The historical financial statements of GES have been prepared in accordance with IFRS and are denominated in Rial Omani. A reconciliation from GES's historical balance sheet as of March 31, 2018 and historical statements of operations for the three months ended March 31, 2018 and the year ended December 31, 2017 to the amounts prepared in conformity with US GAAP and denominated in US dollars presented in the GES (Historical) column in the unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statement of operations is presented below. For both the unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed combined statement of operations, a Rial Omani to U.S. Dollar conversion rate of 1 US Dollar to 0.385 Rial Omani (rate quoted from the Central Bank of Oman) was used as the movement of Rial Omani is fixed to the US Dollar.

GES Historical Balance Sheet as of March 31, 2018

	As of March 31, 2018				
	GES (Historical) (in Rial Omani)	Conversion from Rial Omani to U.S. Dollar	Adjustments for US GAAP and IFRS Differences	GES (Historical) (3)	Pro Forma Balance Sheet Classification
			(in thousands)		
ASSETS					
Non-current assets					
Property, plant and equipment	39,233	$ 102,036	$ (203)(a)	$ 101,833	Property, plant and equipment
Intangible assets and goodwill	6	15	-	15	Intangible assets
Capital work in progress	718	1,869	-	1,869	Property, plant and equipment
Deferred tax asset	217	566	-	566	Other assets
Investment in joint venture and associate	1,539	4,002	-	4,002	Investments in joint ventures
Total non-current assets	**41,713**	**108,488**	**(203)**	**108,285**	
Current assets					
Inventories	11,225	29,193	-	29,193	Inventories
Trade and other receivables	36,665	95,359	(65,184)(a)(2)	30,175	Accounts receivable
	-	-	50,026(2)	50,026	Unbilled revenue
	-	-	365(2)	365	Other receivable
	-	-	1,879(2)	1,879	Prepaid expenses
	-	-	13,013(2)	13,013	Advances to suppliers and other current assets
Amounts due from related parties	448	1,166	-	1,166	Due from related parties, current
Cash and cash equivalents	1,225	3,186	-	3,186	Cash and cash equivalents
Total current assets	**49,563**	**128,904**	**99**	**129,003**	
Total assets	**91,276**	**$ 237,392**	**$ (104)**	**$ 237,288**	
EQUITY AND LIABILITIES					
Equity					
Share capital	500	$ 1,300	$ -	$ 1,300	Common stock
Legal reserve	852	2,216	-	2,216	Accumulated deficit
Retained earnings	29,082	75,636	671(a)	76,307	Accumulated deficit
Shareholder's contribution	11,232	29,211	(93)(a)	29,118	Additional paid in capital
Equity attributable to shareholders of parent company	**41,666**	**108,363**	**578**	**108,941**	
Non-controlling interest	979	2,547	(682)(a)	1,865	Non-controlling interests
Total equity	**42,645**	**110,910**	**(104)**	**110,806**	
LIABILITIES:					
Non-current liabilities					
Subordinated loans from related parties	171	445	-	445	Due to related parties
Loans and borrowings	9,679	25,174	-	25,174	Loans and borrowings
Finance lease liabilities	2	5	-	5	Capital lease obligation
End of service benefits	626	1,629	-	1,629	Liability for pension benefits
Total non-current liabilities	**10,478**	**27,253**	**-**	**27,253**	
Current liabilities					
Short term bank borrowings	2,757	7,170	-	7,170	Short-term borrowings
Loans and borrowings	7,434	19,334	-	19,334	Current portion of loans and borrowings
Finance lease liabilities	72	187	-	187	Capital lease obligation, current
Trade and other payables	20,806	54,112	(22,596) (2)	31,516	Accounts payable
	-	-	22,596(2)	22,596	Accrued expenses
Amounts due to related parties	3,792	9,863	-	9,863	Due to related parties, current
Income tax payable	3,292	8,563	-	8,563	Income taxes payable

Total current liabilities	**38,153**	**99,229**	**-**	**99,229**
Total liabilities	**48,631**	**126,482**	**-**	**126,482**
Total equity and liabilities	**91,276**	**$ 237,392**	**$ (104)**	**$ 237,288**

GES Historical Statement of Operations for the Three Months Ended March 31, 2018

	For the Three Months Ended March 31, 2018				
	GES (Historical) (in Rial Omani)	**Conversion from Rial Omani to U.S. Dollar**	**Adjustments for US GAAP and IFRS Differences**	**GES (Historical) (3)**	**Pro Forma Statement of Operations Classification**
			(in thousands)		
Revenue	15,648	$ 40,696	$ -	$ 40,696	Revenues
Direct costs	(6,006)	(15,621)	(17,774)(2)	(33,395)	Cost of services
Staff costs	(4,886)	(12,708)	12,708(2)	-	
Depreciation and Amortization	(1,948)	(5,066)	5,066(2)	-	
Gross profit	**2,808**	**7,301**	**-**	**7,301**	
Administrative and general expense	(1,865)	(4,851)	-	(4,851)	Selling, general and administrative
Impairment loss on trade and other receivables including contract assets	(38)	(99)	99(a)	-	
Finance costs	(347)	(902)	-	(902)	Interest expense
Other income	37	96	-	96	Other income (expense), net
Share of loss of equity-accounted investee, net of tax	(79)	(206)	-	(206)	Other income (expense), net
Profit before taxation	**516**	**1,339**	**99**	**1,438**	
Income tax expense	(354)	(920)	-	(920)	Provision for income taxes
Net profit and total comprehensive income for the year	**162**	**419**	**99**	**518**	
Net profit and total comprehensive income attributable to:					
Shareholders of the Company	141	368	99	467	
Non-controlling interest	21	51	-	51	Net (income) loss attributable to non-controlling interests
Net profit and total comprehensive income for the year	**162**	**$ 419**	**$ 99**	**$ 518**	

GES Historical Statement of Operations for the Year Ended December 31, 2017

	For the Year Ended December 31, 2017				
	GES (Historical) (in Rial Omani)	**Conversion from Rial Omani to U.S. Dollar**	**Adjustments for US GAAP and IFRS Differences**	**GES (Historical) (3)**	**Pro Forma Statement of Operations Classification**
			(in thousands)		
Revenue	71,734	$ 186,564	$ -	$ 186,564	Revenues
Direct costs	(20,902)	(54,361)	(73,901)(2)	(128,262)	Cost of services
Staff costs	(19,869)	(51,676)	51,676(2)	-	
Depreciation and Amortization	(8,546)	(22,225)	22,225(2)	-	
Gross profit	**22,417**	**58,302**	**-**	**58,302**	
Administrative and general expense	(6,722)	(17,483)	-	(17,483)	Selling, general and administrative
Finance costs	(1,487)	(3,869)	-	(3,869)	Interest expense
Finance income	619	1,611	-	1,611	Interest income
Other income	1,622	4,217	-	4,217	Other income (expense), net
Share of profit of equity-accounted investee, net of tax	378	984	-	984	Other income (expense), net
Profit before taxation	**16,827**	**43,762**		**43,762**	
Income tax expense	(2,821)	(7,337)	-	(7,337)	Provision for income taxes
Net profit and total comprehensive income for the year	**14,006**	**36,425**	**-**	**36,425**	
Net profit and total comprehensive income attributable to:					
Shareholders of the Company	12,348	32,115	-	32,115	
Non-controlling interest	1,658	4,310	-	4,310	Net (income) loss attributable to non-controlling interests
Net profit and total comprehensive income for the year	**14,006**	**$ 36,425**	$ -	**$ 36,425**	

4. Adjustments to Unaudited Pro Forma Condensed Combined Financial Information

Adjustments to Unaudited Pro Forma Condensed Combined Balance Sheet

The pro forma adjustments included in the unaudited pro forma condensed combined balance sheet as of March 31, 2018 are as follows:

(a) Reflects the elimination of the effect of GES adopting IFRS 9 during the first quarter of 2018, and the net effect from the historical acquisition of a business from a third party by a related party of GES. Such business was later transferred to GES in a common control transaction. These adjustment result from the difference in the basis of presentation of the historical financial statements of GES, which are prepared in accordance with IFRS, and those of NESR, which are prepared in accordance with US GAAP.

(b) Represents the use of the merger consideration to purchase all of the outstanding equity ownership of NPS and GES.

NESR acquired NPS and GES, and the GES Investors opted for a share exchange for the interest portion of the Loan Contracts, in exchange for the following:

	NPS		GES		
	Value	**Shares**	**Value**	**Shares**	**Total**
			(in thousands)		
Cash consideration	$ 319,015		$ -		$ 319,015
Total Merger Consideration – cash	**319,015**		**-**		**319,015**
NESR ordinary share consideration	255,412	25,077	257,781	25,310	513,193
Assumption of Loan Contracts and related interest from NESR Holdings (including conversion into NESR ordinary shares)	-	-	30,925	3,036	30,925
Total Merger Consideration – equity	**255,412**		**288,706**		**544,118**
Estimated Earn-Out Mechanisms (2)	24,563	2,412	-	-	24,563
Total Merger Consideration (1)	**$ 598,990**		**$ 288,706**		**$ 887,696**

1) For pro forma purposes, the fair value of consideration given, and thus the purchase price was determined based upon the $10.185 per share closing price of NESR common stock on June 6, 2018.

The following summarizes NESR's ordinary share ownership subsequent to the Business Combination, the Backstop Commitment, and the Hana Loan:

	Shares	%
Closing merger shares - issuable to Hana Investments	14,025,258	16%
Closing merger shares - issuable to the NPS Selling Stockholders	11,318,828	13%
Closing merger shares - issuable to the GES Investors	3,036,381	3%
Closing merger shares - issuable to SV3	6,825,000	8%
Closing merger shares - issuable to the GES Selling Stockholders	18,484,848	22%
Closing merger shares - issuable to the Underwriters	307,465	<1%
Closing merger shares	**53,997,780**	
Founder shares	5,730,425	7%
Shares held by current NESR shareholders	21,005,189	25%
Shares prior to Backstop Commitment	**80,733,394**	
Backstop Commitment Shares (affiliated with NPS)	4,829,375	6%
Total NESR ordinary shares	**85,562,769**	**100%**

2) The terms of the NPS transaction include specific earn-out provisions which, if achieved, will be settled in NESR ordinary shares. The first and second equity earn-outs are tied to 2018 EBITDA performance measures, with payments to be made in NESR ordinary shares, and are quantified based on expected 2018 EBITDA targets being met. Based on the range of scenarios and probabilities considered, NESR estimated equity earn-outs of 1.67 million shares at $10.185 per share (equal to $17.0 million) and 740,000 shares at $10.185 per share (equal to $7.5 million) for the first and second equity earn-outs, respectively. Combining the equity earn-outs of $17.0 million and $7.5 million, equals an estimated earn-out of $24.5 million.

(c) Reflects the acquisition method of accounting based on the estimated fair value of the acquired assets and assumed liabilities of NPS and GES as discussed in Note 5 below. Additional information regarding the estimated fair value of identifiable intangible assets acquired and the tax effect of the purchase accounting is discussed below. The pro forma combined provision for income taxes does not necessarily reflect the amounts that would have resulted had the combined company filed a consolidated income tax returns during the period presented.

	NPS	GES	Total
		(in thousands)	
Property, plant and equipment - carrying value	$ 264,203	$ 103,702	$ 367,905
Property, plant and equipment - fair value	265,219	137,898	403,117
Net purchase accounting adjustment	$ 1,016	$ 34,196	$ 35,212
Other assets - carrying value	$ 9,713	$ 566	$ 10,279
Other assets - fair value	5,241	566	5,807
Net purchase accounting adjustment	$ (4,472)	$ -	$ (4,472)
Intangibles - carrying value	$ -	$ 15	$ 15
Intangibles - fair value	125,000	53,000	178,000
Net purchase accounting adjustment	$ 125,000	$ 52,985	$ 177,985
Goodwill - carrying value	$ 182,053	$ -	$ 182,053
Goodwill - fair value	341,058	101,754	442,812
Net purchase accounting adjustment	$ 159,005	$ 101,754	$ 260,759
Unamortized debt issuance / transaction costs - carrying value	$ (2,875)	$ (435)	$ (3,310)
Unamortized debt issuance / transaction costs - fair value	-	-	-
Net purchase accounting adjustment	$ 2,875	$ 435	$ 3,310
Deferred tax liabilities - carrying value	$ 1,834	$ -	$ 1,834
Deferred tax liabilities - fair value	26,834	10,600	37,434
Net purchase accounting adjustment	$ 25,000	$ 10,600	$ 35,600

(d) Reflects the elimination of NPS's and GES's historical equity accounts.

	NPS	GES	Total
		(in thousands)	
Common stock	$ (348,525)	$ (1,300)	$ (349,825)
Convertible redeemable shares	(21,475)	-	(21,475)
Additional paid in capital	(3,345)	(29,118)	(32,463)
Accumulated deficit (Retained earnings)	24,294	(78,523)	(54,229)
Accumulated other comprehensive (income)	435	-	435
Non-controlling interests	2,300	(1,865)	435
Total equity	**$ (346,316)**	**$ (110,806)**	**$ (457,122)**

(e) Represents the reclassification of $231.3 million of cash and cash equivalents held in a trust account that became available following the Business Combination after giving effect to the redemption by NESR shareholders of 1,916,511 NESR ordinary shares. Ordinary shares subject to possible redemption that were not redeemed were rolled over into NESR ordinary shares.

(f) Reflects the receipt of gross proceeds of $48.3 million from the sale of ordinary shares pursuant to the Backstop Commitment.

(g) Reflects the payment of $5.3 million in cash and $3.1 million in NESR ordinary shares as deferred underwriting fees contingent upon completion of the Business Combination, and an adjustment of $0.6 million to deferred underwriting fees due to the redemption by NESR shareholders of 1,916,511 NESR ordinary shares.

(h) Reflects adjustments to retained earnings and accrued liabilities of $13.6 million consisting of transaction costs expected to be incurred in relation to the Business Combination.

(i) Reflects the redemption of 1,916,511 ordinary shares by shareholders pursuant to their redemption rights.

(j) Reflects the receipt of $50.0 million from Hana Investments pursuant to the Hana Loan, and the issuance of $3.0 million of NESR ordinary shares, $0.6 million related to loan origination costs and $2.4 million related to the relationship fee.

Adjustments to Unaudited Pro Forma Condensed Combined Statement of Operations

The pro forma adjustments included in the unaudited pro forma condensed combined statement of operations for the three months ended March 31, 2018 and the year ended December 31, 2017 are as follows:

(aa) Represents the sum of the adjustments to record amortization expense related to acquired identifiable definite-lived intangible assets. Such intangibles have been amortized using the straight-line method.

	Pro Forma Three Months Ended March 31, 2018				
	NPS		GES		
	Cost of Services	Depreciation and Amortization	Cost of Services	Depreciation and Amortization	Selling, General and Administrative
	(in thousands)				
Historical depreciation and amortization expense recognized	$ 10,287	$ 91	$ 5,066	$ -	$ 303
Depreciation and amortization expense after fair value adjustment	5,238	3,259	3,944	-	1,620
Depreciation and amortization expense adjustment for the period	$ 5,049	$ (3,168)	$ 1,122	$ -	$ (1,317)

	Pro Forma Year Ended December 31, 2017				
	NPS		GES		
	Cost of Services	Depreciation and Amortization	Cost of Services	Depreciation and Amortization	Selling, General and Administrative
	(in thousands)				
Historical depreciation and amortization expense recognized	$ 37,801	$ 607	$ 22,225	$ -	$ 1,205
Depreciation and amortization expense after fair value adjustment	20,952	13,038	15,864	-	6,390
Depreciation and amortization expense adjustment for the period	$ 16,849	$ (12,431)	$ 6,361	$ -	$ (5,185)

(bb) Represents an adjustment to income tax expense as a result of the tax impact on the pro forma adjustments related to purchase accounting and pro forma adjustments for NPS and GES based on a blended statutory tax rate of 20%.

(cc) In conjunction with the Business Combination, the GES Founders have executed a Non-Compete and Non-Disclosure Agreement and have agreed to provide advisory services to the combined company for five years. Pursuant to the agreement, the GES Founders will each receive annual payments of $1 million over the course of five years.

(dd) Reflects the elimination of transaction costs of $4.8 million recorded in the NESR, NPS and GES historical financial statements for the three months ended March 31, 2018, and $3.6 million recorded in the NESR historical financial statements for the year ended December 31, 2017.

(ee) Reflects an adjustment to interest expense resulting from the Hana Loan.

(ff) Earnings per Share

Represents the net income per share calculated using the historical weighted average NESR ordinary shares and the issuance of additional shares in connection with the Business Combination, assuming the shares were outstanding since January 1, 2017. On a pro forma basis, no potentially dilutive shares were outstanding during the three months ended March 31, 2018 or the year ended December 31, 2017. Therefore, basic and diluted weighted average shares were the same for the period presented. The pro forma basic and diluted earnings per share amounts presented in the unaudited pro forma condensed combined statement of operations are based upon the number of NESR's shares outstanding, assuming the Business Combination, the Backstop Commitment, and the Hana Loan occurred on January 1, 2017.

Combined Pro Forma Basic and Diluted Weighted Average Shares	
NESR Public Shareholders	21,005,189
NESR Founders	5,730,425
GES Investors (GES Loan Contracts upon conversion into NESR ordinary shares)	3,036,381
Hana Investments	25,334,086
GES Shareholders	25,309,848
Underwriters	307,465
Backstop Investor (affiliated to NPS)	4,829,375
Pro forma weighted average shares (basic and diluted)	85,562,769

5. Estimated Fair Value of Assets Acquired and Liabilities Assumed

The preliminary allocation of the consideration to the tangible and intangible assets acquired and liabilities assumed is based on various preliminary estimates. Since this unaudited pro forma condensed combined financial information has been prepared based on preliminary estimates the actual amounts recorded for the acquisition may differ from the information presented.

Allocation of consideration

	NPS	GES
	(in thousands)	
Cash and cash equivalents	$ 27,857	$ 3,186
Accounts receivable	58,346	30,175
Unbilled revenue	35,764	50,026
Inventories	32,664	29,193
Other receivable	10,013	365
Prepaid expenses	4,901	1,879
Due from related parties, current	-	1,166
Advances to suppliers and other current assets	561	13,013
Property, plant and equipment	265,219	137,898
Other assets	5,241	566
Intangible assets	125,000	53,000
Investments in joint ventures	-	4,002
Total identifiable assets acquired	**565,566**	**324,469**
Accounts payable	(23,566)	(31,516)
Accrued expenses	(25,246)	(22,596)
Current portion of loans and borrowings	-	(19,334)
Short-term borrowings	(56,958)	(7,170)
Capital lease obligation, current	-	(187)
Due to related parties, current	(25)	(9,863)
Current end of service benefits	(2,691)	-
Income taxes payable	(3,231)	(8,563)
Loans and borrowings	(150,000)	(25,609)
Other liabilities	(4,472)	-
Capital lease obligation	-	(5)
Long-term income taxes payable	(3,530)	-
Deferred tax liabilities	(26,834)	(10,600)
Due to related parties	-	(445)
Employee benefits	(11,081)	(1,629)
Net identifiable liabilities acquired	**(307,634)**	**(137,517)**
Goodwill	341,058	101,754
Total gross consideration	**$ 598,990**	**$ 288,706**

Intangible assets were identified that met either the separability criterion or the contractual-legal criterion described in ASC 805. The preliminary allocation to intangible assets is as follows:

Intangible assets

	Fair Value			
	NPS	GES	Total	Useful Life
	(in millions)			
Customer contracts	$ 110,000	$ 43,000	$ 153,000	10 years
Trademarks and trade names	15,000	10,000	25,000	8 years
Total intangible assets	$ 125,000	$ 53,000	$ 178,000	

Goodwill. Approximately $442.8 million has been allocated to goodwill. Goodwill represents the excess of the gross consideration transferred over the fair value of the underlying net tangible and identifiable definite-lived intangible assets acquired. Qualitative factors that contribute to the recognition of goodwill include certain intangible assets that are not recognized as separate identifiable intangible assets apart from goodwill. Intangible assets not recognized apart from goodwill consist primarily of the strong market positions and the assembled workforces at NPS and GES.

In accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 350, *Goodwill and Other Intangible Assets* , goodwill will not be amortized, but instead will be tested for impairment at least annually or more frequently if certain indicators are present. In the event management of the combined company determines that the value of goodwill has become impaired, an accounting charge for the amount of impairment during the quarter in which the determination is made may be recognized.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Management's discussion and analysis of financial condition and results of operations of NPS and GES for the years ended December 31, 2015, 2016 and 2017 is included in the Proxy Statement in the sections entitled "NPS Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 148 and "GES Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 177, respectively, which are incorporated herein by reference.

In addition, management's discussion and analysis of financial condition and results of operations of NPS and GES for the period ended March 31, 2018 are provided below.

NPS MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

The following discussion and analysis should be read in conjunction with the financial statements and related notes of NPS included elsewhere in this Report . This discussion contains forward-looking statements reflecting our current expectations, estimates and assumptions concerning events and financial trends that may affect our future operating results or financial position. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

References in this section to the "Company," "us" or "we" refer to NPS.

Overview

Description of the Business

We are a leading regional provider of products and services to the oil and gas industry in the Middle East and North Africa ("MENA") and Asia Pacific ("APAC") regions. Through the company's track record of delivering successful outcomes to its customers during the drilling, completion and production phases of an oil or natural gas well, NPS has built strong positions in its target markets and developed longstanding relationships with many of the world's leading exploration and production ("E&P") companies.

Throughout our nearly 40-year history, we have successfully grown and expanded our service lines and markets. We currently operate in 11 countries, with a strong presence in Saudi Arabia, Algeria, Qatar, UAE and Iraq. We have established a unique position in our markets, competing effectively against the multinational oilfield service providers while providing scale that is superior to local competition. As an independent, adaptive and regionally-focused firm, NPS can react and mobilize quickly as conditions change and opportunities arise.

Our services include a broad suite of offerings that are essential in the drilling and completion of new oil and natural gas wells and in the remedial work on existing wells, both onshore and offshore. We provide an integrated service offering that includes: Well Services and Intervention, Drilling and Workover, Wireline Logging and Testing.

Well Services and Intervention include well cementing, coiled tubing, pressure pumping and stimulation operations. Drilling and Workover Services include drilling and workovers for oil, gas and water wells. Wireline Logging and Testing include cased-hole logging, slick-line services, surface well production testing and wellhead maintenance. NPS effectively delivers this broad range of services by deploying one of the largest fleet of oilfield equipment among its regionally-based competitors, including cementing units, coiled tubing units, stimulation units, nitrogen units and oil and water well drilling rigs.

We operate in key geographies across the MENA and APAC regions, deriving more than 95% of our revenue from Saudi Arabia, Algeria, Qatar, UAE and Iraq. With its vast reserves of oil and gas, the MENA region continues to dominate in its role as a vital source of global energy supply and stability.

Marketing and customers

Over our nearly 40 years in business, we have developed strong and longstanding relationships with our key customers: Saudi Aramco, Qatar Petroleum, ADCO, ADMA and other National and International Oil Companies. These relationships have been built upon a track record of offering a wide range of reliable and cost-effective services. NPS currently has over 29 active customers and operates under fixed-term contracts ranging from 3 to 5 years.

Services

The table below summarizes our existing service lines in the key markets in which we operate **:**

	Saudi Arabia	Qatar	UAE	Iraq	India	Algeria	Malaysia
Stimulation	✓	✓	✓	✓	✓	✓	
Coiled tubing	✓	✓	✓	✓	✓	✓	✓
Cementing	✓	✓	✓	✓	✓	✓	
Wireline logging	✓						
Well testing	✓		✓	✓		✓	

Industry Trends

Cyclical Nature of Sector

Our company provides oilfield services to E&P companies with operations in the onshore and offshore oil and gas exploration and production sectors. Demand for our services is mainly led by our customers' operations and is therefore linked to global oil prices, rig activity and other factors.

The oilfield services sector is a highly cyclical industry, with the level of drilling activity by E&P companies being largely linked to oil prices which in turn are driven by global supply and demand for oil. As a result, our operating results can fluctuate from quarter to quarter. However, due to the low oil breakeven price in the MENA region and the need for infrastructure spending by the governments of these oil rich countries, we believe that we are less affected by oil price shocks as compared to other companies which operate in other regions.

Global E&P Trends and Outlook

Since the downturn in oil prices which commenced in 2014, many projects have been deferred by E&P companies, who have sought to reduce oilfield service costs in an attempt to lower their break-even points. Pricing concessions were granted by service providers in order to maintain their market share during these periods.

Global E&P spending increased by approximately 4% in 2017, which was preceded by 2 years of double-digit declines. As recent oil prices have started to rise, more projects will become economically viable and it is expected that onshore spending will increase.

Given OPEC's production cuts and the recent depletion of oil inventories, we expect that production will rise in order to meet current estimated demand. With diminishing oil reserves, we also expect that any increase in oil supply will be weighted towards replacing old wells and implementing new technologies.

Drilling Types and Environments

Based on Wood Mackenzie data (extracted 3/5/2018), offshore oil production currently provides an estimated 30% of all global oil supply. Although this is a significant portion, the bulk of oil production comes from onshore activity.

NPS has operations in both onshore and offshore drilling. Offshore drilling provides higher margins due to greater complexity, logistical challenges and the need for innovative solutions. Our strategy going forward is to further target offshore drilling in the MENA and APAC regions.

Middle East Drilling

The Middle East has almost half of the world's proven oil reserves and accounts for almost a third of oil production, according to the BP Statistical Review of World Energy. The countries in the Arabian Gulf account for around 23% of global oil production and given the low break-even price, it is a key region for oilfield service companies.

Most oil and gas fields in the Middle East are legacy fields in shallow waters. These fields are largely engaged in drilling activity, driven by the need for redevelopment, enhanced oil recovery via stimulation and the drilling of new production wells. Further, a number of gas fields scheduled to be developed in the near future will require oilfield services. Although the region still has low break-even levels, it is expected that more complex offshore rigs, with higher break-even prices, will be developed in the future.

Key Performance Indicators

NPS uses a variety of operational and financial measures to assess its performance. Among the measures considered by management are Revenue, Net income, and Adjusted EBITDA.

Revenue

NPS analyzes its revenue by comparing actual monthly revenue to internal projections and prior periods in order to assess performance, identify potential areas for improvement, and determine whether the business is meeting management's expectations.

Net Income

NPS views net income as an important indicator to assess performance, identify potential areas for improvement and determine whether the business is meeting management's expectations.

Adjusted EBITDA

NPS views Adjusted EBITDA as an additional important indicator of performance. NPS defines Adjusted EBITDA as net income, plus interest expense, taxes, depreciation, amortization, impairment and transaction expenses.

Transaction expenses are defined as non-recurring expenses incurred in connection with the purchase of NPS shares by NESR as detailed in Note 17 to the unaudited condensed consolidated financial statements of NPS for the three months ended March 31, 2018.

Note Regarding Non-GAAP Financial Measures

Adjusted EBITDA is not a financial measure presented in accordance with GAAP. NPS believes that the presentation of this non-GAAP financial measure will provide useful information to investors in assessing its financial performance and results of operations as NPS's board of directors, management and investors use Adjusted EBITDA to compare NPS's operating performance on a consistent basis across periods by removing the effects of its capital structure (such as varying levels of interest expense), asset base (such as depreciation and amortization) and items outside the control of its management team. This non-GAAP financial measure should not be considered as an alternative to the most directly comparable GAAP financial measure. This non-GAAP financial measure has important limitations as an analytical tool because it excludes some but not all items that affect the most directly comparable GAAP financial measure. You should not consider Adjusted EBITDA in isolation or as a substitute for an analysis of NPS's results as reported under GAAP. Because Adjusted EBITDA may be defined differently by other companies in its industry, NPS's definition of this non-GAAP financial measure may not be comparable to similarly titled measures of other companies, thereby diminishing its utility. NPS's financial statements in this Report are presented in accordance with U.S. GAAP.

Executive Overview

During the first quarter of 2017, we faced a challenging environment in many of our key end markets. Our primary focus was to grow market share while expanding our service offering and advancing our long-term growth plans. Furthermore, we have been proactive in protecting our profit margins by realigning our cost structure to the lower market pricing levels. These optimization strategies have enabled us to benefit from the activity growth which we have seen in our key markets during the first quarter of 2018.

Our results for the three months ended March 31, 2018 include:

- An increase in revenue of $22.1 million or 40% as compared to the prior year's first quarter. The growth in revenue was generated largely from Saudi Arabia (up $11.8 million), Iraq (up $5.7 million) and Qatar (up $0.8 million), all of which was driven by higher Coiled Tubing and Well Testing activity in these markets and partially compensated by lower revenue in Algeria due to reduced activity combined with discounted pricing on our new Coil Tubing contract.

- An increase in net income of $2.6 million or 92% from the prior year's first quarter, mostly due to an increase in gross profit generated from higher revenues combined with an increase in revenue mix towards higher margin services.

- An increase in Adjusted EBITDA of $6.8 million or 47% as compared to the prior year's first quarter. The increase was driven by higher activity levels during the first quarter of 2018. As a percentage of revenue, Adjusted EBITDA remained approximately the same during the first quarters of 2018 and 2017.

Since 2016, our key focus has been to maintain a proper balance between delivering solid operating results and advancing our strategic goals. The following highlights a few examples of strategic actions which occurred during the first quarter of 2018 and which we believe will help position us well for long-term value creation.

- In Saudi Arabia, we have deployed 2 additional CT units resulting in an increase in stimulation revenue in rig-less activity. There has also been higher activity in Well Testing under LSTK (Lump Sum Turnkey) contracts which were awarded last year, with two additional Testing packages deployed in Q1 2018.

- In Algeria we commenced mobilization of a single Coiled Tubing package which is expected to generate revenue in Q2 2018.

- In Oman, better drilling performance and an increase in footage drilled have resulted in higher revenues on our top hole drilling contract.

- In Iraq, our Coiled Tubing packages are now working 24 hours which resulted in more well intervention activity as compared to Q1 of last year. We have also deployed two additional Well Testing flare-less units.

- In Indonesia, we are staging our third Wireline Logging unit which is expected to generate revenue in late Q2 2018 and which will capture future activity on geothermal wells.

- In the UAE, we have deployed an additional Coiled Tubing package, with a second package being prepared for deployment in Q2 2018.

We believe that the demand for our services will increase in line with the market activity growth. While drilling and completions activities have improved along with oil prices increasing from their lows in early 2016, we believe our long-term growth will be driven by:

- Increases in customer drilling budgets, focused in our core service areas, and an expected increase in rig count in the MENA region;

- Expanding our service offerings in existing key markets and extending operations into new geographies;

- Increasing our services on more complex offshore as well as gas-wells related services; and

- Shifting focus towards higher margin and high technology service lines, including Wireline Logging and Testing services.

Results of Operations

The discussions below relating to significant line items from our consolidated statements of income (loss) are based on available information and represents our analysis of significant changes or events that impact the comparability of reported amounts. Where appropriate, we have identified specific events and changes that affect comparability or trends and, where reasonably practicable, have quantified the impact of such items. In addition, the discussions below for revenue and cost of revenue are on a total basis as the business drivers for all services are similar. All dollar amounts in tabulations in this section are in thousands of dollars, unless otherwise stated.

The following is a comparison of our result of operations for the three months ended March 31, 2018 compared to the three months ended March 31, 2017:

Description	Three Months Ended March 31, 2018	2017	As % of Revenues 2018	2017	Variance $	%
Revenues, net	$ 76,842	$ 54,739	100%	100%	22,103	40%
Cost of services	(58,172)	(41,753)	76%	76%	16,419	39%
Gross profit [1]	18,670	12,986	24%	24%	5,684	44%
Depreciation and amortization	(91)	(165)	<1%	<1%	(74)	(45)%
Selling, general and administrative expenses	(9,409)	(7,603)	12%	14%	1,806	24%
Operating income	9,170	5,218	12%	10%	3,952	76%
Interest expense, net	(2,825)	(1,574)	4%	3%	1,251	79%
Other income, net	91	109	<1%	<1%	(18)	(17)%
Income before income taxes	6,436	3,753	8%	7%	2,683	72%
Income taxes	(983)	(912)	1%	2%	71	8%
Net income	$ 5,453	$ 2,841	7%	5%	2,612	92%

(1) Gross profit is defined as revenues less direct operating costs.

The following is a non-GAAP measure used by the Company to assess its results of operations:

(In thousands of Dollars) Description	Three Months Ended March 31, 2018	2017	As % of Revenues 2018	2017	Variance $	%
Net income	$ 5,453	$ 2,841	7%	5%	2,612	92%
Add: Income taxes	983	912	1%	2%	71	8%
Add: Interest expense, net	2,825	1,574	4%	3%	1,251	79%
Add: Depreciation and amortization [1]	10,378	9,197	14%	17%	1,181	13%
Add: Transaction expenses	1,702	-	3%	N/A	1,702	N/A
Adjusted EBITDA	$ 21,341	$ 14,524	28%	27%	6,817	47%

(1) The depreciation and amortization values in the above table include amounts recorded under cost of services.

Revenue. Revenue is generated largely from Well Services, which represented 85.4% of total revenue in the three months ended March 31, 2018 and 83.35% in the three months ended March 31, 2017. Despite continued pressures on pricing, revenue in the three months ended March 31, 2018 increased by $22.1 million, or 40%, to $76.8 million from $54.7 million in the equivalent period in 2017. The increase is largely due to higher well services activity in Saudi Arabia (up $11.8 million) and Iraq (up $5.7 million) which were partially offset by lower revenue in Algeria (down $2.7 million).

Cost of Services . Cost of services for the three months ended March 31, 2018 increased by $16.4 million, or 39%, to $58.2 million from $41.8 million in the three months ended March 31, 2017. The increase was driven by higher customer activity levels. Total cost of services as a percentage of total revenue in the first quarter of 2018 is 76%, which represented no change from the equivalent period in 2017

Cost of services includes depreciation of $10.3 million and $9.0 million in the three months ended March 31, 2018 and 2017, respectively relating to key equipment used in supporting and managing our operations.

Depreciation and amortization . Depreciation and amortization expense, as reported below Gross Margin, represents depreciation of head office fixtures and fittings as well as amortization of acquired customer contracts. Depreciation and amortization expense decreased by $0.07 million, or 45%, to $0.09 million for the three months ended March 31, 2018 from $0.16 million for the three months ended March 31, 2017, largely due to lower cost of amortization of 0.06 million).

Selling, general and administrative expense . Selling, general and administrative ("SG&A") expense, which represents costs associated with managing and supporting our operations, increased $1.8 million, or 24%, to $9.4 million for the three months ended March 31, 2018 from $7.6 million in the three months ended March 31, 2017. The increase in SG&A expense is due to higher personnel compensation costs driven by an increase in staff headcount to support higher activity levels. As a percentage of revenue, SG&A expense decreased to 12% of revenue in the three months ended March 31, 2018 as compared to 14% in the equivalent period in 2017, both as a result of higher activity levels as well as continued cost control discipline across all business functions.

Interest expense, net. Interest expense, net, in the three months ended March 31, 2018 increased by $1.3 million, or 79%, to $2.8 million from $1.6 million in the three months ended March 31, 2017. The increase was attributable to both higher LIBOR rates and higher fixed interest charges on the Murabaha bank loan, in addition to incremental interest charges arising on the new Bridge Loan facility which was drawn down in early February 2018.

Other income, net. Other income, net, in the three months ended March 31, 2018 decreased by $0.02 million, or 17%, to $0.09 million from $0.11 million in the three months ended March 31, 2017. The decrease is largely due to higher income from disposal of fixed assets combined with lower bank charges in 2018.

Net income. Net income was $5.5 million for the three months ended March 31, 2018 as compared with net income of $2.8 million in the three months ended March 31, 2017. The increase in net income was due to an increase in the gross margin generated as a result of higher activity levels in the current quarter.

Liquidity

Our objective in financing our business is to maintain sufficient liquidity, adequate financial resources and financial flexibility in order to fund the requirements of our business. At March 31, 2018, we had cash and cash equivalents of $27.9 million compared to $39.2 million of cash and cash equivalents at March 31, 2017.

At March 31, 2018, $27.9 million of our cash and cash equivalents was held by foreign subsidiaries compared to $39.2 million at March 31, 2017. Cash and cash equivalents held by foreign subsidiaries includes amounts of $7.1 million and $7.3 million held within the sub-holding company of NPS Bahrain at March 31, 2018 and 2017 respectively.

We have a committed revolving credit facility (the "Credit Facility") with commercial banks under which the maximum borrowing at any time is $50.0 million. At March 31, 2018, we had borrowings under the credit facility of $7.0 million due within one year. During the first quarter of 2018, we used cash to fund a variety of activities including certain working capital needs, capital expenditures, repayment of short term borrowings, and the payment of employees' end of service benefits.

A substantial portion of the cash held by foreign subsidiaries at each of March 31, 2018 and March 31, 2017 was reinvested in our international operations as our current intent is to use this cash to, among other things, fund the operations of our foreign subsidiaries. If we decide at a later date to repatriate those funds to the United Arab Emirates, we may be required to pay withholding tax on some of these funds, mainly in Saudi Arabia, Indonesia, Malaysia and Algeria. However, the repatriation of funds to the UAE is largely in the form of settlement of inter-company balances relating to purchases of fixed assets and inventory by the holding company, which is not subject to withholding taxes.

The Company does not face any significant capital restrictions on cash outflows from foreign subsidiaries to the holding company or other group companies.

We believe that cash on hand, cash flows generated from operations, and liquidity available through our credit facility, including the issuance of commercial papers will provide sufficient liquidity to manage our global cash needs.

Cash Flows

Cash flows provided by (used in) each type of activity were as follows for the three months ended March 31, 2018 compared to the three months ended March 31, 2017:

	Three Months Ended March 31,	
	2018	**2017**
Cash Provided by/(used in):		
Operating Activities	$ 10,959	$ 25,122
Investing Activities	(7,261)	(7,626)
Financing Activities	(344)	(3,876)
Net change in cash and cash equivalents	$ 3,354	$ 13,620

Operating Activities

Cash flows from operating activities provided cash of $11.0 million and $25.1 million for the three months ended March 31, 2018 and 2017, respectively. Cash flows from operating activities decreased $14.2 million in the first quarter of 2018 primarily due to changes in the components of our working capital (unbilled revenues, receivables, inventories and accounts payable) compared to the three months ended March 31, 2017.

Investing Activities

Cash flows used in investing activities was ($7.3) million and ($7.6) million for the three months ended March 31, 2018 and 2017, respectively. The decrease of $0.4 million in cash used is primarily attributed to an increase of $2.7 million in the funding of capital assets (funding was $10.3 million and $7.6 million for the three months ended March 31, 2018 and 2017, respectively) and an increase of $3.0 million of investments in short-term deposits with banks. Our principal recurring investing activity is the funding of capital expenditures to ensure that we have the appropriate levels and types of machinery and equipment in place to generate revenue from operations. The increase in capital expenditures was the result of our revenue growth.

There were no disposal of assets for the three months ended March 31, 2018 nor 2017, respectively.

Financing Activities

Cash flows used in financing activities were $0.3 million and $3.9 million for the three months ended March 31, 2018 and 2017, respectively. The decrease of $3.5 million in cash used was primarily due to increase in our borrowing activity, which was partially offset by the payment of dividends to our shareholders. Our principal recurring financing activity is the borrowing and repayment of debt to ensure that we have the appropriate levels of liquidity as well as the payment of dividends and Zakat on behalf of our shareholders.

We had net draws of commercial paper and other short-term debt of $50.0 million in the first quarter of 2018, and net repayments of $3.8 million in the first quarter of 2017.

We paid $48.2 million of dividends to our shareholders in the three months ended March 31, 2018.

Murabaha Credit Facilities

$150 Million Facility

The Company entered into a syndicated Murabaha facility ("the Facility") for $150.0 million which was fully drawn by the Company on November 26, 2014. Murabaha is an Islamic financing structure where a set fee is charged rather than interest. This type of loan is legal in Islamic countries as banks are not authorized to charge interest on loans, hence banks charge a flat fee for continuing daily operations of the bank, in lieu of interest.

The Facility of $150.0 million is from a syndicate of three commercial banks. The Facility is repayable in semi-annual instalments ranging from $7.5 million to $19.3 million commencing from May 26, 2017 with the last instalment due on November 26, 2020. The Facility carries a set fee which equals to the stated interest rate of six months LIBOR plus a fixed profit margin of 2.9% per annum. The Facility is partially secured by personal guarantees of two individual shareholders on a pro-rata basis with their respective shareholding percentages. Letters of awareness have been executed by the corporate shareholders as credit support for the Facility.

On May 28, 2017, the Facility ("Amended Facility") was amended to extend the maturity of the agreement. The Amended Facility is repayable in quarterly installments ranging from $1.1 million to $57.9 million commencing from August 1, 2019 with the last installment due on May 28, 2025. The Amended Facility carries a stated interest rate of three months LIBOR plus a fixed profit margin of 3.25% per annum. The Amended Facility is partially secured by personal guarantee of one individual shareholder on a pro-rata basis with his shareholding percentage. Letters of awareness have been executed by the corporate shareholders as credit support for the Facility.

All of the other terms of the Facility remained the same except the fixed interest charge was revised from 2.9% in 2014 to 3.25% in 2017. The costs of our loan arrangement fees increased to $0.10 million for the three months ended March 31, 2018 from $0.08 million for the three months ended March 31, 2017.

The Amended Facility contains certain covenants, which, among other things, require the maintenance of a total debt-to-total capitalization ratio, restrict certain merger transactions or the sale of all or substantially all of our assets or a significant subsidiary and limit the amount of subsidiary indebtedness. Upon the occurrence of certain events of default, our obligations under the Amended Facility may be accelerated. Such events of default include payment defaults to lenders under the Amended Facility, covenant defaults and other customary defaults. As of March 31, 2018, we were in compliance with all of the credit facility's covenants.

$50 Million Facility

We have a committed revolving credit facility with commercial banks under which the maximum borrowing at any time is $50.0 million. Borrowings under this facility are only used to fund capital expenditures. At March 31, 2018, we had borrowings under the credit facility of $7.0 million due within one year. During the first quarter of 2018, we used cash generated by our operations to fund a variety of activities including certain working capital needs, capital expenditures, repayment of short term borrowings, and the payment of employees' end of service benefits.

$50 Million Term Loan

The Company entered into an additional $50.0 million term facility ("the Term Loan") on February 4, 2018 with APICORP. The loan is repayable by August 1, 2018. The facility carries a stated interest rate of one month LIBOR plus a fixed profit margin of 1.50% per annum or $0.9 million until August 1, 2018. Borrowings under this facility were used to fund a special dividend issued to our shareholders.

If market conditions were to change and our revenue was reduced significantly, our cash flows and liquidity could be reduced. Should this occur, we would seek alternative sources of funding, including additional borrowing under the credit facility.

Capital Resources

In the next twelve months, we believe cash on hand, cash flows from operating activities and the available credit facility will provide us with sufficient capital resources and liquidity to manage our working capital needs, meet contractual obligations, fund capital expenditures, and support the development of our short-term and long-term operating strategies. If necessary, we may use short-term debt to fund cash needs in various countries in excess of the cash generated in those specific countries.

Our capital expenditures can be adjusted and managed by us to match market demand and activity levels. In light of the current market conditions, capital expenditures in the next twelve months will be made as appropriate at a rate that we estimate would equal $30 million to $35 million on an annualized basis. The expenditures are expected to be used primarily for normal, recurring items necessary to support our business. We also anticipate making income tax payments in the range of $3 million to $5 million in the next twelve months. For employees' end of service benefits, we expect to pay between $1 million to $3 million to employees in the next twelve months. See Note 9. "Employee benefits" of the notes to NPS's consolidated financial statements for further discussion.

As discussed above, the Company's total capital expenditures in the next twelve months is estimated to be equal to $30 million to $35 million on an annualized basis. The expenditures are expected to be used primarily for normal, recurring items necessary to support our business. Capital expenditures are financed through the Revolving Credit Facility. There is sufficient capacity under this credit facility to meet our capital expenditure commitments.

Other Factors Affecting Liquidity

Guarantee agreements. In the normal course of business with customers, vendors and others, the Company has entered into off-balance sheet arrangements, such as surety bonds for performance, and other bank issued guarantees, which totaled $(Nil) million and $27.9 million as of March 31, 2018 and as of December 31, 2017, respectively. A liability is accrued when a loss is both probable and can be reasonably estimated. None of the off-balance sheet arrangements either has, or is likely to have, a material effect on our consolidated financial statements.

Customer receivables . In line with industry practice, we bill our customers for our services in arrears and are, therefore, subject to our customers delaying or failing to pay our invoices. In weak economic environments, we may experience increased delays and failures to pay our invoices due to, among other reasons, a reduction in our customers' cash flow from operations and their access to the credit markets as well as unsettled political conditions. If our customers delay paying or fail to pay us a significant amount of our outstanding receivables, it could have a material adverse effect on our liquidity, consolidated results of operations and consolidated financial condition. Two of our three largest customers, Saudi Aramco and Sonatrach, are owned by the governments of Saudi Arabia and Algeria, respectively. It is customary for Saudi Aramco to delay payments of a portion (10%) of receivables until all taxes due within the country are fully paid and settled.

Quantitative and Qualitative Disclosure About Market Risk

Interest Rate Risk

At March 31, 2018, NPS had $150.0 million of long-term debt outstanding, with an interest rate of 3 months LIBOR plus 3.25%. Interest is calculated under the terms of NPS's Murabaha agreement. Assuming no change in the amount outstanding, the impact on interest expense of a 1% increase or decrease in the interest rate would be approximately $1.5 million per year. NPS does not currently have or intend to enter into any derivative arrangements to protect against fluctuations in interest rates applicable to NPS' outstanding indebtedness.

Foreign Currency Risk

NPS is exposed to foreign currency risks that arise from normal business operations. These risks include transaction gains and losses associated with Intercompany loans with foreign subsidiaries and transactions denominated in currencies other than a location's functional currency.

US dollar balances in the UAE, KSA and Qatar entities are not considered to represent significant currency risk as the respective currencies in these countries are pegged to the U.S. dollar. The company's foreign currency risk arises from the settlement of transactions in currencies other than the Company's functional currency, specifically in Algerian Dinar, Libyan Dinar, Indian Rupee and Indonesian Rupiah. However, customer contracts in these countries are largely denominated in US dollars.

Credit Risk

Credit risk is the risk that one party to a financial instrument may fail to discharge an obligation and cause the other party to incur a financial loss. NPS is exposed to credit risk on its accounts receivable and other receivables and certain other assets as reflected in our consolidated balance sheet.

The Company seeks to manage its credit risk with respect to banks by only dealing with reputable banks and with respect to customers by monitoring outstanding receivables and ensuring close follow-ups. Management also considers the factors that may influence the credit risk of its customer base including the default risk of the industry and the country in which the customers operate. The Company sells its products to a large number of customers, mainly to national oil companies in the GCC region. The Saudi Arabian Oil Company ("Saudi Aramco"), owned by the government of Saudi Arabia, and Sonatrach, owned by the government of Algeria, represented 33% (38% in 2017) and 22% (25% in 2017) of the Company's accounts receivable balance at March 31, 2018. No other customer accounted for greater than 10% of the Company's accounts receivable balance.

With respect to credit risk arising from the financial assets of the Company, including receivables and bank balances, the Company's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these assets in the consolidated balance sheet. Cash and cash equivalents are primarily held with banks and financial institution counterparties, which are rated A1 to Baa3, based on Moody's ratings.

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses, or risking its liabilities. The company maintains cash flow forecasts to monitor its liquidity position.

Accounts payable are normally settled within the terms of purchase from the supplier. As detailed on page 41, the company has sufficient un-utilized capacity under its revolving credit facility to manage short term financing requirements in relation to its capital expenditure.

Market Risk

NPS is exposed to market risks primarily from changes in interest rates on its long-term borrowings as well as fluctuations in foreign currency exchange rates applicable to its foreign subsidiaries and where local exchange rates are not pegged to the US Dollar (Algeria, Libya and Iraq). However, the foreign exchange risk is largely mitigated by the fact that all customer contracts are denominated in US Dollars.

NPS does not use derivatives for trading purposes, to generate income or to engage in speculative activity.

Off-Balance Sheet Arrangements

In the normal course of business with customers, vendors and others, we have entered into off-balance sheet arrangements, such as surety bonds for performance, and other bank issued guarantees. It is not practicable to estimate the fair value of these financial instruments. None of the off-balance sheet arrangements either has, or is likely to have, a material effect on our consolidated financial statements.

As of March 31, 2018, we had no material off-balance sheet financing arrangements other than normal operating leases. As such, we are not materially exposed to any financing, liquidity, market or credit risk that could arise if we had engaged in such financing arrangements.

Related Party Transactions

Related parties include shareholders, key management personnel, and jointly controlled entities. In the ordinary course of business, such related parties provide goods and render services to the Company at mutually agreed rates. In addition, certain shareholders received short-term loans and or advances in connection with the sale of the business to the new shareholders in 2014, all of which were subsequently fully settled by the respective parties. The transactions with related parties are made at mutually agreed terms. Outstanding balances are unsecured, interest free and settlement occurs in cash.

For further details about our transactions with related parties please refer to "Certain Relationships and Related Party Transactions" and Note 12. "Related party transactions" of the notes to NPS's consolidated financial statements for further discussion.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenue and expenses and related disclosures as well as disclosures about any contingent assets and liabilities. We base these estimates and judgments on historical experience and other assumptions and information that are believed to be reasonable under the circumstances. Estimates and assumptions about future events and their effects are subject to uncertainty and, accordingly, these estimates may change as new events occur, as more experience is acquired, as additional information is obtained and as the business environment in which we operate changes.

We have defined a critical accounting estimate as one that is both important to the portrayal of either our financial condition or results of operations and requires us to make difficult, subjective or complex judgments or estimates about matters that are uncertain. Our Board of Directors has reviewed our critical accounting estimates and the disclosure presented below. During the past two fiscal years, we have not made any material changes in the methodology used to establish the critical accounting estimates, and we believe that the following are the critical accounting estimates used in the preparation of our consolidated financial statements. There are other items within our consolidated financial statements that require estimation and judgment but they are not deemed critical as defined above. This discussion and analysis should be read in conjunction with NPS' consolidated financial statements and related notes included in this document.

Accounts receivable and allowance for doubtful accounts

Trade accounts receivable are recorded at the invoiced amount. No interest is charged on past-due balances. The Company grants credit to customers based upon an evaluation of each customer's financial condition. The Company periodically monitors the payment history and ongoing creditworthiness of customers. The Company maintains an allowance for doubtful accounts for estimated losses inherent in its accounts receivable portfolio. In establishing the required allowances management considers historical losses adjusted to take into account current market conditions and the customer's financial conditions, the amount of receivable in dispute, current receivables ageing and current payment patterns. Significant individual accounts receivable balances and balances which have been outstanding greater than 90 days are reviewed individually for collectability.

Property, plant and equipment

Property, plant and equipment is stated at cost. The cost of ordinary maintenance and repair is charged to operating expense, while replacement of critical components and major improvements that extend the life of the related asset are capitalized. Capital work in progress mainly represents costs incurred on drilling rigs and equipment which are in transit at the reporting date. No depreciation is charged to purchase capital work in progress. Depreciation or amortization of property and equipment is calculated using the straight-line method over the asset's estimated useful life as follows:

Buildings and leasehold Improvements	5 to 25 years or the estimated lease period, whichever is shorter
Drilling rigs, plant and equipment	3 to 15 years
Furniture and fixtures	5 years
Office equipment and tools	3 to 6 years
Vehicles and cranes	5 to 8 years

Property, plant and equipment is reviewed for impairment on an annual basis or whenever events or changes in circumstances indicate the carrying value of an asset or asset group may not be recoverable. Indicative events or circumstances include, but are not limited to, matters such as a significant decline in market value or a significant change in business climate ("triggering events"). An impairment loss is recognized when the carrying value of an asset exceeds the estimated undiscounted future cash flows from the use of the asset and its eventual disposition.

The amount of impairment loss recognized is the excess of the asset's carrying value over its fair value. In determining the fair market value of the assets, the Company considers market trends and recent transactions involving sales of similar assets, or when not available, discounted cash flow analysis. Assets to be disposed of are reported at the lower of the carrying value or the fair value less cost to sell. Upon sale or other disposition of an asset, the Company recognizes a gain or loss on disposal measured as the difference between the net carrying value of the asset and the net proceeds received.

Goodwill

Goodwill is the excess cost of an acquired entity over the amounts assigned to assets acquired and liabilities assumed in a business combination.

Goodwill is evaluated for impairment on an annual basis, or more frequently if circumstances require. The Company performs a qualitative assessment to determine whether it is more-likely-than-not that the fair value of the applicable reporting unit is less than its carrying amount. If the Company determines, as a result of its qualitative assessment, that it is not more-likely-than-not that the fair value of the applicable reporting unit is less than its carrying amount, no further testing is required. If the Company determines, as a result of its qualitative assessment, that it is more-likely-than-not that the fair value of the applicable reporting unit is less than its carrying amount, a goodwill impairment assessment is performed using a two-step, fair value-based test. Under the first step, goodwill is reviewed for impairment by comparing the carrying value of the reporting unit's net assets (including allocated goodwill) to the fair value of the reporting unit. The fair value of the reporting units is determined using a discounted cash flow approach. Determining the fair value of a reporting unit requires judgment and the use of significant estimates and assumptions. Such estimates and assumptions include revenue growth rates, discount rates operating margins, weighted average costs of capital, market share and future market conditions, among others. If the reporting unit's carrying value is greater than its fair value, a second step is performed whereby the implied fair value of goodwill is estimated by allocating the fair value of the reporting unit in a hypothetical purchase price allocation analysis. If the amount of goodwill resulting from this hypothetical purchase price allocation is less than the carrying value of the reporting unit's goodwill, the recorded carrying value of goodwill is written down to the implied fair value.

Intangible assets

The Company's intangible assets with finite lives consist of customer contracts acquired in connection with the acquisition of NPS Bahrain in 2014. The cost of intangible assets with finite lives is amortized over the estimated period of economic benefit, ranging from 1 to 3 years. Asset lives are adjusted whenever there is a change in the estimated period of economic benefit. No residual value has been assigned to these intangible assets.

Intangible assets with finite lives are tested for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. These conditions may include a change in the extent or manner in which the asset is being used or a change in future operations. The Company assesses the recoverability of the carrying amount by preparing estimates of future revenue, margins, and cash flows. If the sum of expected future cash flows (undiscounted) is less than the carrying amount, an impairment loss is recognized. The impairment loss recognized is the amount by which the carrying amount exceeds the fair value. Fair value of these assets may be determined by a variety of methodologies, including discounted cash flow models.

Revenue recognition

The Company's revenues are generated principally from providing services and the related equipment. Revenues are recognized when the services are rendered and collectability is reasonably assured. Revenues from services and equipment are based on fixed or determinable priced purchase orders or contracts with the customer and do not include the right of return. Rates for services and equipment are priced on a per day, per unit of measure, per man hour or similar basis. Sales taxes collected from customers and remitted to governmental authorities are accounted for on a net basis and therefore are excluded from revenues in the consolidated statements of income. Services performed but not billed at the end of the reporting period are classified as unbilled revenues. The unbilled revenues for services performed are calculated based on the rates stated in the purchase orders or contracts with the customers. The unbilled revenues are typically billed within one to six months depending on the nature of customer contract.

Zakat

Zakat is provided for Saudi Arabian subsidiaries in accordance with Saudi Arabian fiscal regulation. The provision is not charged through consolidated statement of income but instead charged through equity. Zakat is a shareholder obligation and is computed on the Saudi shareholders' share of equity or net income using the basis defined under the Zakat regulations.

Income taxes

The Company is based in the Emirate of Dubai ("Dubai") in the UAE, where no federal taxation exists. Dubai has issued corporate tax decrees that theoretically apply to all businesses established in the UAE. However, in practice, these laws have not been applied. The Company has not paid or accounted for any payment of income taxes since its inception. The Company is aware of the risk that the tax decrees may be more generally applied in Dubai in the future and of the remote risk that they may be applied retrospectively. The Company has provided for income taxes based on the tax laws and rates in effect in the foreign countries where the Company operates and earns income. The income taxes in these jurisdictions vary substantially.

The Company recognizes the amount of taxes payable or refundable for the year. In addition, deferred tax assets and liabilities are recognized for the expected future tax consequences of events that have been recognized in the financial statements or tax returns. A valuation allowance is provided for deferred tax assets if it is more likely than not that these items will not be realized.

In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred tax assets will not be realized. The ultimate realization of deferred tax assets are dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred tax liabilities, projected future taxable income and tax-planning strategies in making this assessment. Based upon the level of historical taxable income and projections for future taxable income over the periods in which the deferred tax assets are deductible, management believes it is more likely than not that the Company will realize the benefits of these deductible differences, net of the existing valuation allowances.

The Company recognizes the effect of income tax positions only if those positions are more likely than not of being sustained. Recognized income tax positions are measured at the largest amount that is greater than 50% likely of being realized upon settlement. The Company recognizes interest and penalties related to an underpayment of income taxes, where applicable, in its consolidated statements of operations as a component of income tax expense.

Internal Controls and Procedures

NPS is not currently required to comply with the SEC's rules implementing Section 404 of the Sarbanes Oxley Act of 2002, and is therefore not required to make a formal assessment of the effectiveness of NPS's internal control over financial reporting. Subsequent to becoming a subsidiary of a public company, NPS's publicly traded parent company will be required to comply with the SEC's rules implementing Sections 302 and 404 of the Sarbanes-Oxley Act of 2002, which will require its management to certify financial and other information in its quarterly and annual reports and provide an annual management report on the effectiveness of NPS's internal control over financial reporting.

GES MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with the financial statements and related notes of GES included elsewhere in this Report . This discussion contains forward-looking statements reflecting our current expectations, estimates and assumptions concerning events and financial trends that may affect our future operating results or financial position. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

References in this section to the "Company," "Group," "us" or "we" refer to GES.

Description of the Business

GES was incorporated in the Sultanate of Oman as a limited liability company on May 31, 2005. On June 20, 2013, GES became a closed Omani joint stock company. The business activities of the Company and its subsidiaries (together referred to as "the Company") include providing drilling equipment on rental and related services, providing well engineering services, directional drilling services, import and sale of oilfield equipment and rendering of specialized services to oil companies. The Company consists of twelve locally incorporated subsidiaries.

GES operates largely in the Sultanate of Oman. We also have operations in other key geographies across the Middle East and North Africa ("MENA") region.

GES has established a solid position in Drilling Technology Solutions, Well Intervention and Fishing & Remedial services. GES has expanded its services portfolio in recent years and now the Company provides a broad suite of product and service offerings that are essential in the drilling and completion of new oil and natural gas wells and in the remedial work on existing wells. GES operates through eight service lines: Well Intervention Services, Drilling Technology Solutions, Fishing & Remedial Services, Work-over Services, Performance Drilling & Evaluation, Production & Completion Services, Drilling & Completion Fluids Technology and Services, and Environmental Services.

Most of Oman's oil production is generated from technically challenging reservoirs. The country's reservoir formations are hard in nature, located in a wide range of depths and produce a wide range of American Petroleum Institute (API) gravity oil. Due to these technical challenges, well rates and recovery factors are generally lower in the country as compared to regional peers. GES has a strong fleet of tools and equipment and advanced API certified facilities for efficient maintenance and repair of its tools and equipment. These facilities are located in each of Nizwa, to support operations in the North of Oman, and in Nimr, to support operations in the South.

Marketing and Customers

GES has leveraged its technical abilities and track record of successful operations to establish long-tenured relationships with its client base which includes the major operators in Oman, in particular Petroleum Development Oman (PDO), British Petroleum (BP), Occidental Petroleum Corporation (OXY), and Medco Energy. We are also currently working to increase our operations with international clients like Saudi Aramco, Sonatrach and Kuwait Oil Company. In our target regions, contract duration is typically at least three years and customer retention rates are generally high as our clients do not switch oilfield service providers frequently. GES has a successful track record of extending its contracts with a renewal rate greater than 90% over the past five years.

Products and Services

Business segment	*Oman*	*Saudi Arabia*	*Kuwait*	*Algeria*
Well Intervention	✓			
Drilling Technology Solutions	✓	✓		✓
Fishing & Remedial	✓	✓	✓	✓
Work-over	✓			
Cementing	✓			
Performance Drilling & Evaluation	✓			
Performance Drilling & Evaluation	✓			
Production & Completion	✓			
Drilling & Completion Fluids	✓			

Industry Trends

GES operates in key geographies within the MENA region, which continues to be a vital source of global energy supply. According to Douglas Westwood Onshore Drilling and Production Outlook dated Q4 2017, during the recent industry downturn the MENA region saw less of a reduction in oil and gas activities than North America. In many MENA countries, the energy sector continues to serve as the major source of national revenues. Even at lower oil and gas prices, such oil and gas dependent economies have continued to maintain significant production activities. Further, the Middle East markets have among the lowest breakeven cost of oil and natural gas production in the world, which enables them to continue to produce profitably at significantly lower commodity prices.

Projected increases in energy demand are expected to lead to sustained capital expenditures on drilling, completion and production of oil and natural gas wells in the MENA region. The rise in oil prices in the last six months has provided relative stability to the market. However, the adherence of Oman to OPEC's requirement to reduce production by an estimated 5% has affected activity in certain areas of our business.

Key Performance Indicators

GES uses a variety of operational and financial measures to assess its performance. Among the measures considered by management are Revenue, Net income, and Adjusted EBITDA.

Revenue

GES analyzes its revenue by comparing actual monthly revenue to internal projections and prior periods in order to assess performance, identify potential areas for improvement, and determine whether the business is meeting management's expectations.

Net Income

GES views net income as an important indicator in order to assess performance, identify potential areas for improvement, and determine whether the business is meeting management's expectations.

Adjusted EBITDA

GES views Adjusted EBITDA as an additional important indicator of performance. GES defines Adjusted EBITDA as net income plus interest expense, taxes, depreciation, amortization, impairment and transaction expenses.

Transaction expenses are defined as non-recurring expenses incurred in connection with the purchase of GES shares by NESR.

Note Regarding Non-GAAP Financial Measures

Adjusted EBITDA is not a financial measure presented in accordance with GAAP. GES believes that the presentation of this non-GAAP financial measure will provide useful information to investors in assessing its financial performance and results of operations as GES's board of directors, management and investors use Adjusted EBITDA to assess its financial performance because it allows them to compare GES's operating performance on a consistent basis across periods by removing the effects of its capital structure (such as varying levels of interest expense), asset base (such as depreciation and amortization) and items outside the control of its management team. This non-GAAP financial measure should not be considered as an alternative to the most directly comparable GAAP financial measure. This non-GAAP financial measure has important limitations as an analytical tool because it excludes some but not all items that affect the most directly comparable GAAP financial measure. You should not consider Adjusted EBITDA in isolation or as a substitute for an analysis of GES's results as reported under GAAP. Because Adjusted EBITDA may be defined differently by other companies in its industry, GES's definition of this non-GAAP financial measure may not be comparable to similarly titled measures of other companies, thereby diminishing its utility. GES's financial statements in this Report are presented in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board.

Executive Overview

During both the first quarter of 2018 and the first quarter of 2017, the industry faced a challenging environment in many of our key markets. Our primary focus was to maintain our market share in Oman while expanding our geographical footprint and service offering in order to sustain our long-term growth plans.

Our results for the three months ended March 31, 2018 include:

- A decrease in net revenue of RO 2.4 million or 13% as compared to the prior year's first quarter. The decrease was due to the expiry of a significant client contract of RO 3.2 million, partially offset with higher activity under ongoing contracts of RO 0.8 million, of which RO 0.3 million was generated from Oman operations and RO 0.5 million came from our MENA region operations outside of Oman.

- A decrease in net income of RO 2.6 million or 94%, from 15% of revenue in the first quarter of 2017 to 1% of revenue in the first quarter of 2018, mostly due to the termination of a significant international drilling equipment rental contract which had higher profit margins relative to ongoing activities.

- A decrease in Adjusted EBITDA of RO 2.7 million or 47% as compared to the prior year's first quarter. As a percentage of revenue, Adjusted EBITDA decreased from 32% of revenue in the first quarter of 2017 to 20% of revenue in 2018, largely due to a change in the revenue mix with the termination of a significant international drilling equipment rental contract as explained above.

In 2018, our key focus was on client service delivery in order to enhance our market share. The following highlights a few examples of strategic actions that occurred during the period which management believes will position the Company well for long-term value creation:

- In Oman, we have secured a 4 year contract representing the Company's first Integrated Services Project covering 19 services and commencing in June 2018.

- We have been awarded an 8-year exclusive contract for downhole tool rentals in Upper Shuaiba, commencing in July 2018.

- We were awarded a 3 month extension to our Hoist Services contract, commencing in May 2018.

- We were awarded a new contract for 3 years covering Fishing Services and commencing in February 2018.

- We have secured a new contract for downhole tool rentals, covering a scope of 8 wells in 2018 and commencing from April 2018

Results of Operations

The discussions below relating to significant line items from our consolidated statements of income (loss) are based on available information and represent our analysis of significant changes or events that impact the comparability of reported amounts. Where appropriate, we have identified specific events and changes that affect comparability or trends and, where reasonably practicable, have quantified the impact of such items. In addition, the discussions below for revenue and cost of revenue are on a total basis as the business drivers for all services are similar. All amounts in tabulations in this section are in Omani Rials, unless otherwise stated.

The following is a comparison of our result of operations for the three months ended March 31, 2018 compared to the three months ended March 31, 2017:

(In Omani Rials)	Three Months Ended March 31,					
			As % of Revenues			
Description	2018	2017	2018	2017	Variance	%
	RO	RO			RO	
Net revenue	15,647,618	18,065,353	100%	100%	(2,417,735)	(13)%
Direct costs	(6,006,183)	(5,600,783)	38%	31%	405,400	7%
Staff costs	(4,886,045)	(5,076,466)	31%	28%	(190,421)	(4)%
Depreciation and amortization	(1,947,924)	(2,269,049)	12%	13%	(321,125)	(14)%
Gross profit	2,807,466	5,119,055	18%	28%	(2,311,589)	(45)%
Administrative and general expense	(1,865,230)	(1,663,814)	12%	9%	201,416	12%
Impairment loss on trade and other receivables including contract assets	(37,880)	-	<1%	N/A	37,880	N/A
Finance costs	(346,832)	(318,986)	2%	2%	27,846	9%
Finance income	-	156,258	N/A	1%	(156,258)	(100)%
Other income	36,931	57,326	<1%	<1%	(20,395)	(36)%
Share of loss of equity-accounted investee (net of tax)	(79,366)	(65,346)	1%	<1%	14,020	21%
Profit before taxation	515,089	3,284,493	3%	18%	(2,769,404)	(84)%
Income tax expense	(353,605)	(565,868)	2%	3%	(212,263)	(38)%
Net profit and total comprehensive income for the period	161,484	2,718,625	1%	15%	(2,557,141)	(94)%

The following is a non-GAAP measure used by the Company to assess its results of operations:

(In Omani Rials)	Three Months Ended March 31,					
			As % of Revenues		Variance	
Description	2018	2017	2018	2017	RO	%
Net income	161,484	2,718,625	1%	15%	(2,557,141)	(94)%
Add: Income tax expense	353,605	565,868	2%	3%	(212,263)	(38)%
Less: Finance income	-	(156,258)	<1%	1%	(156,258)	(100)%
Add: Finance costs	346,832	318,986	2%	2%	27,846	9%
Add: Depreciation and amortization [1]	2,064,400	2,384,605	13%	13%	(320,205)	(13)%
Add: Transaction expenses	168,226	-	1%	N/A	168,226	N/A
Adjusted EBITDA	3,094,547	5,831,826	20%	32%	(2,737,279)	(47)%

(1) The depreciation and amortization value above includes amounts recorded under Administrative and General Expense.

Net Revenue. Net revenue is comprised of gross revenue from the sale of products and services less volume discounts. Net revenue for the three months ended March 31, 2018 decreased by RO 2.4 million, or 13%, to RO 15.6 million from RO 18.1 million for the three months ended March 31, 2017. The decrease was due to the expiry of a significant client contract of RO 3.2 million, partially offset with higher activity under ongoing contracts of RO 0.8 million

Direct Costs. Direct costs for the three months ended March 31, 2018 increased by RO 0.4 million, or 7%, to RO 6.0 million from RO 5.6 million for the three months ended March 31, 2017. Direct costs as a percentage of total revenue for the three months ended March 31, 2018 was 38% compared to 31% for the three months ended March 31, 2017, which represents an increase of 7%. Such increases were mainly due to a change in revenue mix towards higher inventory or product intensive segments, partially offset by the non-repeat of the reversal of excess inventory provisions which were recorded in the first quarter of the prior year.

Staff Costs. Staff costs for the three months ended March 31, 2018 decreased by RO 0.2 million, or 4%, to RO 4.9 million from RO 5.1 million for the three months ended March 31, 2017 largely due to staff headcount reductions which were implemented. Staff costs as a percentage of total revenue for the three months ended March 31, 2018 was 31% compared to 28% for the three months ended March 31, 2017, which represents an increase of 3%. This increase as a percentage of total revenue was due to the change in revenue mix resulting from the termination a significant equipment rental contract which had higher margins relative to ongoing business operations.

Depreciation and Amortization . Depreciation and amortization for the three months ended March 31, 2018 decreased by RO 0.3 million, or 14%, to RO 2.0 million from RO 2.3 million for the three months ended March 31, 2017. Depreciation and amortization as a percentage of total revenue for the three months ended March 31, 2018 and 2017 was 12% and 13% respectively, which represents a decrease of 1%. This decrease in depreciation and amortization was as a result of some fixed assets becoming fully depreciated during the prior year.

Administrative and general expense. Administrative and general expense, which represents costs associated with managing and supporting our operations, increased by RO 0.2 million, or 12%, to RO 1.9 million for the three months ended March 31, 2018 from RO 1.7 million for the three months ended March 31, 2017. The increase in administrative and general expenses is mostly due to an increase in professional fees and transaction expenses associated with the purchase of GES shares by SCF Partners and NESR .

Impairment loss on trade and other receivables including contract assets. Impairment loss on trade and other receivables including contract assets increased by RO 0.04 million to RO 0.04 million for the three months ended March 31, 2018 from RO (Nil) million for the three months ended March 31, 2017. The increase was due to impairment losses resulting from an assessment of collectability of receivables during the first quarter of 2018.

Finance Cost. Finance cost increased by RO 0.03 million, or 9%, to RO 0.35 million for the three months ended March 31, 2018 from RO 0.32 million for the three months ended March 31, 2017. The minor increase was due to higher utilization of the working capital facility during the first quarter of 2018.

Finance Income. Finance income decreased by RO 0.2 million, or 100% to RO (Nil) million for the three months ended March 31, 2018 from RO 0.2 million for the three months ended March 31, 2017. This decrease is due to the full re-payment of the related party receivables of Mubadarah during the year 2017.

Other income, net. Other income, net, decreased by RO 0.02 million, or 36% to RO 0.04 million for the three months ended March 31, 2018 from RO 0.06 million for the three months ended March 31, 2017. The decrease is due to the drop in office rent charged to Mubadarah Investment LLC group related parties.

Share of loss of equity-accounted investee, net of tax. Share of loss of equity-accounted investee, net of tax increased by RO 0.01 million, or 21% to RO 0.08 million loss for the three months ended March 31, 2018 from RO 0.07 million loss for the three months ended March 31, 2017. The increase is due to higher losses of Tasneaa Oil and Gas Technology LLC.

Taxation. Taxation decreased by RO 0.2 million, or 38%, to RO 0.4 million for the three months ended March 31, 2018 from RO 0.6 million for the three months ended March 31, 2017. This decrease is primarily due to lower profits in the first quarter of 2018. Taxation charge did not decrease in proportion to the profits as certain Subsidiaries recorded profit during the three months ended March 31, 2018 for which tax had to be provided in spite of losses in certain other Subsidiaries.

Net Profit. Net profit was RO 0.2 million for the three months ended March 31, 2018 as compared with net income of RO 2.7 million for the three months ended March 31, 2017.

Liquidity

Our objective in financing our business is to maintain sufficient liquidity, adequate financial resources and financial flexibility in order to fund the requirements of our business. During the first quarter of 2018 and the first quarter of 2017, we used cash to fund a variety of activities including certain working capital needs, capital expenditures, repayment of short term borrowings, and the payment of employees' end of service benefits. We believe that cash flows generated from operations and the available bank loans and bank overdraft facility, including the discounted bills, will provide sufficient liquidity to manage our cash needs. We have obtained our bank loans from National Bank of Oman and Ahli Bank.

(i) New term loan:

In November 2015, the Company had re-financed all of its existing bank term loans with National Bank of Oman for a single term loan of RO 23.10 million ("the new term loan") ("Tranche A"). As on March 31, 2018, the outstanding amount on this new term loan ("Tranche A") was RO 12.8 million.

The new term loan carries interest at the rate of LIBOR + 3.50% per annum and is repayable with quarterly instalments, starting 6 months from the drawdown in 18 equal instalments until July 2020.

During 2017, a new term loan ("Tranche B") was availed by the Company to the extent of RO 1.96 million, out of which RO 1.8 million was outstanding at March 31, 2018. The "Tranche B" loan is repayable in equal quarterly installments starting 18 months from the first drawdown until June 2022.

The new term loan ("Tranche A and Tranche B") contain covenants which among others, require certain financial ratios to be maintained which include maintaining a minimum debt service coverage ratio of 1.25.

Working capital funded facilities including overdraft, bill discounting and loan against trust receipts ("LTR") facility carry an interest equal to US Dollar LIBOR for the applicable interest period, plus a margin of 3.50% per annum, and the bank overdraft carries an interest rate of LIBOR plus 3.5% subject to a floor level of 5%.

(ii) Other term loan:

The Company has also availed a term loan to the extent of RO 1.7 million from Ahli Bank. This balance is repayable with nine quarterly installment starting seven months from the first drawdown until December 2019 and carries interest at the rate 3 months / 6 months LIBOR + 4% per annum. RO 1.5 million of this loan is outstanding at March 31, 2018.

This other term loan has covenants which among others, certain financial ratios to be maintained including maintaining a minimum debt service coverage ratio of 1.25.

Cash Flows

Cash flows provided by / (used in) each type of activity were as follows for the three months ended March 31, 2018, and 2017:

(In Omani Rials)	**Three Months Ended March 31,**	
	2018	2017
Cash Provided by/(used in):		
Operating Activities	512,949	3,835,715
Investing Activities	(1,325,117)	(423,900)
Financing Activities	(481,052)	(2,955,635)
Net change in cash and cash equivalents	(1,293,220)	456,180

Operating Activities

Cash flows from operating activities provided cash of RO 0.5 million and RO 3.8 million for the three months ended March 31, 2018 and 2017, respectively. Cash flows from operating activities decreased by RO 3.3 million in the first quarter of 2018 primarily due to a decrease in profit before tax as well as changes in the working capital components (inventories, trade and other receivables and trade payables) for the three months ended March 31, 2018.

Investing Activities

Our principal recurring investing activity is the funding of capital expenditures to ensure that we have the appropriate levels and types of machinery and equipment in place to generate revenue from operations.

Cash flows used in investing activities increased by RO 0.9 million during the three months ended March 31, 2018, as compared to the three months ended March 31, 2017. Expenditures for capital assets including capital work in progress totaled RO 1.3 million and RO 0.4 million for the first quarters of 2018 and 2017, respectively. The increase in capital expenditures (CAPEX) in the first quarter of 2018 is due to ramp up of new equipment to service new contract awards as summarized in the Executive Overview above and for which the Company anticipates an increase in activity and revenues largely in the second half of 2018 .

Proceeds from the disposal of assets were RO 0.08 million and RO (null) million for the three months ended March 31, 2018 and 2017, respectively. The disposals related to idle and obsolete tools and drilling equipment.

Financing Activities

Cash flows used in financing activities decreased by RO 2.5 million in the three months ended March 31, 2018, mainly as a result in net cash outflow from repayment of borrowings of RO 2.2 million (RO 3.7 million in 2017), partially offset by net cash inflows for related party balances of RO 0.8 million (outflow of RO 2.6 million in 2017), net cash inflow resulting from the net movement in short term bank borrowings during the respective quarter of RO 0.4 million (RO 2.3 million in 2017) and net cash inflow from bank borrowings availed of RO 0.6 million (RO 1.0 million in 2017).

Capital Resources

For the upcoming twelve month period, cash on hand, cash flows from operating activities and the available overdraft facility will provide us with sufficient capital resources and liquidity to manage our working capital needs, meet contractual obligations, fund capital expenditures, and support the development of our short-term and long-term operating strategies. If necessary, we may use short-term debt to fund cash needs in excess of the cash generated from operations.

Our objective when managing capital is to safeguard our ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, we may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Capital is monitored based on the “gearing ratio”. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including current and non-current borrowings as shown in the statement of financial position) less cash and cash equivalents. Total capital is calculated as equity as shown in the statement of financial position plus net debt.

Details of the Company’s bank covenants and its compliance thereto are set out in Note 10 of the Financial Statements.

Market Risk

Interest rate risk is the risk associated with the fluctuations in market interest rates and the effect it has on the financial position and cash flows of GES. The risk arises when interest-bearing financial assets and liabilities are affected by the interest rate volatility within a specified period. GES is exposed to interest rate risk primarily on its long-term LIBOR based loan from the National Bank of Oman SAOG and Ahli Bank.

Related Party Transactions

Related parties comprise the shareholders, key management personnel, subsidiary companies, jointly controlled entity, and associate, business entities in which the Company has the ability to control of exercise significant influence in financial and operating decisions and other related parties which are part of Mubadarah Investment LLC Group. In the ordinary course of business, such related parties provide goods and render services to the Group at mutually agreed rates.

For further details about our transactions with Related Parties please refer to “Certain Relationships and Related Party Transactions” and Note 14 (Related Party Transactions) of GES’ financial statements.

Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements and related disclosures requires us to make estimates, assumptions and judgments that affect the application of accounting policies and reported amounts of assets, liabilities, revenue and expenses and related disclosures as well as disclosures about any contingent assets and liabilities, the disclosure of contingent assets and liabilities and the reported amounts of revenue and expenses.

We base these estimates on historical experience and other assumptions and information that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected. In particular, estimates that involve uncertainties and judgments which have a significant effect on the consolidated financial statements include provisions for impairment of receivables and inventories.

Impairment of property, plant and equipment, intangible assets, and goodwill

GES assesses assets or groups of assets, called cash-generating units (CGUs), for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or CGU may not be recoverable; for example, changes in the Group's business plans, changes in the Group's assumptions about commodity prices, low plant utilization, evidence of physical damage or, for oil and gas assets, significant downward revisions of estimated oil and gas reserves or increases in estimated future development expenditure or decommissioning costs. If any such indication of impairment exists, GES makes an estimate of the asset's or CGU's recoverable amount. Individual assets are grouped into CGUs for impairment assessment purposes at the lowest level at which there are identifiable cash flows that are largely independent of the cash flows of other groups of assets. A CGU's recoverable amount is the higher of its fair value less costs of disposal and its value in use. Where the carrying amount of a CGU exceeds its recoverable amount, the CGU is considered impaired and is written down to its recoverable amount.

Fair value less costs of disposal is the price that would be received to sell the asset in an orderly transaction between market participants and does not reflect the effects of factors that may be specific to the Group and not applicable to entities in general. An assessment is made at each year end as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If that is the case, the carrying amount of the asset is increased to the lower of its recoverable amount and the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Impairment reversals are recognized in profit or loss. After a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate the recoverable amount of the group of CGUs to which the goodwill relates should be assessed. In assessing whether goodwill has been impaired, the carrying amount of the group of CGUs to which goodwill has been allocated is compared with its recoverable amount. Where the recoverable amount of the group of CGUs is less than the carrying amount (including goodwill), an impairment loss is recognized. An impairment loss recognized for goodwill is not reversed in a subsequent period.

Determination as to whether, and by how much, an asset, CGU, or group of CGUs containing goodwill is impaired involves management estimates on highly uncertain matters such as the effects of inflation and deflation on operating expenses, discount rates, production profiles, reserves and resources, and future commodity prices, including the outlook for global or regional market supply-and-demand conditions for crude oil, natural gas and refined products. Judgment is required when determining the appropriate grouping of assets into a CGU or the appropriate grouping of CGUs for impairment testing purposes.

As disclosed above, the recoverable amount of an asset is the higher of its value in use and its fair value less costs of disposal. Fair value less costs of disposal may be determined based on similar recent market transaction data or, where recent market transactions for the asset are not available for reference, using discounted cash flow techniques. Where discounted cash flow analyses are used to calculate fair value less costs of disposal, accounting judgments are made about the assumptions market participants would use when pricing the asset, CGU or group of CGUs containing goodwill and the test is performed on a post-tax basis.

Income taxes

Income tax expense represents the sum of current tax and deferred tax. Interest and penalties relating to income tax are also included in the income tax expense. Income tax is recognized in the Statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity, in which case the related tax is recognized in other comprehensive income or directly in equity. Current tax is based on the taxable profit for the period. Taxable profit differs from net profit as reported in the Statement of profit and loss because it is determined in accordance with the rules established by the applicable taxation authorities. It therefore excludes items of income or expense that are taxable or deductible in other periods as well as items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided, using the liability method, on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax liabilities are recognized for all taxable temporary differences except:

- where the deferred tax liability arises on the initial recognition of goodwill
- where the deferred tax liability arises on the initial recognition of an asset or liability in a transaction that is not a Business Combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss; and
- In respect of taxable temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, where the Group is able to control the timing of the reversal of the temporary differences and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognized for deductible temporary differences, carry-forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits and unused tax losses can be utilized except where the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit or loss. In respect of deductible temporary differences associated with investments in subsidiaries and associates and interests in joint arrangements, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the balance sheet date. Deferred tax assets and liabilities are not discounted. Deferred tax assets and liabilities are offset only when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously.

The computation of GES's income tax expense and liability involves the interpretation of applicable tax laws and regulations in many jurisdictions throughout the world. The resolution of tax positions taken by the Group, through negotiations with relevant tax authorities or through litigation, can take several years to complete and in some cases it is difficult to predict the ultimate outcome. Therefore, judgment is required to determine provisions for income taxes. In addition, the Group has carry-forward tax losses and tax credits in certain taxing jurisdictions that are available to offset against future taxable profit. However, deferred tax assets are recognized only to the extent that it is probable that taxable profit will be available against which the unused tax losses or tax credits can be utilized. Management judgment is exercised in assessing whether this is the case and estimates are required to be made of the amount of future taxable profits that will be available.

Accounts Receivable and Allowance for Doubtful Accounts

Trade accounts receivable are recorded at the invoiced amount. No interest is charged on past-due balances. The Group grants credit to customers based upon an evaluation of each customer's financial condition. The Group periodically monitors the payment history and ongoing creditworthiness of customers. An allowance for doubtful accounts is established at a level estimated by the Group's management to be adequate based upon various factors including historical experience, aging status of customer accounts, payment history and financial condition of customers. Significant individual accounts receivable balances and balances which have been outstanding greater than 90 days are reviewed individually for collectability. Account balances, when determined to be uncollectable, are charged against the allowance.

Internal Controls and Procedures

GES is not currently required to comply with the SEC's rules implementing Section 404 of the Sarbanes Oxley Act of 2002, and is therefore not required to make a formal assessment of the effectiveness of GES' internal control over financial reporting for that purpose. Subsequent to becoming a subsidiary of a public company, GES' publicly traded parent company will be required to comply with the SEC's rules implementing Section 302 of the Sarbanes-Oxley Act of 2002, which will require its management to certify financial and other information in its quarterly and annual reports and provide an annual management report on the effectiveness of GES' internal control over financial reporting.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth information known to the Company regarding the beneficial ownership of our ordinary shares immediately following consummation of the Business Combination by:

- each person who is the beneficial owner of more than 5% of the outstanding ordinary shares;
- each of our named executive officers and directors following the Business Combination;
- all named executive officers and directors of the following the Business Combination.

Beneficial ownership is determined according to the rules of the SEC, which generally provide that a person has beneficial ownership of a security if he, she or it possesses sole or shared voting or investment power over that security, including options and warrants that are currently exercisable or exercisable within 60 days.

The beneficial ownership percentages set forth in the table below with respect to NESR following the Business Combination are based on 85,562,769 ordinary shares issued and outstanding upon closing, which number reflects: (i) the redemption of 1,916,511 shares by shareholders, (ii) a total of $48,293,753 drawn down on the Backstop Commitment, (iv) a total of $50,000,000 drawn down on the Hana Loan Agreement including $600,000 of an origination fee issued as ordinary shares of the Company at closing at 11.244 per share, a total of $2,400,000 paid under the Olayan Relationship Agreement and issued as ordinary shares of the Company at closing at $11.244 per share, and (iii) interest totaling $4,700,000 paid to Hana Investments under the Shares Exchange Agreement.

Unless otherwise indicated, we believe that all persons named in the table below have sole voting and investment power with respect to all ordinary shares beneficially owned by them.

	Number of Shares	%
Name and Address of Beneficial Owners		
Sherif Foda [(1)]	5,730,425	6.70%
Melissa Cougle	-	-
Thomas D. Wood [(1)]	5,790,568	6.77%
NESR Holding Ltd [(1)]	5,730,425	6.70%
Antonio J Campo Mejia	131,144	*
Hala Zeibak	-	-
Salem Al Noaimi	-	-
Mubadarah Investment LLC [(5)]	17,242,424	20.15%
Nadhmi Al-Nasr	-	-
Yasser Al Barami	621,212	*
Andrew Waite	-	-
Adnan Ghabris	-	-
Backstop Investor [(2)]	4,829,375	5.64%
Competrol Establishment [(3)]	3,000,000	3.51%
Hana Investments Co. WLL [(3)(4)]	14,025,258	16.39%
SV3 Holdings PTE Ltd. [(6)]	6,825,000	7.98%
Castle SPC Ltd. [(7)]	4,806,289	5.62%
Al-Nowais Investments LLC [(8)]	4,806,289	5.62%
All directors and officers as a group (10 persons)	6,542,924	7.65%

*less than 1%.

[(1)] Represents ordinary shares held directly by NESR Holdings Ltd., our Sponsor. Sherif Foda and Thomas Wood are shareholders and directors of NESR Holdings Ltd. and share voting and dispositive control over the securities held by our Sponsor, and thus share beneficial ownership of such securities. Each of Messrs. Foda and Wood disclaims beneficial ownership over any securities owned by our Sponsor in which he does not have any pecuniary interest.

[(2)] The Backstop Investor, MEA Energy Investment Company 2 Ltd, is wholly owned by Waha Capital.

[(3)] Each of Hana Investments and Competrol Establishment are part of The Olayan Group.

[(4)] Includes an aggregate of 418,001 shares issued to Hana Investments in lieu of a cash payment of $4,700,000in interest fees.

[(5)] Hilal Al Busaidy and Yasser Al Barami control Mubadarah Investment LLC.

[(6)] SV3 Holdings Pte Ltd is owned by two private equity funds: SCF-VIII, LP and Viburnum Funds Pty Ltd.

[(7)] Castle SPC Limited is wholly owned by Waha Capital.

(8) Hussain Al Nowais is the Chairman of Al-Nowais Investments LLC. He has a 7.56% ownership interest in Waha Capital.

Change of Control

As a result of the issuance of the shares pursuant to the Business Combination and related transactions, a change in control of the Company occurred as of June 6, 2018. Except as described in this Report, no arrangements or understandings exist among present or former controlling shareholders with respect to the election of members of our Board and, to our knowledge, no other arrangements exist that might result in a change of control of the Company.

DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS

In connection with and effective as of the closing of the Business Combination, Thomas Wood resigned as Chief Financial Officer, and Sherif Foda continues to serve as Chief Executive Officer and Chairman of the Company. Melissa Cougle was appointed to be Chief Financial Officer of the Company on June 12, 2018

Additionally, between May 23, 2018 and June 12, 2018 the Board was expanded to nine directors in connection with the completion of the Business Combination, and filled the vacancies created by the increase in board size with five persons, two (2) of whom were nominated by NPS Selling Stockholders, one (1) of whom was nominated by GES Selling Stockholders with the right to nominate one (1) additional director, and one (1) of whom was nominated by SV3, such that our post-closing Board of Directors consist of four (4) existing NESR directors, Sherif Foda, Thomas Wood, Antonio J. Campo Mejia, and Hala Zeibak who is nominated by and representing Olayan, and five (5) new directors, of which two (2) were nominated by NPS Selling Stockholders, Salim Al Noaimi and Adnan Ghabris, one (1) was nominated by GES Selling Stockholders, Yasser Al Barami, one nominated by SV3, Andrew L. Waite, and one (1) nominated by Olayan by agreement with management of the Company pursuant to the Olayan Relationship Agreement Nadhmi Al-Nasr. Compared to the Board listed in the Proxy Statement, not made Nadhmi Al-Nasr was added to increase the number of independent directors on the Board.

NESR's board of directors is currently divided into two classes, Class I and Class II, with only one class of directors being elected in each year and each class (except for those directors appointed prior to our first annual meeting of stockholders) serving a two-year term. Class I Director seats will next be up for election by shareholders at the annual general meeting in 2020; and the Class II Director seats will be up for election by shareholders at the annual general meeting in 2019.

As of the date hereof, the Company's officers and directors are as follows:

Name	Age	Class	Position
Sherif Foda	48	II	Executive Chairman of the Board and Chief Executive Officer
Melissa Cougle	41		Chief Financial Officer
Thomas Wood	60	II	Director
Antonio J Campo Mejia	60	I	Director
Hala Zeibak [4]	37	I	Director
Salem Al Noaimi [1]	42	I	Director
Yasser Al Barami [2]	46	II	Director
Andrew Waite [3]	57	I	Director
Adnan Ghabris [1]	56	II	Director
Nadhmi Al-Nasr [(5)]	63	I	Director

[(1)] Following the completion of the Business Combination, two NPS Selling Stockholders, Al Nowais Investments LLC ("ANI") and WAHA Finance Company, separately and collectively are entitled to nominate one director (two in total) to our Board of Directors, for so long as they or their affiliates hold at least 50% of the NESR ordinary shares acquired pursuant to the NPS Stock Purchase Agreement. NESR nominated to its Board a person nominated by each of those two parties, and immediately after the Closing Date, NESR shall invite a representative of both ANI and WAHA ("Board Observer"), as designated by the respective company in its own discretion, to attend all meetings of the Board, in a non-voting observer capacity and shall give such Board Observer copies of all notices, minutes, consents, and other materials that NESR provides to its Board as permitted by law. This right to nominate a Board member and appoint a Board Observer shall be retained as long as the respective shareholder holds 50% of the shares that it acquired pursuant to the NPS Stock Purchase Agreement.

[(2)] This is the initial nominee of the GES Selling Stockholders, which are entitled to nominate a total of two directors to our Board of Directors. The Company has agreed to such nomination and election.

[(3)] This is the initial nominee of SV3. Following the completion of the Business Combination, SV3 is entitled to nominate one director to our Board of Directors, for so long as they or their affiliates hold at least 60% of the Consideration Equity Stock set out against the name of SV3 in the SV3 Contribution Agreement and pursuant to the respective SV3 Voting Agreements. Mr. Waite shall be the principal director and he shall appoint Ms. Theresa Eaton to serve as his alternate, whereby Ms. Eaton shall be entitled to attend meetings in the absence of Mr. Waite and to vote or consent in place of Mr. Waite until such appointment as alternate lapses or is terminated.

[(4)] This is one nominee of Olayan pursuant to the Olayan Relationship Agreement, which entitles Olayan to nominate this director for as long as Olayan and its affiliates collectively hold at least 6,879,225 NESR ordinary shares. The Company has agreed to such nomination and election.

[(5)] This is a second independent director nominated by Olayan by agreement with management of the Company pursuant to the Olayan Relationship Agreement. Olayan is entitled to nominate this director by agreement with management of the Company for as long as Olayan and its affiliates collectively hold at least 6,879,225 NESR ordinary shares The Company has agreed to such nomination and election.

Sherif Foda has served as our Chief Executive Officer and Chairman since our inception. He has more than 24 years of professional experience in the oil and gas industry working for Schlumberger Limited (NYSE: SLB) ("Schlumberger") around the world, particularly in the Middle East, Europe and the U.S. From June 2016 to January 2018, he served as Senior Advisor to the Chairman of Schlumberger. From July 2013 through June 2016, he has served as an officer and the President for the Production Group of Schlumberger. From June 2011 to June 2013, he served as the President of Schlumberger Europe and Africa. From June 2009 to June 2011, he served as the Vice President and Managing Director of the Arabian market: Saudi Arabia, Kuwait and Bahrain. From July 2007 to May 2009, he served as the Worldwide Vice President for Well Intervention. From 2005 to 2007, he was the Vice President for Europe, Caspian and Africa. From 2002 to 2005, he served as the Managing Director of Schlumberger in Oman. In 2001, he served as the Operations Manager for UAE, Qatar, Yemen and the Arabian Gulf. He started his career in 1993 with Schlumberger, working on the offshore fields in the Red Sea, then transferred to Germany for two years, then as the general manager of operations in Eastern Europe countries (mainly Poland, Lithuania, Romania and Hungary). Prior to working in the oil and gas industry, he worked in the information technology and computer industry for two years in Egypt. He graduated in 1991 from Ain Shams University in Cairo, Faculty of Engineering, and he holds a BSc double major in Electronics and Automatic control. Mr. Foda is a board member of Energy Recovery, Inc. (NASDAQ: ERII), a technology company based in California. Also, he serves on the board of Trustees of Awty International School in Houston and is a board member for Al Fanar Venture philanthropy in London.

We believe that Mr. Foda is qualified to serve on our Board of Directors because of his extensive experience in the oil and gas industry including approximately 24 years with Schlumberger and his extensive oil field services industry experience throughout the MENA region and globally and as an executive and board member.

Melissa Cougle was appointed as Chief Financial Officer effective June 18, 2018. Ms. Cougle has over 15 years of experience as a finance professional in the oil field services sector. She joins NESR from Ensco plc, the global offshore drilling contractor, where she most recently served as Vice President-Integration having responsibility for global integration activities. Prior to that role, Ms. Cougle served as Vice President-Treasury where she was responsible for all capital management activities. During her career, Ms. Cougle served in many roles at Ensco and its predecessors including: Director-Finance and Administration, Director-Internal Audit, Director-Management Reporting and Financial Systems, and Director-Corporate Accounting. Her tenure at Ensco has brought her deep knowledge in the industry and capital markets as well as related to creating processes and systems for supporting continuous improvement. Ms. Cougle founded the diversity support network at Ensco and is a passionate advocate for the St. Baldrick's Foundation supporting childhood cancer research. Her career began with 6 years' experience through Manager in the audit and consulting practices of Arthur Andersen LLP and Protiviti where she gained exposure to multiple industries. Ms. Cougle is a Certified Public Accountant in the State of Texas and holds a Bachelor of Science Degree in Accounting from Louisiana State University.

Thomas Wood has served as a director since our inception and served as our Chief Financial Officer from inception until October 2017 and from November 29, 2017 until June 6, 2018. He is an entrepreneur with over 35 years of experience in establishing and growing public and private companies that provide or use oil and gas contract drilling services. Since December 1990, he has served as the Chief Executive Officer of Round Up Resource Service Inc., a private investment company. Mr. Wood founded Xtreme Drilling Corp. (TSX:XDC), an onshore drilling and coil tubing technology company, in May 2005 and served as its Executive Chairman until May 2011 and its Chief Executive Officer and Director from May 2011 through August 2016. He is the founder of Savanna Energy Services Corp. (TSE: SVY), a North American energy services provider, where he served as the Chairman from 2001 to March 2005. He also served as Director at various companies engaged in the exploration and production of junior oil and gas, including Wrangler West Energy Corp. from April 2001 to 2014; New Syrus Capital Corporation from 1998 to 2001 and Player Petroleum Corporation from 1997 to 2001. In addition, Mr. Wood served as the President, Drilling and Wellbore Service, of Plains Energy Services Ltd. from 1997 to 2000 and Wrangler Pressure Control from 1998 to 2001. He served as the President of Round-Up Well Servicing Inc. from 1988 to 1997 and Vice President of Shelby Drilling from 1981 to 1987. Mr. Wood holds a BA in Economics from University of Calgary.

We believe that Mr. Wood is qualified to serve on our Board of Directors because of his extensive experience in the oil and gas industry, his experience as an entrepreneur and building public companies and high growth organizations.

Antonio J. Campo Mejia , an independent director since May 12, 2017, has been a non-executive director of the Supervisory Board of Fugro N.V. (Euronext: FUR), a company providing geotechnical, survey, subsea and geosciences services, since 2014 and Vice-Chairman of Basin Holdings, a global holding company focused on providing products and services to energy and industrial customers since 2012. From 2012 to 2013, Mr. Campo Mejia served as non-executive director at Integra Group, an oilfield services company mainly active in Russia and the Commonwealth of Independent States and served as its Chief Executive Officer from 2009 to 2012. Mr. Campo Mejia also served as non-executive director at Basin Supply LP, Basin Tools LP and Basin Energy Services LP from 2009 to 2014. Prior to that, Mr. Campo Mejia spent 28 years of his professional career at Schlumberger, the world's leading oilfield services company, in a multitude of senior management positions in different parts of the world. Mr. Campo Mejia served as the President of Latin America for Oilfield Services of Schlumberger from 2006 to 2008. Mr. Campo Mejia served as President of Europe & Africa, Schlumberger Oilfield Services from 2003 to 2006. From 2000 to 2006, he was the President of Schlumberger's Integrated Project Management business responsible for the worldwide operations in this service line. From 1999 to 2000, Mr. Campo Mejia served as Director of Personnel for the Reservoir Management Group in Houston, Texas. From 1997 to 1999, he was the Vice President of Oilfield Services Latin America South managing a full range of services in the region. In his career prior to 1997, Mr. Campo Mejia held a number of senior management and technical positions in Schlumberger's wireline business. Mr. Campo Mejia received his bachelor's degree in Electronic Engineering from Pontificia Universidad Javeriana in 1980.

We believe that Mr. Campo Mejia is qualified to serve on our Board of Directors because of his extensive experience in the oil and gas industry and his experience as an executive in oilfield services and board member of multinational companies.

Hala Zeibak who has been an independent director since May 12, 2017, is director of investments at Olayan Europe Limited, the investment advisory arm of The Olayan Group for the United Kingdom, Europe and Asia. The Olayan Group is a private multinational enterprise with a managed portfolio of international investments and diverse commercial and industrial operations in the Middle East. Ms. Zeibak joined The Olayan Group in July 2005, initially with Olayan America in New York. She transferred to Olayan Europe in London in January 2011. Ms. Zeibak's focus is on public and private equity investments primarily in the energy and affiliated sectors, including oil, gas, power, commodities and industrials. She is a member of the Oxford Energy Policy Club. Ms. Zeibak received a BA in Economics from Tufts University in 2003, graduating Summa Cum Laude with membership in the Phi Beta Kappa Society. She went on to earn a master's degree in 2005 from the Fletcher School of Law & Diplomacy at Tufts. Her concentration was international finance and trade.

We believe that Ms. Zeibak is qualified to serve on our Board of Directors because of her extensive experience in the investment community and with diverse industries and multinational operations including MENA.

Salem Al Noaimi was elected to the Board as of June 12, 2018 and is Waha Capital's Chairman of the Board. Mr. Al Noaimi served as Waha Capital's Chief Executive Officer & Managing Director from 2009 until March 2018 and lead the company's strategic transformation into a leading investment company, managing proprietary and third-party assets. Previously, he served as the Deputy CEO of Waha Capital, and CEO of Waha Leasing. Additionally, Mr. Al Noaimi holds a number of board positions with large public and private companies. He is Chairman of Seha, Dunia Finance and Anglo Arabian Healthcare. He also a board member of New York-listed AerCap Holdings. Earlier in his career, Mr. Al Noaimi held various positions at Dubai Islamic Bank, the UAE Central Bank, the Abu Dhabi Fund for Development, and Kraft Foods. Mr. Al Noaimi is a UAE national and holds a degree in Finance and International Business from Northeastern University in Boston, USA.

We believe that Mr. Noaimi is qualified to serve on our Board of Directors because of his extensive experience in investing in the MENA region as well as experience as a Chief Executive Officer of a publicly listed company.

Yasser Al Barami was elected to the Board as of June 6, 2018. Mr. Al Barami has more than 22 years of professional experience in the oil and gas industry. Mr. Al-Barami is the Chairman of GES which he co-founded in 2006 and holds the position of Chief Commercial Officer for GES. Mr. Al Barami has benefited from significant exposure to both the services industry as well as E&P industry which makes his experience unique in several aspects. Mr. Al Barami started his career in the drilling operations of Petroleum Development Oman (PDO) and over the next 9 years worked in different positions in Well Engineering in the field before progressing to PDO's HQ where he was appointed to be a Team Leader for the same. Mr. Al Barami obtained his Bachelor's degree in Mechanical Engineering from the University of Brighton, United Kingdom in 1995, and thereafter completed his MBA from the University of Lincoln, United Kingdom in 2003.

We believe that Mr. Barami is qualified to serve on our Board of Directors because of his extensive entrepreneurial experience as well as his E&P background and his knowledge of the MENA region and specifically Oman.

Andrew Waite was elected to the Board as of June 6, 2018. Mr. Waite is Co-President of LESA, the ultimate general partner of SCF and the ultimate general partner of the majority shareholder of SV3, and has been an officer of that company since October 1995. He was previously Vice President of Simmons & Company International, where he served from August 1993 to September 1995. From 1984 to 1991, Mr. Waite held a number of engineering and project management positions with Royal Dutch / Shell Group, an integrated energy company. Mr. Waite currently serves on the board of directors of Nine Energy Service, Inc. (NYSE: NINE), a position he has held since February 2013, is on the board of directors of Forum Energy Technologies, Inc. (NYSE: FET), a position he has held since August 2010, and is on the board of directors of Atlantic Navigation Holdings (Singapore) Limited (SGX: 5UL), a position he has held since January 2016. Mr. Waite previously served on the board of directors of Complete Production Services, Inc., a provider of specialized oil and gas completion and production services from 2007 to 2009, Hornbeck Offshore Services, Inc., a provider of marine services to the energy sector and military customers from 2000 to 2006, and Oil States International, Inc., a diversified oilfield services and equipment company from August 1995 through April 2006. Mr. Waite received an MBA with High Distinction from Harvard Business School, an MS degree in Environmental Engineering Science from California Institute of Technology and a BSc degree with First Class Honours in Civil Engineering from England's Loughborough University.

We believe that Mr. Waite's extensive public company experience in the energy sector, in particular in the oilfield services industry, and his experience in identifying strategic growth trends in true energy industry and evaluating potential transactions make him well qualified to serve on our board of directors.

Adnan Ghabris was elected to the Board as of June 12, 2018. Mr. Ghabris has over 30 years of experience in the oil service industry. Mr. Ghabris has served as Chief Executive Officer of NPS since 2008. Before serving as Chief Executive Officer of NPS, Mr. Ghabris spent more than 20 years with Schlumberger, where he held several executive roles in operations, technical and marketing in the following countries: Kuwait, Syria, Libya, Canada, Kingdom of Saudi Arabia and the United Arab Emirates from 1989 to 2008.

Mr. Ghabris was the Vice President of Schlumberger Arabian Region from 1999 to 2004 covering Kingdom of Saudi Arabia, Kuwait, Bahrain and Pakistan. Prior to his assignment as a Chief Executive Officer of NPS, he held the position of Integrated Project Manager for Schlumberger Middle East and Asia based in Dubai. Mr. Ghabris holds a Master's Degree in Chemical Engineering from Kuwait University (Honors) and a Bachelor's Degree in Chemical Engineering in Rutgers, the State University of New Jersey, United States (Honors). He is a member of the Canadian Professional Engineers, American Institute for Chemical Engineers (AiChE) and the Society of Petroleum.

We believe that Mr. Ghabris is qualified to serve on our Board of Directors because of his extensive leadership experience in oilfield services and the MENA region. Mr. Ghabris has a unique experience with both large multinationals and start-ups which will be beneficial for the Board of Directors.

Nadhmi Al-Nasr was elected to the Board as of June 6, 2018. Mr. Al-Nasr is the Interim President and Executive Vice President, Administration and Finance of the King Abdullah University of Science and Technology ("KAUST"). Mr. Al-Nasr has been associated with KAUST from its inception in 2006 and was instrumental in its development as a state-of-the-art campus which opened its doors in 2009. Previously, Mr. Al-Nasr held several positions at Saudi Aramco, including Manager of the Shaybah Development Program, a mega-project built in one of harshest environments in Saudi Arabia. The project is widely regarded as one of Saudi Aramco's most ambitious and successful ventures. Mr. Al-Nasr also managed the largest oilfield in the world, Ghawar oilfield for Saudi Aramco, and ensured the Kingdom's ability to fill the production gap caused by the loss of oil output from Iraq and Kuwait during the Gulf War. Mr. Al-Nasr has also led Saudi Petroleum Overseas Ltd., London, as its Managing Director and has served as Executive Director of Community Services for Saudi Aramco. In 2014, Mr. Al-Nasr was appointed by royal decree to serve as a member of the Supreme Economic Council and was also appointed as a member of the Board of Trustees of the King Abdulaziz Centre for National Dialogue. In March 2017, Mr. Al-Nasr was appointed as Interim President of King Abdullah Petroleum Studies and Research Center (KAPSARC), in addition to his roles as Interim President and EVP at KAUST. Mr. Al-Nasr graduated with a Bachelor's degree in Chemical Engineering from the King Fahd University of Petroleum and Minerals in 1978.

We believe that Mr. Al-Nasr is qualified to serve on our Board of Directors because of his extensive experience in the MENA region oil exploration and production industry and his experience with a major national oil company.

Theresa Eaton is a Managing Director of SCF Partners, a leading oilfield services private equity investor where she is responsible for sourcing acquisition opportunities at SCF as well as their ongoing strategic oversight and development. Ms. Eaton graduated from Duke University with a Bachelor of Arts dual degree in International Relations and Asian Studies with a concentration in Japanese. After graduating from Duke, she worked in the Institutional Securities Division and Private Wealth Management Division at Morgan Stanley in Manhattan. She subsequently attended Duke University Law School where she earned her J.D. and later worked in the Corporate and Securities group at Vinson & Elkins LLP. Prior to joining SCF Partners, Ms. Eaton worked at First Reserve Corporation, an energy focused private equity firm. Ms. Eaton serves on Duke University's Board of Entrepreneurship & Innovation, the board of the Center for Hearing and Speech and the board of the Broach Foundation for Brain Cancer Research, an organization she co-founded and has jointly raised more than $4 million for glioblastoma research.

We believe that Ms. Eaton is qualified to serve as an alternate director because of her extensive investing experience with entrepreneurial and high growth companies and we also believe her legal background will be beneficial for the Board of Directors.

Classified Board of Directors

In accordance with our Charter, our Board of Directors is divided into two classes with only one class of directors being elected in each year at a meeting of shareholders, with each class serving a two-year term.

Director Independence

NASDAQ listing standards require that a majority of our Board of Directors be independent as long as we are not a controlled company. As of the closing of the Business Combination, a majority of our Board of Directors are independent. An "independent director" is defined under the NASDAQ rules generally as a person other than an officer or employee of the company or its subsidiaries or any other individual having a relationship which in the opinion of the company's Board of Directors, would interfere with the director's exercise of independent judgment in carrying out the responsibilities of a director. Our Board of Directors has determined that Messrs. Antonio J. Campo Mejia, Hala Zeibak, Thomas Wood, Salem Al Noaimi, Andrew Waite and Nadhmi Al-Nasr are "independent directors" as defined in the NASDAQ listing standards and applicable SEC rules. Our independent directors will have regularly scheduled meetings at which only independent directors are present.

Leadership Structure and Risk Oversight

As of the Business Combination, it is intended that Mr. Campo will be the lead independent director of the Board of Directors and Mr. Sherif Foda continues to serve as our Chief Executive Officer and Chairman of the Board.

The Board of Directors' oversight of risk is administered directly through the Board of Directors, as a whole, or through its audit committee. Various reports and presentations regarding risk management are presented to the Board of Directors including the procedures that the Company has adopted to identify and manage risk. The audit committee addresses risks that fall within the committee's area of responsibility. For example, the audit committee is responsible for overseeing the quality and objectivity of NESR's financial statements and the independent audit thereof. The audit committee reserves time at each of its meetings to meet with the Company's independent registered public accounting firm outside of the presence of the Company's management.

Committees of the Board of Directors

As of the closing of the Business Combination, the standing committees of the Company's Board consist of an audit committee (the "Audit Committee"), a compensation committee (the "Compensation Committee") and a nominating and corporate governance committee (the "Nominating and Corporate Governance Committee"). Each of the committees reports to the Board. The composition, duties and responsibilities of these committees are set forth below.

Audit Committee

Our Audit Committee consists of Mr. Al Noaimi, Mr. Campo, and Mr. Waite, with Mr. Al Noaimi serving as the chairman of the Audit Committee. We believe that each of these individuals qualify as independent directors according to the rules and regulations of the SEC with respect to audit committee membership. We also believe that Mr. Al Noaimi qualifies as an "audit committee financial expert," as such term is defined in Item 401(h) of Regulation S-K. Our Board of Directors has adopted a written charter for the Audit Committee, which is available on our corporate website at www.nesrco.com .

Compensation Committee

Our Compensation Committee consists of Mr. Campo, Ms. Zeibak and Mr. Wood, with Mr. Wood serving as the chairman of the Compensation Committee. Our Board of Directors has adopted a written charter for the Compensation Committee, which is available on our corporate website at www.nesrco.com .

Corporate Governance and Nominating Committee

A Corporate Governance and Nominating Committee was appointed to be responsible for, among other matters: (1) identifying individuals qualified to become members of our Board of Directors, consistent with criteria approved by our Board of Directors; (2) overseeing the organization of our Board of Directors to discharge the board's duties and responsibilities properly and efficiently; (3) identifying best practices and recommending corporate governance principles; and (4) developing and recommending to our Board of Directors a set of corporate governance guidelines and principles applicable to us.

Our Corporate Governance and Nominating Committee consists of Mr. Wood, Mr. Al-Nasr and Mr. Campo, with Mr. Campo serving as the chairman of the Corporate Governance and Nominating Committee. Our Board of Directors has adopted a written charter for the Corporate Governance and Nominating Committee, which is available on our corporate website at www.nesrco.com .

Compensation Committee Interlocks and Insider Participation

From inception through March 31, 2018, no officer or employee served as a member of the Company's Compensation Committee, except for Mr. Thomas Wood, who served as NESR's Chief Financial Officer from our inception until October 2, 2017 and from November 29, 2017 until June 6, 2018. None of our executive officers serve as a member of the Board of Directors or compensation committee of any entity that has one or more executive officers serving on our Board of Directors or Compensation Committee.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act, requires our officers, directors and persons who beneficially own more than ten percent of our ordinary shares to file reports of ownership and changes in ownership with the SEC. These reporting persons are also required to furnish us with copies of all Section 16(a) forms they file. Based solely upon a review of such forms, we believe that during the year ended December 31, 2017 there were no delinquent filers.

Code of Ethics

We have adopted a Code of Ethics that applies to all of our employees, including our chief executive officer, chief financial officer and principal accounting officer. Our Code of Ethics is available on our corporate website, www.nesrco.com. If we amend or grant a waiver of one or more of the provisions of our Code of Ethics, we intend to satisfy the requirements under Item 5.05 of Form 8-K regarding the disclosure of amendments to or waivers from provisions of our Code of Ethics that apply to our principal executive officer, principal financial officer and principal accounting officer by posting the required information on our website at the above address. Our website is not part of this proxy statement.

Along with our guiding core ethical principles, our unwavering commitment to achieve responsible superior financial results, motivation of our employees and diversity of our culture are three main pillars that defines our company. We emphasize honesty and integrity, accountability, respect, fairness and confidentiality. We also take monitoring and compliance measures to ensure against discrimination, fraud, theft, harassment, retaliation and conflict of interest.

This Code of Conduct governs all sets of actions and applies to the behaviors of all employees socially and professionally throughout their employment with the company irrespective of the place, time and situation.

Ethical principles and our three main pillars combined are fundamental core values to the Company.

Director Compensation

Our compensation committee determines the annual compensation to be paid to the members of our Board of Directors. Directors' fees after the Business Combination have yet to be determined but are expected to consist of two components: a cash payment and the issuance of restricted shares.

Involvement in Certain Legal Proceedings

No executive officer or director of ours has been involved in the last ten years in any of the following:

- Any bankruptcy petition filed by or against any business or property of such person, or of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time;
- Any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses);
- Being subject to any order, judgment, or decree, not subsequently reversed, suspended or vacated, of any court of competent jurisdiction, permanently or temporarily enjoining, barring, suspending or otherwise limiting his involvement in any type of business, securities or banking activities;
- Being found by a court of competent jurisdiction (in a civil action), the SEC or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law, and the judgment has not been reversed, suspended, or vacated;
- Being the subject of or a party to any judicial or administrative order, judgment, decree or finding, not subsequently reversed, suspended or vacated relating to an alleged violation of any federal or state securities or commodities law or regulation, or any law or regulation respecting financial institutions or insurance companies, including, but not limited to, a temporary or permanent injunction, order of disgorgement or restitution, civil money penalty or temporary or permanent cease-and-desist order, or removal or prohibition order, or any law or regulation prohibiting mail, fraud, wire fraud or fraud in connection with any business entity; or
- Being the subject of or a party to any sanction or order, not subsequently reversed, suspended or vacated, of any self-regulatory organization (as defined in Section 3(a)(26) of the Exchange Act, any registered entity (as defined in Section 1(a)(29) of the Commodity Exchange Act), or any equivalent exchange, association, entity or organization that has disciplinary authority over its members or persons associated with a member.

EXECUTIVE COMPENSATION

Pre-Closing Compensation of Executive Officers

Prior to consummation of the Business Combination, NESR had two executive officers, neither of whom was paid a salary by the Company.

The compensation of NPS's and GES's named executive officers before the consummation of the Business Combination is set forth in the Proxy Statement in the sections titled "Compensation of Directors and Executive Officers of NPS" and "Compensation of Directors and Executive Officers of GES" beginning on page 144 and on page 174, respectively, which is incorporated herein by reference.

Post-Closing Compensation of Executive Officers

Overview

Following the closing of the Business Combination, the Company intends to develop an executive compensation program that is consistent with its existing compensation policies and philosophies, which are designed to align compensation with Target Companies' business objectives and the creation of shareholder value, while enabling Target Companies to attract, motivate and retain individuals who contribute to the long-term success of Target Companies.

Decisions on the executive compensation program will be made by the compensation committee. The following discussion is based on the present expectations as to the executive compensation program to be adopted by the compensation committee. The executive compensation program actually adopted will depend on the judgment of the members of the compensation committee and may differ from that set forth in the following discussion.

We anticipate that decisions regarding executive compensation will reflect our belief that the executive compensation program must be competitive in order to attract and retain our executive officers. We anticipate that the compensation committee will seek to implement our compensation policies and philosophies by linking a significant portion of our executive officers' cash compensation to performance objectives and by providing a portion of their compensation as long-term incentive compensation in the form of equity awards (for more information relating to our intended equity compensation plan, please refer to the Incentive Plan Proposal).

We anticipate that compensation for our executive officers will have three primary components: base salary, an annual cash incentive bonus and long-term incentive compensation in the form of share-based awards.

Base Salary

It has been Target Companies' historical practice to assure that base salary is fair to the executive officers, competitive within the industry and reasonable in light of Target Companies' cost structure. Upon completion of the Business Combination, our compensation committee will determine base salaries and manage the base salary review process, subject to existing employment agreements.

Annual Bonuses

The Company intends to use annual cash incentive bonuses for the executive officers to tie a portion of their compensation to financial and operational objectives achievable within the applicable fiscal year. The Company expects that, near the beginning of each year, the Compensation Committee will select the performance targets, target amounts, target award opportunities and other term and conditions of annual cash bonuses for the executive officers, subject to the terms of any employment agreement. Following the end of each year, the Compensation Committee will determine the extent to which the performance targets were achieved and the amount of the award that is payable to the executive officers.

Share-Based Awards

On May 18, 2018, the shareholders of the Company approved the NESR 2018 Long Term Incentive Plan (the "LTIP"), effective upon the closing of the Business Combination. The description of the LTIP set forth in the Proxy Statement section titled "Proposal No. 4 — NESR 2018 Long Term Incentive Plan" beginning on page 115 is incorporated herein by reference. A copy of the full text of the LTIP is filed as Exhibit 10.10 to this Report on Form 8-K and is incorporated herein by reference.

The Company intends to use share-based awards to reward long-term performance of the executive officers. The Company believes that providing a meaningful portion of the total compensation package in the form of share-based awards will align the incentives of its executive officers with the interests of its shareholders and serve to motivate and retain the individual executive officers.

Employment Agreements

One June 12, 2018 the Company signed an offer letter with Melissa Cougle regarding her employment as Chief Financial Officer of the Company effective June 18, 2018. The terms of Ms. Cougle's employment are set forth in an offer letter dated June 12, 2018, a copy of which is filed as Exhibit 10.18 to this Report. Pursuant to the terms of the offer letter, Ms. Cougle will serve as Chief Financial Officer of the Company and will report to Sherif Foda, Chief Executive Officer of the Company. Ms. Cougle's annual salary will be $300,000 and she will be eligible for an annual performance bonus set at a target of 100% of her salary based on performance of key performance indicators and she will receive a share-based incentive targeted at 200% of her base salary comprised of a mix of restricted stock units, performance stock units and stock options as determined by the NESR Board.

Other Compensation

The Company expects to maintain various employee benefit plans, including medical, dental, life insurance and retirement plans, in which the executive officers will participate.

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The following is a description of related party transactions involving NESR, NPS and GES in the last three years, other than as described in Item 1.01 of this Report.

NESR Related Person Transactions

Founder Shares

On February 9, 2017, the Company issued an aggregate of 5,750,000 ordinary shares to the Sponsor for an aggregate purchase price of $25,000. On May 11, 2017, the Company effectuated a 1.05-for-1 subdivision of its ordinary shares, resulting in an aggregate of 6,037,500 Founder Shares being held by the Sponsor of these 6,037,500 shares, an aggregate of up to 787,500 ordinary shares were subject to forfeiture by the Sponsor to the extent that the underwriters' over-allotment was not exercised in full or in part, so that the Sponsor would own 20% of the Company's issued and outstanding shares after the IPO. As a result of the underwriters' election to partially exercise their over-allotment option on May 30, 2017, 480,425 Founder Shares are no longer subject to forfeiture. The underwriters elected not to exercise the remaining portion of the over-allotment option and, therefore, 307,075 Founder Shares were forfeited.

Sponsor maintained legal and voting rights to the Founder Shares while Mr. Foda and Mr. Wood maintained control of beneficial ownership. The Sponsor has agreed that, subject to certain limited exceptions, its Founder Shares will not be transferred, assigned or sold until one year after the date of the consummation of a Business Combination or earlier if, subsequent to a Business Combination, the last sales price of the Company's ordinary shares equals or exceeds $12.00 per share (as adjusted for stock splits, stock dividends, reorganizations and recapitalizations) for any 20 trading days within any 30-trading day period commencing 150 days after a Business Combination. Before the IPO, Mr. Foda and Mr. Wood, as beneficial owners of shares issued to Sponsor to maintain voting control, assigned beneficial ownership to some Founder Shares to certain key persons facilitating the organization of the IPO.

Private Warrants

Simultaneously with the consummation of the IPO, the Company consummated the private placement of 11,850,000 private warrants at a price of $0.50 per private warrant, generating total proceeds of $5,925,000. Additionally, on May 30, 2017, in connection with the underwriters' election to partially exercise their over-allotment option in the IPO, the Company consummated the sale of an additional 768,680 private warrants at $0.50 per warrant, generating total gross proceeds of $384,340. The private warrants, which were purchased by the Company's Sponsor, are substantially similar to the public warrants, except that if held by the original holders or their permitted assigns, they (i) may be exercised for cash or on a cashless basis, (ii) are not subject to being called for redemption and (iii) subject to certain limited exceptions, will be subject to transfer restrictions until 30 days following the consummation of the Company's initial business combination. If the private warrants are held by holders other than its initial holders, the private warrants will be redeemable by the Company and exercisable by holders on the same basis as the public warrants. The proceeds from the private placement were added to the proceeds from our IPO held in the trust account.

Related Party Advances

During the period from January 23, 2017 (inception) through May 17, 2017, the Sponsor advanced the Company an aggregate of $193,899 for costs associated with its IPO and for working capital purposes. The advances are non-interest bearing, unsecured and due on demand. As of December 31, 2017, the company has repaid $192,910 of such advances. Advances amounting to $989 were outstanding as of December 31, 2017.

Promissory Note — Related Party

On February 10, 2017, the Company entered into a promissory note with the Sponsor, whereby the Sponsor agreed to loan the Company up to an aggregate of $300,000 (the "Promissory Note") to be used in part for expenses incurred in connection with the IPO. The Promissory Note was non-interest bearing, unsecured and due on the earlier of June 30, 2017 or the closing of the IPO. The Promissory Note was repaid upon the consummation of the IPO on May 17, 2017.

Administrative Service Fee

The Company entered into an agreement whereby, commencing on May 17, 2017 through the earlier of the consummation of a Business Combination or the Company's liquidation, the Company will pay the Sponsor a monthly fee of $10,000 for office space, utilities and administrative support. For the period from January 23, 2017 (inception) through December 31, 2017, the Company incurred $80,000 in fees for these services, which such amount is included in operating costs in the accompanying condensed statements of operations and in accrued expenses in the accompanying consolidated balance sheets at December 31, 2017.

Related Party Loans

In order to finance transaction costs in connection with the Business Combination, the Sponsor, the Company's officers, directors or their affiliates may, but are not obligated to, loan the Company funds from time to time or at any time, as may be required ("Working Capital Loans"). Each Working Capital Loan would be evidenced by a promissory note. The Working Capital Loans would either be paid upon consummation of a Business Combination, without interest, or, at the holder's discretion, up to $1,500,000 of the Working Capital Loans may be converted into Private Warrants at a price of $0.50 per warrant. There were no Working Capital Loans outstanding as of December 31, 2017.

NPS Related Person Transactions

Abdulaziz Mubarak Al-Dolaimi is a former founding shareholder of NPS and a former member of its board of directors. Payments of $1,200,000 were made in the 3 months ended March 31, 2017 towards settlement of receivables which were due from the founding shareholder to NPS and which arose in connection with the previous sale of the NPS business to new shareholders in 2014.

There were no related party transactions during the first quarter of 2018.

GES Related Person Transactions

GES has relationships with the following entities who are considered to be related parties, as a result of common shareholding of the involved entities. The related party relationships are documented in contractual agreements between GES and these entities.

Mubadarah Investments LLC ("Mubadarah")

Mubadarah, a Selling Stockholder, was the former parent company of GES.

In June 2012, Mubadarah obtained a loan from NBO amounting to 23.1 million Omani Riyals ($60.6 million) and for which GES was the guarantor. Under a corresponding shareholder loan agreement with Mubadarah, GES was responsible for making debt service payments towards the NBO bank loan. GES made payments to Mubadarah of $789,005 in 2015, $1,425,141 in 2016 and then a further $1,393,746 in 2017, as funds towards the repayment of the loan with NBO. The bank loan was fully repaid on 9 November 2017. GES is no longer a guarantor nor is it responsible for any loan financing payments to Mubadarah.

In 2015, GES purchased an office building from Mubadarah Real Estate LLC, an affiliate of Mubadarah Investment LLC, for $9,750,000. The building is occupied by GES along with other Mubadarah group entities. GES charges rental income to these group entities for the occupation of office space, based on usage. Rental income charged by GES to Mubadarah group entities amounted to $76,613 and $112,286 in the three months ended March 31, 2018 and March 31, 2017 respectively.

Heavy Equipment Manufacturing & Trading LLC ("HEMT")

HEMT is 100% owned by Tasneea Oil & Gas Technology LLC, which is 80% owned by Mubadarah and 20% owned by GES. HEMT is engaged by various subsidiaries of GES for services such as fabrication, manufacturing and maintenance of tools and equipment. HEMT has charged GES amounts of $10,229 and $42,998 in the three months ended March 31, 2018 and 2017 respectively in relation to these services.

Prime Business Solutions LLC ("PBS")

PBS is 100% owned by Mubadarah Business Solutions LLC and is involved in the development and maintenance of Enterprise Resource Planning ("ERP") systems.

PBS has developed and implemented the GEARS (ERP) system for GES and is currently engaged to maintain it. GES has been charged maintenance fees from PBS of $674,800 and $176,400 in the three months ended March 31, 2018 and 2017 respectively.

Esnaad Solutions LLC (Esnaad)

Esnaad is 100% owned by Mubadarah and is a supply chain company involved in the sourcing and procurement of products for the Oil & Gas industry. Esnaad has charged GES amounts of $440,133 and $746,305 in the three months ended March 31, 2018 and 2017 respectively against the purchase of chemicals, drilling fluids, materials and supplies.

Sadara LLC

Sadara is 51% owned by Mubadarah and is engaged in the sourcing and procurement of products for the Oil & Gas industry. Sadara has charged GES amounts of to $nil and $38,060 in the three months ended March 31, 2018 and 2017 respectively against the purchase of chemicals, drilling fluids and products.

Key Management and Founders

Hilal Al Busaidy and Yasser Al Barami are both founding shareholders of GES and key management of the company.

GES has made advances to these key management members. The cumulative advances outstanding as at March 31, 2018 and December 31, 2017 were $4,573,966 and $4,518,338 respectively. Further details of these advances are provided in Note 14 (iii) of the Financial Statements.

Falcon Oil Services LLC Arbitration. In 2017, an arbitration award of $875,000 was entered against GES. The arbitration relates to a subcontract entered into between Falcon Oil Services LLC ("Falcon Oil Services"), a company in which Hilal Al Busaidy owns a minority interest, and GES Oman in relation to services GES Oman had contracted to provide to Jannah Hunt in Yemen. Falcon Oil Services abandoned the contract after four days, and claimed a lack of security for delay in GES Oman returning Falcon Oil Services' equipment. The arbitration award was brought against GES even though GES Oman was party to the original contract. In addition, GES believes that the arbitration should have been brought in Dubai rather than in Oman pursuant to the underlying contract. GES has been awarded a temporary stay on the enforcement of the award by the Omani courts. Mr. Hilal has a minority ownership interest in Falcon Oil Services.

Policies and Procedures for Related Person Transactions

Our Code of Ethics will require us to avoid, wherever possible, all related party transactions that could result in actual or potential conflicts of interests, except under guidelines approved by the Board of Directors (or the audit committee). Related-party transactions are defined as transactions in which (1) the aggregate amount involved will or may be expected to exceed $120,000 in any calendar year, (2) we or any of our subsidiaries is a participant, and (3) any (a) executive officer, director or nominee for election as a director, (b) greater than 5% beneficial owner of our ordinary shares, or (c) immediate family member of the persons referred to in clauses (a) and (b), has or will have a direct or indirect material interest (other than solely as a result of being a director or a less than 10% beneficial owner of another entity). A conflict of interest situation can arise when a person takes actions or has interests that may make it difficult to perform his or her work objectively and effectively. Conflicts of interest may also arise if a person, or a member of his or her family, receives improper personal benefits as a result of his or her position.

We also require each of our directors and executive officers to annually complete a directors' and officers' questionnaire that elicits information about related party transactions.

These procedures are intended to determine whether any such related party transaction impairs the independence of a director or presents a conflict of interest on the part of a director, employee or officer.

To further minimize conflicts of interest, we have agreed not to consummate our initial business combination with an entity that is affiliated with any of our Sponsor, officers or directors unless we have obtained an opinion from an independent investment banking firm and the approval of a majority of our disinterested and independent directors (if we have any at that time) that the Business Combination is fair to our unaffiliated shareholders from a financial point of view.

MARKET PRICE OF AND DIVIDENDS ON COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

Price Range of NESR Securities

Our ordinary shares and warrants are currently listed on the NASDAQ Capital Market under the symbols "NESR" and "NESRW," respectively. Our ordinary shares and warrants each commenced separate public trading on June 5, 2017.

The table below sets forth, for the calendar quarters indicated, the high and low bid prices of our ordinary shares and warrants as reported on the NASDAQ for the period June 5, 2017 through March 31, 2018.

	Ordinary Shares		Warrants	
Period	Low	High	Low	High
June 5 through June 30, 2017	$ 9.39	$ 9.62	$ 0.38	$ 0.60
July 1 through September 30, 2017	$ 9.51	$ 9.68	$ 0.40	$ 0.60
October 1 through December 31, 2017	$ 9.51	$ 9.99	$ 0.43	$ 0.85
January 1 through March 31, 2018	$ 9.89	$ 9.98	$ 0.77	$ 1.10
April 1 through June 30, 2018 [(1)]	$ 9.92	$ 11.33	$ 0.71	$ 2.14

(1) Through June 8, 2018.

On November 10, 2017, the trading date before the public announcement of the Business Combination, the closing sales price of the Company's ordinary shares and warrants were $9.79, and $0.59, respectively.

Holders of NESR

As of the date of this Report, there were 26 holders of record of our ordinary shares and 2 holders of record of our warrants.

Dividend Policy of NESR

We have not paid any cash dividends on our ordinary shares to date and do not intend to pay cash dividends prior to the completion of our initial Business Combination. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of our initial Business Combination. The payment of any cash dividends subsequent to our initial Business Combination will be within the discretion of our Board of Directors at such time. In addition, our Board of Directors is not currently contemplating and does not anticipate declaring any stock dividends in the foreseeable future. Further, if we incur any indebtedness in connection with our Business Combination, our ability to declare dividends may be limited by restrictive covenants we may agree to in connection therewith.

Price Range of NPS/GES Securities

Historical market price information regarding each of NPS and GES is not provided because there is no public market for either NPS' or GES' capital stock.

Dividend Policy of NPS

Prior to the Business Combination, NPS was a privately held company and does not have a policy of paying regular dividends to its shareholders. During the first quarter of 2018, NPS declared and paid $48.2 million in dividends to its shareholders to distribute the Receivables Proceeds, in accordance with the NPS Stock Purchase Agreement. In 2017, NPS declared approximately $20 million in dividends to its shareholders. No dividends were declared in 2015 and 2016. In future years subsequent to the Business Combination, NPS intends to establish a policy to fund a portion of the dividend that may be paid to NESR's public shareholders in line with NESR's dividend policy. Notwithstanding the foregoing, from time to time there may be certain contractual restrictions on NPS' ability to pay dividends. For instance, NPS has an existing syndicated loan facility, due in installments through 2025, which restricts NPS ability to pay dividends if certain covenants, which include compliance with financial ratios, are not met. Additionally, NPS also has a bridge loan facility due in August 2018 which does not permit dividend distributions until such bridge loan is fully repaid.

Dividend Policy of GES

Prior to the Business Combination, GES was a privately held company and did not have a policy of paying regular dividends to its shareholders. In 2017, GES declared approximately $90.2 million dividend to its shareholders. No dividends were declared in 2015, 2016, and the first quarter of 2018. In future years subsequent to the Business Combination GES intends to establish a policy to fund a portion of the dividend that may be paid to NESR's public shareholders in line with NESR's dividend policy. Notwithstanding the foregoing, from time to time there may be certain contractual restrictions on GES' ability to pay dividends. For instance, GES has a bank loan facility which includes restrictions on the distribution of dividends unless GES is in compliance with certain financial covenants required by such loan facility.

DESCRIPTION OF SECURITIES

General

We are a company formed in the British Virgin Islands as a BVI business company (company number 1935445) and our affairs are governed by our Charter, the Companies Act and the common law of the British Virgin Islands. We are authorized to issue an unlimited number of both ordinary shares of no par value and preferred shares of no par value. The following description summarizes certain terms of our shares as set out more particularly in our Charter. Because it is only a summary, it may not contain all the information that is important to you.

Ordinary Shares

As of the date of this Report, there were 85,562,769 ordinary shares outstanding.

Under the Companies Act, the ordinary shares are deemed to be issued when the name of the shareholder is entered in our register of members. Our register of members is maintained by our transfer agent Continental Stock Transfer & Trust Company. If (a) information that is required to be entered in the register of members is omitted from the register or is inaccurately entered in the register, or (b) there is unreasonable delay in entering information in the register, a shareholder of the company, or any person who is aggrieved by the omission, inaccuracy or delay, may apply to the British Virgin Islands Courts for an order that the register be rectified, and the court may either refuse the application or order the rectification of the register, and may direct the company to pay all costs of the application and any damages the applicant may have sustained.

At any general meeting on a show of hands every ordinary shareholder who is present in person (or, in the case of a shareholder being a corporation, by its duly authorized representative) or by proxy will have one vote for each share held on all matters to be voted on by shareholders. Voting at any meeting of the ordinary shareholders is by show of hands unless a poll is demanded. A poll may be demanded by shareholders present in person or by proxy if the shareholder disputes the outcome of the vote on a proposed resolution and the chairman shall cause a poll to be taken. Following the consummation of, or in connection with, our initial business combination, the rights and obligations attaching to our ordinary shares and other provisions of our Charter may be amended if approved by a majority of the votes of shareholders attending and voting on such amendment or by resolution of the directors. Our Board of Directors is divided into two classes, each of which will generally serve for a term of two years with only one class of directors being elected in each year. There is no cumulative voting with respect to the election of directors, with the result that the holders of more than 50% of the shares voted for the election of directors can elect all of the directors. Our shareholders are entitled to receive ratable dividends when, as and if declared by the Board of Directors out of funds legally available therefore.

We intend that our first actual annual meeting of shareholders will be held in 2019. If our shareholders want us to hold a meeting prior to that, they may requisition the directors to hold one upon the written request of members entitled to exercise at least 30% of the voting rights in respect of the matter for which the meeting is requested. Under British Virgin Islands law, we may not increase the required percentage to call a meeting above such 30% level.

Our shareholders are entitled to receive ratable dividends when, as and if declared by the Board of Directors out of legally available funds. In the event of a liquidation or winding up of the company after our initial business combination, our shareholders are entitled to share ratably in all assets remaining available for distribution to them after payment of liabilities and after provision is made for each class of shares, if any, having preference over the ordinary shares. Our shareholders have no preemptive or other subscription rights. There are no sinking fund provisions applicable to the ordinary shares, except that we will provide our shareholders with the redemption rights set forth above.

Founder Shares

The Founder Shares held by Sponsor are identical to the other ordinary shares and have the same shareholder rights as public shareholders, except that the Founder Shares are subject to certain transfer restrictions. Specifically, our Sponsor has agreed not to transfer, assign or sell any of the Founder Shares (except to certain permitted transferees as described below) until the earlier of (i) one year after the date of the consummation of our initial business combination or (ii) the date on which we complete a liquidation, merger, stock exchange or other similar transaction after our initial business combination that results in all of our public shareholders having the right to exchange their ordinary shares for cash, securities or other property. Notwithstanding the foregoing, if the last sale price of our ordinary shares equals or exceeds $12.00 per share (as adjusted for stock splits, stock dividends, reorganizations, recapitalizations and the like) for any 20 trading days within any 30-trading day period 150 days after our initial business combination, the Founder Shares will be released and may be registered and sold. Pursuant to the NPS Stock Purchase Agreement and the ANI Relationship Agreement and the WAHA Relationship Agreement, additional restrictions were imposed on Sponsor to prohibit selling 50% of its ordinary shares within the first year, permitting the sale of an additional 25% after the trading price exceeds $15.00, and the final 25% after the trading price exceeds $17.50.

Preferred Shares

Our Charter authorizes the creation and issuance without shareholder approval of an unlimited number of preferred shares divided into five classes, Class A through Class E each with such designation, rights and preferences as may be determined by a resolution of our Board of Directors to amend the Charter to create such designations, rights and preferences. We have five classes of preferred shares to give us flexibility as to the terms on which each Class is issued. Unlike Delaware law, all shares of a single class must be issued with the same rights and obligations. Accordingly, starting with five classes of preference shares will allow us to issue shares at different times on different terms. No preferred shares are currently issued or outstanding. Accordingly, our Board of Directors is empowered, without shareholder approval, to issue preferred shares with dividend, liquidation, redemption, voting or other rights, which could adversely affect the voting power or other rights of the holders of ordinary shares. The preferred shares could be utilized as a method of discouraging, delaying or preventing a change in control of us. Although we do not currently intend to issue any preferred shares, we may do so in the future.

The rights of preferred shareholders, once the preferred shares are in issue, may only be amended by a resolution to amend our memorandum and articles of association provided such amendment is also approved by a separate resolution of a majority of the votes of preferred shareholders who being so entitled attend and vote at the class meeting of the relevant preferred class. If our preferred shareholders want us to hold a meeting of preferred shareholders (or of a class of preferred shareholders), they may requisition the directors to hold one upon the written request of preferred shareholders entitled to exercise at least 30% of the voting rights in respect of the matter (or class) for which the meeting is requested. Under British Virgin Islands law, we may not increase the required percentage to call a meeting above 30%.

Warrants

As of the date hereof, we had 22,921,700 public warrants and 12,618,680 private warrants outstanding. Each warrant entitles the registered holder to purchase one-half of one ordinary share at a price of $5.75 per half share, subject to adjustment as discussed below, at any time commencing on July 6, 2018 (30 days after the completion of our initial business combination). For example, if a warrant holder holds two warrants, such warrants will be exercisable for one ordinary share at a price of $11.50 per share. Warrants must be exercised for whole ordinary shares. The warrants will expire on June 6, 2023 (five years after the completion of an initial business combination).

Notwithstanding the foregoing, no public warrants will be exercisable for cash unless we have an effective and current registration statement covering the ordinary shares issuable upon exercise of the warrants and a current prospectus relating to such ordinary shares. Notwithstanding the foregoing, if a registration statement covering the ordinary shares issuable upon exercise of the public warrants is not effective within a specified period following the consummation of our initial business combination, warrant holders may, until such time as there is an effective registration statement and during any period when we shall have failed to maintain an effective registration statement, exercise warrants on a "cashless basis" in the same manner as if we called the warrants for redemption and required all holders to exercise their warrants on a "cashless basis." In such event, each holder would pay the exercise price by surrendering the warrants for that number of ordinary shares equal to the quotient obtained by dividing (x) the product of the number of ordinary shares underlying the warrants, multiplied by the difference between the exercise price of the warrants and the "fair market value" (defined below) by (y) the fair market value. The "fair market value" for this purpose will mean the average reported last sale price of the ordinary shares for the 10 trading days ending on the trading day prior to the date of exercise. There will be no net cash settlement of the warrants under any circumstances.

The private warrants are identical to the public warrants except that such warrants will be exercisable for cash (even if a registration statement covering the ordinary shares issuable upon exercise of such warrants is not effective) or on a cashless basis, at the holder's option, and will not be redeemable by us, in each case so long as they are still held by the initial purchasers or their affiliates.

We may call the warrants for redemption (excluding the private warrants), in whole and not in part, at a price of $0.01 per warrant,

- at any time while the warrants are exercisable,
- upon not less than 30 days' prior written notice of redemption to each warrant holder,
- if, and only if, the reported last sale price of the ordinary shares equals or exceeds $21.00 per share, for any 20 trading days within a 30-day trading period ending on the third business day prior to the notice of redemption to warrant holders, and
- if, and only if, there is a current registration statement in effect with respect to the ordinary shares underlying such warrants commencing five business days prior to the 30-day trading period and continuing each day thereafter until the date of redemption.

The right to exercise will be forfeited unless the warrants are exercised prior to the date specified in the notice of redemption. On and after the redemption date, a record holder of a warrant will have no further rights except to receive the redemption price for such holder's warrant upon surrender of such warrant.

The redemption criteria for our warrants have been established at a price which is intended to provide warrant holders a substantial premium to the initial exercise price and provide a sufficient differential between the then-prevailing share price and the warrant exercise price so that if the share price declines as a result of our redemption call, the redemption will not cause the share price to drop below the exercise price of the warrants.

If we call the warrants for redemption as described above, our management will have the option to require all holders that wish to exercise warrants to do so on a "cashless basis." In such event, each holder would pay the exercise price by surrendering the warrants for that number of ordinary shares equal to the quotient obtained by dividing (x) the product of the number of ordinary shares underlying the warrants, multiplied by the difference between the exercise price of the warrants and the "fair market value" (defined below) by (y) the fair market value. In this case, the "fair market value" shall mean the average reported last sale price of the ordinary shares for the 10 trading days ending on the third trading day prior to the date on which the notice of redemption is sent to the holders of warrants. Whether we will exercise our option to require all holders to exercise their warrants on a "cashless basis" will depend on a variety of factors including the price of our ordinary shares at the time the warrants are called for redemption, our cash needs at such time and concerns regarding dilutive stock issuances.

The public warrants have been issued in registered form under a warrant agreement between Continental Stock Transfer & Trust Company, as warrant agent, and us. The warrant agreement provides that the terms of the warrants may be amended without the consent of any holder to cure any ambiguity or correct any defective provision, but requires the approval, by written consent or vote, of the holders of a majority of the then outstanding warrants in order to make any change that adversely affects the interests of the registered holders.

The exercise price and number of ordinary shares issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a share dividend (or bonus share issue), extraordinary dividend or our recapitalization, reorganization, merger or consolidation. However, the warrants will not be adjusted for issuances of ordinary shares at a price below their respective exercise prices.

The warrants may be exercised upon surrender of the warrant certificate on or prior to the expiration date at the offices of the warrant agent, with the exercise form on the reverse side of the warrant certificate completed and executed as indicated, accompanied by full payment of the exercise price, by certified or official bank check payable to us, for the number of warrants being exercised. The warrant holders do not have the rights or privileges of holders of ordinary shares and any voting rights until they exercise their warrants and receive ordinary shares. After the issuance of ordinary shares upon exercise of the warrants, each holder will be entitled to one vote for each share held of record on all matters to be voted on by shareholders.

Except as described above, no public warrants will be exercisable and we will not be obligated to issue ordinary shares unless at the time a holder seeks to exercise such warrant, a prospectus relating to the ordinary shares issuable upon exercise of the warrants is current and the ordinary shares have been registered or qualified or deemed to be exempt under the securities laws of the state of residence of the holder of the warrants. Under the terms of the warrant agreement, we have agreed to use our best efforts to meet these conditions and to maintain a current prospectus relating to the ordinary shares issuable upon exercise of the warrants until the expiration of the warrants.

Warrant holders may elect to be subject to a restriction on the exercise of their warrants such that an electing warrant holder would not be able to exercise their warrants to the extent that, after giving effect to such exercise, such holder would beneficially own in excess of 9.8% of the ordinary shares outstanding.

Dividends

We have not paid any cash dividends on our ordinary shares to date and do not intend to pay cash dividends prior to the completion of our initial business combination. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, capital requirements and general financial condition subsequent to completion of our initial business combination. The payment of any dividends subsequent to our initial business combination will be within the discretion of our then Board of Directors. It is the present intention of our Board of Directors to retain all earnings, if any, for use in our business operations and, accordingly, our board does not anticipate declaring any dividends in the foreseeable future.

Our Transfer Agent, Warrant Agent, and Right Agent

The transfer agent for our ordinary shares and warrant agent for our warrants is Continental Stock Transfer & Trust Company.

LEGAL PROCEEDINGS

The Company is not and has not been involved in any material legal proceedings, other than ordinary litigation incidental to its business. Although no assurances can be given about the final outcome of pending legal proceedings, at the present time the Company is not a party to any legal proceeding or investigation that, in the opinion of management, is likely to have a material adverse effect on its business, financial condition or results of operations.

There are no proceedings in which any of the Company's directors, officers or any of their respective affiliates, or any beneficial shareholder of more than five percent of voting securities, is an adverse party or has a material interest adverse to the above-mentioned companies' interest.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our charter, the BVI Business Companies Act, 2004, as amended and the common law of the British Virgin Islands allow us to indemnify our officers and directors from certain liabilities. Our charter provides that the Company may indemnify, hold harmless and exonerate against all direct and indirect costs, fees and expenses of any type or nature whatsoever, any person who (a) is or was a party or is threatened to be made a party to any proceeding by reason of the fact that such person is or was a director, officer, key employee, adviser of the Company or who at the request of the Company; or (b) is or was, at the request of the Company, serving as a director of, or in any other capacity is or was acting for, another enterprise.

The Company will only indemnify the individual in question if the relevant indemnitee acted honestly and in good faith with a view to the best interests of the Company and, in the case of criminal proceedings, the indemnitee had no reasonable cause to believe that his conduct was unlawful. The decision of the Board as to whether an indemnitee acted honestly and in good faith and with a view to the best interests of the Company and as to whether such indemnitee had no reasonable cause to believe that his conduct was unlawful is, in the absence of fraud, sufficient for the purposes of our charter, unless a question of law is involved.

The termination of any proceedings by any judgment, order, settlement, conviction or the entering of a nolle prosequi does not, by itself, create a presumption that the relevant indemnitee did not act honestly and in good faith and with a view to the best interests of the Company or that such indemnitee had reasonable cause to believe that his conduct was unlawful.

The Company may purchase and maintain insurance, purchase or furnish similar protection or make other arrangements including, but not limited to, providing a trust fund, letter of credit, or surety bond in relation to any indemnitee or who at the request of the Company is or was serving as a Director, officer or liquidator of, or in any other capacity is or was acting for, another Enterprise, against any liability asserted against the person and incurred by him in that capacity, whether or not the Company has or would have had the power to indemnify him against the liability as provided in our charter.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure set forth in Item 2.01 to this Report relating to the Hana Loan is incorporated into this item by reference.

Item 3.02. Unregistered Sales of Equity Securities.

In connection with the Closing, and as described in more detail in Item 2.01 of this Report, the Company issued an aggregate of 58,519,690 ordinary shares to (i) SV3, (ii) HIC, (iii) NPS Selling Stockholders, (iv) GES Selling Stockholders; (v) Mubadarah, (vi) GES Founders, (vii) the Backstop Investor and (viii) Hana Investments Co. WLL . Additionally, the Company issued 307,465 shares to the underwriters of the Company's IPO, as part of compensation for certain deferred underwriting fees. These issuances were not registered the Securities Act, in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act. The disclosure set forth above in Item 2.01 of this Report is incorporated by reference herein.

Item 5.01. Changes in Control of Registrant.

To the extent required, the information set forth under "Explanatory Note" and "Item 2.01. Completion of Acquisition or Disposition of Assets" of this Report on Form 8-K is incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

The disclosure set forth in Item 2.01 to this Report is incorporated into this item by reference.

On June 12, 2018 NESR announced the appointment of Ms. Melissa Cougle as Chief Financial Officer effective June 18, 2018. Ms. Cougle has over 15 years of experience as a finance professional in the oil field services sector. She joins NESR from Ensco plc, a global offshore drilling contractor, where she most recently served as Vice President-Integration having responsibility for global integration activities. Prior to that role, Ms. Cougle served as Vice President-Treasury where she was responsible for all capital management activities. During her career, Ms. Cougle served in many roles at Ensco and its predecessors including: Director-Finance and Administration, Director-Internal Audit, Director-Management Reporting and Financial Systems, and Director-Corporate Accounting. Her tenure at Ensco has brought her deep knowledge in the industry and capital markets as well as related to creating processes and systems for supporting continuous improvement. Ms. Cougle founded the diversity support network at Ensco and is a passionate advocate for the St. Baldrick's Foundation supporting childhood cancer research. Her career began with 6 years' experience through Manager in the audit and consulting practices of Arthur Andersen LLP and Protiviti where she gained exposure to multiple industries. Ms. Cougle is a Certified Public Accountant in the State of Texas and holds a Bachelor of Science Degree in Accounting from Louisiana State University.

The terms of Ms. Cougle's employment are set forth in an offer letter dated June 12, 2018, a copy of which is filed as Exhibit 10.18 to this Report. Pursuant to the terms of the offer letter, Ms. Cougle will serve as Chief Financial Officer of the Company on at at-will basis and will report to Sherif Foda, Chief Executive Officer of the Company. Ms. Cougle's annual salary will be $300,000 and she will be eligible for an annual performance bonus set at a target of 100% of her salary based on performance of key performance indicators and she will receive a share-based incentive targeted at 200% of her base salary comprised of a mix of restricted stock units, performance stock units and stock options as determined by the NESR Board.

Item 5.06. Change in Shell Company Status.

Prior to the Business Combination, we were a "shell company" (as such term is defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended). As a result of the Business Combination, we have ceased to be a "shell company." The information contained in this Report as filed with the SEC, constitute the current "Form 10 information" necessary to satisfy the conditions contained in Rule 144(i)(2) under the Securities Act.

Item 8.01 Other Events

On June 7, 2018, the Company announced that it had completed its Business Combination with GES and NPS on June 6, 2018. The press release is attached as Exhibit 99.6 hereto and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(a) *Financial Statements of Businesses Acquired*

The historical financial statements of NPS for the three years ended December 31, 2017, 2016 and 2015 included in the Proxy Statement beginning on page F-20 are incorporated herein by reference. Additionally, the unaudited financial statements for the three months ended March 31, 2018 are filed as Exhibit 99.3 hereto.

The historical financial statements of GES for the three years ended December 31, 2017, 2016 and 2015 included in the Proxy Statement beginning on page F-45 are incorporated herein by reference. Additionally, the unaudited financial statements for the three months ended March 31, 2018 are filed as Exhibit 99.4 hereto.

(b) *Pro Forma Financial Information*

The unaudited pro forma condensed combined financial information of NESR for the year ended December 31, 2017 included in the Proxy Statement beginning on page 59 is incorporated herein by reference.

(d) Exhibits

Exhibit	Description
2.1	Stock Purchase Agreement, dated as of November 12, 2017, by and among National Energy Services Reunited Corp., Hana Investments Co. WLL, NPS Holdings Ltd and the selling stockholders signatory thereto.
2.2	Agreement for the Sale and Purchase of Shares, dated as of November 12, 2017, by and among Mubadarah Investments LLC, Hilal Al Busaidy, Yasser Said Al Barami and National Energy Services Reunited Corp.
10.1	Relationship Agreement, dated as of June 6, 2018, by and between National Energy Services Reunited Corp and WAHA.
10.2	Relationship Agreement, dated as of June 6, 2018, by and between National Energy Services Reunited Corp and AL Nowais Investments LLC.
10.3	Amended and Restated Registration Rights Agreement, by and among National Energy Services Reunited Corp, NESR Holdings Ltd., and each of the other signatories thereto.
10.4	Contribution Agreement, dated as of November 12, 2017, by and between SV3 Holdings Pte Ltd. and National Energy Services Reunited Corp.
10.5	Voting Agreement by and among National Energy Services Reunited Corp, NESR Holdings Ltd. and SV3 Pte Ltd.
10.6	Shares Exchange Agreement, dated as of November 12, 2017, by and between NESR Holdings Ltd. and National Energy Services Reunited.
10.7	Loan Agreement, dated as of September 21, 2017, by and among NESR Holdings Ltd. and Antonio Jose Campo Mejia.
10.8	Loan Agreement, dated as of September 21, 2017, by and among NESR Holdings Ltd. and Round Up Resource Service, Inc.
10.9	Forward Purchase Agreement by and between National Energy Services Reunited Corp. and MEA Energy Investment 2 Ltd., dated April 27, 2018.
10.10	NESR 2018 Long Term Incentive Plan
10.11	Warrant Agreement, dated May 11, 2017, by and between Continental Stock Transfer & Trust Company and the Company
10.12	Loan Agreement dated June 5, 2018, by and between National Energy Services Reunited Corp. and Hana Investments Co. WLL
10.13	Shares Purchase Exchange Agreement dated June 5, 2018, by and between National Energy Services Reunited Corp. and Hana Investments Co. WLL
10.14	Relationship Agreement dated June 5, 2018 by and between National Energy Services Reunited Corp., NESR Holdings Limited and Hana Investments Co. WLL
10.15	Registration Rights Agreement dated June 5, 2018, by and between National Energy Services Reunited Corp. and Hana Investments Co. WLL
10.16	Amended and Restated Registration Rights Agreement by and between National Energy Services Reunited Corp., NESR SPV Limited and Al Nowais Investments LLC
10.17	Letter Agreement by and between National Energy Services Reunited Corp. and each of the other signatories thereto
10.18	Offer Letter dated June 12, 2018 between National Energy Services Reunited Corp. and Melissa Cougle
10.19	Voting Agreement dated June 6, 2018 by and between National Energy Services Reunited Corp., NESR Holdings LTD. and SV3 Holdings PTE LTD.
10.20	Registration Rights Agreement dated June 6, 2018 by and between National Energy Services Reunited Corp. and SV3 Holdings PTE LTD.
10.21	Lock-Up Agreement dated June 6, 2018 by and between National Energy Services Reunited Corp. and SV3 Holdings PTE LTD.
21.1	Subsidiaries of Registrant
99.1	Financial statements of NPS for the three years ended December 31, 2017 (incorporated by reference to NESR's definitive proxy statement filed with the SEC on May 8, 2018).
99.2	Financial statements of GES for the three years ended December 31, 2017 (incorporated by reference to NESR's definitive proxy statement filed with the SEC on May 8, 2018).
99.3	Unaudited condensed consolidated financial statements of NPS for the three months ended March 31, 2018

99.4	Unaudited condensed consolidated financial statements of GES for the three months ended March 31, 2018
99.5	Unaudited pro forma condensed combined financial information of NESR for the year ended December 31, 2017 (incorporated by reference to NESR's definitive proxy statement filed with the SEC on May 8, 2018).
99.6	Press Release, dated June 7, 2018

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

National Energy Services Reunited Corp.

June 12, 2018

By: */s/ Sherif Foda*
Sherif Foda
Chief Executive Officer

NATIONAL ENERGY SERVICES REUNITED CORP.

Exhibit Index to Current Report on Form 8-K

Exhibit	Description
2.1	Stock Purchase Agreement, dated as of November 12, 2017, by and among National Energy Services Reunited Corp., Hana Investments Co. WLL, NPS Holdings Ltd and the selling stockholders signatory thereto.
2.2	Agreement for the Sale and Purchase of Shares, dated as of November 12, 2017, by and among Mubadarah Investments LLC, Hilal Al Busaidy, Yasser Said Al Barami and National Energy Services Reunited Corp.
10.1	Relationship Agreement, dated as of June 6, 2018, by and between National Energy Services Reunited Corp and WAHA.
10.2	Relationship Agreement, dated as of June 6, 2018, by and between National Energy Services Reunited Corp and AL Nowais Investments LLC.
10.3	Amended and Restated Registration Rights Agreement, by and among National Energy Services Reunited Corp, NESR Holdings Ltd., and each of the other signatories thereto.
10.4	Contribution Agreement, dated as of November 12, 2017, by and between SV3 Holdings Pte Ltd. and National Energy Services Reunited Corp.
10.5	Voting Agreement by and among National Energy Services Reunited Corp, NESR Holdings Ltd. and SV3 Pte Ltd.
10.6	Shares Exchange Agreement, dated as of November 12, 2017, by and between NESR Holdings Ltd. and National Energy Services Reunited.
10.7	Loan Agreement, dated as of September 21, 2017, by and among NESR Holdings Ltd. and Antonio Jose Campo Mejia.
10.8	Loan Agreement, dated as of September 21, 2017, by and among NESR Holdings Ltd. and Round Up Resource Service, Inc.
10.9	Forward Purchase Agreement by and between National Energy Services Reunited Corp. and MEA Energy Investment 2 Ltd., dated April 27, 2018.
10.10	NESR 2018 Equity Incentive Plan
10.11	Warrant Agreement, dated May 11, 2017, by and between Continental Stock Transfer & Trust Company and the Company
10.12	Loan Agreement dated June 5, 2018, by and between National Energy Services Reunited Corp. and Hana Investments Co. WLL
10.13	Shares Purchase Exchange Agreement dated June 5, 2018, by and between National Energy Services Reunited Corp. and Hana Investments Co. WLL
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EXECUTION VERSION

6 June 2018

NATIONAL ENERGY SERVICES REUNITED CORP.

WAHA CAPITAL PJSC

RELATIONSHIP AGREEMENT

CONTENTS

AGREEMENT

dated 6 June 2018

PARTIES :

(1) **NATIONAL ENERGY SERVICES REUNITED CORPORATION** , a corporation existing under the laws of the British Virgin Islands with its registered address at 777 Post Oak Blvd., 7th Floor, Houston, Texas 77056, USA (the ***Company***); and

(2) **WAHA CAPITAL PJSC** , a joint stock company organized and existing under the laws of the United Arab Emirates with commercial registration number 1002103 whose registered office is at Level 43, Tower 3, Etihad Towers, PO Box 28922, Abu Dhabi, United Arab Emirates (***Waha***).

Words and expressions used in this agreement (the ***Agreement***) shall be interpreted in accordance with Schedule 1 (*Definitions and Interpretation*).

WHEREAS :

(A) The Company has entered into a stock purchase agreement (the ***SPA***) dated as of November 12, 2017 with (amongst others) Waha pursuant to which Waha will sell, and the Company will purchase, such ordinary shares of $1 each of NPS Holdings Limited as are set forth against Waha's name in Exhibit A of the SPA (***Waha's Company Shares***).

(B) In consideration for the purchase of Waha's Company Shares, the Company shall pay certain cash consideration and issue to the Reinvesting Stockholder common stock of the Company in the amounts set forth against the Reinvesting Stockholder's names in Exhibit A of the SPA, on the terms and subject to the conditions set out in the SPA.

(C) The Company and Waha are entering into this Agreement in order to set out certain rights that Waha will be entitled as a member of the Company.

IT IS AGREED :

1. Commencement and Duration

1.1 This clause 1 and clauses 5 (*Confidentiality*), 6 (*Announcements*), 7 (*Notices*), 8 (*Costs and Interest*), 9 (*Whole Agreement*), 10 (*Assignment*), 11 (*Variations*), 12 (*Invalid Terms*), 13 (*Enforceability, Rights and Remedies*), 15 (*Governing Law*), 16 (*LCIA Arbitration*) (and the Schedules referred to in those clauses) and Schedule 1 (*Definitions and Interpretation*) shall take effect from and including the date of this Agreement.

1.2 All clauses and schedules of this Agreement, other than those referred to in clause 1.1, shall take effect immediately upon NESR Closing.

1.3 Once in force, the provisions of this Agreement shall continue in force and to bind the parties to it from time to time until this Agreement is terminated.

2. Governance

2.1 Immediately upon NESR Closing and for so long as Waha and/or its Affiliates hold 50% of the Consideration Equity Stock set out against the name of Castle SPC Limited in column (5), Part 1, Exhibit A of the Sale and Purchase Agreement, Waha shall have the right to nominate 1 (one) person as a Director (such Director, being the ***Waha Nominee***), and to propose to remove any such Waha Nominee and nominate another person in his place. The first Waha Nominee shall be Salem Al Noaimi.

2.2 In addition, immediately upon NESR Closing and for so long as Waha and/or its Affiliates hold 50% of the Consideration Equity Stock set out against the name of Castle SPC Limited in column (5), Part 1, Exhibit A of the Sale and Purchase Agreement, the Company shall invite a representative of Waha (the ***Waha Observer***), as designated by Waha in its own discretion, to attend all meetings of the Board in a non-voting observer capacity and, in this respect, shall give such Waha Observer copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors.

2.3 The Company shall procure that the appointment of the Waha Nominee to the Board is proposed to and recommended for approval by the Company's shareholders at the 2018 annual general meeting of the Company (the ***2018 AGM***) or at any other general meeting of the Company held before the 2018 AGM and the Company shall procure that the appointment of the Waha Nominee to the Board is proposed to and recommended for approval by the Company's shareholders at such subsequent annual general meeting of the Company as would ensure the appointment or re-appointment of the Waha Nominee nominated by Waha pursuant to the terms hereof.

2.4 If the Waha Nominee is not elected at the applicable annual general meeting of the Company referred to in clause 2.3 above, Waha may propose a replacement Waha Nominee for appointment to the Board. The Company shall propose and recommend the appointment of such replacement Waha Nominee at the next shareholders meeting of the Company. The process set out in this clause 2.4 shall be repeated until the replacement Waha Nominee proposed by Waha is appointed to the Board.

2.5 In addition, if Waha wishes to remove the Waha Nominee and nominate another person in his/her place pursuant to clause 2.1, the Company shall, subject to Law, appoint such replacement Waha Nominee to the Board as soon as possible and in any event shall propose and recommend the appointment of such replacement at the next annual general meeting of the Company following any such nomination.

2.6 During any period between NESR Closing and the appointment of the Waha Nominee to the Board, the Waha Nominee and the Waha Observer shall be entitled to attend meetings of the Board in the capacity of observers with the right to speak and participate in discussions of the Board, but without any voting rights, and the Company shall provide the Waha Nominee and the Waha Observer with written notice of all Board Meetings and all Board papers on the same basis as notices and Board papers are provided to the directors of the Company.

2.7 Waha acknowledges that the Company will require:

(a) the Waha Nominee appointed to the Board and any committee of the Board, to accept in writing, on substantially the same terms as accepted in writing by the other non-executive directors of the Company to be bound by and duly comply with applicable law and the Articles;

(b) the Waha Nominee appointed to the Board to accept in writing, on substantially the same terms as accepted in writing by the other non-executive members of the Board or such committees, to keep confidential all information regarding the Group of which they become aware in their respective capacities; and

(c) any Waha Nominee or Waha Observer that acts as an observer, to accept in writing, to keep confidential all information regarding the Group of which they become aware in their respective capacities.

2.8 If a Waha Nominee dies, resigns, retires or is incapacitated and is removed as a Director, Waha may appoint another Director in accordance with this clause 2.

2.9 The Waha Nominee may be appointed to committees of the Company as such Nominee may qualify, subject to Board approval.

2.10 The Company shall purchase and maintain with a reputable insurer, insurance effective from and including the NESR Closing Date, for or for the benefit of any person who is or was at any time a Director or director or officer of any member of the Company Group, including insurance against, subject to Law, any liability incurred by or attaching to him in respect of any act or omission in the actual or purported exercise of his powers, in each case from and including the NESR Closing Date (or, if later, the date of appointment of such Director or director or officer of any member of the Company Group), and otherwise in relation to his duties, powers or offices in relation to any member of the Company Group (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).

3. Lock Up

Waha agrees with the Company that from the date of NESR Closing until the date that is 6 months thereafter, Waha shall not, and will cause its Affiliates to which Waha transfers any Consideration Equity Stock not to, directly or indirectly (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of, directly or indirectly, any Consideration Equity Stock; (ii) offer, sell, issue, contract to sell or grant any option, right or warrant to purchase the Consideration Equity Stock or securities convertible into or exchangeable for Consideration Equity Stock; or (iii) enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of Consideration Equity Stock or securities convertible into or exchangeable for any Consideration Equity, whether any such aforementioned transaction is to be settled by delivery of Consideration Equity Stock or such other securities, in cash or otherwise. The provisions of this clause 3 shall not prevent Waha granting security in respect of any Consideration Equity Stock to any provider of finance to Waha or any Affiliate of Waha, provided Waha shall remain entitled to vote in respect of the Consideration Equity Stock upon the grant of such security.

4. Electronic Stock

4.1 The Company shall ensure that all Consideration Equity Stock (or other Equity Stock) issued to Waha shall at all times be issued in electronic form.

5. Confidentiality

5.1 Each of Waha and the Company shall keep confidential any information which relates to the contents of, and negotiations leading to, this Agreement (or any agreement or arrangement entered into pursuant to this Agreement) (all such information being ***Confidential Information***).

5.2 The obligations under clause 6.1 do not apply to:

(a) any disclosure of information which is expressly consented to in writing by each of the parties prior to such disclosure being made (or, if the information only relates to one party, which is expressly consented to in writing by such party);

(b) disclosure (subject to clause 5.3) in confidence by Waha or the Company to their Affiliates or to Waha's, Company's and their Affiliates' directors, officers, employees, agents and advisers (together the ***Representatives*** and each a ***Representative***);

(c) disclosure of information to the extent required by Law or by any stock exchange or Governmental Authority, or to the extent reasonably required for the purpose of managing the tax affairs of Waha (or any of its Affiliates) or any member of the Company Group.

(d) disclosure of information on a confidential basis to a bank or financial adviser of Waha or after the Lock-In Period one or more bona fide potential purchasers of Shareholder Instruments or any securities in Waha or in any of its Affiliates;

(e) disclosure of information which was lawfully in the possession of Waha or any of its Representatives or the Company or its Representatives (as applicable) without any obligation of secrecy prior to it being received or held;

(f) disclosure of any information which has previously become publicly available other than through Waha's or the Company's fault (or that of its Representatives) (as applicable);

(g) disclosure required for the purposes of any arbitral or judicial proceedings arising out of this Agreement;

(h) disclosure is required pursuant to the terms of this Agreement; or

(i) any announcement made in accordance with clause 6.

5.3 Each of the Company and Waha shall inform any Representatives to whom it provides Confidential Information that such information is confidential and shall instruct each such Representative:

(a) to keep it confidential;

(b) not to use it for its own business purposes; and

(c) not to disclose it to any third party (other than those persons to whom it has already been disclosed in accordance with this Agreement).

5.4 The disclosing party shall be responsible for any breach of this clause 5 by a Representative to whom it provides any Confidential Information as if the disclosing party were the party that had breached this clause 5.

6. ANNOUNCEMENTS

6.1 Subject to clause 6.2, unless otherwise agreed in writing, no party (nor any of its Connected Persons) shall make any announcement or issue any communication in connection with the existence or subject matter of this Agreement.

6.2 The restriction in clause 6.1 shall not apply to the extent that the announcement or communication is required by Law, by any stock exchange or by any Governmental Authority. The Parties agree that this Agreement shall be disclosed in and attached with the Proxy Statement. In this case, the party making the announcement or issuing the communication shall, as far as reasonably practicable:

(a) use reasonable endeavours to consult with the other parties in advance as to what form it takes, what it contains and when it is issued;

(b) take into account the relevant parties' reasonable requirements; and

(c) announce and/or disclose (as applicable) only the minimum amount of Confidential Information that is required to be announced and/or disclosed (as applicable) and use reasonable endeavours to assist the relevant parties in respect of any reasonable action that they may take to resist or limit such announcement and/or the issuance of such circular (as applicable), acknowledging that a copy of the Agreement will be submitted with the Proxy Statement.

7. NOTICES

7.1 Any notice to be given by one party to another party in connection with this Agreement shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, email or courier using an internationally recognised courier company.

7.2 A notice shall be effective upon receipt and shall be deemed to have been received (i) at the time of delivery, if delivered by hand or courier or (ii) at the time of transmission if delivered by email. Where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.

7.3 The addresses and email addresses of the parties for the purpose of clause 7.1 are:

Company For the attention of: Sherif Foda	Address: 777 Post Oak Blvd Suite 730, Houston, Texas 77056, USA	Email: sfoda@nesrco.com
Waha For the attention of: General Counsel	Address: Waha Capital PJSC Etihad Towers Floors 42 & 43, Corniche Street Abu Dhabi	Email: legal.notices@wahacapital.ae

7.4 This clause 7 does not apply to the formal service of any court / arbitration proceedings.

8. COSTS AND INTEREST

8.1 Each of the parties shall be responsible for its own costs, charges and expenses (including taxation) incurred in connection with negotiating, preparing and implementing this Agreement and the transactions contemplated by it.

9. Whole Agreement

9.1 This Agreement sets out the whole agreement between the parties in respect of the subject matter of this Agreement and supersedes any previous draft, agreement, arrangement or understanding between them, whether in writing or not, relating to it. In particular it is agreed that:

(a) no party has relied on or shall have any claim or remedy arising under or in connection with any statement, representation, warranty or undertaking, made by or on behalf of any other party (or any of its Connected Persons) in relation to the subject matter of this Agreement that is not expressly set out in this Agreement;

(b) any terms or conditions implied by Law in any jurisdiction in relation to the subject matter of this Agreement are excluded to the fullest extent permitted by Law or, if incapable of exclusion, any rights or remedies in relation to them are irrevocably waived;

(c) the only right or remedy of a party in relation to any provision of this Agreement shall be for breach of this Agreement; and

(d) except for any liability in respect of a breach of this Agreement , no party (nor any of its Connected Persons) shall owe any duty of care or have any liability in tort or otherwise to any other party (or its respective Connected Persons) in relation to the subject matter of this Agreement.

9.2 Nothing in clause 9.1 shall limit any liability for (or remedy in respect of) fraud or fraudulent misrepresentation.

9.3 Each party agrees to the terms of this clause 9 on its own behalf and as agent for each of its Connected Persons.

10. Assignment

No party may assign, transfer, charge or otherwise deal with any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in it, in whole or in part. Any purported assignment in contravention of this clause 10 shall be void.

11. Variations

11.1 No variation of this Agreement shall be valid unless it is in writing and duly executed by or on behalf of all the parties to it.

11.2 If this Agreement is varied:

(a) the variation shall not constitute a general waiver of any provisions of this Agreement;

(b) the variation shall not affect any rights, obligations or liabilities under this Agreement that have already accrued up to the date of variation; and

(c) the rights and obligations of the parties under this Agreement shall remain in full force and effect, except as, and only to the extent that, they are so varied.

12. Invalid Terms

12.1 Each of the provisions of this Agreement is severable.

12.2 If and to the extent that any provision of this Agreement:

(a) is held to be, or becomes, invalid or unenforceable under the Law of any jurisdiction; but

(b) would be valid, binding and enforceable if some part of the provision were deleted or amended,

12.3 then the provision shall apply with the minimum modifications necessary to make it valid, binding and enforceable. All other provisions of this Agreement shall remain in force.

12.4 The parties shall negotiate in good faith to amend or replace any invalid, void or unenforceable provision with a valid, binding and enforceable substitute provision or provisions, so that, after the amendment or replacement, the commercial effect of the Agreement is as close as possible to the effect it would have had if the relevant provision had not been invalid, void or unenforceable.

13. Enforceability, Rights and Remedies

13.1 Any waiver of, or election whether or not to enforce, any right or remedy provided under or pursuant to this Agreement or by Law must be in writing , and no waiver or election shall be inferred from a party's conduct. Any such waiver shall not be, or be deemed to be, a waiver of any subsequent breach or default.

13.2 Except as expressly provided in this Agreement, no failure or delay by any party in exercising any right or remedy relating to this Agreement or by Law shall impair such right or remedy or operate or be construed as a waiver or variation of it or be treated as an election not to exercise such right or remedy or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.

13.3 A party that waives a right or remedy provided under this Agreement or by Law in relation to one party, or takes or fails to take any action against that party, does not affect its rights in relation to any other party.

13.4 The rights and remedies of each of the parties under or pursuant to this Agreement are cumulative, may be exercised as often as such party considers appropriate and are in addition to its rights and remedies under Law.

14. Counterparts

This Agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment shall be an effective mode of delivery.

15. Governing Law

This Agreement and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and interpreted in accordance with, the laws of the state of New York.

16. LCIA Arbitration

Any controversy, dispute or claim arising under or in connection with this Agreement (including, without limitation, any non-contractual right or obligation arising in connection therewith or the existence, validity, interpretation or breach hereof and any claim based on contract, tort of statute) (a ***Dispute***) shall be referred to and finally resolved by a binding arbitration, to be held in London, England pursuant to the rules (***Rules***) of the London Court of International Arbitration (***LCIA***). The seat or legal place of arbitration shall be London, United Kingdom. The Rules are incorporated by reference into this Section and capitalised terms used in this Section which are not otherwise defined in this Agreement have the meaning given to them in the Rules. The arbitration shall be conducted in the English language. Each party shall bear its own expenses incurred in connection with arbitration and the fees and expenses of the arbitrators shall be shared equally by the parties involved in the dispute and advanced by them from time to time as required. It is the mutual intention and desire of the parties that a tribunal of three arbitrators be constituted as expeditiously as possible following the submission of the dispute to arbitration. The Purchaser party to the Dispute shall appoint one arbitrator, the Selling Stockholders that are party to the Dispute shall appoint one arbitrator, and one arbitrator who shall serve as chairman shall be nominated by the agreement of the arbitrators appointed by such Purchaser and Selling Stockholders. Failing such agreement within 15 days of the nomination of the party-nominated arbitrators, the arbitrator shall be nominated by the LCIA. Once such tribunal is constituted and except as may otherwise be agreed in writing by the parties involved in such dispute or as ordered by the arbitrator upon substantial justification shown, the hearing for the dispute will be held within sixty (60) days after submission of the dispute to arbitration. The arbitrator shall render their final award within sixty (60) days, subject to extension by the arbitrator upon substantial justification shown of extraordinary circumstances, following conclusion of the hearing and any required post-hearing briefing or other proceedings ordered by the arbitrator. The arbitrator will state the factual and legal basis for the award. The decision of the arbitrator in any such proceeding will be final and binding and not subject to judicial review and final judgment may be entered upon such an award in any court of competent jurisdiction, but entry of such judgment will not be required to make such award effective. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such action brought in such court or any defense of inconvenient forum for the maintenance of such action. Each of the parties hereto agrees that a judgment in any such action may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

SCHEDULE 1

DEFINITIONS AND INTERPRETATION

1. Definitions . In this Agreement, the following words and expressions shall have the following meaning:

Affiliate means, in relation to any person or Undertaking (the ***relevant person***):

(a) any person Controlled by the relevant person (whether directly or indirectly);

(b) any person Controlling (directly or indirectly) the relevant person;

(c) any person Controlled (whether directly or indirectly) by any person Controlling the relevant person,

but in respect of Waha and/or its other Affiliates, shall exclude the members of the Company Group;

Articles means the Company articles of association, as amended from time to time;

Board means the board of directors of the Company;

Board Meeting means a meeting of the Board duly convened in accordance with the Articles;

Business Day means any day of the year except Friday, Saturday and Sunday on which national banking institutions in the UAE and New York, United States of America are open to the public for conducting general commercial business and are not required or authorized to close;

Company Group means the Company and all entities Controlled by the Company from time to time;

Confidential Information has the meaning given in clause 5.1;

Consideration Equity Stock has the meaning given in the SPA;

Connected Persons means, in relation to a party, any Affiliate of that party and any officer, employee, agent, adviser or representative of that party or any of its Affiliates, in each case, from time to time;

Control means, in relation to any Undertaking (being the ***Controlled Person***), being:

(a) entitled to exercise, or control the exercise of (directly or indirectly) more than 50 per cent. of the voting power at any general meeting of the shareholders, members or partners or other equity holders (and including, in the case of a limited partnership, of the limited partners of) (or in the case of a trust, of the beneficiaries thereof) in respect of all or substantially all matters falling to be decided by resolution or meeting of such persons; or

(b) entitled to appoint or remove or control the appointment or removal of:

(i) directors on the Controlled Person's board of directors or its other governing body (or, in the case of a limited partnership, of the board or other governing body of its general partner) who are able (in the aggregate) to exercise more than 50 per cent. of the voting power at meetings of that board or governing body in respect of all or substantially all matters; and/or

(ii) any managing member of such Controlled Person;

(iii) in the case of a limited partnership its general partner; or

(iv) in the case of a trust, its trustee and/or manager; or

(c) entitled to exercise a dominant influence over the Controlled Person (otherwise than solely as a fiduciary) by virtue of the provisions contained in its constitutional documents or, in the case of a trust, trust deed or pursuant to an agreement with other shareholders, partners, members or beneficiaries of the Controlled Person,

and ***Controller, Controlled, and Controlling*** shall be construed accordingly;

Directors means the directors of the Company from time to time;

Dispute has the meaning given in clause 16;

Equity Stock means common stock of the Company;

Law means any applicable statute, law, rule, regulation, guideline, ordinance, code, policy or rule of common law issued, administered or enforced by any Governmental Authority, or any judicial or administrative interpretation thereof including the rules of any stock exchange;

LCIA has the meaning given in clause 16;

NESR Closing has the meaning given to such term in the Sale and Purchase Agreement;

NESR Closing Date has the meaning given in the Sale and Purchase Agreement;

Parties means the parties to this Agreement from time to time (including any person who at the relevant time is a party to, or has agreed (by executing a Deed of Adherence) to be bound by, this Agreement);

Proxy Statement means the submission by Company to the Securities and Exchange Commission to request approval by the shareholders of the Company to approve the transaction contemplated by the Sale and Purchase Agreement.

relevant person has the meaning given in the definition of Affiliate;

Representative has the meaning given in clause 5.2(b);

Rules has the meaning given in clause 16;

Sale and Purchase Agreement means the stock purchase agreement dated on or about November 12, 2017, between the Company, Hana Investments WLL, NPS Holdings Limited and "the Selling Stockholders";

Shareholder Instrument means:

(a) any Stock (including Equity Stock);

(b) any shares in the capital of any of the subsidiaries of the Company;

(c) any instrument, document or security granting a right of subscription for, or conversion into Shares or shares in the capital of any of the subsidiaries of the Company; and

(d) loan stock or any other instrument or security evidencing indebtedness issued by any member of the Company Group (excluding any third party debt financings);

Stock means stock in the capital of the Company, from time to time;

tax includes (a) taxes on gross or net income, profits and gains, and (b) all other taxes, levies, duties, imposts, charges and withholdings or any nature, including any excise, property, value added, sales, use, stamp, occupation, transfer, franchise or payroll taxes (including national insurance or social security contributions), and any payment whatsoever which the relevant person may be or become bound to make to any person as a result of the discharge by that person of any tax which the relevant person has failed to discharge, together with all penalties, charges, fees and interest relating to any of the foregoing or to any late or incorrect return in respect of any of them, and regardless of whether such taxes, levies, duties, imposts, charges, withholdings, penalties and interest are chargeable directly or primarily against or attributable directly or primarily to the relevant person or any other person and of whether any amount in respect of them is recoverable from any other person;

Undertaking means a body corporate or partnership or unincorporated association or trust carrying on trade or business with or without a view to profit. In relation to an undertaking which is not a company, expressions in this Agreement appropriate to companies are to be construed as references to the corresponding persons, officers, documents or agents (as the case may be) appropriate to undertakings of that description;

Waha's Company Shares has the meaning given in the Preamble;

Waha Nominee has the meaning given in clause 2.1; and

Waha Observer has the meaning given in clause 2.2.

1. Interpretation . In this Agreement, unless the context otherwise requires:

(a) headings do not affect the interpretation of this Agreement; the singular shall include the plural and vice versa; and references to one gender include all genders;

(b) references to an English legal term or concept will, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;

(c) references to a person include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (in any case, whether or not it has separate legal personality);

(d) except as otherwise expressly provided in this Agreement, any reference to an enactment (which includes any legislation in any jurisdiction) includes references to: (i) that enactment as amended, consolidated or re-enacted by or under any other enactment whenever made; (ii) any enactment that that enactment re-enacts (with or without modification); and (iii) any subordinate legislation (including regulations) whenever made under that enactment, as amended, consolidated or re-enacted as described at (i) or (ii), except to the extent that any of the matters referred to in (i) to (iii) occurs on or after the date of this Agreement and increases or alters the liability of a party under this Agreement;

(e) references to ***US$*** are references to the lawful currency from time to time of the United States of America;

(f) any phrase introduced by the terms ***including*** , ***include*** , ***in particular*** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

(g) if there is any inconsistency between any definition set out in this Schedule and a definition set out in any clause or any other Schedule, then, for the purposes of construing that clause or Schedule, the definition set out in that clause or Schedule shall prevail.

2. Where any obligation in this Agreement is expressed to be undertaken or assumed by any party, that obligation is to be construed as requiring the party concerned to exercise all rights and powers of control over the affairs of any other person which it is able to exercise (whether directly or indirectly) in order to secure performance of the obligation.

SIGNATURE PAGE TO THE RELATIONSHIP AGREEMENT

IN WITNESS WHEREOF this Agreement has been duly executed as a **DEED** on the date inserted on page 1 of this Agreement:

EXECUTED and DELIVERED	)
as a **DEED** by	)
NATIONAL ENERGY SERVICES	)
REUNITED CORP .	)
acting by two directors/a director and	)
the secretary/a director in the presence	)
of a witness	)

/s/Sherif Foda

Name: Sherif Foda
Title: CEO

and

/s/Tom Wood

Name: Tom Wood
Title: CFO

or

Witness:

Name:
Occupation:
Address:

SIGNATURE PAGE TO THE RELATIONSHIP AGREEMENT

IN WITNESS WHEREOF this Agreement has been duly executed as a **DEED** on the date inserted on page 1 of this Agreement:

EXECUTED and DELIVERED	)
as a **DEED** by	)
WAHA CAPITAL PJSC	)
acting by two directors/a director and	)
the secretary/a director in the presence	)
of a witness	)

/s/Michael Raynes

Name: Michael Raynes
Title: Chief Executive Officer

and

Name:
Title:

or

Witness:

Name:
Occupation:
Address:

EXECUTION VERSION

6 June 2018

NATIONAL ENERGY SERVICES REUNITED CORP.

AL NOWAIS INVESTMENTS LLC

RELATIONSHIP AGREEMENT

CONTENTS

AGREEMENT

dated 6 June 2018

PARTIES :

(1) **NATIONAL ENERGY SERVICES REUNITED CORPORATION** , a corporation existing under the laws of the British Virgin Islands with its registered address at 777 Post Oak Blvd., 7th Floor, Houston, Texas 77056, USA (the ***Company***); and

(2) **AL NOWAIS INVESTMENTS LLC** , a company existing under the laws of the United Arab Emirates with its registered address at Al Nowais Building, PO Box 984, Abu Dhabi, United Arab Emirates (***ANI***).

Words and expressions used in this agreement (the ***Agreement***) shall be interpreted in accordance with Schedule 1 (*Definitions and Interpretation*).

WHEREAS :

(A) The Company has entered into a stock purchase agreement (the ***SPA***) dated as of November 12, 2017 with (amongst others) ANI pursuant to which ANI will sell, and the Company will purchase, such ordinary shares of $1 each of NPS Holdings Limited as are set forth against ANI's name in Exhibit A of the SPA (***ANI's Company Shares***).

(B) In consideration for the purchase of ANI's Company Shares, the Company shall pay certain cash consideration and issue to the Reinvesting Stockholder common stock of the Company in the amounts set forth against the Reinvesting Stockholder's names in Exhibit A of the SPA, on the terms and subject to the conditions set out in the SPA.

(C) The Company and ANI are entering into this Agreement in order to set out certain rights that ANI will be entitled as a member of the Company.

IT IS AGREED :

1. Commencement and Duration

1.1 This clause 1 and clauses 5 (*Confidentiality*), 6 (*Announcements*), 7 (*Notices*), 8 (*Costs and Interest*), 9 (*Whole Agreement*), 10 (*Assignment*), 11 (*Variations*), 12 (*Invalid Terms*), 13 (*Enforceability, Rights and Remedies*), 15 (*Governing Law*), 16 (*LCIA Arbitration*) (and the Schedules referred to in those clauses) and Schedule 1 (*Definitions and Interpretation*) shall take effect from and including the date of this Agreement.

1.2 All clauses and schedules of this Agreement, other than those referred to in clause 1.1, shall take effect immediately upon NESR Closing.

1.3 Once in force, the provisions of this Agreement shall continue in force and to bind the parties to it from time to time until this Agreement is terminated.

2. Governance

2.1 Immediately upon NESR Closing and for so long as ANI and/or its Affiliates hold 50% of the Consideration Equity Stock set out against its name in column (5), Part 1, Exhibit A of the Sale and Purchase Agreement, ANI shall have the right to nominate 1 (one) person as a Director (such Director, being the ***ANI Nominee***), and to propose to remove any such ANI Nominee and nominate another person in his place. The first ANI Nominee shall be Adnan Ghabris.

2.2 In addition, immediately upon NESR Closing and for so long as ANI and/or its Affiliates hold 50% of the Consideration Equity Stock set out against its name in column (5), Part 1, Exhibit A of the Sale and Purchase Agreement, the Company shall invite a representative of ANI (the ***ANI Observer***), as designated by ANI in its own discretion, to attend all meetings of the Board in a non-voting observer capacity and, in this respect, shall give such ANI Observer copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time and in the same manner as provided to such directors.

2.3 The Company shall procure that the appointment of the ANI Nominee to the Board is proposed to and recommended for approval by the Company's shareholders at the 2018 annual general meeting of the Company (the ***2018 AGM***) or at any other general meeting of the Company held before the 2018 AGM and the Company shall procure that the appointment of the ANI Nominee to the Board is proposed to and recommended for approval by the Company's shareholders at such subsequent annual general meeting of the Company as would ensure the appointment or re-appointment of the ANI Nominee nominated by ANI pursuant to the terms hereof.

2.4 If the ANI Nominee is not elected at the applicable annual general meeting of the Company referred to in clause 2.3 above, ANI may propose a replacement ANI Nominee for appointment to the Board. The Company shall propose and recommend the appointment of such replacement ANI Nominee at the next shareholders meeting of the Company. The process set out in this clause 2.4 shall be repeated until the replacement ANI Nominee proposed by ANI is appointed to the Board.

2.5 In addition, if ANI wishes to remove the ANI Nominee and nominate another person in his/her place pursuant to clause 2.1, the Company shall, subject to Law, appoint such replacement ANI Nominee to the Board as soon as possible and in any event shall propose and recommend the appointment of such replacement at the next annual general meeting of the Company following any such nomination.

2.6 During any period between NESR Closing and the appointment of the ANI Nominee to the Board, the ANI Nominee and the ANI Observer shall be entitled to attend meetings of the Board in the capacity of observers with the right to speak and participate in discussions of the Board, but without any voting rights, and the Company shall provide the ANI Nominee and the ANI Observer with written notice of all Board Meetings and all Board papers on the same basis as notices and Board papers are provided to the directors of the Company.

2.7 ANI acknowledges that the Company will require:

(a) the ANI Nominee appointed to the Board and any committee of the Board, to accept in writing, on substantially the same terms as accepted in writing by the other non-executive directors of the Company to be bound by and duly comply with applicable law and the Articles;

(b) the ANI Nominee appointed to the Board to accept in writing, on substantially the same terms as accepted in writing by the other non-executive members of the Board or such committees, to keep confidential all information regarding the Group of which they become aware in their respective capacities; and

(c) any ANI Nominee or ANI Observer that acts as an observer, to accept in writing, to keep confidential all information regarding the Group of which they become aware in their respective capacities.

2.8 If an ANI Nominee dies, resigns, retires or is incapacitated and is removed as a Director, ANI may appoint another Director in accordance with this clause 2.

2.9 The ANI Nominee may be appointed to committees of the Company as such Nominee may qualify, subject to Board approval.

2.10 The Company shall purchase and maintain with a reputable insurer, insurance effective from and including the NESR Closing Date, for or for the benefit of any person who is or was at any time a Director or director or officer of any member of the Company Group, including insurance against, subject to Law, any liability incurred by or attaching to him in respect of any act or omission in the actual or purported exercise of his powers, in each case from and including the NESR Closing Date (or, if later, the date of appointment of such Director or director or officer of any member of the Company Group), and otherwise in relation to his duties, powers or offices in relation to any member of the Company Group (and all costs, charges, losses, expenses and liabilities incurred by him in relation thereto).

3. Lock Up

ANI agrees with the Company that from the date of NESR Closing until the date that is 6 months thereafter, ANI shall not, and will cause its Affiliates to which ANI transfers any Consideration Equity Stock not to, directly or indirectly (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of, directly or indirectly, any Consideration Equity Stock; (ii) offer, sell, issue, contract to sell or grant any option, right or warrant to purchase the Consideration Equity Stock or securities convertible into or exchangeable for Consideration Equity Stock; or (iii) enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of Consideration Equity Stock or securities convertible into or exchangeable for any Consideration Equity, whether any such aforementioned transaction is to be settled by delivery of Consideration Equity Stock or such other securities, in cash or otherwise. The provisions of this clause 3 shall not prevent ANI granting security in respect of any Consideration Equity Stock to any provider of finance to ANI or any Affiliate of ANI, provided ANI shall remain entitled to vote in respect of the Consideration Equity Stock upon the grant of such security.

4. Electronic Stock

4.1 The Company shall ensure that all Consideration Equity Stock (or other Equity Stock) issued to ANI shall at all times be issued in electronic form.

5. Confidentiality

5.1 Each of ANI and the Company shall keep confidential any information which relates to the contents of, and negotiations leading to, this Agreement (or any agreement or arrangement entered into pursuant to this Agreement) (all such information being ***Confidential Information***).

5.2 The obligations under clause 6.1 do not apply to:

(a) any disclosure of information which is expressly consented to in writing by each of the parties prior to such disclosure being made (or, if the information only relates to one party, which is expressly consented to in writing by such party);

(b) disclosure (subject to clause 5.3) in confidence by ANI or the Company to their Affiliates or to ANI's, Company's and their Affiliates' directors, officers, employees, agents and advisers (together the ***Representatives*** and each a ***Representative***);

(c) disclosure of information to the extent required by Law or by any stock exchange or Governmental Authority, or to the extent reasonably required for the purpose of managing the tax affairs of ANI (or any of its Affiliates) or any member of the Company Group.

(d) disclosure of information on a confidential basis to a bank or financial adviser of ANI or after the Lock-In Period one or more bona fide potential purchasers of Shareholder Instruments or any securities in ANI or in any of its Affiliates;

(e) disclosure of information which was lawfully in the possession of ANI or any of its Representatives or the Company or its Representatives (as applicable) without any obligation of secrecy prior to it being received or held;

(f) disclosure of any information which has previously become publicly available other than through ANI's or the Company's fault (or that of its Representatives) (as applicable);

(g) disclosure required for the purposes of any arbitral or judicial proceedings arising out of this Agreement;

(h) disclosure is required pursuant to the terms of this Agreement; or

(i) any announcement made in accordance with clause 6.

5.3 Each of the Company and ANI shall inform any Representatives to whom it provides Confidential Information that such information is confidential and shall instruct each such Representative:

(a) to keep it confidential;

(b) not to use it for its own business purposes; and

(c) not to disclose it to any third party (other than those persons to whom it has already been disclosed in accordance with this Agreement).

5.4 The disclosing party shall be responsible for any breach of this clause 5 by a Representative to whom it provides any Confidential Information as if the disclosing party were the party that had breached this clause 5.

6. ANNOUNCEMENTS

6.1 Subject to clause 6.2, unless otherwise agreed in writing, no party (nor any of its Connected Persons) shall make any announcement or issue any communication in connection with the existence or subject matter of this Agreement.

6.2 The restriction in clause 6.1 shall not apply to the extent that the announcement or communication is required by Law, by any stock exchange or by any Governmental Authority. The Parties agree that this Agreement shall be disclosed in and attached with the Proxy Statement. In this case, the party making the announcement or issuing the communication shall, as far as reasonably practicable:

(a) use reasonable endeavours to consult with the other parties in advance as to what form it takes, what it contains and when it is issued;

(b) take into account the relevant parties' reasonable requirements; and

(c) announce and/or disclose (as applicable) only the minimum amount of Confidential Information that is required to be announced and/or disclosed (as applicable) and use reasonable endeavours to assist the relevant parties in respect of any reasonable action that they may take to resist or limit such announcement and/or the issuance of such circular (as applicable), acknowledging that a copy of the Agreement will be submitted with the Proxy Statement.

7. NOTICES

7.1 Any notice to be given by one party to another party in connection with this Agreement shall be in writing in English and signed by or on behalf of the party giving it. It shall be delivered by hand, email or courier using an internationally recognised courier company.

7.2 A notice shall be effective upon receipt and shall be deemed to have been received (i) at the time of delivery, if delivered by hand or courier or (ii) at the time of transmission if delivered by email. Where delivery occurs outside Working Hours, notice shall be deemed to have been received at the start of Working Hours on the next following Business Day.

7.3 The addresses and email addresses of the parties for the purpose of clause 7.1 are:

Company For the attention of: Sherif Foda	Address: 777 Post Oak Blvd Suite 730, Houston, Texas 77056, USA	Email: sfoda@nesrco.com
ANI For the attention of: Chief Investment Officer	Address: Al Nowais Building, PO Box 984, Abu Dhabi, United Arab Emirates	Email: w.abboud@alnowais.com

7.4 This clause 7 does not apply to the formal service of any court / arbitration proceedings.

8. COSTS AND INTEREST

8.1 Each of the parties shall be responsible for its own costs, charges and expenses (including taxation) incurred in connection with negotiating, preparing and implementing this Agreement and the transactions contemplated by it.

9. Whole Agreement

9.1 This Agreement sets out the whole agreement between the parties in respect of the subject matter of this Agreement and supersedes any previous draft, agreement, arrangement or understanding between them, whether in writing or not, relating to it. In particular it is agreed that:

(a) no party has relied on or shall have any claim or remedy arising under or in connection with any statement, representation, warranty or undertaking, made by or on behalf of any other party (or any of its Connected Persons) in relation to the subject matter of this Agreement that is not expressly set out in this Agreement;

(b) any terms or conditions implied by Law in any jurisdiction in relation to the subject matter of this Agreement are excluded to the fullest extent permitted by Law or, if incapable of exclusion, any rights or remedies in relation to them are irrevocably waived;

(c) the only right or remedy of a party in relation to any provision of this Agreement shall be for breach of this Agreement; and

(d) except for any liability in respect of a breach of this Agreement , no party (nor any of its Connected Persons) shall owe any duty of care or have any liability in tort or otherwise to any other party (or its respective Connected Persons) in relation to the subject matter of this Agreement.

9.2 Nothing in clause 9.1 shall limit any liability for (or remedy in respect of) fraud or fraudulent misrepresentation.

9.3 Each party agrees to the terms of this clause 9 on its own behalf and as agent for each of its Connected Persons.

10. Assignment

No party may assign, transfer, charge or otherwise deal with any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in it, in whole or in part. Any purported assignment in contravention of this clause 10 shall be void.

11. Variations

11.1 No variation of this Agreement shall be valid unless it is in writing and duly executed by or on behalf of all the parties to it.

11.2 If this Agreement is varied:

(a) the variation shall not constitute a general waiver of any provisions of this Agreement;

(b) the variation shall not affect any rights, obligations or liabilities under this Agreement that have already accrued up to the date of variation; and

(c) the rights and obligations of the parties under this Agreement shall remain in full force and effect, except as, and only to the extent that, they are so varied.

12. Invalid Terms

12.1 Each of the provisions of this Agreement is severable.

12.2 If and to the extent that any provision of this Agreement:

(a) is held to be, or becomes, invalid or unenforceable under the Law of any jurisdiction; but

(b) would be valid, binding and enforceable if some part of the provision were deleted or amended,

12.3 then the provision shall apply with the minimum modifications necessary to make it valid, binding and enforceable. All other provisions of this Agreement shall remain in force.

12.4 The parties shall negotiate in good faith to amend or replace any invalid, void or unenforceable provision with a valid, binding and enforceable substitute provision or provisions, so that, after the amendment or replacement, the commercial effect of the Agreement is as close as possible to the effect it would have had if the relevant provision had not been invalid, void or unenforceable.

13. Enforceability, Rights and Remedies

13.1 Any waiver of, or election whether or not to enforce, any right or remedy provided under or pursuant to this Agreement or by Law must be in writing , and no waiver or election shall be inferred from a party's conduct. Any such waiver shall not be, or be deemed to be, a waiver of any subsequent breach or default.

13.2 Except as expressly provided in this Agreement, no failure or delay by any party in exercising any right or remedy relating to this Agreement or by Law shall impair such right or remedy or operate or be construed as a waiver or variation of it or be treated as an election not to exercise such right or remedy or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.

13.3 A party that waives a right or remedy provided under this Agreement or by Law in relation to one party, or takes or fails to take any action against that party, does not affect its rights in relation to any other party.

13.4 The rights and remedies of each of the parties under or pursuant to this Agreement are cumulative, may be exercised as often as such party considers appropriate and are in addition to its rights and remedies under Law.

14. Counterparts

This Agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment shall be an effective mode of delivery.

15. Governing Law

This Agreement and any non-contractual obligations arising out of, or in connection with, it shall be governed by, and interpreted in accordance with, the laws of the state of New York.

16. LCIA Arbitration

Any controversy, dispute or claim arising under or in connection with this Agreement (including, without limitation, any non-contractual right or obligation arising in connection therewith or the existence, validity, interpretation or breach hereof and any claim based on contract, tort of statute) (a ***Dispute***) shall be referred to and finally resolved by a binding arbitration, to be held in London, England pursuant to the rules (***Rules***) of the London Court of International Arbitration (***LCIA***). The seat or legal place of arbitration shall be London, United Kingdom. The Rules are incorporated by reference into this Section and capitalised terms used in this Section which are not otherwise defined in this Agreement have the meaning given to them in the Rules. The arbitration shall be conducted in the English language. Each party shall bear its own expenses incurred in connection with arbitration and the fees and expenses of the arbitrators shall be shared equally by the parties involved in the dispute and advanced by them from time to time as required. It is the mutual intention and desire of the parties that a tribunal of three arbitrators be constituted as expeditiously as possible following the submission of the dispute to arbitration. The Purchaser party to the Dispute shall appoint one arbitrator, the Selling Stockholders that are party to the Dispute shall appoint one arbitrator, and one arbitrator who shall serve as chairman shall be nominated by the agreement of the arbitrators appointed by such Purchaser and Selling Stockholders. Failing such agreement within 15 days of the nomination of the party-nominated arbitrators, the arbitrator shall be nominated by the LCIA. Once such tribunal is constituted and except as may otherwise be agreed in writing by the parties involved in such dispute or as ordered by the arbitrator upon substantial justification shown, the hearing for the dispute will be held within sixty (60) days after submission of the dispute to arbitration. The arbitrator shall render their final award within sixty (60) days, subject to extension by the arbitrator upon substantial justification shown of extraordinary circumstances, following conclusion of the hearing and any required post-hearing briefing or other proceedings ordered by the arbitrator. The arbitrator will state the factual and legal basis for the award. The decision of the arbitrator in any such proceeding will be final and binding and not subject to judicial review and final judgment may be entered upon such an award in any court of competent jurisdiction, but entry of such judgment will not be required to make such award effective. The parties hereby irrevocably waive, to the fullest extent permitted by applicable law, any objection which they may now or hereafter have to the laying of venue of any such action brought in such court or any defense of inconvenient forum for the maintenance of such action. Each of the parties hereto agrees that a judgment in any such action may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by law.

SCHEDULE 1

DEFINITIONS AND INTERPRETATION

1. Definitions . In this Agreement, the following words and expressions shall have the following meaning:

Affiliate means, in relation to any person or Undertaking (the ***relevant person***):

(a) any person Controlled by the relevant person (whether directly or indirectly);

(b) any person Controlling (directly or indirectly) the relevant person;

(c) any person Controlled (whether directly or indirectly) by any person Controlling the relevant person,

but in respect of ANI and/or its other Affiliates, shall exclude the members of the Company Group;

ANI's Company Shares has the meaning given in the Preamble;

ANI Nominee has the meaning given in clause 2.1;

ANI Observer has the meaning given in clause 2.2;

Articles means the Company articles of association, as amended from time to time;

Board means the board of directors of the Company;

Board Meeting means a meeting of the Board duly convened in accordance with the Articles;

Business Day means any day of the year except Friday, Saturday and Sunday on which national banking institutions in the UAE and New York, United States of America are open to the public for conducting general commercial business and are not required or authorized to close;

Company Group means the Company and all entities Controlled by the Company from time to time;

Confidential Information has the meaning given in clause 5.1;

Consideration Equity Stock has the meaning given in the SPA;

Connected Persons means, in relation to a party, any Affiliate of that party and any officer, employee, agent, adviser or representative of that party or any of its Affiliates, in each case, from time to time;

Control means, in relation to any Undertaking (being the ***Controlled Person***), being:

(a) entitled to exercise, or control the exercise of (directly or indirectly) more than 50 per cent. of the voting power at any general meeting of the shareholders, members or partners or other equity holders (and including, in the case of a limited partnership, of the limited partners of) (or in the case of a trust, of the beneficiaries thereof) in respect of all or substantially all matters falling to be decided by resolution or meeting of such persons; or

(b) entitled to appoint or remove or control the appointment or removal of:

(i) directors on the Controlled Person's board of directors or its other governing body (or, in the case of a limited partnership, of the board or other governing body of its general partner) who are able (in the aggregate) to exercise more than 50 per cent. of the voting power at meetings of that board or governing body in respect of all or substantially all matters; and/or

(ii) any managing member of such Controlled Person;

(iii) in the case of a limited partnership its general partner; or

(iv) in the case of a trust, its trustee and/or manager; or

(c) entitled to exercise a dominant influence over the Controlled Person (otherwise than solely as a fiduciary) by virtue of the provisions contained in its constitutional documents or, in the case of a trust, trust deed or pursuant to an agreement with other shareholders, partners, members or beneficiaries of the Controlled Person,

and ***Controller, Controlled, and Controlling*** shall be construed accordingly;

Directors means the directors of the Company from time to time;

Dispute has the meaning given in clause 16;

Equity Stock means common stock of the Company;

Law means any applicable statute, law, rule, regulation, guideline, ordinance, code, policy or rule of common law issued, administered or enforced by any Governmental Authority, or any judicial or administrative interpretation thereof including the rules of any stock exchange;

LCIA has the meaning given in clause 16;

NESR Closing has the meaning given to such term in the Sale and Purchase Agreement;

NESR Closing Date has the meaning given in the Sale and Purchase Agreement;

Parties means the parties to this Agreement from time to time (including any person who at the relevant time is a party to, or has agreed (by executing a Deed of Adherence) to be bound by, this Agreement);

Proxy Statement means the submission by Company to the Securities and Exchange Commission to request approval by the shareholders of the Company to approve the transaction contemplated by the Sale and Purchase Agreement.

relevant person has the meaning given in the definition of Affiliate;

Representative has the meaning given in clause 5.2(b);

Rules has the meaning given in clause 16;

Sale and Purchase Agreement means the stock purchase agreement dated on or about November 12, 2017, between the Company, Hana Investments WLL, NPS Holdings Limited and "the Selling Stockholders";

Shareholder Instrument means:

(a) any Stock (including Equity Stock);

(b) any shares in the capital of any of the subsidiaries of the Company;

(c) any instrument, document or security granting a right of subscription for, or conversion into Shares or shares in the capital of any of the subsidiaries of the Company; and

(d) loan stock or any other instrument or security evidencing indebtedness issued by any member of the Company Group (excluding any third party debt financings);

Stock means stock in the capital of the Company, from time to time;

tax includes (a) taxes on gross or net income, profits and gains, and (b) all other taxes, levies, duties, imposts, charges and withholdings or any nature, including any excise, property, value added, sales, use, stamp, occupation, transfer, franchise or payroll taxes (including national insurance or social security contributions), and any payment whatsoever which the relevant person may be or become bound to make to any person as a result of the discharge by that person of any tax which the relevant person has failed to discharge, together with all penalties, charges, fees and interest relating to any of the foregoing or to any late or incorrect return in respect of any of them, and regardless of whether such taxes, levies, duties, imposts, charges, withholdings, penalties and interest are chargeable directly or primarily against or attributable directly or primarily to the relevant person or any other person and of whether any amount in respect of them is recoverable from any other person; and

Undertaking means a body corporate or partnership or unincorporated association or trust carrying on trade or business with or without a view to profit. In relation to an undertaking which is not a company, expressions in this Agreement appropriate to companies are to be construed as references to the corresponding persons, officers, documents or agents (as the case may be) appropriate to undertakings of that description.

1. Interpretation . In this Agreement, unless the context otherwise requires:

(a) headings do not affect the interpretation of this Agreement; the singular shall include the plural and vice versa; and references to one gender include all genders;

(b) references to an English legal term or concept will, in respect of any jurisdiction other than England, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction;

(c) references to a person include any individual, firm, body corporate (wherever incorporated), government, state or agency of a state or any joint venture, association, partnership, works council or employee representative body (in any case, whether or not it has separate legal personality);

(d) except as otherwise expressly provided in this Agreement, any reference to an enactment (which includes any legislation in any jurisdiction) includes references to: (i) that enactment as amended, consolidated or re-enacted by or under any other enactment whenever made; (ii) any enactment that that enactment re-enacts (with or without modification); and (iii) any subordinate legislation (including regulations) whenever made under that enactment, as amended, consolidated or re-enacted as described at (i) or (ii), except to the extent that any of the matters referred to in (i) to (iii) occurs on or after the date of this Agreement and increases or alters the liability of a party under this Agreement;

(e) references to ***US$*** are references to the lawful currency from time to time of the United States of America;

(f) any phrase introduced by the terms ***including*** , ***include*** , ***in particular*** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms; and

(g) if there is any inconsistency between any definition set out in this Schedule and a definition set out in any clause or any other Schedule, then, for the purposes of construing that clause or Schedule, the definition set out in that clause or Schedule shall prevail.

2. Where any obligation in this Agreement is expressed to be undertaken or assumed by any party, that obligation is to be construed as requiring the party concerned to exercise all rights and powers of control over the affairs of any other person which it is able to exercise (whether directly or indirectly) in order to secure performance of the obligation.

SIGNATURE PAGE TO THE RELATIONSHIP AGREEMENT

IN WITNESS WHEREOF this Agreement has been duly executed as a **DEED** on the date inserted on page 1 of this Agreement:

EXECUTED and DELIVERED	)
as a **DEED** by	)
NATIONAL ENERGY SERVICES	)
REUNITED CORP .	)
acting by two directors/a director and	)
the secretary/a director in the presence	)
of a witness	)

/s/Sherif Foda

Name: Sherif Foda
Title: CEO

and

/s/Tom Wood

Name: Tom Wood
Title: CFO

or

Witness:

Name:
Occupation:
Address:

SIGNATURE PAGE TO THE RELATIONSHIP AGREEMENT

IN WITNESS WHEREOF this Agreement has been duly executed as a **DEED** on the date inserted on page 1 of this Agreement:

EXECUTED and DELIVERED	)
as a **DEED** by	)
AL NOWAIS INVESTMENTS LLC	)
acting by two directors/a director and	)
the secretary/a director in the presence	)
of a witness	)

/s/Hussain Al Nowais

Name: Hussain Al Nowais
Title: Director

and

Name:
Title:

or

Witness:

Name:
Occupation:
Address:

EXECUTION VERSION

THIS AMENDED AND RESTATED REGISTRATION RIGHTS AGREEMENT is entered into as 6 June , 2018 by and among:

(1) National Energy Services Reunited Corp., a British Virgin Islands company (the " **Company** "), and NESR Holdings Ltd., a British Virgin Islands company (the " **Investor** ");

(2) Al Nowais Investments LLC, a company existing under the laws of the United Arab Emirates whose registered address is at Al Nowais Building, PO Box 984, Abu Dhabi, United Arab Emirates (together with its affiliates, successors and assignees, " **ANI** "); and

(3) NESR SPV Limited, an exempted company limited by shares incorporated under the laws of the Cayman Islands with registration number MC-333523 and whose registered office is at c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands (" **SPV** " and, each of ANI and SPV and their respective successors and assignees, an " **NPS Investor** ").

WHEREAS, the Company and the Investor are party to that certain Registration Rights Agreement dated as of May 17, 2017 (the " **Prior Agreement** ");

WHEREAS, the Company and MEA Energy Investment Company 2 Limited, an exempted company limited by shares incorporated under the laws of the Cayman Islands with registration number MC-333401 and whose registered office is at c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands (" **MEA** "), have entered into that certain Forward Purchase Agreement (the " **Forward Purchase Agreement** ") pursuant to which MEA will acquire certain Ordinary Shares;

WHEREAS, pursuant to the Forward Purchase Agreement, the Company has agreed to grant MEA and its affiliates certain registration rights in the United States and other rights with respect to MEA's Ordinary Shares (the " **MEA Shares** ");

WHEREAS, the Company has entered into that certain Stock Purchase Agreement, dated as of November 12, 2017, by and among the Company, Hana Investments Co. WLL, NPS Holdings Limited (" **NPS** ") and the selling stockholders party thereto (including ANI and an affiliate of Waha Capital PJSC (" **Waha** ")) (the " **NPS SPA** "), pursuant to which the Company will acquire NPS, as more particularly set forth in the NPS SPA (the " **Business Combination** ");

WHEREAS, the Investor currently holds certain Ordinary Shares issued prior to the consummation of the Company's initial public offering (" **Insider Shares** ") and certain warrants, each to purchase one half of one Ordinary Share at a price of $5.75 per half share, subject to adjustment (the " **Private Warrants** ");

WHEREAS, Waha and ANI will, directly or indirectly, receive certain Ordinary Shares in connection with the Business Combination (together with the MEA Shares, the " **NPS Shares** ");

WHEREAS, following the Closing Date, the NPS Investors will hold the NPS Shares;

WHEREAS, in connection with the consummation of the Business Combination by the Company, the Investor and the Company desire to amend the Prior Agreement and the Company, the Investor and the NPS Investors desire to enter into this Agreement to provide the Investor and the NPS Investors with certain registration and other rights;

WHEREAS, in order to induce those certain affiliates of the NPS Investors to enter into the NPS SPA and Forward Purchase Agreement, respectively, the Company is granting the NPS Investors certain registration rights in the United States and other rights;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. DEFINITIONS . The following capitalized terms used herein have the following meanings:

" **Agreement** " means this Agreement, as amended, restated, supplemented or otherwise modified from time to time.

" **Business Combination** " is defined in the preamble to this Agreement.

" **Closing** " has the meaning given to such term in the NPS SPA.

" **Closing Date** " has the meaning given to such term in the NPS SPA.

" **Commission** " means the Securities and Exchange Commission, or any other Federal agency then administering the Securities Act or the Exchange Act.

" **Company** " is defined in the preamble to this Agreement.

" **Demanding Holder** " is defined in Section 2.1.1.

" **Demand Registration** " is defined in Section 2.1.1.

" **Exchange Act** " means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

" **Filing Date** " is defined in Section 2.4.1.

" **Form S-3** " is defined in Section 2.3.

" **holder** ", " **hold** " and other forms of such words shall mean and be deemed to include the direct or indirect beneficial ownership of securities.

" **Indemnified Party** " is defined in Section 4.3.

" **Indemnifying Party** " is defined in Section 4.3.

" **Initiating Holder** " is defined in Section 2.1.1.

" **Insider** " is defined as the Investor and the Company's officers and directors, or their respective affiliates.

" **Insider Shares** " is defined in the preamble to this Agreement.

" **Investor** " is defined in the preamble to this Agreement.

" **Investor Indemnified Party** " is defined in Section 4.1.

" **Maximum Number of Shares** " is defined in Section 2.1.4.

" **Notices** " is defined in Section 7.3.

" **NPS Investor** " is defined in the preamble to this Agreement.

" **NPS Shares** " is defined in the preamble to this Agreement.

" **Ordinary Share** " means the ordinary share of the Company, no par value.

" **Piggy-Back Registration** " is defined in Section 2.2.1.

" **Prior Agreement** " is defined in the preamble to this Agreement.

" **Private Warrants** " is defined in the preamble to this Agreement.

" **Register** ," " **Registered** " and " **Registration** " mean a registration effected by preparing and filing a registration statement or similar document in compliance with the requirements of the Securities Act, and such registration statement becoming effective.

" **Registrable Securities** " means (i) the Insider Shares, (ii) the Private Warrants (and underlying Ordinary Shares), (iii) the NPS Shares, (iv) any other Ordinary Shares held by an NPS Investor at any time (including those held as a result of, or issuable upon, the conversion or exercise of options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject), or depositary receipts or depositary shares representing or evidencing, Ordinary Shares (including, without limitation, any note or debt security convertible into or exchangeable for Ordinary Shares), whether now owned or acquired by an NPS Investor at a later time and (v) any equity securities (including Ordinary Shares issued or issuable upon the exercise of any such equity security) of the Company issuable upon conversion of any working capital loans in an amount up to $1,500,000 made to the Company by the Insider or one of the Company's officers or directors. Registrable Securities include any warrants, shares of capital or other securities of the Company (or any successor thereto) issued as a dividend or other distribution with respect to or in exchange for or in replacement of any of the securities referenced in the prior sentence. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when: (a) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement; (b) such securities shall have been otherwise transferred, new certificates for them not bearing a legend restricting further transfer shall have been delivered by the Company and subsequent public distribution of them shall not require registration under the Securities Act; (c) such securities shall have ceased to be outstanding; or (d) the Registrable Securities are freely saleable under Rule 144 without volume limitations or any other limitation or restriction imposed by Rule 144 under the Securities Act.

" **Registration Statement** " means a registration statement filed by the Company with the Commission in compliance with the Securities Act for a public offering and sale of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into, equity securities (other than a registration statement on Form S-4, Form F-4 or Form S-8, or their successors, or any registration statement covering only securities proposed to be issued in exchange for securities or assets of another entity).

" **Resale Shelf Period** " is defined in Section 2.4.2.

" **Resale Shelf Registration Statement** " is defined in Section 2.4.1.

" **Securities Act** " means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

" **Shelf Registration** " means a Registration effected pursuant to Section 4.1.

" **Shelf Registration Statement** " means a Registration Statement of the Company filed with the Commission on either (a) Form S-3 or Form F-3 (or any successor form or other appropriate form under the Securities Act) or (b) if the Company is not permitted to file a Registration Statement on Form S-3 or Form F-3, an evergreen Registration Statement on Form S-1 or Form F-1 (or any successor form or other appropriate form under the Securities Act), in each case for an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act (or any similar rule that may be adopted by the Commission) covering the Registrable Securities, as applicable.

" **Underwriter** " means a securities dealer who purchases any Registrable Securities as principal in an underwritten offering and not as part of such dealer's market-making activities.

" **Units** " means the units of the Company, each comprised of one Ordinary Share and one warrant to purchase one-half of one Ordinary Share.

2. REGISTRATION RIGHTS .

2.1 Demand Registration .

2.1.1 Request for Registration . At any time and from time to time on or after the Closing Date, any of (i) the Investor or (ii) any NPS Investor may make a written demand (such holder, the " **Initiating Holder** ") for registration under the Securities Act of all or part of their Registrable Securities (a " **Demand Registration** "). Any demand for a Demand Registration shall specify the number of Registrable Securities proposed to be sold and the intended method(s) of distribution thereof. The Company will notify all holders of Registrable Securities of the demand, and each holder of Registrable Securities who wishes to include all or a portion of such holder's Registrable Securities in the Demand Registration (each such holder including shares of Registrable Securities in such registration, including without limitation the Initiating Holder(s), a " **Demanding Holder** ") shall so notify the Company within fifteen (15) days after the receipt by the holder of the notice from the Company. Upon any such request, the Demanding Holders shall be entitled to have their Registrable Securities included in the Demand Registration, subject to Section 2.1.4 and the provisos set forth in Section 3.1.1. The Company shall not be obligated to effect more than an aggregate of six (6) Demand Registrations under this Section 2.1.1. The NPS Investors shall be entitled to effect up to an aggregate of five (5) Demand Registrations under this Section 2.1.1. ANI shall be entitled to effect up to two (2) of the five (5) aggregate NPS Investor demands.

2.1.2 Effective Registration . A registration will not count as a Demand Registration until the Registration Statement filed with the Commission with respect to such Demand Registration has been declared effective and the Company has complied with all of its obligations under this Agreement with respect thereto; provided, however, that if, after such Registration Statement has been declared effective, the offering of Registrable Securities pursuant to a Demand Registration is interfered with by any stop order or injunction of the Commission or any other governmental agency or court, the Registration Statement with respect to such Demand Registration will be deemed not to have been declared effective, unless and until (i) such stop order or injunction is removed, rescinded or otherwise terminated and (ii) a majority-in-interest of the Demanding Holders thereafter elect to continue the offering; provided, further, that the Company shall not be obligated to file a second Registration Statement until a Registration Statement that has been filed is counted as a Demand Registration or is terminated.

2.1.3 Underwritten Offering . If the Initiating Holder so elects and such holder so advises the Company as part of its written demand for a Demand Registration, the offering of such Registrable Securities pursuant to such Demand Registration shall be in the form of an underwritten offering. In such event, the right of any holder to include its Registrable Securities in such registration shall be conditioned upon such holder's participation in such underwriting and the inclusion of such holder's Registrable Securities in the underwriting to the extent provided herein. All Demanding Holders proposing to distribute their Registrable Securities through such underwriting shall enter into an underwriting agreement in customary form with the Underwriter or Underwriters selected for such underwriting by the Initiating Holder.

2.1.4 Reduction of Offering . If the managing Underwriter or Underwriters for a Demand Registration that is to be an underwritten offering advises the Company and the Demanding Holders in writing that the dollar amount or number of shares of Registrable Securities which the Demanding Holders desire to sell, taken together with all other Ordinary Shares or other securities which the Company desires to sell and the Ordinary Shares, if any, as to which registration has been requested pursuant to written contractual piggy-back registration rights held by other shareholders of the Company who desire to sell, exceeds the maximum dollar amount or maximum number of shares that can be sold in such offering without adversely affecting the proposed offering price, the timing, the distribution method or the probability of success of such offering (such maximum dollar amount or maximum number of shares, as applicable, the " **Maximum Number of Shares** "), then the Company shall include in such registration: (i) first, the Registrable Securities as to which Demand Registration has been requested by the Demanding Holders (pro rata in accordance with the number of shares that each such Person has requested be included in such registration, regardless of the number of shares held by each such Person (such proportion is referred to herein as " **Pro Rata** ")) that can be sold without exceeding the Maximum Number of Shares; (ii) second, to the extent that the Maximum Number of Shares has not been reached under the foregoing clause (i), the Ordinary Shares or other securities that the Company desires to sell that can be sold without exceeding the Maximum Number of Shares; and (iii) third, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (i) and (ii), the Ordinary Shares or other securities for the account of other persons that the Company is obligated to register pursuant to written contractual arrangements with such persons and that can be sold without exceeding the Maximum Number of Shares. Notwithstanding the foregoing, no employee of the Company or any subsidiary thereof will be entitled to participate, directly or indirectly, in any such registration to the extent that the managing Underwriter or Underwriters (or, in the case of any offering that is not underwritten, a nationally recognized investment banking firm) determines in good faith that the participation of such employee in such registration would adversely affect the marketability or offering price of the securities being sold in such registration.

2.1.5 Withdrawal . If any Demanding Holder disapproves of the terms of any underwriting or is not entitled to include all of its Registrable Securities in any offering, such Demanding Holder may elect to withdraw from such offering by giving written notice to the Company and the Underwriter or Underwriters of its request to withdraw prior to the effectiveness of the Registration Statement filed with the Commission with respect to such Demand Registration or, if later, prior to the pricing date of the applicable offering. If the Initiating Holder withdraws from a proposed offering relating to a Demand Registration, then such registration shall not count as a Demand Registration provided for in Section 2.1 by such Initiating Holder; provided that, if the registration is completed, then the demand request will be considered to have been made by the Demanding Holder that sells the greatest number of Registrable Securities in the offering or, if such Demanding Holder is not entitled to any demands, to the Demanding Holder that sells the next greatest number of shares.

2.2 Piggy-Back Registration .

2.2.1 Piggy-Back Rights . If, at any time on or after the Closing Date, the Company proposes to file a Registration Statement under the Securities Act with respect to an offering of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into, equity securities, by the Company for its own account or for shareholders of the Company for their account (or by the Company and by shareholders of the Company including, without limitation, pursuant to Section 2.1), other than a Registration Statement (i) filed in connection with any employee stock option or other benefit plan, (ii) for an exchange offer or offering of securities solely to the Company's existing shareholders, (iii) for an offering of debt that is convertible into equity securities of the Company or (iv) for a dividend reinvestment plan, then the Company shall (x) give written notice of such proposed filing to the holders of Registrable Securities as soon as practicable but in no event less than ten (10) days before the anticipated filing date, which notice shall describe the amount and type of securities to be included in such offering, the intended method(s) of distribution, and the name of the proposed managing Underwriter or Underwriters, if any, of the offering, and (y) offer to the holders of Registrable Securities in such notice the opportunity to register the sale of such number of shares of Registrable Securities as such holders may request in writing within five (5) days following receipt of such notice (a " **Piggy-Back Registration** "). The Company shall cause such Registrable Securities to be included in such registration and shall use its best efforts to cause the managing Underwriter or Underwriters of a proposed underwritten offering to permit the Registrable Securities requested to be included in a Piggy-Back Registration on the same terms and conditions as any similar securities of the Company and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof. All holders of Registrable Securities proposing to distribute their securities through a Piggy-Back Registration that involves an Underwriter or Underwriters shall enter into an underwriting agreement in customary form with the Underwriter or Underwriters selected for such Piggy-Back Registration.

2.2.2 Reduction of Offering . If the managing Underwriter or Underwriters for a Piggy-Back Registration that is to be an underwritten offering advises the Company and the holders of Registrable Securities in writing that the dollar amount or number of Ordinary Shares which the Company desires to sell, taken together with the Registrable Securities as to which registration has been requested under this Section 2.2 and the Ordinary Shares, if any, as to which registration has been requested pursuant to the written contractual piggy-back registration rights of other shareholders of the Company, exceeds the Maximum Number of Shares, then the Company shall include in any such registration:

(a) If the registration is undertaken for the Company's account: (A) first, the Ordinary Shares or other securities that the Company desires to sell that can be sold without exceeding the Maximum Number of Shares; (B) second, to the extent that the Maximum Number of Shares has not been reached under the foregoing clause (A), the Ordinary Shares or other securities, if any, comprised of Registrable Securities, as to which registration has been requested pursuant to the applicable written contractual piggy-back registration rights of such security holders, Pro Rata, that can be sold without exceeding the Maximum Number of Shares; and (C) third, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (A) and (B), the Ordinary Shares or other securities for the account of other persons that the Company is obligated to register pursuant to written contractual piggy-back registration rights with such persons and that can be sold without exceeding the Maximum Number of Shares;

(b) If the registration is a "demand" registration undertaken at the demand of persons other than the holders of Registrable Securities, (A) first, the Ordinary Shares or other securities for the account of the demanding persons that can be sold without exceeding the Maximum Number of Shares; (B) second, to the extent that the Maximum Number of Shares has not been reached under the foregoing clause (A), the Ordinary Shares or other securities that the Company desires to sell that can be sold without exceeding the Maximum Number of Shares; (C) third, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (A) and (B), collectively the Ordinary Shares or other securities comprised of Registrable Securities, Pro Rata, as to which registration has been requested pursuant to the terms hereof, that can be sold without exceeding the Maximum Number of Shares; and (D) fourth, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (A), (B) and (C), the Ordinary Shares or other securities for the account of other persons that the Company is obligated to register pursuant to written contractual arrangements with such persons, that can be sold without exceeding the Maximum Number of Shares.

2.2.3 Withdrawal . Any holder of Registrable Securities may elect to withdraw such holder's request for inclusion of Registrable Securities in any Piggy-Back Registration by giving written notice to the Company of such request to withdraw prior to the effectiveness of the Registration Statement or, if later, prior to the pricing date of the applicable offering. The Company (whether on its own determination or as the result of a withdrawal by persons making a demand pursuant to written contractual obligations) may withdraw a Registration Statement at any time prior to the effectiveness of such Registration Statement. Notwithstanding any such withdrawal, the Company shall pay all expenses incurred by the holders of Registrable Securities in connection with such Piggy-Back Registration as provided in Section 3.3.

2.3 Registrations on Form S-3 . The holders of Registrable Securities may at any time and from time to time, request in writing that the Company register the resale of any or all of such Registrable Securities on Form S-3 or Form F-3 (as applicable) or any similar short-form registration to the extent available at such time, including without limitation an automatic shelf registration available to well-known seasoned issuers (" **Form S-3** "). Upon receipt of such written request, the Company will promptly give written notice of the proposed registration to all other holders of Registrable Securities, and, as soon as practicable thereafter, effect the registration of all or such portion of such holder's or holders' Registrable Securities as are specified in such request, together with all or such portion of the Registrable Securities or other securities of the Company, if any, of any other holder or holders joining in such request as are specified in a written request given within fifteen (15) days after receipt of such written notice from the Company. At any time that a Form S-3 is effective, if the Investor or any NPS Investor delivers a notice to the Company (a " **Take-Down Notice** ") stating that it intends to effect an underwritten offering or distribution of all or part of its Registrable Securities included by it on any Form S-3 (a " **Shelf Offering** "), then the Company shall amend or supplement the Form S-3 as may be necessary in order to enable such Registrable Securities to be distributed pursuant to the Shelf Offering. If the managing Underwriter or Underwriters for a Shelf Offering that is to be an underwritten offering advises the Company and the selling holders of Registrable Securities in writing that the dollar amount or number of shares of Registrable Securities which the selling holders desire to sell, taken together with all other Ordinary Shares or other securities which the Company desires to sell and the Ordinary Shares, if any, as to which registration has been requested pursuant to written contractual piggy-back registration rights held by other shareholders of the Company who desire to sell, exceeds the Maximum Number of Shares, then the Company shall include shares in such registration in the manner provided for in Section 2.1.4. The Company shall not be obligated to effect any Shelf Offering or registration pursuant to this Section 2.3: (i) if Form S-3 is not available for such offering; or (ii) if the holders of the Registrable Securities, together with the holders of any other securities of the Company entitled to inclusion in such registration, propose to sell Registrable Securities and such other securities (if any) at any aggregate price to the public of less than $500,000. Registrations effected pursuant to this Section 2.3 shall not be counted as Demand Registrations effected pursuant to Section 2.1.

2.4 Resale Shelf Registration .

2.4.1 Filing . As promptly as practicable following the Closing, but in any event within seven (7) days following the Closing Date (the " **Filing Date** "), the Company shall file with the Commission a Shelf Registration Statement relating to the offer and sale of all Registrable Securities owned by any NPS Investor (and any Registrable Securities owned by the Investor that the Investor requests to be included in such registration statement no later than two (2) days following the Closing) (the " **Resale Shelf Registration Statement** ").

2.4.2 Continued Effectiveness . The Company shall use its commercially reasonable efforts to have the Resale Shelf Registration Statement declared effective as soon as practicable after the filing thereof, but in no event later than thirty (30) days after the Filing Date (or one hundred twenty (120) days after the Filing Date if the Commission notifies the Company that it will "review" the Resale Shelf Registration Statement). The Company shall use its commercially reasonable efforts to maintain the effectiveness of the Resale Shelf Registration Statement or any Subsequent Shelf Registration (as defined below) until such time as all Registrable Securities have been sold pursuant to the Resale Shelf Registration Statement or a Subsequent Shelf Registration (but in no event for a shorter period than the applicable period referred to in Section 4(a)(3) of the Securities Act and Rule 174 thereunder) (such required period(s) of effectiveness, collectively, the " **Resale Shelf Period** "). Subject to Section 3.2, the Company shall not be deemed to have used commercially reasonable efforts to keep the Resale Shelf Registration Statement effective during the Resale Shelf Period if the Company voluntarily takes any action or omits to take any action that would result in the holders of Registrable Securities covered thereby not being able to offer and sell any Registrable Securities pursuant to such Resale Shelf Registration Statement during the Resale Shelf Period, unless such action or omission is required by applicable law. The filing of the Resale Registration Statement and offers and sales thereunder shall not be deemed to be a Demand Registration pursuant to this Agreement. The holders of Registrable Securities shall be eligible to sell some or all of their Registrable Securities pursuant to such Resale Registration Statement from time to time on one or more occasions, including without limitation through one or more underwritten offerings.

2.4.3 Subsequent Shelf Registration . If any Shelf Registration Statement ceases to be effective under the Securities Act for any reason at any time during the Resale Shelf Period, the Company shall use its reasonable best efforts as promptly as is reasonably practicable to cause such Shelf Registration Statement to again become effective under the Securities Act (including obtaining the prompt withdrawal of any order suspending the effectiveness of such Shelf Registration Statement), and shall use its reasonable best efforts as promptly as is reasonably practicable to amend such Shelf Registration Statement in a manner reasonably expected to result in the withdrawal of any order suspending the effectiveness of such Shelf Registration Statement or file an additional registration statement (a " **Subsequent Shelf Registration** ") for an offering to be made on a delayed or continuous basis pursuant to Rule 415 of the Securities Act registering the resale from time to time by the holders thereof of all securities that are Registrable Securities as of the time of such filing. If a Subsequent Shelf Registration is filed, the Company shall use its reasonable best efforts to (x) cause such Subsequent Shelf Registration to become effective under the Securities Act as promptly as is reasonably practicable after the filing thereof and (y) keep such Subsequent Shelf Registration continuously effective and usable until the end of the Resale Shelf Period. Any such Subsequent Shelf Registration shall be a registration statement on Form S-3 or Form F-3 to the extent that the Company is eligible to use such form. Otherwise, such Subsequent Shelf Registration shall be on another appropriate form and shall provide for the registration of such Registrable Securities for resale by the Holders in accordance with any reasonable method of distribution elected by the NPS Investors (and the Investor, if its Registrable Securities are included) or for sale by the Company, as the case may be.

2.4.4. Partner Distribution . Notwithstanding anything contained herein to the contrary, the Company hereby agrees that (i) the Resale Shelf Registration Statement and any Subsequent Registration Statement shall contain all language (including, without limitation, on the prospectus cover page, the principal shareholder chart and the plan of distribution) as may reasonably be requested by any NPS Investor to allow for a distribution of Registrable Securities to, and resale by, the direct and indirect affiliates, partners, members, shareholders, directors, employees or consultants of such NPS Investor (a " **Partner Distribution** ") and (ii) the Company shall, at the reasonable request of any NPS Investor seeking to effect a Partner Distribution, file any prospectus supplement or post-effective amendments and otherwise take any action reasonably requested to include such language, if such language was not included in the initial Registration Statement, or revise such language if deemed reasonably necessary by any NPS Investor to effect such Partner Distribution (including the ability for the distributees to resell such Registrable Securities), including naming in a prospectus supplement or post-effective amendment all of the affiliates, partners, members, shareholders, directors, employees or consultants of such NPS Investor who receive securities in the Partner Distribution so that they may resell the securities received. Any Ordinary Shares distributed pursuant to a Partner Distribution shall remain "Registrable Securities" until they are sold or transferred by the recipients thereof.

2.4.5. Block Trades . Notwithstanding anything stated in this Agreement to the contrary, in the event that one or more of the parties to this Agreement wishes to engage in an underwritten block trade or overnight bought deal (or other similar registered offering), such party shall not be required to give more than one day's notice of the transaction to any other holder or the Company, but shall endeavor to work with the Company, the other parties hereto and the applicable underwriters sufficiently in advance of the launch date of such transaction in order to prepare the requisite documentation and prospectus supplement necessary in order to implement such offering. For the avoidance of doubt, the Initiating Holder with respect to such underwritten block trade or overnight bought deal (or other similar registered offering) shall determine the launch date for such transaction.

3. REGISTRATION PROCEDURES .

3.1 Filings; Information . Whenever the Company is required to effect the registration of any Registrable Securities pursuant to Section 2, the Company shall use its best efforts to effect the registration and sale of such Registrable Securities in accordance with the intended method(s) of distribution thereof as expeditiously as practicable, and in connection with any such request:

3.1.1 Filing Registration Statement . The Company shall use its best efforts to, as expeditiously as possible after receipt of a request for a Demand Registration pursuant to Section 2.1 or a request pursuant to Section 2.3, prepare and file with the Commission a Registration Statement on any form for which the Company then qualifies or which counsel for the Company shall deem appropriate and which form shall be available for the sale of all Registrable Securities to be registered thereunder in accordance with the intended method(s) of distribution thereof, and shall use its best efforts to cause such Registration Statement to become effective and use its best efforts to keep it effective for the period required by Section 3.1.3; provided, however, that the Company shall have the right to defer any Demand Registration for up to seventy-five (75) days, and any Piggy-Back Registration for such period as may be applicable to deferment of any demand registration to which such Piggy-Back Registration relates, in each case if the Company shall furnish to the holders a certificate signed by the President or Chairman of the Company stating that, in the good faith judgment of the Board of Directors of the Company after consultation with outside legal counsel, it would be materially detrimental to the Company and its shareholders for such Registration Statement to be effected at such time; provided further, however, that the Company shall not have the right to exercise the right set forth in the immediately preceding proviso more than once in any 365-day period in respect of a Demand Registration hereunder.

3.1.2 Copies . The Company shall, prior to filing a Registration Statement or prospectus, or any amendment or supplement thereto, furnish without charge to the holders of Registrable Securities included in such registration, and such holders' legal counsel, copies of such Registration Statement as proposed to be filed, each amendment and supplement to such Registration Statement (in each case including all exhibits thereto and documents incorporated by reference therein), the prospectus included in such Registration Statement (including each preliminary prospectus), and such other documents as the holders of Registrable Securities included in such registration or legal counsel for any such holders may request in order to facilitate the disposition of the Registrable Securities owned by such holders.

3.1.3 Amendments and Supplements . The Company shall prepare and file with the Commission such amendments, including post-effective amendments, and supplements to such Registration Statement and the prospectus used in connection therewith as may be necessary to keep such Registration Statement effective and in compliance with the provisions of the Securities Act until all Registrable Securities and other securities covered by such Registration Statement have been disposed of in accordance with the intended method(s) of distribution set forth in such Registration Statement or such securities have been withdrawn or until such time as the Registrable Securities cease to be Registrable Securities.

3.1.4 Notification . After the filing of a Registration Statement, the Company shall promptly, and in no event more than two (2) business days after such filing, notify the holders of Registrable Securities included in such Registration Statement of such filing, and shall further notify such holders promptly and confirm such advice in writing in all events within two (2) business days of the occurrence of any of the following: (i) when such Registration Statement becomes effective; (ii) when any post-effective amendment to such Registration Statement becomes effective; (iii) the issuance or threatened issuance by the Commission of any stop order (and the Company shall take all actions required to prevent the entry of such stop order or to remove it if entered); and (iv) any request by the Commission for any amendment or supplement to such Registration Statement or any prospectus relating thereto or for additional information or of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of the securities covered by such Registration Statement, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and promptly make available to the holders of Registrable Securities included in such Registration Statement any such supplement or amendment, and promptly deliver to holders of Registrable Securities and their counsel any written comments received from the Commission with respect to the Registration Statement, Prospectus or any amendment or supplement thereto; except that before filing with the Commission a Registration Statement or prospectus or any amendment or supplement thereto, including documents incorporated by reference, the Company shall furnish to the holders of Registrable Securities included in such Registration Statement and to the legal counsel for any such holders, copies of all such documents proposed to be filed sufficiently in advance of filing to provide such holders and legal counsel with a reasonable opportunity to review such documents and comment thereon, and the Company shall not file any Registration Statement or prospectus or amendment or supplement thereto, including documents incorporated by reference, to which such holders or their legal counsel shall object.

3.1.5 State Securities Laws Compliance . The Company shall use its best efforts to (i) register or qualify the Registrable Securities covered by the Registration Statement under such securities or "blue sky" laws of such jurisdictions in the United States as the holders of Registrable Securities included in such Registration Statement (in light of their intended plan of distribution) may request and (ii) take such action necessary to cause such Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental authorities as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be necessary or advisable to enable the holders of Registrable Securities included in such Registration Statement to consummate the disposition of such Registrable Securities in such jurisdictions; provided, however, that the Company shall not be required to qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph or subject itself to taxation in any such jurisdiction.

3.1.6 Agreements for Disposition . The Company shall enter into customary agreements (including, if applicable, an underwriting agreement in customary form) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities, including using commercially reasonable efforts to cause its counsel and auditors to provide the Underwriters with legal opinions and comfort letters reasonably requested by the Underwriters. The representations, warranties and covenants of the Company in any underwriting agreement which are made to or for the benefit of any Underwriters, to the extent applicable, shall also be made to and for the benefit of the holders of Registrable Securities included in such registration statement. No holder of Registrable Securities included in such registration statement shall be required to make any representations or warranties in the underwriting agreement except, if applicable, with respect to such holder's organization, good standing, authority, title to Registrable Securities, lack of conflict of such sale with such holder's material agreements and organizational documents, and with respect to written information relating to such holder that such holder has furnished in writing expressly for inclusion in such Registration Statement.

3.1.7 Cooperation . The principal executive officer of the Company, the principal financial officer of the Company, the principal accounting officer of the Company and all other officers and members of the management of the Company shall cooperate fully in any offering of Registrable Securities hereunder, which cooperation shall include, without limitation, the preparation of the Registration Statement with respect to such offering and all other offering materials and related documents, and participation in meetings with Underwriters, attorneys, accountants and potential investors.

3.1.8 Records . The Company shall make available for inspection by the holders of Registrable Securities included in such Registration Statement, any Underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other professional retained by any holder of Registrable Securities included in such Registration Statement or any Underwriter, all financial and other records, pertinent corporate documents and properties of the Company, as shall be necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information requested by any of them in connection with such Registration Statement.

3.1.9 Opinions and Comfort Letters . The Company shall furnish to each holder of Registrable Securities included in any Registration Statement a signed counterpart, addressed to such holder, of (i) any opinion of counsel to the Company delivered to any Underwriter and (ii) any comfort letter from the Company's independent public accountants delivered to any Underwriter. In the event no legal opinion is delivered to any Underwriter, the Company shall furnish to each holder of Registrable Securities included in such Registration Statement, at any time that such holder elects to use a prospectus, an opinion of counsel to the Company to the effect that the Registration Statement containing such prospectus has been declared effective and that no stop order is in effect.

3.1.10 Earnings Statement . The Company shall comply with all applicable rules and regulations of the Commission and the Securities Act, and make available to its shareholders, as soon as practicable, an earnings statement covering a period of twelve (12) months, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

3.1.11 Listing . The Company shall use its best efforts to cause all Registrable Securities included in any registration to be listed on such exchanges or otherwise designated for trading in the same manner as similar securities issued by the Company are then listed or designated or, if no such similar securities are then listed or designated, in a manner satisfactory to the holders of a majority of the Registrable Securities included in such registration.

3.1.12 Road Show . If the registration involves the registration of Registrable Securities involving gross proceeds in excess of $25,000,000, the Company shall use its reasonable efforts to make available senior executives of the Company to participate in customary "road show" presentations that may be reasonably requested by the Underwriter in any underwritten offering.

3.1.13 Removal of Restrictive Legends . The Company shall cooperate with the selling holders of Registrable Securities and the managing Underwriter or Underwriters, if any, to facilitate the timely preparation and delivery of certificates representing Registrable Securities to be sold and not bearing any restrictive legends.

3.2 Obligation to Suspend Distribution . Upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3.1.4(iv), each holder of Registrable Securities included in any registration shall immediately discontinue disposition of such Registrable Securities pursuant to the Registration Statement covering such Registrable Securities until such holder receives the supplemented or amended prospectus contemplated by Section 3.1.4(iv). In addition, in the case of a resale registration pursuant to Section 2.3 or Section 2.4 hereof, in the event that a holder of Registrable Securities is an insider subject to the Company's insider trading compliance program, upon any suspension by the Company pursuant to a written insider trading compliance program adopted by the Company's Board of Directors of the ability of all "insiders" covered by such program to transact in the Company's securities because of the existence of material non-public information then each such insider shall immediately discontinue disposition of such Registrable Securities pursuant to the Registration Statement covering such Registrable Securities until the restriction on the ability of "insiders" to transact in the Company's securities is removed. In either case, if so directed by the Company, each such holder will deliver to the Company all copies, other than permanent file copies then in such holder's possession, of the most recent prospectus covering such Registrable Securities at the time of receipt of such notice.

3.3 Registration Expenses . The Company shall bear all costs and expenses incurred in connection with any Demand Registration pursuant to Section 2.1, any Piggy-Back Registration pursuant to Section 2.2, and any registration effected pursuant to Section 2.3 or Section 2.4, and all expenses incurred in performing or complying with its other obligations under this Agreement, whether or not the Registration Statement becomes effective, including, without limitation: (i) all registration and filing fees; (ii) fees and expenses of compliance with securities or "blue sky" laws (including fees and disbursements of counsel in connection with blue sky qualifications of the Registrable Securities); (iii) printing expenses; (iv) the Company's internal expenses (including, without limitation, all salaries and expenses of its officers and employees); (v) the fees and expenses incurred in connection with the listing of the Registrable Securities as required by Section 3.1.11; (vi) any other fees and expenses associated with filings required to be made with the Financial Industry Regulatory Authority or any other regulatory authority and, if applicable, the fees and expenses of any "qualified independent underwriter" as such term is defined in NASD Rule 2720 (or any successor provision); (vii) fees and disbursements of counsel for the Company and fees and expenses for independent certified public accountants retained by the Company (including the expenses or costs associated with the delivery of any opinions or comfort letters requested pursuant to Section 3.1.9); (viii) the reasonable fees and expenses of any special experts retained by the Company in connection with such registration; and (ix) the reasonable fees and expenses of one legal counsel for the Investor and one legal counsel for each NPS Investor in connection with any such registration or offering (together in each case with any local counsel). The Company shall have no obligation to pay any underwriting discounts or selling commissions attributable to the Registrable Securities being sold by the holders thereof, which underwriting discounts or selling commissions shall be borne by such holders. The holders shall not be required to pay any other costs or expenses in connection with any registration or offering made pursuant to this Agreement, other than their pro rata portion of underwriting discounts or selling commissions and any fees and expenses of legal counsel not otherwise paid by the Company pursuant to this Section 3.3.

3.4 Information . The holders of Registrable Securities shall provide such information as may reasonably be requested by the Company, or the managing Underwriter, if any, in connection with the preparation of any Registration Statement, including amendments and supplements thereto, in order to effect the registration of any Registrable Securities under the Securities Act pursuant to Section 2 and in connection with the Company's obligation to comply with Federal and applicable state securities laws; provided, however, that under no circumstances will the Company be permitted to file any Registration Statement, amendment or supplement incorporating any information or affidavits supplied by any holder of Registrable Securities or using the holder's name (collectively, the " **Holder Information** ") unless (i) such Holder Information is incorporated verbatim as supplied by the holder (or in the case of the holder's name, incorporated exactly and only in the context consented to by the holder (the " **Approved Context** ")) or (ii) the holder has consented in writing to any modification to such Holder Information (or, in the case of the holder's name, has consented to use in a context broader than the Approved Context).

4. INDEMNIFICATION AND CONTRIBUTION .

4.1 Indemnification by the Company . The Company agrees to indemnify and hold harmless the Investor, each NPS Investor and each other holder of Registrable Securities, and each of their respective officers, employees, affiliates, directors, partners, members, attorneys and agents, and each person, if any, who controls the Investor, each NPS Investor and each other holder of Registrable Securities (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) and each of their respective officers, employees, affiliates, directors, partners, members, attorneys and agents (each, an " **Investor Indemnified Party** "), from and against any expenses, losses, judgments, claims, damages or liabilities, whether joint or several, arising out of or based upon any untrue statement (or allegedly untrue statement) of a material fact contained in any Registration Statement under which the sale of such Registrable Securities was registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained in the Registration Statement, or any amendment or supplement to such Registration Statement, any free writing prospectus or any written or oral materials distributed to or presented to investors at any roadshow or other meetings with investors, or arising out of or based upon any omission (or alleged omission) to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act applicable to the Company and relating to any action or inaction required of the Company in connection with any such registration; and the Company shall promptly reimburse the Investor Indemnified Party for any legal and any other expenses reasonably incurred by such Investor Indemnified Party in connection with investigating and defending any such expense, loss, judgment, claim, damage, liability or action as they are incurred; provided, however, that the Company will not be liable in any such case to the extent that any such expense, loss, claim, damage or liability arises out of or is based upon any untrue statement or allegedly untrue statement or omission or alleged omission made in such Registration Statement, preliminary prospectus, final prospectus, or summary prospectus, or any such amendment or supplement, free writing prospectus or roadshow, in reliance upon and in conformity with information furnished to the Company, in writing, by such selling holder expressly for use therein. The Company also shall indemnify any Underwriter of the Registrable Securities, their officers, affiliates, directors, partners, members and agents and each person who controls such Underwriter on substantially the same basis as that of the indemnification provided above in this Section 4.1.

4.2 Indemnification by Holders of Registrable Securities . Each selling holder of Registrable Securities will, in the event that any registration is being effected under the Securities Act pursuant to this Agreement of any Registrable Securities held by such selling holder, indemnify and hold harmless the Company, each of its directors and officers, each person, if any, who controls the Company within the meaning of the Securities Act and each Underwriter (if any), and each other selling holder and each other person, if any, who controls another selling holder or such Underwriter within the meaning of the Securities Act, against any losses, claims, judgments, damages or liabilities, whether joint or several, insofar as such losses, claims, judgments, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or allegedly untrue statement of a material fact contained in any Registration Statement under which the sale of such Registrable Securities was registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained in the Registration Statement, or any amendment or supplement to the Registration Statement, or any free writing prospectus or any written or oral material distributed or presented to investors at any roadshow or other meetings with investors, or arise out of or are based upon any omission or the alleged omission to state a material fact required to be stated therein or necessary to make the statement therein not misleading, if the statement or omission was made in reliance upon and in conformity with information furnished in writing to the Company by such selling holder expressly for use therein, and shall reimburse the Company, its directors and officers, and each other selling holder or controlling person for any legal or other expenses reasonably incurred by any of them in connection with investigating or defending any such loss, claim, damage, liability or action. Each selling holder's indemnification obligations hereunder shall be several and not joint and shall be limited to the amount of any net proceeds actually received by such selling holder. The parties hereto agree that the only information furnished in writing to the Company by any selling holder shall be information about the number of shares owned by such holder included in the Registrable Statement or prospectus, or any amendment or supplement thereto, in the selling stockholder table.

4.3 Conduct of Indemnification Proceedings . Promptly after receipt by any person of any notice of any loss, claim, damage or liability or any action in respect of which indemnity may be sought pursuant to Section 4.1 or 4.2, such person (the " **Indemnified Party** ") shall, if a claim in respect thereof is to be made against any other person for indemnification hereunder, notify such other person (the " **Indemnifying Party** ") in writing of the loss, claim, judgment, damage, liability or action; provided, however, that the failure by the Indemnified Party to notify the Indemnifying Party shall not relieve the Indemnifying Party from any liability which the Indemnifying Party may have to such Indemnified Party hereunder, except and solely to the extent the Indemnifying Party is actually prejudiced by such failure. If the Indemnified Party is seeking indemnification with respect to any claim or action brought against the Indemnified Party, then the Indemnifying Party shall be entitled to participate in such claim or action, and, to the extent that it wishes, jointly with all other Indemnifying Parties, to assume control of the defense thereof with counsel satisfactory to the Indemnified Party. After notice from the Indemnifying Party to the Indemnified Party of its election to assume control of the defense of such claim or action, the Indemnifying Party shall not be liable to the Indemnified Party for any legal or other expenses subsequently incurred by the Indemnified Party in connection with the defense thereof other than reasonable costs of investigation; provided, however, that in any action, the Indemnified Party shall have the right to employ separate counsel (but no more than one such separate counsel) to represent the Indemnified Party and its controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought by the Indemnified Party against the Indemnifying Party, with the fees and expenses of such counsel to be paid by such Indemnifying Party if, based upon the written opinion of counsel of such Indemnified Party, representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them or because the Indemnified Party and Indemnifying Parties may have different or conflicting defenses in any such action. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of judgment or effect any settlement of any claim or pending or threatened proceeding in respect of which the Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such judgment or settlement includes an unconditional release of such Indemnified Party from all liability arising out of such claim or proceeding and does not include a statement as to or an admission of fault, culpability or a failure to act by or on behalf of an Indemnified Party.

4.4 Contribution .

4.4.1 If the indemnification provided for in the foregoing Sections 4.1, 4.2 and 4.3 is unavailable to any Indemnified Party in respect of or insufficient to cover any loss, claim, damage, liability or action referred to herein, then each such Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage, liability or action in such proportion as is appropriate to reflect the relative fault of the Indemnified Parties and the Indemnifying Parties in connection with the actions or omissions which resulted in such loss, claim, damage, liability or action, as well as any other relevant equitable considerations. The relative fault of any Indemnified Party and any Indemnifying Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such Indemnified Party or such Indemnifying Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

4.4.2 The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.4 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding Section 4.4.1.

4.4.3 The amount paid or payable by an Indemnified Party as a result of any loss, claim, damage, liability or action referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Article 4, no holder of Registrable Securities shall be required to pay any amount in respect of indemnification and/or contribution in excess of the dollar amount of the net proceeds (after payment of any underwriting fees, discounts, commissions or taxes) actually received by such holder from the sale of Registrable Securities which gave rise to such indemnification and/or contribution obligation. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation. In addition, no holder of Registrable Securities or any affiliate thereof shall be required to pay any amount as contribution unless such person or entity would have been required to pay such amount pursuant to Section 4.2 if it had been applicable in accordance with its terms.

4.4.4 The indemnity and contribution agreements contained herein shall be in addition to any other rights to indemnification or contribution which any indemnified party may have pursuant to law or contract and shall remain operative and in full force and effect regardless of any investigation made or omitted by or on behalf of any indemnified party and shall survive the transfer of the Registrable Securities by any such party. The indemnification and contribution required by this Agreement shall be made by periodic payments of the amount thereof during the course of the investigation or defense, as and when bills are received or expense, loss, damage or liability is incurred.

5. RULE 144 .

5.1 Rule 144 . The Company covenants that it shall file any reports required to be filed by it under the Securities Act and the Exchange Act and shall take such further action as the holders of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holders to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 under the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission. To the extent any holder desires to sell Registrable Securities or other Ordinary Shares pursuant to Rule 144, the Company agrees to provide customary instructions to the transfer agent to remove any restrictive legends from such securities and to provide or cause any customary opinions of counsel to be delivered to the transfer agent in connection with any such sale. In addition, the Company agrees to remove any restrictive legend from the Registrable Securities or other Ordinary Shares upon the reasonable request of any holder as soon as reasonably permitted by applicable law and customary practice (including customary transfer agent practices).

6. [RESERVED.]

7. MISCELLANEOUS .

7.1 Other Registration Rights . The Company represents and warrants that no person, other than the holders of the Registrable Securities, has any right to require the Company to register any shares of the Company's share capital for sale or to include shares of the Company's share capital in any registration filed by the Company for the sale of shares of capital for its own account or for the account of any other person. From and after the date of this Agreement, the Company shall not, without the prior written consent of the other parties hereto, enter into any agreement with any holder or prospective holder of any securities of the Company giving such holder or prospective holder any registration rights the terms of which are (i) more favorable taken as a whole than the registration rights granted to the holders hereunder unless the Company shall also give such rights to the holders hereunder or (ii) on parity with the registration rights granted to the holders hereunder. In addition, the Company agrees that it shall not hereafter enter into any agreement with respect to its securities that is inconsistent in any material respects with the rights granted to the holders of Registrable Securities in this Agreement.

7.2 Assignment; No Third Party Beneficiaries . This Agreement and the rights, duties and obligations of the Company hereunder may not be assigned or delegated by the Company in whole or in part. This Agreement and the rights, duties and obligations of the holders of Registrable Securities hereunder may be freely assigned or delegated by such holder of Registrable Securities in conjunction with and to the extent of any transfer of Registrable Securities by any such holder. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties, to the permitted assigns of the Investor, the NPS Investors or holder of Registrable Securities or of any assignee of the Investor, the NPS Investors or holder of Registrable Securities. This Agreement is not intended to confer any rights or benefits on any persons that are not party hereto other than as expressly set forth in Article 4 and this Section 7.2.

7.3 Notices . All notices, demands, requests, consents, approvals or other communications (collectively, " **Notices** ") required or permitted to be given hereunder or which are given with respect to this Agreement shall be in writing and shall be personally served, delivered by reputable air courier service with charges prepaid, or transmitted by hand delivery, telegram, telex or facsimile, addressed as set forth below, or to such other address as such party shall have specified most recently by written notice. Notice shall be deemed given on the date of service or transmission if personally served or transmitted by telegram, telex or facsimile; provided, that if such service or transmission is not on a business day or is after normal business hours, then such notice shall be deemed given on the next business day. Notice otherwise sent as provided herein shall be deemed given on the next business day following timely delivery of such notice to a reputable air courier service with an order for next-day delivery.

To the Company:

National Energy Services Reunited Corp.
777 Post Oak Blvd., Suite 800
Houston, Texas 77056
Attn: Sherif Foda, Chief Executive Officer

with a copy to:

Ellenoff Grossman & Schole LLP
1345 Avenue of the Americas
New York, NY 10105
Attn: Stuart Neuhauser, Esq.

To the Investor:

NESR Holdings Ltd.
Ritter House Wickhams Cay II
Road Town
Tortola
VG 1110
British Virgin Islands
Attn:[ ]

To the NPS Investors:

To the address for such NPS Investor indicated on the first page hereto and, in the case of SPV, with a copy (which shall not constitute notice) to each of legal.notices@wahacapital.ae and mea.notices@mea.energy.ae.

7.4 Severability . This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible that is valid and enforceable.

7.5 Counterparts . This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

7.6 Entire Agreement . This Agreement (including all agreements entered into pursuant hereto and all certificates and instruments delivered pursuant hereto and thereto) constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior and contemporaneous agreements, representations, understandings, negotiations and discussions between the parties, whether oral or written.

7.7 Modifications and Amendments . No amendment, modification or termination of this Agreement shall be effective against the Company or any holder of Registrable Securities unless such amendment, modification or termination is approved in writing by the Company and such holder of Registrable Securities. Notwithstanding the foregoing, any amendment, modification or termination of this Agreement may be agreed among the Company and any holder of Registrable Securities, without the consent of any other holder of Registrable Securities, if such amendment is not adverse in any respect to any non-consenting holder of Registrable Securities.

7.8 Titles and Headings . Titles and headings of sections of this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.

7.9 Waivers and Extensions . Any party to this Agreement may waive any right, breach or default which such party has the right to waive, provided, however, that such waiver will not be effective against the waiving party unless it is in writing, is signed by such party, and specifically refers to this Agreement. Waivers may be made in advance or after the right waived has arisen or the breach or default waived has occurred. Any waiver may be conditional. No waiver of any breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof nor of any other agreement or provision herein contained. No waiver or extension of time for performance of any obligations or acts shall be deemed a waiver or extension of the time for performance of any other obligations or acts.

7.10 Remedies Cumulative . In the event that the Company fails to observe or perform any covenant or agreement to be observed or performed under this Agreement, the Investor, any NPS Investor or any other holder of Registrable Securities may proceed to protect and enforce its rights by suit in equity or action at law, whether for specific performance of any term contained in this Agreement or for an injunction against the breach of any such term or in aid of the exercise of any power granted in this Agreement or to enforce any other legal or equitable right, or to take any one or more of such actions, without being required to post a bond. None of the rights, powers or remedies conferred under this Agreement shall be mutually exclusive, and each such right, power or remedy shall be cumulative and in addition to any other right, power or remedy, whether conferred by this Agreement or now or hereafter available at law, in equity, by statute or otherwise.

7.11 Governing Law . This Agreement shall be governed by, interpreted under, and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed within the State of New York, without giving effect to any choice-of-law provisions thereof that would compel the application of the substantive laws of any other jurisdiction.

7.12 Waiver of Trial by Jury . Each party hereby irrevocably and unconditionally waives the right to a trial by jury in any action, suit, counterclaim or other proceeding (whether based on contract, tort or otherwise) arising out of, connected with or relating to this Agreement, the transactions contemplated hereby, or the actions of the Investor or any NPS Investor in the negotiation, administration, performance or enforcement hereof.

7.13 Further Assurances . Each party hereto shall do and perform or cause to be done and performed all such further acts and things and shall execute and deliver all such other agreements, certificates, instruments and documents as any other party hereto reasonably may request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

7.14 Restructuring . To the extent that the board of directors or other governing authority of the Company elects to effect a restructuring or recapitalization of the Company or substantially all of the business of the Company through a subsidiary or parent company of the Company or otherwise, the provisions of this Agreement shall be appropriately adjusted, and the holders of Registrable Securities and the Company shall enter into such further agreements and arrangements as shall be reasonably necessary or appropriate to provide the holders of Registrable Securities with substantially the same registration rights as they would have under this Agreement, giving due consideration to the nature of the new public entity, the nature of the securities to be offered and tax and other relevant considerations. The Company agrees that it shall not effect or permit to occur any combination or subdivision of its capital stock which would adversely affect the ability of any holder of any Registrable Securities to include such Registrable Securities in any registration contemplated by this Agreement or the marketability of such Registrable Securities in any such registration. The provisions of this Agreement shall apply, to the full extent set forth herein with respect to the Registrable Securities, to any and all shares of capital stock of the Company, any successor or assign of the Company (whether by merger, share exchange, consolidation, sale of assets or otherwise) or any subsidiary or parent company of the Company which may be issued in respect of, in exchange for or in substitution of Registrable Securities and shall be appropriately adjusted for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof.

lN WITNESS WHEREOF, the parties have caused this Agreement to be execute duly authorized representatives as of the date first written above.

NATIONAL ENERGY S

By: */s/Sherif Foda*
Name: **Sherif Foda**
Title: CEO

NESR Holdings Ltd.

By: */s/Sherif Foda*
Name: **Sherif Foda**
Title: Chairman

NESR SPV Lim ited

By: */s/Peter Howley*
Name: Peter Howley
Title: Director

Al Nowais Investments LLC

By: */s/Hussain Al Nowais*
Name: Hussain Al Nowais
Title: Director

June 5, 2018 $50,000,000.00

LOAN AGREEMENT

This Loan Agreement (this " ***Agreement*** ") is dated effective as of June 5, 2018 (the " ***Effective Date*** ") and is between HANA INVESTMENTS CO. WLL, a company existing under the laws of Bahrain (" ***Lender*** ") and NATIONAL ENERGY SERVICES REUNITED CORP., a corporation existing under the laws of the British Virgin Islands (" ***Borrower*** ," and together with Lender, the " ***Parties*** " and each, a " ***Party*** ").

1. The Loan . Subject to the terms and conditions of this Agreement, Lender agrees to loan to Borrower the amount of $50,000,000.00 in a single advance and in immediately available funds (including all renewals, extensions or modifications, the " ***Loan*** ") by 11 a.m. (Houston CST time) on [●], 2018 (the " ***Drawdown Date*** "), and Borrower unconditionally agrees to repay to Lender the principal amount of the Loan together with all unpaid interest thereon and all other amounts payable hereunder on or before December 17, 2018 (the " ***Maturity Date*** "). The period from the date that Lender funds the Loan through and including the Maturity Date is referred to herein as the " ***Loan Term*** ."

a. Prepayment .

(i) Borrower may prepay all or any portion of the principal outstanding together with all interest accrued thereon and unpaid at any time and from time to time, upon irrevocable notice delivered to Lender no later than 11 a.m. (Houston CST time), five Business Day prior thereto, which notice shall specify the date and amount of prepayment; *provided* that, in addition to the amounts so prepaid, Borrower shall pay the Transaction Fee (as defined below) on such prepayment date. Any such prepayment(s) shall be made in cash or Conversion Shares (subject to the terms set forth in **Section 2(b)**), at the election of Lender, on such prepayment date(s) and shall be applied to the principal amount outstanding hereunder until paid in full, and then to interest.

(ii) In the event that Borrower shall make a public offering of its securities, Lender may elect in its sole discretion to require Borrower to prepay the Loan, and upon the giving of written notice thereof to Borrower, Borrower shall within one day, prepay in cash the full principal amount of the Loan then outstanding, together with any other amounts payable under this Agreement, together with accrued interest to the date of such prepayment on the principal amount prepaid; *provided* that such prepayment shall not prohibit the right of Lender to participate in the purchase of Borrower's securities made pursuant to such public offering.

b. Interest .

(i) Interest shall accrue on the unpaid principal amount of the Loan from the Drawdown Date until the Loan is paid in full in cash or upon Conversion pursuant to **Section 2** hereof, at the higher of (A) an amount equal to $4,000,000 prorated based on the number of days outstanding between the Effective Date and the Maturity Date, and (B) at a rate per annum equal to One Month ICE LIBOR (as defined below), adjusted monthly on the first day of each calendar month, plus a margin of 2.25%. Interest shall be due and payable, at the election of Lender, in cash or Conversion Shares (subject to the terms set forth in **Section 2(b)**) on the Maturity Date or the Conversion Date, as applicable, or if the Loan is prepaid earlier, on such prepayment date. The term " ***One Month ICE LIBOR*** " shall mean the One Month London InterBank Offered Rate in U.S. Dollars as calculated and published by the Intercontinental Exchange Benchmark Administration Ltd. (" ***ICE*** ," or the successor thereto if ICE is no longer making a London Interbank Offered Rate available) and in effect on the first day of each calendar month. The One Month ICE LIBOR shall be obtained by Lender from an intermediary rate reporting source such as Bloomberg, L.P. Interest at the One Month ICE LIBOR shall be computed on the basis of a calendar month (28, 29, 30 or 31 days, as the case may be), and shall accrue on the actual number of days any principal balance hereof is outstanding.

(ii) The Loan may be extended beyond the Maturity Date at the election of Lender and on terms to be agreed by the Parties. If the Maturity Date is not extended and the Loan is not repaid on the Maturity Date, any amounts required to be paid by Borrower hereunder (including principal, interest payable on the Loan pursuant to **Section 1(b)(i)** , the Transaction Fee (to the extent the Transaction Fee has not been paid) and other amounts otherwise payable to Lender) remaining unpaid after such amounts are due (the " ***Overdue Amount*** "), shall accrue interest at a rate per annum equal to One Month ICE LIBOR, adjusted monthly on the first day of each calendar month, plus a margin of 2.25% and an additional 1% per annum from the Maturity Date until such Overdue Amount shall be paid in full. Such interest shall be payable in arrears on the date such Overdue Amount shall be paid in full and on demand and, at the election of Lender, shall be paid in cash or Conversion Shares.

2. Conversion of Debt to Equity .

a. Notwithstanding anything to the contrary contained in this Agreement, Lender shall have the right and option at any time prior to the payment in full of the principal amount outstanding hereunder and the interest thereon, to exchange Borrower's payment obligation as to the then-outstanding principal balance for the Conversion Shares (the " ***Conversion Option*** ") by delivering to Borrower (the " ***Conversion Deliverables*** ") (A) written notice of Lender's election to exercise the Conversion Option, (B) a counterpart of this Agreement bearing the signatures of Lender and Borrower, marked "PAID" and initialed by Lender on the first page, (C) a counterpart of Lender's acceptance of the Conversion Shares, bearing Lender's signature and (D) evidence of compliance with applicable U.S. securities law and regulations, including any legend on the certificates evidencing the Conversion Shares as required. The date of delivery of the Conversion Deliverables for conversion of Borrower's payment obligation of the outstanding principal balance of the Loan to the Conversion Shares in strict compliance with the terms of this **Section 2** is referred to herein for all purposes as the " ***Conversion*** ." " ***Conversion Shares*** " means the number of shares of common stock of Borrower that, at $11.244 per share, constitutes a value equivalent to the principal amount outstanding hereunder plus all interest accrued thereon, as of the date of the Conversion (the " ***Conversion Date*** "). Borrower's right to prepay the Loan shall terminate upon receipt of the Conversion Deliverables.

b. If at any time, and after giving effect to, Lender's exercise of the Conversion Option, the ownership by Lender of the total outstanding shares of Borrower would constitute 20% or more of the total outstanding shares of Borrower (the " ***Conversion Limitation*** "), then at the election of Lender (i) Borrower shall, to the extent such vote is required by applicable regulations or stock exchange rules, submit the proposed Conversion for shareholder approval in accordance with applicable regulations within 30 days of such election, or (ii) the Conversion shall be limited to the number of shares of common stock of Borrower that, together with all other shares of Borrower's common stock owned by Lender at the time of Conversion, comprise 19.99% of the then-outstanding shares of common stock of Borrower, and any outstanding principal balance not converted to stock shall continue to accrue interest under **Section 1(b)** above and be paid in cash.

c. Notwithstanding anything in this Agreement to the contrary, if, at any time prior to the payment in full of the principal amount outstanding hereunder and the interest thereon, the number of outstanding shares of Borrower shall have changed into a different number of shares or a different class by reason of any reclassification, stock split (including a reverse stock split), recapitalization, tender or exchange offer, readjustment or other similar transaction, or a stock dividend or stock distribution thereon shall be declared with a record date within said period, the value of the Conversion Shares shall be appropriately adjusted to provide Lender the same economic effect as contemplated by this Agreement prior to such event; *provided* , *however* , that (i) in no event shall the value of the Conversion Shares exceed $11.244 per share after giving effect to such adjustment in accordance with this **Section 2(c)** , (ii) Borrower shall be prohibited from issuing any shares unless such shares are issued at or above fair market value and in a transaction duly approved by the Board of Directors of Borrower and, to the extent that any fairness opinion has been obtained, Lender shall by its terms be allowed to rely thereon and (iii) nothing in this **Section 2(c)** shall permit Borrower to take any action with respect to its securities that is expressly prohibited by the terms of this Agreement.

3. Transaction Fee . In addition to principal and interest on the Loan, Borrower shall tender to Lender within 7 days after the Effective Date, Borrower's common stock at $11.244 per share with a total value of $600,000.00 (the " ***Transaction Fee*** "), which shall be 53,362 ordinary shares.

4. Condition Precedent . Lenders obligation to make the Loan hereunder shall be subject to satisfaction of the following conditions precedent:

a. Lender shall have received on or before the Effective Date the following, each dated such day, in form and substance satisfactory to Lender:

(i) This Agreement, duly executed by Borrower and Lender.

(ii) The Relationship Agreement dated on or about the date hereof, among Borrower, NESR Holdings Limited and Lender (the " ***Relationship Agreement*** "), duly executed by the parties thereto.

(iii) A certificate of the Secretary of Borrower certifying (i) that attached thereto is a true and complete copy of (A) resolutions of the Board of Directors and (B) resolutions of the Independent Director of Borrower, each authorizing the execution, delivery and performance of this Agreement and the Relationship Agreement and each of the transactions contemplated herein and therein, (ii) all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to execution, delivery and performance of this Agreement and the Relationship Agreement and (iii) that attached thereto are the names and true signatures of the officers of Borrower authorized to sign this Agreement and the Relationship Agreement and all other documents delivered in connection herewith and therewith (the " ***Documents*** ").

(iv) A letter from the Process Agent indicating its acceptance of the appointment by Borrower pursuant to **Section 14(b)** .

(v) An opinion of Looper Goodwine P.C., New York counsel for Borrower, satisfactory in form and substance to Lender.

b. The following statements shall be true and Lender shall have received a certificate signed by a duly authorized officer of Borrower, dated the Effective Date, stating that:

(i) the representations and warranties contained in **Section 5** are true and correct on and as of the Effective Date; and

(ii) no event has occurred and is continuing that constitutes an Event of Default (as defined below) or any event that would constitute an Event of Default but for the requirement that notice be given or time elapse or both (" ***Default*** ").

c. The completion of due diligence in respect of the authorizations and compliance by Borrower of the applicable provisions under its governing documents and applicable law or regulations in entering into this Agreement and with results satisfactory to Lender in its sole discretion.

5. Representations and Warranties of Borrower . Borrower represents and warrants as follows:

a. Each of Borrower and its subsidiaries is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and has all requisite corporate power and authority (including, without limitation, all governmental licenses, permits and other approvals) to own, lease and operate its properties and to carry on its business as now conducted and as proposed to be conducted.

b. The execution, delivery and performance by Borrower of this Agreement and each other Document, and the consummation of the transactions contemplated hereby, are within Borrower's organizational powers, have been duly authorized by all necessary organizational action, and do not (i) contravene Borrower's governing documents, material contracts or any applicable law or regulations, (ii) violate any law, rule, regulation, order, writ, judgment, injunction, decree, determination or award, (iii) conflict with or result in the breach of any contractual restriction binding on or affecting Borrower or any of its subsidiaries or any of their properties, (iv) result in an act that would be prohibited by or materially different from Borrower's definitive Proxy Statement filed on Schedule 14A filed with the SEC on May 8, 2018 (the " ***Proxy Statement*** ") or (v) result in the creation or imposition of any lien on any assets of Borrower or any of its subsidiaries.

c. No authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body or any other third party is required for (i) the due execution, delivery and performance by Borrower of any Document or (ii) the exercise by Lender of its rights under any Document.

d. This Agreement has been, and each Document when delivered hereunder has been or will have been, duly executed and delivered by Borrower. This Agreement is, and each other Document when delivered hereunder will be, the legal, valid and binding obligation of Borrower enforceable against Borrower in accordance with their respective terms.

e. The consolidated balance sheet of Borrower and its subsidiaries as at December 31, 2017, and the related consolidated statements of income and cash flows of Borrower and its subsidiaries for the fiscal year then ended, accompanied by an opinion of Marcum LLP, independent public accountants, fairly present the consolidated financial condition of Borrower and its subsidiaries as at such date and the consolidated results of the operations of Borrower and its subsidiaries for the period ended on such date, all in accordance with applicable accounting rules consistently applied.

f. Since December 31, 2017, there has been no material adverse change to the business, condition (financial or otherwise), operations, performance, properties or prospects of Borrower or Borrower and its subsidiaries taken as a whole.

g. There is no pending or threatened action, suit, investigation, litigation or proceeding, affecting Borrower or any of its subsidiaries before any governmental or regulatory authority or arbitrator.

h. Borrower and each of its subsidiaries has filed, has caused to be filed or has been included in all tax returns (national, departmental, local, municipal and foreign) required to be filed and has paid all taxes due with respect to the years covered by such returns.

i. Borrower and each of its subsidiaries is in compliance with all applicable laws and requirements of all governmental and regulatory authorities.

j. The transaction contemplated under this Agreement and the transactions involving MEA Energy Investment Company 2, Ltd (" ***MEA*** "), including the Forward Purchase Agreement dated as of April 27, 2018 between Borrower and MEA in the terms described in the Proxy Statement, are on terms that are fair and reasonable and no less favorable to Borrower or such subsidiary than it would obtain in a comparable arm's-length transaction with a Person not an Affiliate (as defined below).

k. Each Document is in proper legal form under the law of the British Virgin Islands for the enforcement thereof against Borrower under the law of the British Virgin Islands.

l. Borrower's obligations under this Agreement constitute direct, unconditional, unsubordinated and unsecured obligations of Borrower and do rank and will rank *pari passu* in priority of payment and in all other respects with all other unsecured and unsubordinated debt of Borrower.

m. Borrower is not required to register as an " ***investment company*** ", as such term is defined in the Investment Company Act of 1940, as amended.

n. No information, exhibit or report furnished by or on behalf of Borrower to Lender in connection with the negotiation of this Agreement or any other Documents or pursuant to the terms of any Document contained any untrue statement of a material fact or omitted to state a material fact necessary to make the statements made therein not misleading.

o. Borrower is, before and after giving effect to the Loan and all other borrowings, individually and together with its subsidiaries, solvent.

p. Borrower and its subsidiaries are conducting their business in compliance with laws, rules, regulations and requirements of any jurisdiction applicable to Borrower or any of its subsidiaries, in each case, as amended from time to time, concerning or relating to bribery or corruption, including, without limitation, the United States Foreign Corrupt Practices Act of 1977, the U.K. Bribery Act of 2010 and all other applicable anti-bribery and corruption laws (" ***Anti-Corruption Laws*** "). Borrower and its subsidiaries, directors, officers and employees and, to the knowledge of Borrower after due inquiry, its Affiliates, agents and other persons acting for the benefit of Borrower, are in compliance with all Anti-Corruption Laws and are not under investigation for or being charged with any violation of Anti-Corruption Laws. Borrower and its subsidiaries, and their respective directors, officers and employees and, to the knowledge of Borrower after due inquiry, its Affiliates and agents are in compliance with all applicable economic or trade sanctions or restrictive measures enacted, administered, imposed or enforced by the U.S. Department of the Treasury's Office of Foreign Assets Control (OFAC), the U.S. Department of State, the United Nations Security Council, and/or the European Union and/or the French Republic, and/or Her Majesty's Treasury (" ***Sanctions*** "). Borrower has implemented and maintains in effect policies and procedures to ensure compliance by Borrower and its subsidiaries, and its and their respective directors, officers, employees, Affiliates and agents with Anti-Corruption Laws, Anti-Money Laundering Laws and Sanctions.

q. None of Borrower or its subsidiaries or any of their respective directors, officers, or employees or, to the knowledge of Borrower after due inquiry, its agents or Affiliates or those of its subsidiaries is a person that is, or is 50% or more owned or controlled by Persons that are, (i) the subject of Sanctions (a " ***Sanctioned Person*** ") or (ii) located in, or organized under the laws of, a country or territory that is the subject of Sanctions broadly prohibiting dealings with such government, country or territory (a " ***Sanctioned Jurisdiction*** ").

r. The operations of Borrower and its subsidiaries are and have been conducted at all times in compliance with applicable financial recordkeeping and reporting requirements, as amended, the applicable money laundering statutes of all jurisdictions where Borrower or any of its subsidiaries conduct business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any governmental or regulatory agency (collectively, the " ***Anti-Money Laundering Laws*** "), and, no action, suit or proceeding by or before any court or governmental authority or body or any arbitrator involving Borrower or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of Borrower after due inquiry, threatened.

s. No Default or Event of Default has occurred and is continuing.

6. Covenants . So long as the Loan shall remain unpaid or any obligation of Borrower under any Document shall remain outstanding:

a. Borrower will (i) comply, and cause each of its subsidiaries to comply (A) with all Anti-Corruption Laws, (B) with all Sanctions and (C) with all other applicable laws and regulations; and (ii) implement, maintain and continue to maintain in effect, and enforce, policies and procedures to ensure compliance by Borrower, its subsidiaries and their respective directors, officers, employees, Affiliates and agents with Anti-Corruption Laws, Anti-Money Laundering Laws and all applicable Sanctions.

b. Borrower will pay and discharge, and cause each of its subsidiaries to pay and discharge, before the same shall become delinquent, (i) all taxes and (ii) all lawful claims that, if unpaid, might by law become a lien upon its property; *provided* , *however* , that neither Borrower nor any of its subsidiaries shall be required to pay or discharge any such tax or claim that is being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained, unless and until any lien resulting therefrom attaches to its property and becomes enforceable against its other creditors.

c. Borrower will preserve and maintain, and cause each of its subsidiaries to preserve and maintain, its organizational existence, rights (charter and statutory), permits, approvals, licenses, privileges and franchises.

d. Borrower will conduct, and cause each of its subsidiaries to conduct, all transactions otherwise permitted under this Agreement with any of their Affiliates on terms that are fair and reasonable and no less favorable to Borrower or such subsidiary than it would obtain in a comparable arm's-length transaction with a Person not an Affiliate. For purposes of this Agreement, an " ***Affiliate*** " means, as to any Person, any other Person that, directly or indirectly, controls, is controlled by or is under common control with such Person or is a director or officer of such Person. The term " ***control*** " (including the terms " ***controlling*** ", " ***controlled by*** " and " ***under common control with*** ") of a Person means the possession, direct or indirect, of the power to vote 5% or more of the voting stock of such Person or to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting stock, by contract or otherwise.

e. Borrower will not create or suffer to exist, or permit any of its subsidiaries to create or suffer to exist, any lien on or with respect to any of its properties, whether now owned or hereafter acquired, or assign, or permit any of its subsidiaries to assign, any right to receive income, except for liens existing as of the Effective Date.

f. Borrower will not create, incur, assume or suffer to exist, or permit any of its subsidiaries to create, incur, assume or suffer to exist, any indebtedness, except:

(i) in the case of Borrower, (x) indebtedness under this Agreement and any other indebtedness outstanding as of the Effective Date and (y) any such indebtedness created, incurred, assumed or suffer to exist after the Effective Date so long as such indebtedness is subordinated to the obligations of Borrower under this Agreement on terms and conditions satisfactory to Lender; and

(ii) in the case of any subsidiary of Borrower, any indebtedness so long as after giving effect to incurrence of such indebtedness, the ratio of consolidated total liabilities to consolidated shareholders' equity (" ***Debt to Equity Ratio*** ") of Borrower shall not exceed the Debt to Equity Ratio of 0.51:1.00 as calculated by reference to Borrower's proforma consolidated financial statements for the period ended December 31, 2017. For purposes of determining Borrower's shareholders' equity pursuant to this **Section 6(f)(ii)** , the example of line items set forth in **EXHIBIT A** hereto shall be used for reference purposes.

g. Borrower will not merge or consolidate with or into, or convey, transfer, lease or otherwise dispose of (whether in one transaction or in a series of transactions) all or substantially all of its assets (whether now owned or hereafter acquired) to, any Person, or permit any of its subsidiaries to do so, except that any subsidiary of Borrower may merge or consolidate with or into, or dispose of assets to, any other subsidiary of Borrower; *provided* that no Default shall have occurred and be continuing at the time of such proposed transaction or would result therefrom.

h. Borrower will not consummate, or permit any of its subsidiaries to consummate, any sale of material assets.

i. Borrower will not make, or permit any of its subsidiaries to make, any material change in the nature of its business as carried on at the date hereof.

j. Borrower will not amend its governing documents in any material respect without Lender's consent.

k. Borrower will not (i) adjust, split, combine, redeem, repurchase or otherwise acquire any shares of its capital stock or other equity interests or (ii) reclassify, combine, split, subdivide or otherwise amend the terms of its capital stock or other equity interests or (iii) enter into any agreement with respect to the voting of any of Borrower's capital stock or other securities or the capital stock or other securities of a subsidiary of Borrower;

l. Borrower will not issue, grant, deliver, sell, pledge, dispose of or encumber (i) shares of capital stock, other voting securities of, or equity interests in any subsidiary of Borrower, (ii) securities convertible into or exercisable or exchangeable for any shares of capital stock or voting securities of, or equity interests in any of its subsidiaries or (iii) right to acquire any shares of capital stock or voting securities of, or other equity interests in any of its subsidiaries;

m. Borrower will not:

(i) use the proceeds of the Loan except to pay for any funding gap arising from the redemptions by the shareholders of Borrower in connection with the consummation of the acquisition by Borrower of NPS Holdings Ltd and Gulf Energy SAOC as described in the Proxy Statement and any fees and expenses in connection with the transaction contemplated under this Agreement and with respect to the aforesaid redemptions.

(ii) directly or indirectly, use any part of any proceeds of the Loan or lend, contribute, or otherwise make available such proceeds, or shall permit any of its subsidiaries, or any of its or their respective directors, officers, or employees, or to the knowledge of Borrower after due inquiry, the Affiliates or agents of Borrower or any of its or their respective subsidiaries, directly or indirectly, to use any part of any proceeds of the Loan or lend, contribute, or otherwise make available such proceeds, in each case, (A) to fund or facilitate any activities or business of or with any Person that, at the time of such funding or facilitation, is a Sanctioned Person, (B) to fund or facilitate any activities or business of or in any Sanctioned Jurisdiction, (C) in any manner that would result in a violation by any Person of Sanctions, or (D) in violation of applicable law, including, without limitation, Anti-Corruption Laws.

n. Borrower will furnish to Lender:

(i) as soon as available and in any event within 45 days after the end of each of the first three quarters of each fiscal year of Borrower, consolidated and consolidating balance sheets of Borrower and its subsidiaries as of the end of such quarter and consolidated and consolidating statements of income and cash flows of Borrower and its subsidiaries for the period commencing at the end of the previous fiscal year and ending with the end of such quarter, duly certified (subject to year-end audit adjustments) by the chief financial officer of Borrower as having been prepared in accordance with applicable accounting rules; *provided* that such financial statements shall be deemed to have been delivered if they are published on Borrower's website or filed with the U.S. Securities and Exchange Commission for public availability;

(ii) as soon as available and in any event within 90 days after the end of each fiscal year of Borrower, a copy of the annual audit report for such year for Borrower and its subsidiaries, containing consolidated and consolidating balance sheets of Borrower and its subsidiaries as of the end of such fiscal year and consolidated and consolidating statements of income and cash flows of Borrower and its subsidiaries for such fiscal year, in each case accompanied by an opinion acceptable to Lender by Marcum LLP or other independent public accountants acceptable to Lender (without a "going concern" or like qualification or exception and without any qualification or exception as to the scope of such audit); *provided* that such financial statements shall be deemed to have been delivered if they are published on Borrower's website or filed with the U.S. Securities and Exchange Commission for public availability; and

(iii) concurrently with the delivery of the financial statements referred to in **Section 6(n)(i)** and **Section 6(n)(ii)** , a certificate of the chief financial officer of Borrower as to compliance with the terms of this Agreement and setting forth in reasonable detail the calculations necessary to determine the Debt to Equity Ratio at such time; *provided* that in the event of any change in applicable accounting rules used in the preparation of such financial statements, Borrower shall also provide, if necessary for the determination of the Debt to Equity Ratio, a statement of reconciliation conforming such financial statements to applicable accounting rules.

7. Events of Default . If any of the following events (" ***Events of Default*** ") shall occur and be continuing:

a. Borrower shall fail to pay (i) when and as required to be paid hereunder, any principal, interest, the Transaction Fee or other amounts when due hereunder when the same becomes due and payable; or

b. any representation or warranty made by Borrower (or any of its officers) herein or under or in connection with any Document shall prove to have been incorrect in any material respect when made; or

c. (i) Borrower shall fail to perform or observe any term, covenant or agreement contained in **Sections 6(a)(i)** , **(c)** , **(d)** through **(m)** , or (ii) Borrower shall fail to perform or observe any other term, covenant or agreement contained in any Document on its part to be performed or observed if such failure shall remain unremedied for 10 or more days after the earlier of the date on which (A) any officer of Borrower becomes aware of such failure or (B) written notice thereof shall have been given to Borrower by Lender; or

d. Borrower or any of its subsidiaries shall fail to pay any principal of, premium of, interest on, or any other amount payable in respect of, any debt that is outstanding in a principal or notional amount of at least U.S. $1,000,000 (or its equivalent in other currencies) in the aggregate of Borrower or such subsidiary (as the case may be), when the same becomes due and payable (whether by scheduled maturity, required prepayment, acceleration, demand or otherwise), and such failure shall continue after the applicable grace period, if any, specified in the agreement or instrument relating to such debt; or any other event shall occur or condition shall exist under any agreement or instrument relating to any such debt and shall continue after the applicable grace period, if any, specified in such agreement or instrument, if the effect of such event or condition is to accelerate, or to permit the acceleration of, the maturity of such debt or otherwise to cause, or to permit the holder thereof to cause such debt to mature; or any such debt shall be declared to be due and payable, or required to be prepaid or redeemed (other than by a regularly scheduled required prepayment or redemption), purchased or defeased, or an offer to prepay, redeem, purchase or defease such debt shall be required to be made, in each case prior to the stated maturity thereof; or

e. Borrower or any of its subsidiaries shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against Borrower or any of its subsidiaries seeking to adjudicate it bankrupt or insolvent, or seeking liquidation, winding up, reorganization, arrangement, adjustment, protection, relief, or composition of it or its debts under the debtor relief laws, including, without limitation, the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief laws of the United States or other applicable jurisdictions from time to time in effect, or seeking the entry of an order for relief or the appointment of a receiver, trustee, custodian or other similar official for it or for any substantial part of its property and, in the case of any such proceeding instituted against it (but not instituted by it) that is being diligently contested by it in good faith, either such proceeding shall remain undismissed or unstayed for a period of 30 or more days, or any of the actions sought in such proceeding (including, without limitation, the entry of an order for relief against, or the appointment of a receiver, trustee, custodian or other similar official for, it or for any substantial part of its property) shall occur; or Borrower or any of its subsidiaries shall take any corporate action to authorize any of the actions set forth above in this **Section 7(e)** ; or

f. judgments or orders for the payment of money in excess of U.S. $1,000,000 (or its equivalent in other currencies) in the aggregate shall be rendered against Borrower or any of its subsidiaries and either (i) enforcement proceedings shall have been commenced by any creditor upon such judgment or order or (ii) there shall be any period of 10 or more consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

g. any non-monetary judgment or order shall be rendered against Borrower or any of its subsidiaries, and there shall be any period of 10 or more consecutive days during which a stay of enforcement of such judgment or order, by reason of a pending appeal or otherwise, shall not be in effect; or

h. the obligations of Borrower under this Agreement or any other Document shall fail to rank at least *pari passu* with all other unsecured and unsubordinated debt of Borrower; or

i. any provision of this Agreement or any other Document shall cease to be valid and binding on or enforceable against Borrower, or Borrower shall so assert or state in writing, or the obligations of Borrower under this Agreement or any other Document shall in any way become illegal; or

j. a material adverse change shall have occurred and be continuing;

then, and in any such event, Lender may, by notice to Borrower, declare the Loan, all interest thereon and all other amounts payable under this Agreement and the other Documents to be immediately due and payable, whereupon the Loan, all such interest and all such amounts shall become and be immediately due and payable in cash or in Conversion Shares, without presentment, demand, protest or further notice of any kind, all of which are hereby expressly waived by Borrower; *provided, however* , that in the event of an actual or deemed entry of an order for relief with respect to Borrower under **Section 7(e)** above, the Loan, all such interest and all such amounts shall automatically become and be due and payable, without presentment, demand, protest or any notice of any kind, all of which are hereby expressly waived by Borrower.

8. Indemnification . Borrower agrees to indemnify and hold harmless Lender and each of its Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates (each, an " ***Indemnified Party*** ") from and against any and all claims, damages, losses, liabilities and expenses (including, without limitation, fees, charges, disbursements and expenses of counsel (including all fees and time charges and disbursements for attorneys who may be employees of an Indemnified Party)) incurred by or asserted or awarded against any Indemnified Party, in each case arising out of or in connection with or by reason of (including, without limitation, in connection with any actual or potential investigation, litigation or proceeding or preparation of a defense in connection therewith, whether based on contract, tort or any other theory) any Document, any of the transactions contemplated herein or therein or the actual or proposed use of the proceeds of the Loan, except to the extent such claim, damage, loss, liability or expense is found in a final, non-appealable judgment by a court of competent jurisdiction to have resulted from such Indemnified Party's gross negligence or willful misconduct. In the case of an investigation, litigation or other proceeding to which the indemnity in this **Section 8** applies, such indemnity shall be effective whether or not such investigation, litigation or proceeding is brought by Borrower, its directors, equityholders or creditors or an Indemnified Party or any other Person, whether or not any Indemnified Party is otherwise a party thereto and whether or not the transactions contemplated hereby are consummated. Borrower also agrees not to assert any claim for special, indirect, consequential or punitive damages against Lender or any of its Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives, on any theory of liability arising out of or otherwise relating to any Document, any of the transactions contemplated herein or therein or the actual or proposed use of the proceeds of the Loan. No Indemnified Party referred to in this paragraph shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Documents or the transactions contemplated hereby or thereby.

9. Relationship of the Parties . With respect to the Loan, the relationship between Borrower and Lender is solely that of debtor and creditor, and Lender has no fiduciary or other special relationship with Borrower, and no term or condition of any of this Agreement shall be construed so as to deem the relationship between Borrower and Lender to be other than that of debtor and creditor; *provided* , *however* , in the event of a Conversion, the relationship of the Parties with respect to the Conversion Shares shall be governed by and in accordance with the terms of Borrower's Bylaws.

10. No Waiver; Cumulative Remedies . No failure to exercise and no delay in exercising, and no course of dealing with respect to, any right, power, or privilege under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power, or privilege under this Agreement preclude any other or further exercise thereof or the exercise of any other right, power, or privilege. The rights and remedies provided for in this Agreement are cumulative and not exclusive of any rights and remedies provided by law.

11. Entire Agreement; Amendment; Waivers . This Agreement constitutes the final and entire agreement between the Parties and supersedes any and all prior commitments, agreements, representations, and understandings, whether written or oral, relating to the subject matter hereof and may not be contradicted or varied by evidence of prior, contemporaneous, or subsequent oral agreements or discussions of the parties hereto. There are no oral agreements among the parties hereto. The provisions of this Agreement may be amended or waived only by an instrument in writing signed by the parties hereto. This Agreement is not assignable, and no party is entitled to rely on this Agreement other than the Parties.

12. Notices . All notices and other communications provided for in this Agreement shall be given in writing and made by email or delivered by reputable overnight courier (recipient's signature required) to the intended recipient at the "Address for Notices" specified for the recipient below its name on the signature page(s) hereof. Except as otherwise provided in this Agreement, all such communications shall be deemed to have been duly given when transmitted by email, subject to confirmation of receipt, or when delivered by overnight courier, on the date delivered in accordance with the requirements of this **Section 1212** .

13. Further Assurances . Each of Lender and Borrower agrees to execute and deliver any documents or instruments and perform any acts that may be necessary or appropriate to effect and perform the provisions of this Agreement ant the transactions contemplated herein.

14. Governing Law; Venue .

a. This Agreement shall be governed by and construed in accordance with the laws of New York . EACH OF LENDER AND BORROWER HEREBY IRREVOCABLY SUBMITS AND CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF ANY PROPER COURT OF COMPETENT JURISDICTION LOCATED IN THE STATE OF NEW YORK, sitting in New York County, and of the United States District Court of the Southern District of New York, and any appellate court from any thereof, and each of the parties hereto irrevocably and unconditionally submits to the jurisdiction of such courts and agrees that all claims in respect of any such action, litigation or proceeding may be heard and determined in such New York State court or, to the fullest extent permitted by Applicable Law, in such federal.

b. Borrower hereby irrevocably and unconditionally agrees that service of all writs, process and summonses in any such suit, action or proceeding brought in the State of New York may be made upon National Energy Services Reunited Corporation located at 777 Post Oak Blvd., Suite 800, Houston, Texas 77056, United States of America, with copy to Donald R. Looper, Looper Goodwine PC, 1300 Post Oak Boulevard, Suite 2400, Houston, Texas 77056 (the " ***Process Agent*** ") and Borrower hereby confirms and agrees that the Process Agent has been duly and irrevocably appointed as its agent and true and lawful attorney-in-fact in its name, place and stead to accept such service of any all such writs, process and summonses, and agrees that the failure by the Process Agent to give any notice of any such service of process to Borrower shall not impair or affect the validity of such service or of any judgement based thereon. Such service may be made by mailing or delivering a copy of such process to Borrower in care of the Process Agent at the Process Agent's above address.

15. Waiver of Jury Trial . EACH OF BORROWER AND LENDER HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER BASED ON CONTRACT, TORT OR OTHERWISE) ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER DOCUMENT OR THE ACTIONS OF LENDER IN THE NEGOTIATION, ADMINISTRATION, PERFORMANCE OR ENFORCEMENT THEREOF. EACH OF BORROWER AND LENDER (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

16. Counterparts . This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

17. Severability . Any provision of this Agreement held by a court of competent jurisdiction to be invalid or unenforceable shall not impair or invalidate the remainder of this Agreement and the effect thereof shall be confined to the provision held to be invalid or illegal.

18. Construction . Each of Borrower and Lender acknowledges that it has had the benefit of legal counsel of its own choice and has been afforded an opportunity to review this Agreement with its legal counsel and that this Agreement shall be construed as if jointly drafted by Borrower and Lender.

LENDER:	BORROWER:
HANA INVESTMENTS CO. WLL	**NATIONAL ENERGY SERVICES REUNITED CORP.**
By:	By:
Name:	Name: Sherif Foda
Title	Title: Chief Executive Officer
Date:	Date: June 5, 2018
Notice Address:	Notice Address:
For delivery by courier:	For delivery by courier: National Energy Services Reunited
	777 Post Oak Blvd, Suite 730
	Houston, TX 77056
For delivery by email:	For delivery by email: sfoda@nesrco.com

SIGNATURE PAGE TO
$50,000,000.00 LOAN AGREEMENT
BETWEEN HANA INVESTMENTS CO. WLL AND NATIONAL ENERGY SERVICES REUNITED CORP.

EXHIBIT A

Shareholders' Equity

	NESR Consolidated (1)
Short term debt	$ 34,737
Undrawn revolver	23,340
Long term debt	176,320
Unamortized borrowing cost	2,796
Total debt 12/31/2017	$ 237,193
Proforma total equity	$ 834,029
Transaction related loans including Olayan loan	$ 100,000
Operating loans	50,000
Adjusted total debt post-closing	$ 387,193
Adjusted debt to equity ratio	**46%**

(1) NESR equity reflects estimated US GAAP purchase accounting by NESR, $19,379,613.60 of shareholder redemptions and $1,907,090 of additional equity to underwriters at closing.

EXECUTION VERSION

June 5, 2018

NATIONAL ENERGY SERVICES REUNITED CORP.

NESR HOLDINGS LIMITED

HANA INVESTMENTS CO. WLL

RELATIONSHIP AGREEMENT

CONTENTS

RELATIONSHIP AGREEMENT

dated June 5, 2018

PARTIES:

(1) **NATIONAL ENERGY SERVICES REUNITED CORP.** , a company existing under the laws of the British Virgin Islands with its registered address at 171 Main Street, Road Town, Tortola, VB 1110, British Virgin Islands (the " **Company** ");

(2) **NESR HOLDINGS LIMITED** , a company existing under the laws of the British Virgin Islands with its registered address at 171 Main Street, Road Town, Tortola, VB 1110, British Virgin Islands (" **NESR Holdings** "); and

(3) **HANA INVESTMENTS CO. WLL** , a company existing under the laws of Bahrain with its registered address at Office 205, Building 111, Manama Center, Road 383, Block 304, Bahrain (" **Olayan** ").

Words and expressions used in this Relationship Agreement (the " **Agreement** ") shall be interpreted in accordance with Schedule 1 (*Definitions and Interpretation*).

WHEREAS :

(A) The Company, Olayan, NPS Holdings Limited (" **NPS** "), and the Selling Stockholders (as defined in the SPA) have entered into that certain Stock Purchase Agreement, dated as of November 12, 2017 (as may be amended, restated or supplemented from time to time, the " **SPA** "), pursuant to which Olayan acquired 83,660,878 shares, par value $1.00 per share, of NPS (the " **NPS Shares** ");

(B) The Company and Olayan have entered into that certain Shares Purchase Exchange Agreement, dated as of June , 2018 (as may be amended, restated or supplemented from time to time, the " **SPEA** "), pursuant to which, on the NESR Closing Date, Olayan agreed to contribute the legal and beneficial ownership of the NPS Shares to the Company in exchange for the issuance by the Company of the Shares, on the terms and subject to the conditions set forth in the SPEA;

(C) The Company, NESR Holdings and Olayan are entering into this Agreement in order to set out (i) certain rights to which Olayan will be entitled as a shareholder of the Company and (ii) certain obligations of NESR Holdings as a significant shareholder of the Company; and

(D) In consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

IT IS AGREED :

1. **COMMENCEMENT AND DURATION**

All clauses and schedules in this Agreement shall take effect immediately upon the NESR Closing. Once in force, the provisions of this Agreement shall continue in force and shall bind the Parties from time to time until this Agreement is terminated.

2. **GOVERNANCE**

2.1 As of the NESR Closing, the Company and NESR Holdings shall take all Necessary Action to cause the Board to include, so long as Olayan and its Affiliates collectively hold, in the aggregate, at least 6,879,225 Common Shares (subject to appropriate adjustment for any stock dividends, splits, reverse splits, combinations, recapitalizations and the like occurring after the date hereof) one Director nominated by Olayan (the " **Olayan Nominee** "). Olayan shall have the right to propose to remove any such Olayan Nominee and nominate another person in his/her place for so long as Olayan and its Affiliates hold the applicable number of Common Shares specified in this Section 2.1 . The first Olayan Nominee shall be Hala Zeibak.

2.2 As of the NESR Closing, Olayan shall have the right to nominate, and the Company and NESR Holdings shall take all Necessary Action to cause the Company senior management to include, one Executive Vice President designated by Olayan who shall oversee all of the Company's operations (the " **Olayan EVP** "). If the Olayan EVP is removed, resigns or otherwise ceases employment for any reason, Olayan shall have the right to propose to the Board a replacement so long as Olayan and its Affiliates collectively hold, in the aggregate, the number of Common Shares specified in Section 2.1 hereof; *provided* , *however* , that the appointment of each replacement shall be subject to the approval of the Board. The Olayan EVP shall report directly to the Company Chief Executive Officer.

2.3 The Company and NESR Holdings shall take all Necessary Action to procure that the appointment of the Olayan Nominee, Hala Zeibak, is proposed to and recommended for approval by the Company's shareholders at the 2018 annual general meeting of the Company (the " **2018 AGM** ") or at any other general meeting of the Company held before the 2018 AGM. The Company and NESR Holdings shall procure that the appointment of the Olayan Nominee to the Board is proposed to and recommended for approval by the Company's shareholders at each subsequent annual general meeting of the Company so as to ensure the appointment or re-appointment of the Olayan Nominee pursuant to the terms hereof.

2.4 If any Olayan Nominee is not elected at the applicable annual general meeting of the Company referred to in Section 2.3 above, Olayan shall have the right to propose a replacement Olayan Nominee for appointment to the Board. The Company and NESR Holdings shall take all Necessary Action to ensure that such replacement Olayan Nominee is proposed to and recommended at the next shareholders meeting of the Company. The process set out in this Section 2.4 shall be repeated until the replacement Olayan Nominee is appointed to the Board.

2.5 In addition, if Olayan wishes to remove any Olayan Nominee and nominate another person in his/her place pursuant to Section 2 , the Company and NESR Holdings shall take all Necessary Action to appoint such replacement Olayan Nominee to the Board as soon as possible and in any event shall take all Necessary Action to propose and recommend the appointment of such replacement at the next annual general meeting of the Company following any such nomination.

2.6 During any period between the NESR Closing and the appointment of the Olayan Nominee to the Board, the Olayan Nominee shall, for so long as Olayan shall have the right to an Olayan Nominee, be entitled to attend meetings of the Board in the capacity of an observer with the right to speak and participate in discussions of the Board, but without any voting rights, and the Company shall provide the Olayan Nominee with written notice of all Board Meetings and all Board papers on the same basis as notices and Board papers are provided to the Directors.

2.7 Olayan acknowledges that the Company will require:

(a) the Olayan Nominee appointed to the Board and any committee of the Board to accept in writing, on substantially the same terms as accepted in writing by the other non-executive Directors, to be bound by and duly comply with applicable Law and the Articles;

(b) the Olayan Nominee appointed to the Board to accept in writing, on substantially the same terms as accepted in writing by the other non-executive members of the Board or such committees, to keep confidential all information regarding the Company Group of which they become aware in their respective capacities; and

(c) any Olayan Nominee that acts as an observer, to accept in writing, to keep confidential all information regarding the Company Group of which he/she become aware in his/her capacity.

2.8 If any Olayan Nominee dies, resigns, retires or is incapacitated and is removed as a Director, Olayan shall have the right to appoint another Director in accordance with this Section 2 .

2.9 The Olayan Nominee may be appointed to committees of the Company as such Olayan Nominee may qualify, subject to Board approval.

2.10 The Company shall purchase and maintain with a reputable insurer insurance effective from and including the NESR Closing Date, for or for the benefit of any person who is or was at any time a Director or director or officer of any member of the Company Group, including insurance against, subject to Law, any liability incurred by or attaching to him/her in respect of any act or omission in the actual or purported exercise of his/her powers, in each case from and including the NESR Closing Date (or, if later, the date of appointment of such Director or director or officer of any member of the Company Group), and otherwise in relation to his/her duties, powers or offices in relation to any member of the Company Group (and all costs, charges, losses, expenses and liabilities incurred by him/her in relation thereto).

2.11 NESR Holdings shall not, directly or indirectly, grant any proxy or enter into or agree to be bound by any voting trust, agreement or arrangement of any kind with respect to the Common Shares if and to the extent the terms thereof conflict with the provisions of this Agreement (whether or not such proxy, voting trust, agreement or agreements are with holders of Common Shares that are not Parties to this Agreement or otherwise).

2.12 In addition to the rights of Olayan with respect to the Olayan Nominee set forth in this Section 2 , Olayan shall have the right to request that Company management nominate a second person selected by Olayan (“ **Second Director** ”) for election to the Board. The person nominated shall be submitted by management for consideration by the Board, in the case of a replacement Director or Board expansion to accommodate the Second Director, or by the Company shareholders, in the case of an annual general meeting election; *provided* that management consents to the person selected, which consent shall not be unreasonably withheld. The actual election of a requested Second Director, or expansion of the size of the Board, shall be subject to the discretion of the Board or the Company shareholders, as the case may be.

3. **LOCK-UP**

3.1 Olayan agrees with the Company that for a period of six (6) months from the NESR Closing Date (the " **Lock-Up Period** "), Olayan shall not, and will cause its Affiliates to which Olayan transfers any Lock-Up Shares not to, directly or indirectly (i) offer, sell, issue, contract to sell, pledge or otherwise dispose of, directly or indirectly, any Lock- Up Shares; (ii) offer, sell, issue, contract to sell or grant any option, right or warrant to purchase the Lock-Up Shares or securities convertible into or exchangeable for the Lock-Up Shares; or (iii) enter into a transaction which would have the same effect, or enter into any swap, hedge or other arrangement that transfers, in whole or in part, any of the economic consequences of ownership of the Lock-Up Shares or securities convertible into or exchangeable for any Lock-Up Shares, whether any such aforementioned transaction is to be settled by delivery of Lock-Up Shares or such other securities, in cash or otherwise. The provisions of this Section 2.12 shall not prevent Olayan from granting security in respect of any Lock-Up Shares to any provider of finance to Olayan or any Affiliate of Olayan; *provided* Olayan shall remain entitled to vote in respect of the Lock-Up Shares upon the grant of such security.

3.2 Each of NESR Holdings and the Company represents, warrants and agrees that (i) they have not entered into any agreement with any of the Selling Stockholders prohibiting any form of disposition of any interest in the Common Shares (" **lock-up agreement** ") that has a shorter duration than the Lock-Up Period; (ii) each such lock-up agreement is in full force and effect and shall not be waived by any party thereto; and (iii) all officers, directors, affiliates and shareholders holding five percent (5%) or more of the Common Shares acquired in private sale transactions that have any contractual restrictions as a legally valid and binding lock-up agreement have terms with the same duration or a longer duration than the Lock-Up Period, except as otherwise disclosed in the Proxy Statement.

4. **CONFIDENTIALITY**

4.1 The Parties shall keep confidential any information which relates to the contents of, and negotiations leading to, this Agreement (or any agreement, disclosures or arrangement entered into pursuant to this Agreement) (all such information being " **Confidential Information** ").

4.2 The obligations under Section 4.1 do not apply to:

(a) any disclosure of information which is expressly consented to in writing by each of the Parties prior to such disclosure being made (or, if the information only relates to one Party, which is expressly consented to in writing by such Party);

(b) disclosure (subject to Section 4.3) in confidence by any Party to its Affiliates or to such Party's and its Affiliates' directors, officers, employees, agents and advisers (together the " **Representatives** " and each a " **Representative** ");

(c) disclosure of information to the extent required by Law or by any stock exchange or Governmental Authority, or to the extent reasonably required for the purpose of managing the tax affairs of Olayan (or any of its Affiliates), NESR Holdings (or any of its Affiliates) or any member of the Company Group;

(d) disclosure of information on a confidential basis to a bank or financial adviser of Olayan or one or more *bona fide* potential purchasers of Shareholder Instruments or any securities in Olayan or in any of its Affiliates;

(e) disclosure of information which was lawfully in the possession of each of the Parties or any of their Representatives without any obligation of secrecy prior to it being received or held;

(f) disclosure of any information which has previously become publicly available other than through any Party's fault (or that of its Representatives) (as applicable);

(g) disclosure required for the purposes of any arbitral or judicial proceedings arising out of this Agreement;

(h) disclosure required pursuant to the terms of this Agreement; or

(i) any announcement made in accordance with Section 5 .

4.3 Each of the Parties shall inform any Representatives to whom it provides Confidential Information that such information is confidential and shall instruct each such Representative:

(a) to keep it confidential;

(b) not to use it for its own business purposes; and

(c) not to disclose it to any third party (other than those persons to whom it has already been disclosed in accordance with this Agreement).

4.4 The disclosing party shall be responsible for any breach of this Section 4.4 by a Representative to whom it provides any Confidential Information as if the disclosing party were the party that had breached this Section 4.4 .

5. **ANNOUNCEMENTS**

5.1 Subject to Section 5.2 , unless otherwise agreed in writing, no Party (nor any of its Connected Persons) shall make any announcement or issue any communication in connection with the existence or subject matter of this Agreement.

5.2 The restriction in Section 5.1 shall not apply to the extent that the announcement or communication is required by Law, by any stock exchange or by any Governmental Authority. In this case, the Party making the announcement or issuing the communication shall, as far as reasonably practicable:

(a) use reasonable endeavors to consult with the other Parties in advance as to what form it takes, what it contains and when it is issued;

(b) take into account the relevant Party's reasonable requirements; and

(c) announce and/or disclose (as applicable) only the minimum amount of Confidential Information that is required to be announced and/or disclosed (as applicable) and use reasonable endeavors to assist the relevant Party in respect of any reasonable action that they may take to resist or limit such announcement and/or the issuance of such circular (as applicable).

6. **NOTICES**

6.1 All notices, demands, requests, consents, approvals or other communications required or permitted to be given hereunder or which are given with respect to this Agreement shall be in writing and shall be personally served, delivered by reputable air courier service with charges prepaid, or transmitted by hand delivery, telegram, telex or facsimile, addressed as set forth below, or to such other address as such Party shall have specified most recently by written notice. Notice shall be deemed given on the date of service or transmission if personally served or transmitted by telegram, telex or facsimile; *provided* , that if such service or transmission is not on a Business Day or is after normal business hours, then such notice shall be deemed given on the next Business Day. Notice otherwise sent as provided herein shall be deemed given on the next Business Day following timely delivery of such notice to a reputable air courier service with an order for next-day delivery.

6.2 The addresses and e-mail addresses of the Parties for the purpose of Section 6.1 are:

Company For the attention of: Sherif Foda	Address: 777 Post Oak Blvd Suite 730 Houston, Texas 77056 United States	E-mail: sfoda@nesrco.com
NESR Holdings For the attention of: Sherif Foda	Address: 777 Post Oak Blvd., Suite 730 Houston, Texas 77056 United States	E-mail: sfoda@nesrco.com
Olayan For the attention of: Fadi Otaqui	Address: Hana Investments Co. WLL P.O. Box 8772 Riyadh, 11492, Saudi Arabia	E-mail: F.Otaqui@olayangroup.com

7. **COSTS AND INTEREST**

7.1 Each of the Parties shall be responsible for its own costs, charges and expenses (including taxation) incurred in connection with negotiating, preparing and implementing this Agreement and the transactions contemplated by it.

7.2 The Company shall reimburse additional expenses of Olayan in the amount equal to $2,400,000, either by wire transfer of immediately available funds or through the issuance to Olayan or its designated Affiliate of an equivalent amount in Common Shares valued at $11.244 per share, in the sole discretion of the Company.

8. **WHOLE AGREEMENT**

8.1 This Agreement sets out the whole agreement between the Parties in respect of the subject matter of this Agreement and supersedes any previous draft, agreement, arrangement or understanding between them, whether in writing or not, relating to it. In particular it is agreed that:

(a) no Party has relied on or shall have any claim or remedy arising under or in connection with any statement, representation, warranty or undertaking, made by or on behalf of any other Party (or any of its Connected Persons) in relation to the subject matter of this Agreement that is not expressly set out in this Agreement;

(b) any terms or conditions implied by Law in any jurisdiction in relation to the subject matter of this Agreement are excluded to the fullest extent permitted by Law or, if incapable of exclusion, any rights or remedies in relation to them are irrevocably waived;

(c) the only right or remedy of a Party in relation to any provision of this Agreement shall be for breach of this Agreement; and

(d) except for any liability in respect of a breach of this Agreement, no Party (nor any of its Connected Persons) shall owe any duty of care or have any liability in tort or otherwise to any other Party (or its respective Connected Persons) in relation to the subject matter of this Agreement.

8.2 Nothing in Section 8.1 shall limit any liability for (or remedy in respect of) fraud or fraudulent misrepresentation.

8.3 Each Party agrees to the terms of this Section 7.1 on its own behalf and as agent for each of its Connected Persons.

9. **ASSIGNMENT**

None of the Parties may assign, transfer, charge or otherwise deal with any of its rights or obligations under this Agreement nor grant, declare, create or dispose of any right or interest in it, in whole or in part; *provided* , *however* , that Olayan may assign its rights and obligations under this Agreement to its Affiliates. Any purported assignment in contravention of this Section 9 shall be void.

10. **VARIATIONS**

10.1 No variation of this Agreement shall be valid unless it is in writing and duly executed by or on behalf of the Parties.

10.2 If this Agreement is varied:

(a) the variation shall not constitute a general waiver of any provisions of this Agreement;

(b) the variation shall not affect any rights, obligations or liabilities under this Agreement that have already accrued up to the date of variation; and

(c) the rights and obligations of the Parties under this Agreement shall remain in full force and effect, except as, and only to the extent that, they are so varied.

11. **INVALID TERMS**

11.1 Each of the provisions of this Agreement is severable.

11.2 If and to the extent that any provision of this Agreement:

(a) is held to be, or becomes, invalid or unenforceable under the Law of any jurisdiction; but

(b) would be valid, binding and enforceable if some part of the provision were deleted or amended,

then the provision shall apply with the minimum modifications necessary to make it valid, binding and enforceable. All other provisions of this Agreement shall remain in force.

11.3 The Parties shall negotiate in good faith to amend or replace any invalid, void or unenforceable provision with a valid, binding and enforceable substitute provision or provisions, so that, after the amendment or replacement, the commercial effect of the Agreement is as close as possible to the effect it would have had if the relevant provision had not been invalid, void or unenforceable.

12. TERMINATION

This Agreement is conditional upon the occurrence of the NESR Closing according to the terms set forth in the SPA, without which occurrence this Agreement is null and void. Otherwise, this Agreement may be terminated only by a mutual written agreement signed by each of the Parties. Except for the provisions specifically provided for in this Agreement that shall survive termination, this Agreement shall forthwith become void and there shall be no further liability on the part of any Party for such termination.

13. ENFORCEABILITY, RIGHTS AND REMEDIES

13.1 Any waiver of, or election whether or not to enforce, any right or remedy provided under or pursuant to this Agreement or by Law must be in writing, and no waiver or election shall be inferred from a Party's conduct. Any such waiver shall not be, or be deemed to be, a waiver of any subsequent breach or default.

13.2 Except as expressly provided in this Agreement, no failure or delay by any Party in exercising any right or remedy relating to this Agreement or by Law shall impair such right or remedy or operate or be construed as a waiver or variation of it or be treated as an election not to exercise such right or remedy or preclude its exercise at any subsequent time. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.

13.3 A Party that waives a right or remedy provided under this Agreement or by Law in relation to one Party, or takes or fails to take any action against that Party, does not affect its rights in relation to any other Party.

13.4 The rights and remedies of each of the Parties under or pursuant to this Agreement are cumulative, may be exercised as often as such Party considers appropriate and are in addition to its rights and remedies under Law.

14. COUNTERPARTS

This Agreement may be executed in any number of counterparts, and by each Party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment shall be an effective mode of delivery.

15. **GOVERNING LAW**

This Agreement shall be governed by, interpreted under, and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed within the State of New York, without giving effect to any choice-of-law provisions thereof that would compel the application of the substantive laws of any other jurisdiction.

16. **JURISDICTION; WAIVER OF TRIAL BY JURY**

16.1 In the event of any dispute or failure to perform by any Party, the Parties agree to submit any dispute to the federal courts of the State of New York for resolution, and each Party hereby agrees to and submits to any court with proper jurisdiction in the State of New York. Because damages may not be an adequate remedy for failure to perform, the Parties agree that they may seek injunctive relief for enforcement of the provision or this Agreement in the federal courts of the State of New York or any court of competent jurisdiction. The Parties agree that no bond shall be required by the Party seeking injunctive relief.

16.2 Each Party hereby irrevocably and unconditionally waives the right to a trial by jury in any action, suit, counterclaim or other proceeding (whether based on contract, tort or otherwise) arising out of, connected with or relating to this Agreement, the transactions contemplated hereby, or the actions of the Parties in the negotiation, administration, performance or enforcement hereof.

SCHEDULE 1
DEFINITIONS AND INTERPRETATION

1. Definitions . In this Agreement, the following words and expressions shall have the following meaning:

" **2018 AGM** " has the meaning given to it in Section 2.3 ;

" **Affiliate** " with respect to any person, means any other person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with, such person;

" **Articles** " means the Company articles of association, as amended from time to time;

" **Board** " means the board of directors of the Company;

" **Board Meeting** " means a meeting of the Board duly convened in accordance with the Articles;

" **Business Day** " means any day of the year except Friday, Saturday and Sunday on which national banking institutions in the UAE and New York, United States of America are open to the public for conducting general commercial business and are not required or authorized to close;

" **Common Shares** " means the ordinary shares with no par value of the Company;

" **Company Group** " means the Company and all entities controlled by the Company from time to time;

" **Confidential Information** " has the meaning given to it in Section 4.1 ;

" **Connected Persons** " means, in relation to a Party, any Affiliate of that Party and any officer, employee, agent, adviser or representative of that Party or any of its Affiliates, in each case, from time to time;

" **control** " means, the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and " **controlled,** " and " **controlling** " shall be construed accordingly;

" **Directors** " means the directors of the Company from time to time;

" **Governmental Authority** " means any government or governmental or regulatory body thereof, or political subdivision thereof, whether federal, state, local or foreign, or any agency, instrumentality or authority thereof, or any court or arbitrator (public or private);

" **Law** " means any applicable statute, law, rule, regulation, guideline, ordinance, code, policy or rule of common law issued, administered or enforced by any Governmental Authority, or any judicial or administrative interpretation thereof including the rules of any stock exchange;

" **Lock-Up Period** " has the meaning given to it in Section 3.1 ;

" **Lock-Up Shares** " has the meaning given to such term in the SPEA;

“ **Necessary Action** ” means with respect to a specified result, all actions (to the extent such actions are permitted by Law and, in the case of any action by the Company that requires a vote or other action on the part of the Board, to the extent such action is consistent with the fiduciary duties that the Directors may have in such capacity) necessary to cause such result, including (i) voting or providing a written consent or proxy with respect to Common Shares, (ii) causing the adoption of shareholders' resolutions and amendments to the Articles of the Company, (iii) executing agreements and instruments, and (iv) making or causing to be made, with governmental, administrative or regulatory authorities, all filings, registrations or similar actions that are required to achieve such result;

“ **NESR Closing** ” has the meaning given to such term in the SPA;

“ **NESR Closing Date** ” has the meaning given to such term in the SPA;

“ **NESR Holdings** ” has the meaning given to it in the Preamble of this Agreement;

“ **NPS** ” has the meaning given to it in the Recitals of this Agreement;

“ **NPS Shares** ” has the meaning given to it in the Recitals of this Agreement;

“ **Olayan** ” has the meaning given to it in the Preamble of this Agreement;

“ **Olayan EVP** ” has the meaning given to it in Section 2.2 of this Agreement;

“ **Olayan Nominee** ” has the meaning given to it in Section 2.1 ;

“ **Parties** ” means the parties to this Agreement from time to time (including any person who at the relevant time is a party to, or has agreed to be bound by, this Agreement);

“ **Person** ” or “ **person** ” means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organization or government or other agency or political subdivision thereof;

“ **Proxy Statement** ” means the submission by the Company to the U.S. Securities and Exchange Commission to request approval by the shareholders of the Company to approve the transaction contemplated by the SPA;

“ **Representative** ” has the meaning given to it in Section 4.2(b) ;

“ **Shareholder Instrument** ” means:

(a) any Common Shares;

(b) any shares in the capital of any of the subsidiaries of the Company;

(c) any instrument, document or security granting a right of subscription for, or conversion into Common Shares or shares in the capital of any of the subsidiaries of the Company; and

(d) loan stock or any other instrument or security evidencing indebtedness issued by any member of the Company Group (excluding any third-party debt financings);

“ **Shares** ” has the meaning given to it in the SPEA;

" **SPA** " has the meaning given to it in the Recitals of this Agreement; and

" **SPEA** " has the meaning given to it in the Recitals of this Agreement.

2. Interpretation . In this Agreement, unless the context otherwise requires:

(a) headings do not affect the interpretation of this Agreement; the singular shall include the plural and *vice versa* ; and references to one gender include all genders;

(b) references to $ are references to the lawful currency from time to time of the United States;

(c) any phrase introduced by the terms ***including*** , ***include*** , ***in particular*** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;

(d) "herein", "hereof" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision; and

(e) if there is any inconsistency between any definition set out in this Schedule and a definition set out in any section or any other Schedule, then, for the purposes of construing that section or Schedule, the definition set out in that section or Schedule shall prevail.

3. Where any obligation in this Agreement is expressed to be undertaken or assumed by any Party, that obligation is to be construed as requiring the Party concerned to exercise all rights and powers of control over the affairs of any other person which it is able to exercise (whether directly or indirectly) in order to secure performance of the obligation.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the date first written above.

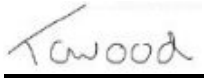
COMPANY :

NATIONAL ENERGY SERVICES REUNITED CORP.

By: _____
Name: Sherif Foda
Title: Chief Executive Officer

NESR HOLDINGS :

NESR HOLDINGS LIMITED



By: _____
Name: Tom Wood
Title: Director

OLAYAN :

HANA INVESTMENTS CO. WLL LTD.

By: _____
Name:
Title :

[*Signature Page to the Relationship Agreement*]

National Energy Services Reunited Corp. (***NESR***)
777 Post Oak Blvd.
7 th Floor
Houston
Texas 77056
United States of America

6 June 2018

Dear Sirs,

The persons whose names appear on the signature pages to this letter (the ***Selling Stockholders***) refer to the Stock Purchase Agreement dated 12 November 2017 between NESR, Hana Investments Co. WLL, NPS Holdings Limited (***NPS***) and the Selling Stockholders (the ***Agreement***). Unless otherwise defined herein, capitalised terms in this letter shall have the meanings given to those terms in the Agreement.

Subject to and conditional upon:

(a) the satisfaction of NESR's obligations on the NESR Closing Date (other than as such obligations are varied on the terms of this letter); and

(b) (in addition to the receipt by the Selling Stockholders of an aggregate amount of US$13,411,501.00 from NPS on the NESR Closing Date, in accordance with the Agreement) receipt by the Selling Stockholders of an aggregate amount equal to US$5,240,403.50 (to be apportioned amongst the Selling Stockholders in the amounts set forth in the Annex hereto) from NPS, as soon as possible but in any case on or prior to 3 July 2018 (the ***NPS Payment***),

the Selling Stockholders agree that US$8,692,961.00 of the Receivable Amount that is payable by NESR to the Selling Stockholders on the NESR Closing Date is hereby waived and, accordingly, shall not be payable by NESR on the NESR Closing Date.

The NPS Payment shall be made in consideration for the fees, costs and expenses incurred by the Selling Stockholders in connection with the transactions contemplated under the Agreement.

No failure or delay by any Selling Stockholder in exercising any right or remedy provided by law or under the Agreement as a result of or in connection with the terms of this letter shall impair such right or remedy or operate or be construed as a waiver or variation of it or preclude its exercise at any subsequent time and no single or partial exercise of any such right or remedy shall preclude any further exercise of it or the exercise of any other remedy.

This letter shall not operate or be construed as a further or continuing waiver of any breach, or subsequent breach, by NESR of any of its obligations under the Agreement and each Selling Shareholder reserves all of its rights and remedies in relation to any breach of the Agreement.

This letter may be executed in one or more counterparts and by each party on separate counterparts and each such counterpart shall comprise an original, but all counterparts shall together constitute one and the same instrument.

This letter and any non-contractual obligations arising out of or in connection with this letter shall be governed by, and construed in accordance with, English law.

Yours faithfully,

/s/Abdulaziz Al Delaimi

Abdulaziz Al Delaimi

/s/Hussein Al Nowais

Authorised signatory
Name: Hussein Al Nowais
for and on behalf of
Al Nowais Investments LLC

/s/Ahmed A Attiga

Authorised signatory
Name: Ahmed A Attiga, PhD
for and on behalf of
Arab Petroleum Investments Corporation

/s/Michael Raynes

Authorised signatory
Name: Michael Raynes
for and on behalf of
Castle SPC Limited

/s/Fahad Abdulla Bin Dekhayel

Fahad Abdulla Bin Dekhayel

/s/Zahid Kamal

Authorised signatory
Name: Zahid Kamal
for and on behalf of
OFS Investments Limited

ANNEX

Selling Stockholder	Amount (US$)
Arab Petroleum Investments Corporation	2,265,027.50
OFS Investments Limited	1,643,283.00
Al Nowais Investments LLC	565,642.50
Castle SPC Limited	565,642.50
Fahad Abdulla Bindekhayel	133,870.00
Abdulaziz Aldelaimi	66,938.00
Total	**5,240,403.50**

NESR

June 12th, 2018

VIA E-MAIL

Ms. Melissa Cougle
2110 Millwood Drive
Houston, Texas, 77008
melissacougle@live.com

Dear Melissa:

On behalf of the Board of Directors, it is my pleasure to offer you the position of Chief Financial Officer of National Energy Services Reunited Corp ("NESR" or "Company"). NESR is an ambitious, fast-growing special purpose acquisition company, and I know your expertise and leadership will help us to accelerate our growth and success. We are looking forward to you joining the team at the earliest possible convenience.

Please take a moment to review the information below to ensure that you fully understand all aspects of this offer. This letter contains the entire understanding of the parties with respect to the terms and conditions of this offer of employment and supersedes any prior verbal or written communication. This offer may only be modified in a document signed by both the parties referring specifically to this offer.

In connection with your appointment, the Board of Directors approved the following compensation arrangements:

1) An annual base salary of $300,000, to be reviewed annually.

2) An annual target performance bonus set at 100% of your salary. Your performance bonus will be based on mutually agreed Key Performance Indicators to include EBITDA, integration, and compliance.

3) 200% equity in LTI with a mix RSU/PSU/SO s based on future stock appreciation.

4) Equity awards will be made upon approval by the Board of Directors..

In addition to the foregoing, your offer also includes participation in the Company's medical, dental, vision, life and disability plans as well as vacation benefits that will accrue as per company policy.

All payments are subject to withholding of such amounts, if any, relating to tax and other payroll deductions as the Company reasonably determines are required pursuant to any applicable law or regulations.

NESR

As an employee of NESR, you will become knowledgeable about trade secrets, confidential and/or proprietary information related to the operations, products and services of NESR and its clients ("Confidential Information"). To protect the interests of both NESR and its clients, you shall keep the Confidential Information in the strictest confidence. You will not disclose such information to anyone outside the Company without Company's prior written consent, nor will you make use of any Confidential Information for the benefit of anyone other than Company.

While you are employed by the Company, you will not engage in any other employment, consulting or other business activity (whether full-time or part-time) that would create a conflict of interest with the Company. By signing this letter of agreement, you confirm that you have no contractual commitments or other legal obligations that would prohibit you from performing your duties for the Company.

This letter does not constitute a contract of employment for any specific period of time, but will create an "employment at will" relationship. This means that the employment relationship may be terminated with or without cause and with or without notice at any time by you or NESR. Your signature at the end of this letter confirms that no promises or agreements that are contrary to an at will relationship have been committed to you during any of your pre-employment discussions with NESR, and that this letter contains our complete agreement regarding the terms and conditions of your employment.

You may confirm your acceptance of this offer by signing a copy of this offer letter and returning it to me at: sfoda@nesrco.com

We are excited to have you join us and look forward to working together to grow NESR into a leader in the oilfield service marketplace.

Sincerely,

Sherif Foda,
Chief Executive Officer

Accepted:

By 

Melissa Cougle

Date: 6/12/2018

VOTING AGREEMENT

This VOTING AGREEMENT (this *"Agreement"),* dated as of June 6, 201 8, is entered into by and among National Energy Services Reunited Corp., a company organized under the laws of the British Virgin Islands (the *"Company"),* NESR Holdings Ltd ., a company organized under the laws of the British Virgin Islands *("NESR Holdings ") ,* and SV3 Holdings PTE LTD., a company organized under the laws of the Republic of Singapore *("SVJ")* .

WHEREAS, SV3 and the Company have entered into that certain Contribution Agreement (the *"Contribution Agreement "),* pursuant to which SV3 has contributed to the Company its interests in GES (as defined below) and, in consideration therefor, has received Ordinary Shares; and

WHEREAS , in connection with , and effective upon, the completion of the Business Combination (as defined below), the Company, NESR Holdings and SV3 have entered into thi s Agreement to set forth certain understand ings among themselves, i nclud ing with respect to certai n corporate governance matters.

NOW, THEREFORE, i n consideration of the mutual covenant s contained herein and for good and valuable consideration , the recei pt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

ARTICLE I
DEFINITIONS

Section I .I Certain Definitions. As used in th is Agreement, the following terms shall have the following meanings:

"Affiliate " means, with respect to any specified Person, a Person that directly or indirectly Controls or is Controlled by, or is under common Control with, such specified Person.

"Beneficial Owner" of a security is a Person who directly or indirectly, through any contract, arrangement, understanding, relationship or otherwise, has or shares (a) vot ing power, which includes the power to vote, or to direct the voting of, such security and/or (b) investment power, which includes the power to dispose, or to direct the disposition of, such security. The terms *"Beneficially Own"* and *"Beneficial Ownership"* shall have correlative meanings. For the avoidance of doubt, for purposes of this Agreement, SV3 is deemed to Beneficially Own the Ord inary Shares owned by it and any Affi l iate of SV3.

"Board " means the Board of Directors of the Company.

"Business Combination" means the consummation of an initial business combination (as defined in the Company ‘s final prospectus , dated May 11, 2017) that includes an acquisition by the Company of all or substantially all of the outstanding capital stock of GES, and substantially a ll of the assets or capital stock of any other Person or Persons for which the Company submits a single proxy seeking shareholder approval for such initial business combination.

"Control" (including the terms *"Controls," "Controlled by"* and *"under common Control with")* means the possession , direct or indirect, of the power to (a) direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise or (b) vote I 0% or more of the securities having ord inary voting power for the election of directors of a Person.

"GES" means Gulf Energy S.A.0.C., a closed joint stock company registered in Oman under Commercial Registration No. 1 791842, with its registered office address as P. 0. Box 786, Postal Code 1 16, Mina Al Fahal, Oman.

"Necessary Action" means, with respect to a specified result, al l actions (to the extent such actions are permitted by applicable law and, in the case of any action by the Company that requ ires a vote or other action on the part of the Board , to the extent such action is consistent with the fiduciary duties that the Company's d irectors may have in such capacity) necessary to cause such resu lt, includ ing (i) voting or provid ing a wri tten consent or proxy with respect to Ord i nary Shares, (i i) causing the adoption of shareholders' resolutions and amendments to the organizational docu ments of the Company, (ii i) executing agreements and instruments and (iv) making or causing to be made, with governmental, administrative or regulatory authorities, all fi lings, registrations or simi lar actions that are requ i red to achieve such result.

"Ordinary Shares" means the ord i nary shares, no par value, of the Company.

"Person " means any individual , corporation, firm, partnership, joint venture, limited liability company, estate, trust, business association , organization, any court, administrative agency, regulatory body, commission or other governmental authority, board, bureau or instrumentality, domestic or foreign and any subdivision thereof or other entity, and also includes any managed investment account.

Section 1 .2 Rules of Con s truction.

(a) Un less the context requ ires otherwise: (i) any pronoun used in this Agreement shall include the corresponding mascu l ine, fem inine or neuter form s; (i i) references to Articles and Sections refer to articles and sections of this Agreement; (ii i) the terms "include," "includes," "includ ing" and words of like import shall be deemed to be followed by the words "without lim itation"; (iv) the terms "hereof," "hereto," "herein" or "hereunder " refer to this Agreement as a whole and not to any particu lar provision of this Agreement; (v) unless the context otherwise requ ires, the term "or" is not exclusive and shall have the inclus ive meaning of "and/or"; (vi) defined terms herei n wi l l apply equally to both the singular and plural forms and derivati ve forms of defined terms will have correlative meani ngs; (vi i) references to any law or statute shall include all ru les and regu lations promulgated thereunder, and references to any law or statute shall be construed as including any legal and statutory provisions consol idating, amend ing, succeeding or replacin g the appl icable law or statute; (viii) references to any Person include such Person 's successors and permitted assigns; and (ix) references to "days" are to calendar days unless otherwise indicated.

(b) The headings i n this Agreement are for convenience and identification only and are not intended to describe, interpret, define or limit the scope, extent or intent of this Agreement or any provision thereof.

(c) This Agreement shal l be construed withou t regard to any presumption or other rule req u iring construction against the party that drafted or caused this Agreement to be drafted

ARTICLE II
GOVERNANCE MATTERS

Section 2.1 Designees.

(a) The Company and N ESR Holdings shall take all Necessary Action to cause the Board to include mem bers as fol lows:

(i) Unti l such time as SY3 and its Affi l iates collectively Beneficially Own less than 4,095,000 of the outstand ing Ord inary Shares, one nominee designated by SV3 (the *"SV3 Director "),* provided that SY3 has taken all Necessary Act ion during the course of negotiati ng and enterin g the Sale and Purchase Agreement and afterwards as a shareholder of Compan y to afford the former shareholders of GES the same ri ght to appoint a d irector to the Board; and

(ii) I f SV3 and i ts Affil iates collectively Beneficially Own less than 4 ,095,000of the outstand ing Ord inary Shares, SY3 shall not be entit led to designate a nom inee as an SY3 Director.

The Company agrees, to the fu l lest extent permitted by applicable law (incl udi ng with respect to any applicable fiduciary duties under applicable law), that taking all necessary corporate action to effectuate the above shal l include (A) including the persons designated pursuant to this Section 2. 1{a) in the slate of nominees recommended by the Board for election at any meeti ng of stockholders called for the purpose of electi ng directors, (B) nominating and recommend ing each such ind ividual to be elected as a director as provided herein, and (C) solicit ing proxies or consents i n favor thereof. The Company is entitled to identify such ind ivid ual as an SY3 Director, pursuant to this Agreement.

(b) So long as SV3 is entitled to designate a nominee pursuant to Section 2.1 { a) , SV3 shal l have the right to remove such SY3 Director (with or without cause), from time to t ime and at any time, from the Board, exercisable upon written notice to the Company, and the Company shall take all Necessary Action to cause such removal.

(c) I n the event that a vacancy is created on the Board at any time by the death, d isability, resignation or removal (whether by SV3 or otherwise in accordance wi th the Company's organizational documents, as such may be amended or restated from t ime to time) of an SY3 Director , SY3 shall be entitled to designate an ind ividual to fill the vacancy. The Company and the NESR Hold ings shall take all Necessary Action to cause such replacement designee to become a member of the Board.

Section 2.2 Board Observation Rights. So long as SV3 and its Affiliates collectively Beneficially Own at least 4,095,000 of the outstand ing Ordinary Shares of the Company, SY3 shall be entitled to have two (2) representatives attend (either in person or telephonical ly) all meeti ngs of the Board in a nonvoti ng observer capacity, which will include the right to receive notice of all meeti ngs of the Board and the right to receive copies of all notices, minutes, written consents, and other materials that it provides to mem bers of the Board, at the same time so provided to the Board *("Board Observer") ; provided , however,* that so long as an SV3 Director is du l y elected and serving as a member of the Board, SV3 shall only have the right to designate one (I) Board Observer pursuant to this Section 2 .2; *provided further , however,* that if SV3 and its Affil iates col lectively Beneficia l ly Own (i) less than 4,095 ,000 of the outstand ing Ord inary Shares and (ii) more than one percent (1%) of the outstand ing Ord inary Shares, then SV3 shall only have the right to designate one (l) Board Observer pursuant to this Section 2 .2. Nothing i n this Section 2.2 shal l restrict the Chairman of the Board or the Board from exclud ing the Board Observer from recei ving any materials that are otherwise provided to the Board or from exclud ing the Board Observer from any meeting of the Board (or portion thereof) if deemed in their sole discretion to be advisable either for the benefit or protection of the Company or a Board mem ber or related to issues of potential conflicts of interest with such Board Observer or its affiliates.

Section 2.3 Restrictions on Other Agreements. NESR Hold ings shall not, d irectly or indi rectly, grant any proxy or enter into or agree to be bound by any voting trust, agreement or arrangement of any k ind with respect to i ts Ordinary Shares if and to the extent the terms thereof conflict with the provisions of this Agreement (whether or not such proxy, vot ing trust, agreement or agreements are with holders of Ord inary Shares that are not parties to this Agreement or otherwise).

ARTICLE III
EFFECTIVENESS AND TERMINATION

Section 3.1 Effectiveness. Upon the closing of the Business Combination, th is Agreement shal l thereu pon be deemed to be effective. However, to the extent the closing of the Busi ness Combination does not occur, the provisions of this Agreement shall be without any force or effect.

Section 3.2 Term ination. This Agreement shall terminate upon the earlier to occur of (a) such time as SV3 and its Affiliates Beneficial l y Own less than (i) 4,095,000 of the outstand ing Ord inary Shares and (ii) one percent (1%) of the outstand ing Ord inary Shares, or (b) the del ivery of written notice to the Company by SV3, requesting the term ination of this Agreement. Further, at such time as any party hereto no longer Beneficial ly Owns any Ord inary Shares, all rights and obligations of such party under this Agreement shall terminate.

ARTICLE IV
MISCELLANEOUS

Section 4.1 Notices. All notices, requests, demands and other communications under this Agreement shall be in writ ing and shall be personally delivered, sent by nationally recognized overnight courier, mailed by registered or certified mai l or be sent by facsimile or electronic mail to such party at the address set forth below (or such other address as shall be specified by l ike notice). Notices will be deemed to have been duly given hereunder if (a) personall y delivered , when received , (b) sent by nationall y recognized overnight courier, one (l) busi ness day after deposit with the nationally recognized overnight courier, (c) mai led by registered or certified mai l , five (5) busi ness days after the date on which it is so mailed , and (d) sent by facsimi le or electronic mai l, on the date sent so long as such communication is transmitted before 5:00 p.m. in the time zone of the receivi ng party on a business day, otherwise, on the next busi ness day.

(a) If to the Company, to:

National Energy Services Reunited Corp. 777 Post Oak Blvd., Suite 730
Houston, Texas 77056
Attention : Sherif Foda; Joseph Nawfal
Ema il: sfoda(@n esrco.com ; jn awfa l @n esrco.com

With a copy to (which does not constitute notice):

Looper Goodwi ne, P.C.
1300 Post Oak Bou levard, Suite 2400 Houston , Texas 77056
Attention: Dona ld R. Looper
Ema il: d loopcr@ loopern.oodwine.com

(b) If to NESR Hold ings, to:

NESR Holdings Ltd.
777 Post Oak Blvd ., Suite 730
Houston, Texas 77056
Attention: Sherif Foda; Joseph Nawfal
Ema il: sfoda@nesrco.com; jn awlal@,nesrco.com

With a copy to (which does not constitute notice):

Looper Goodwi ne, P.C.
1 300 Post Oak Bou levard, Suite 2400 Houston, Texas 77056
Attention: Dona ld R. Looper
Ema il: d l oopc rla1 1oo pcr g:ood w i nc.c om

(c) Ifto SV3, to:

SV3 Hold ings PTE Ltd. c/o SCF Partners
600 Travis Street, Suite 6600
Houston, Texas 77002
Attention: Andrew L. Wai te; Theresa W. Eaton

Ema i l: A Wai te(a),scfpartner s.com; TEaton(@.scfpa rtners.com

With a copy (which shall not constitute notice) to:

Vinson & Elkins L.L.P.
I 00 I Fannin Street, Suite 2500 Houston, Texas 77002
Attention: W. Matthew Strock; E. Ramey Layne
Ema i l : m st roc k @vclaw.com; rla vnc@.vclaw.com

Section 4.2 Severabil i ty. The provision s of this Agreement shall be deemed severable, and the invalid ity or unen forcea bi li ty of any provision shall not affect the val i d ity or enforceability of the other provisions hereof. I f any provision of this Agreement , or the appl ication thereof to any Person or any circumstance , is found to be inval id or unenforceable in any jurisd iction , (a) a suitable and equitable provision shall be substituted therefor i n order to carry out, so far as may be val id and enforceable, the i ntent and purpose of such inval id or unenforcea ble provision and (b) the rema inder of this Agreement and the appl ication of such provi sion to other Persons or circumstances shall not be affected by such inval idity or unenforceabil ity, nor shal l such i nvalidity or unenforceabili ty affect the valid ity or enforceabi l ity of such provision, or the application thereof, i n any other juri sdiction.

Section 4.3 C ounterparts. This Agreement may be executed in one or more counterparts , each of which shall be deemed an original and al l of which, taken together , shall be considered one and the same agreement.

Section 4.4 Enti re Agreement: No Th i rd Partv Beneficiari e s. This Agreement
(a) constitutes the entire agreement and supersedes all other prior agreements, both written and oral, among the parties hereto with respect to the subject matter hereof and (b) is not intended to confer upon any Person, other than the parties hereto, any rights or remed ies hereunder.

Section 4.5 Fw1her Assurances. Each party hereto shall execute, deliver, acknowledge and file such other documents and take such further actions as may be reasonably requested from time to time by the other parties hereto to give effect to and carry out the transactions contemplated herei n.

Section 4.6 Governing Law; Equitable Remed ies. THIS AGREEMENT SHALL BE GOVERN ED BY, AN D CONSTRUED JN ACCORDANCE WITH, THE LAWS OF THE STATE OF TEXAS (W ITHOUT GIVING EFFECT TO CONFLICT OF LA WS PRINCIPLES
THEREOF). The parties hereto agree that irreparable damage would occur i n the event that any of the provisions of this Agreement were not performed i n accordance with its specific terms or was otherwise breached. It is accordingly agreed that the parties hereto shal l be entitled to an i nj unction or injunctions and other equitable remed ies to prevent breaches of this Agreement and to enforce specifical ly the terms and provisions hereof in any of the Selected Courts (as defined below), th is being in add ition to any other remedy to which they are entitled at law or in equi ty. Any requirements for the securing or posting of any bond with respect to such remed y are hereby waived by each of the parties hereto. Each party hereto further agrees that, in the event of any action for an injunction or other equitable remedy i n respect of such breach or enforcement of specific performance, i t will not assert the defense that a remedy at law would be adequate.

Section 4.7 Consent to Jurisd iction and A rbitration.

(a) In the event of any d ispute between the Parties arising out of or relating to this Agreement (includ ing a dispute relati ng to any non-contractual obl igations arising out of or in connection with this Agreement), representat ives of the parties shall, wi thi n ten (I 0) busi ness days of service of a written notice from either party to the other (a *"Disputes Notice "),* hold a meeti ng (a *·'Dispute Meeting ")* in an effort to resolve the dispute. In the absence of agreement to the contrary the Dispute Meet ing shal l be held at the registered office for the time bei ng of the Company. Each Party shall use all reasonable endeavours to send a representative who has authority to settle the dispute to attend the Dispute Meeti ng.

(b) Any dispute arising out of or with respect to this Agreemen t shal I be resolved solely by arbitration held under the American Arbitration Association *("AAA").* The seat, or legal place, of arbitration shall be Houston, Texas. The arbitrator shall be instructed to attempt to concl ude the arbitration within thirty (30) days of init iation of proceed ings. Both parties expressl y wa ive thei r rights to resort to the courts and expressl y waive their rights to discovery except as requi red by the arbitrator. Time is of the essence, and the arbitrator is authorized to render a defaul t judgment aga inst a party fa il ing to appear, provided adequate evidence is presented by the party partici pati ng.

(c) The n umber of arbitrators shall be one (1). The arbitrator will be appointed by the AAA. The language to be used in the arbitration shal l be English.

(d) The award made by the arbitrator shall be final and bind ing on the parties and may be enforced in any court of competent jurisd iction. To the extent permissi ble by law, the parties hereby waive any right to appeal the decision of the arbitrator. Notwithstand ing the foregoing, the parties agree that any of them may seek interim measures includ ing injuncti ve rel ief i n relation to the provisions of this Agreement or the parties ' performance of it from any court of competent jurisd iction.

Section 4.8 Amendments: Waivers.

(a) No provision of this Agreement may be amended or waived unless such amendment or waiver is in writing and signed (i) in the case of an amendment, by each of the parties hereto, and (ii) i n the case of a waiver, by each of the parties aga inst whom the waiver is to be effective.

(b) No failure or delay by any party i n exercisi ng any right, power or privi lege hereunder shall operate as waiver thereof nor shall any single or partial exercise thereof precl ude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remed ies herei n provided shall be cumulative and not exclusive of any rights or remed ies provided by law.

Section 4.9 A ssignment. Neither this Agreement nor any of the rights or obligations hereund er shall be assigned by any of the parties hereto without the prior written consent of the other parties; provided, however , that SV3 may assign any of its rights hereunder to any of its Affi liates. Subject to the preced ing sentence, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties and their respective successors and assigns. In the event any party hereto assigns or transfers any Ord inary Shares to any Affiliate of such party, such Affi l iate shall be bound by this Agreement the same as the party that assigned or transferred such Ord inary Shares.

[Signature page follows.]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first written above.

NATIONAL ENERGY SERVICES REUNITED CORP.

By: /s/Sherif Foda
Name: Sherif Foda
Title: CEO

NESR HOLDINGS LTD.

By: /s/ Tom Wood
Name: Tom Wood
Title: Director

SV3 HOLDINGS PTE LTD.

By: /s/Andrew Waite
Name: Andrew Waite
Title: Authorized signatory

REGISTRATION RIGHTS AGREEMENT

THIS REGISTRATION RIGHTS AGREEMEN T (this " **Agreement** ") is entered into as of the 6th day of June 2018, by and among National Energy Services Reunited Corp., a British Virgin Islands company (the " **Company** ") and SV3 Holdings PTE LTD, a company incorporated in Singapore (the " **Investor** " or " **SV3** ").

WHEREAS , the Investor and Company have entered into that Contribution Agreement dated November 12, 2017 (" **Contribution Agreement** "), pursuant to which Investor has agreed to exchange 136,500 shares in Gulf Energy S.A.O.C. for 6,825,000 Ordinary Shares of Company (**"Shares "**)

WHEREAS , the Investor and the Company desire to enter into this Agreement to provide the Investor with certain rights relating to the registration of the Registrable Securities (as defined herein);

NOW, THEREFORE , in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **DEFINITIONS** . The following capitalized terms used herein have the following meanings:

" **Agreement** " means this Agreement, as amended, restated, supplemented, or otherwise modified from time to time.

" **Commission** " means the Securities and Exchange Commission, or any other Federal agency then administering the Securities Act or the Exchange Act.

" **Company** " is defined in the preamble to this Agreement.

" **Demand Registration** " is defined in Section 2.1.1.

" **Demanding Holder** " is defined in Section 2.1.1.

" **Exchange Act** " means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

" **Indemnified Party** " is defined in Section 4.3.

" **Indemnifying Party** " is defined in Section 4.3.

" **Shares** " is defined in the preamble to this Agreement.

" **Investor** " is defined in the preamble to this Agreement.

" **Investor Indemnified Party** " is defined in Section 4.1.

" **Maximum Number of Shares** " is defined in Section 2.1.4.

" **Notices** " is defined in Section 6.3.

" **Ordinary Share** " means the ordinary share of the Company, no par value.

" **Piggy-Back Registration** " is defined in Section 2.2.1.

" **Register** ," " **Registered** " and " **Registration** " mean a registration effected by preparing and filing a registration statement or similar document in compliance with the requirements of the Securities Act, and such registration statement becoming effective.

" **Registrable Securities** " means (i) the Shares and (ii) any other Ordinary Shares, of no par value, of the Company held by SV3 or any of its subsidiaries or affiliates at any time, including those held as a result of, or issuable upon, the conversion or exercise of options, warrants and other securities convertible into, or exchangeable or exercisable for (at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject), or depositary receipts or depositary shares representing or evidencing, Ordinary Shares (including, without limitation, any note or debt security convertible into or exchangeable for Ordinary Shares), whether now owned or acquired by SV3 at a later time. Registrable Securities include any warrants, shares of capital or other securities of the Company (or any successor thereto) issued as a dividend or other distribution with respect to or in exchange for or in replacement of any of the securities referenced in the prior sentence. As to any particular Registrable Securities, such securities shall cease to be Registrable Securities when: (a) a Registration Statement with respect to the sale of such securities shall have become effective under the Securities Act and such securities shall have been sold, transferred, disposed of or exchanged in accordance with such Registration Statement; (b) such securities shall have been otherwise transferred, new certificates for them not bearing a legend restricting further transfer shall have been delivered by the Company and subsequent public distribution of them shall not require registration under the Securities Act; (c) such securities shall have ceased to be outstanding, or (d) the Registrable Securities are freely saleable under Rule 144 without volume limitations.

" **Registration Statement** " means a registration statement filed by the Company with the Commission in compliance with the Securities Act for a public offering and sale of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into, equity securities (other than a registration statement on Form S-4 or Form S-8, or their successors, or any registration statement covering only securities proposed to be issued in exchange for securities or assets of another entity).

" **Securities Act** " means the Securities Act of 1933, as amended, and the rules and regulations of the Commission promulgated thereunder, all as the same shall be in effect at the time.

" **Underwriter** " means a securities dealer who purchases any Registrable Securities as principal in an underwritten offering and not as part of such dealer's market-making activities.

" **Units** " means the units of the Company, each comprised of one Ordinary Share and one warrant to purchase one-half of one Ordinary Share.

2. **REGISTRATION RIGHTS** .

2.1 Demand Registration .

2.1.1 Request for Registration . At any time and from time to time, SV3 may make a written demand (such holder, the " **Initiating Holder** ") for registration under the Securities Act of all or part of their Registrable Securities (a " **Demand Registration** "). Any demand for a Demand Registration shall specify the number of Registrable Securities proposed to be sold and the intended method(s) of distribution thereof. The Company will notify all holders of Registrable Securities of the demand, and each holder of Registrable Securities who wishes to include all or a portion of such holder's Registrable Securities in the Demand Registration (each such holder including shares of Registrable Securities in such registration, including the Initiating Holder, a " **Demanding Holder** ") shall so notify the Company within fifteen (15) days after the receipt by the holder of the notice from the Company. Upon any such request, the Demanding Holders shall be entitled to have their Registrable Securities included in the Demand Registration, subject to Section 2.1.4 and the provisions set forth in Section 3.1.1. The Company shall not be obligated to effect more than one (1) Demand Registration under this Section 2.1.1 in respect of all Registrable Securities.

2.1.2 Effective Registration . A registration will not count as a Demand Registration until the Registration Statement filed with the Commission with respect to such Demand Registration has been declared effective and the Company has complied with all of its obligations under this Agreement with respect thereto; provided, however, that if, after such Registration Statement has been declared effective, the offering of Registrable Securities pursuant to a Demand Registration is interfered with by any stop order or injunction of the Commission or any other governmental agency or court, the Registration Statement with respect to such Demand Registration will be deemed not to have been declared effective, unless and until, (i) such stop order or injunction is removed, rescinded or otherwise terminated, and (ii) a majority-in-interest of the Demanding Holders thereafter elect to continue the offering; provided, further, that the Company shall not be obligated to file a second Registration Statement until a Registration Statement that has been filed is counted as a Demand Registration or is terminated.

2.1.3 Underwritten Offering . If a majority-in-interest of the Demanding Holders so elect and such holders so advise the Company as part of their written demand for a Demand Registration, the offering of such Registrable Securities pursuant to such Demand Registration shall be in the form of an underwritten offering. In such event, the right of any holder to include its Registrable Securities in such offering shall be conditioned upon such holder's participation in such offering and the inclusion of such holder's Registrable Securities in the offering to the extent provided herein. All Demanding Holders proposing to distribute their Registrable Securities through such underwritten offering shall enter into an underwriting agreement in customary form with the Underwriter or Underwriters selected for such underwriting by a majority-in-interest of the holders initiating the Demand Registration.

2.1.4 Reduction of Offering . If the managing Underwriter or Underwriters for a Demand Registration that is to be an underwritten offering advises the Company and the Demanding Holders in writing that the dollar amount or number of shares of Registrable Securities which the Demanding Holders desire to sell, taken together with all other Ordinary Shares or other securities which the Company desires to sell and the Ordinary Shares, if any, as to which registration has been requested pursuant to written contractual piggy-back registration rights held by other shareholders of the Company who desire to sell, exceeds the maximum dollar amount or maximum number of shares that can be sold in such offering without adversely affecting the proposed offering price, the timing, the distribution method, or the probability of success of such offering (such maximum dollar amount or maximum number of shares, as applicable, the " **Maximum Number of Shares** "), then the Company shall include in such registration: (i) first, the Registrable Securities as to which Demand Registration has been requested by the Demanding Holders (pro rata in accordance with the number of shares that each such Person has requested be included in such registration, regardless of the number of shares held by each such Person (such proportion is referred to herein as " **Pro Rata** ")) that can be sold without exceeding the Maximum Number of Shares; (ii) second, to the extent that the Maximum Number of Shares has not been reached under the foregoing clause (i), the Ordinary Shares or other securities that the Company desires to sell that can be sold without exceeding the Maximum Number of Shares; and (iii) third, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (i) and (ii), the Ordinary Shares or other securities for the account of other persons that the Company is obligated to register pursuant to written contractual arrangements with such persons and that can be sold without exceeding the Maximum Number of Shares.

2.1.5 Withdrawal . If a majority-in-interest of the Demanding Holders disapprove of the terms of any underwriting or are not entitled to include all of their Registrable Securities in any offering, such majority-in-interest of the Demanding Holders may elect to withdraw from such offering by giving written notice to the Company and the Underwriter or Underwriters of their request to withdraw prior to the effectiveness of the Registration Statement filed with the Commission with respect to such Demand Registration. If the majority-in- interest of the Demanding Holders withdraws from a proposed offering relating to a Demand Registration, then such registration shall not count as a Demand Registration provided for in Section 2.1.

2.2 Piggy-Back Registration .

2.2.1 Piggy-Back Rights . If at any time the Company proposes to file a Registration Statement under the Securities Act with respect to the registration or an offering of equity securities, or securities or other obligations exercisable or exchangeable for, or convertible into, equity securities, by the Company for its own account or for shareholders of the Company for their account (or by the Company and by shareholders of the Company including, without limitation, pursuant to Section 2.1), other than a Registration Statement (i) filed in connection with any employee stock option or other benefit plan, (ii) for an exchange offer or offering of securities solely to the Company's existing shareholders, (iii) for an offering of debt that is convertible into equity securities of the Company or (iv) for a dividend reinvestment plan, then the Company shall (x) give written notice of such proposed filing to the holders of Registrable Securities as soon as practicable but in no event less than ten (10) days before the anticipated filing date (or the expected date of commencement of marketing efforts, in the case of an underwritten offering under a shelf registration statement), which notice shall describe the amount and type of securities to be included in such offering, the intended method(s) of distribution, and the name of the proposed managing Underwriter or Underwriters, if any, of the offering, and (y) offer to the holders of Registrable Securities in such notice the opportunity to register the sale of such number of shares of Registrable Securities as such holders may request in writing within five (5) days following receipt of such notice (a " **Piggy-Back Registration** "). The Company shall cause such Registrable Securities to be included in such registration or offering, as applicable, and shall use its best efforts to cause the managing Underwriter or Underwriters of a proposed underwritten offering to permit the Registrable Securities requested to be included in a Piggy-Back Registration on the same terms and conditions as any similar securities of the Company and to permit the sale or other disposition of such Registrable Securities in accordance with the intended method(s) of distribution thereof. All holders of Registrable Securities proposing to distribute their securities through a Piggy-Back Registration that involves an Underwriter or Underwriters shall enter into an underwriting agreement in customary form with the Underwriter or Underwriters selected for such Piggy-Back Registration.

2.2.2 Reduction of Offering . If the managing Underwriter or Underwriters for a Piggy-Back Registration that is to be an underwritten offering advises the Company and the holders of Registrable Securities in writing that the dollar amount or number of Ordinary Shares which the Company desires to sell, taken together with Ordinary Shares, if any, as to which registration has been demanded pursuant to written contractual arrangements with persons other than the holders of Registrable Securities hereunder, the Registrable Securities as to which registration has been requested under this Section 2.2, and the Ordinary Shares, if any, as to which registration has been requested pursuant to the written contractual piggy-back registration rights of other shareholders of the Company, exceeds the Maximum Number of Shares, then the Company shall include in any such registration:

(a) If the registration is undertaken for the Company's account: (A) first, the Ordinary Shares or other securities that the Company desires to sell that can be sold without exceeding the Maximum Number of Shares; (B) second, to the extent that the Maximum Number of Shares has not been reached under the foregoing clause (A), the Ordinary Shares or other securities, if any, comprised of Registrable Securities, as to which registration has been requested pursuant to the applicable written contractual piggy-back registration rights of such security holders, Pro Rata, that can be sold without exceeding the Maximum Number of Shares; and (C) third, to the extent that the Maximum Number of shares has not been reached under the foregoing clauses (A) and (B), the Ordinary Shares or other securities for the account of other persons that the Company is obligated to register pursuant to written contractual piggy-back registration rights with such persons and that can be sold without exceeding the Maximum Number of Shares;

(b) If the registration is a "demand" registration undertaken at the demand of persons other than the holders of Registrable Securities, (A) first, the Ordinary Shares or other securities for the account of the demanding persons that can be sold without exceeding the Maximum Number of Shares; (B) second, to the extent that the Maximum Number of Shares has not been reached under the foregoing clause (A), the Ordinary Shares or other securities that the Company desires to sell that can be sold without exceeding the Maximum Number of Shares; (C) third, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (A) and (B), collectively the Ordinary Shares or other securities comprised of Registrable Securities, Pro Rata, as to which registration has been requested pursuant to the terms hereof, that can be sold without exceeding the Maximum Number of Shares; and (D) fourth, to the extent that the Maximum Number of Shares has not been reached under the foregoing clauses (A), (B) and (C), the Ordinary Shares or other securities for the account of other persons that the Company is obligated to register pursuant to written contractual arrangements with such persons, that can be sold without exceeding the Maximum Number of Shares.

2.2.3 Withdrawal . Any holder of Registrable Securities may elect to withdraw such holder's request for inclusion of Registrable Securities in any Piggy-Back Registration by giving written notice to the Company of such request to withdraw prior to the effectiveness of the Registration Statement. The Company (whether on its own determination or as the result of a withdrawal by persons making a demand pursuant to written contractual obligations) may withdraw a Registration Statement at any time prior to the effectiveness of such Registration Statement. Notwithstanding any such withdrawal, the Company shall pay all expenses incurred by the holders of Registrable Securities in connection with such Piggy-Back Registration as provided in Section 3.3.

3. **REGISTRATION PROCEDURES** .

3.1 Filings; Information . Whenever the Company is required to effect the registration of any Registrable Securities pursuant to Section 2, the Company shall use its best efforts to effect the registration and sale of such Registrable Securities in accordance with the intended method(s) of distribution thereof as expeditiously as practicable, and in connection with any such request:

3.1.1 Filing Registration Statement . The Company shall use its best efforts to, as expeditiously as possible after receipt of a request for a Demand Registration pursuant to Section 2.1, prepare and file with the Commission a Registration Statement on any form for which the Company then qualifies or which counsel for the Company shall deem appropriate and which form shall be available for the sale of all Registrable Securities to be registered thereunder in accordance with the intended method(s) of distribution thereof, and shall use its best efforts to cause such Registration Statement to become effective and use its best efforts to keep it effective for the period required by Section 3.1.3; provided, however, that the Company shall have the right to defer any Demand Registration for up to thirty (30) days, and any Piggy-Back Registration for such period as may be applicable to deferment of any demand registration to which such Piggy-Back Registration relates, in each case if the Company shall furnish to the holders a certificate signed by the President or Chairman of the Company stating that, in the good faith judgment of the Board of Directors of the Company, it would be materially detrimental to the Company and its shareholders for such Registration Statement to be effected at such time; provided further, however, that the Company shall not have the right to exercise the right set forth in the immediately preceding proviso more than once in any 365-day period in respect of a Demand Registration hereunder.

3.1.2 Copies . The Company shall, prior to filing a Registration Statement or prospectus, or any amendment or supplement thereto, furnish without charge to the holders of Registrable Securities included in such registration, and such holders' legal counsel, copies of such Registration Statement as proposed to be filed, each amendment and supplement to such Registration Statement (in each case including all exhibits thereto and documents incorporated by reference therein), the prospectus included in such Registration Statement (including each preliminary prospectus), and such other documents as the holders of Registrable Securities included in such registration or legal counsel for any such holders may request in order to facilitate the disposition of the Registrable Securities owned by such holders.

3.1.3 Amendments and Supplements . The Company shall prepare and file with the Commission such amendments, including post-effective amendments, and supplements to such Registration Statement and the prospectus used in connection therewith as may be necessary to keep such Registration Statement effective and in compliance with the provisions of the Securities Act until all Registrable Securities and other securities covered by such Registration Statement have been disposed of in accordance with the intended method(s) of distribution set forth in such Registration Statement or such securities have been withdrawn or until such time as the Registrable Securities cease to be Registrable Securities.

3.1.4 Notification . After the filing of a Registration Statement, the Company shall promptly, and in no event more than two (2) business days after such filing, notify the holders of Registrable Securities included in such Registration Statement of such filing, and shall further notify such holders promptly and confirm such advice in writing in all events within two (2) business days of the occurrence of any of the following: (i) when such Registration Statement becomes effective; (ii) when any post-effective amendment to such Registration Statement becomes effective; (iii) the issuance or threatened issuance by the Commission of any stop order (and the Company shall take all actions required to prevent the entry of such stop order or to remove it if entered); and (iv) any request by the Commission for any amendment or supplement to such Registration Statement or any prospectus relating thereto or for additional information or of the occurrence of an event requiring the preparation of a supplement or amendment to such prospectus so that, as thereafter delivered to the purchasers of the securities covered by such Registration Statement, such prospectus will not contain an untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein not misleading, and promptly make available to the holders of Registrable Securities included in such Registration Statement any such supplement or amendment; except that before filing with the Commission a Registration Statement or prospectus or any amendment or supplement thereto, including documents incorporated by reference, the Company shall furnish to the holders of Registrable Securities included in such Registration Statement and to the legal counsel for any such holders, copies of all such documents proposed to be filed sufficiently in advance of filing to provide such holders and legal counsel with a reasonable opportunity to review such documents and comment thereon, and the Company shall not file any Registration Statement or prospectus or amendment or supplement thereto, including documents incorporated by reference, to which such holders or their legal counsel shall object.

3.1.5 State Securities Laws Compliance . The Company shall use its best efforts to (i) register or qualify the Registrable Securities covered by the Registration Statement under such securities or "blue sky" laws of such jurisdictions in the United States as the holders of Registrable Securities included in such Registration Statement (in light of their intended plan of distribution) may request and (ii) take such action necessary to cause such Registrable Securities covered by the Registration Statement to be registered with or approved by such other governmental authorities as may be necessary by virtue of the business and operations of the Company and do any and all other acts and things that may be necessary or advisable to enable the holders of Registrable Securities included in such Registration Statement to consummate the disposition of such Registrable Securities in such jurisdictions; provided, however, that the Company shall not be required to qualify generally to do business in any jurisdiction where it would not otherwise be required to qualify but for this paragraph or subject itself to taxation in any such jurisdiction.

3.1.6 Agreements for Disposition . The Company shall enter into customary agreements (including, if applicable, an underwriting agreement in customary form) and take such other actions as are reasonably required in order to expedite or facilitate the disposition of such Registrable Securities. The representations, warranties and covenants of the Company in any underwriting agreement which are made to or for the benefit of any Underwriters, to the extent applicable, shall also be made to and for the benefit of the holders of Registrable Securities included in such registration statement. No holder of Registrable Securities included in such registration statement shall be required to make any representations or warranties in the underwriting agreement except, if applicable, with respect to such holder's organization, good standing, authority, title to Registrable Securities, lack of conflict of such sale with such holder's material agreements and organizational documents, and with respect to written information relating to such holder that such holder has furnished in writing expressly for inclusion in such Registration Statement.

3.1.7 Cooperation . The principal executive officer of the Company, the principal financial officer of the Company, the principal accounting officer of the Company and all other officers and members of the management of the Company shall cooperate fully in any offering of Registrable Securities hereunder, which cooperation shall include, without limitation, the preparation of the Registration Statement with respect to such offering and all other offering materials and related documents, and participation in meetings with Underwriters, attorneys, accountants and potential investors.

3.1.8 Records . The Company shall make available for inspection by the holders of Registrable Securities included in such Registration Statement, any Underwriter participating in any disposition pursuant to such registration statement and any attorney, accountant or other professional retained by any holder of Registrable Securities included in such Registration Statement or any Underwriter, all financial and other records, pertinent corporate documents and properties of the Company, as shall be necessary to enable them to exercise their due diligence responsibility, and cause the Company's officers, directors and employees to supply all information requested by any of them in connection with such Registration Statement.

3.1.9 Opinions and Comfort Letters . The Company shall furnish to each holder of Registrable Securities included in any Registration Statement a signed counterpart, addressed to such holder, of (i) any opinion of counsel to the Company delivered to any Underwriter and (ii) any comfort letter from the Company's independent public accountants delivered to any Underwriter. In the event no legal opinion is delivered to any Underwriter, the Company shall furnish to each holder of Registrable Securities included in such Registration Statement, at any time that such holder elects to use a prospectus, an opinion of counsel to the Company to the effect that the Registration Statement containing such prospectus has been declared effective and that no stop order is in effect.

3.1.10 Earnings Statement . The Company shall comply with all applicable rules and regulations of the Commission and the Securities Act, and make available to its shareholders, as soon as practicable, an earnings statement covering a period of twelve (12) months, which earnings statement shall satisfy the provisions of Section 11(a) of the Securities Act and Rule 158 thereunder.

3.1.11 Listing . The Company shall use its best efforts to cause all Registrable Securities included in any registration to be listed on such exchanges or otherwise designated for trading in the same manner as similar securities issued by the Company are then listed or designated or, if no such similar securities are then listed or designated, in a manner satisfactory to the holders of a majority of the Registrable Securities included in such registration.

3.1.12 Road Show . If the registration involves the registration of Registrable Securities involving gross proceeds in excess of $25,000,000, the Company shall use its reasonable efforts to make available senior executives of the Company to participate in customary "road show" presentations that may be reasonably requested by the Underwriter in any underwritten offering.

3.2 Obligation to Suspend Distribution . Upon receipt of any notice from the Company of the happening of any event of the kind described in Section 3.1.4(iv), pursuant to a written insider trading compliance program adopted by the Company's Board of Directors, of the ability of all "insiders" covered by such program to transact in the Company's securities because of the existence of material non-public information, each holder of Registrable Securities included in any registration shall immediately discontinue disposition of such Registrable Securities pursuant to the Registration Statement covering such Registrable Securities until such holder receives the supplemented or amended prospectus contemplated by Section 3.1.4(iv) or the restriction on the ability of "insiders" to transact in the Company's securities is removed, as applicable, and, if so directed by the Company, each such holder will deliver to the Company all copies, other than permanent file copies then in such holder's possession, of the most recent prospectus covering such Registrable Securities at the time of receipt of such notice.

3.3 Registration Expenses . The Company shall bear all costs and expenses incurred in connection with any Demand Registration pursuant to Section 2.1, any Piggy-Back Registration pursuant to Section 2.2, and all expenses incurred in performing or complying with its other obligations under this Agreement, whether or not the Registration Statement becomes effective, including, without limitation: (i) all registration and filing fees; (ii) fees and expenses of compliance with securities or "blue sky" laws (including fees and disbursements of counsel in connection with blue sky qualifications of the Registrable Securities); (iii) printing expenses; (iv) the Company's internal expenses (including, without limitation, all salaries and expenses of its officers and employees); (v) the fees and expenses incurred in connection with the listing of the Registrable Securities as required by Section 3.1.11; (vi) Financial Industry Regulatory Authority fees; (vii) fees and disbursements of counsel for the Company and fees and expenses for independent certified public accountants retained by the Company (including the expenses or costs associated with the delivery of any opinions or comfort letters requested pursuant to Section 3.1.9); (viii) the reasonable fees and expenses of any special experts retained by the Company in connection with such registration and (ix) the reasonable fees and expenses of one legal counsel selected by the holders of a majority-in-interest of the Registrable Securities included in such registration. The Company shall have no obligation to pay any underwriting discounts or selling commissions attributable to the Registrable Securities being sold by the holders thereof, which underwriting discounts or selling commissions shall be borne by such holders. Additionally, in an underwritten offering, all selling shareholders and the Company shall bear the expenses of the Underwriter pro rata in proportion to the respective amount of shares each is selling in such offering.

3.4 Information . The holders of Registrable Securities shall provide such information as may reasonably be requested by the Company, or the managing Underwriter, if any, in connection with the preparation of any Registration Statement, including amendments and supplements thereto, in order to effect the registration of any Registrable Securities under the Securities Act pursuant to Section 2 and in connection with the Company's obligation to comply with Federal and applicable state securities laws.

4. **INDEMNIFICATION AND CONTRIBUTION** .

4.1 Indemnification by the Company . The Company agrees to indemnify and hold harmless the Investor, and each of its respective officers, employees, affiliates, directors, partners, members, attorneys and agents, and each person, if any, who controls the Investor (within the meaning of Section 15 of the Securities Act or Section 20 of the Exchange Act) (each, an " **Investor Indemnified Party** "), from and against any expenses, losses, judgments, claims, damages or liabilities, whether joint or several, arising out of or based upon any untrue statement (or allegedly untrue statement) of a material fact contained in any Registration Statement under which the sale of such Registrable Securities was registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained in the Registration Statement, or any amendment or supplement to such Registration Statement, or arising out of or based upon any omission (or alleged omission) to state a material fact required to be stated therein or necessary to make the statements therein not misleading, or any violation by the Company of the Securities Act applicable to the Company and relating to action or inaction required of the Company in connection with any such registration; and the Company shall promptly reimburse the Investor Indemnified Party for any legal and any other expenses reasonably incurred by such Investor Indemnified Party in connection with investigating and defending any such expense, loss, judgment, claim, damage, liability or action; provided, however, that the Company will not be liable in any such case to the extent that any such expense, loss, claim, damage or liability arises out of or is based upon any untrue statement or allegedly untrue statement or omission or alleged omission made in such Registration Statement, preliminary prospectus, final prospectus, or summary prospectus, or any such amendment or supplement, in reliance upon and in conformity with information furnished to the Company, in writing, by such selling holder expressly for use therein. The Company also shall indemnify any Underwriter of the Registrable Securities, their officers, affiliates, directors, partners, members and agents and each person who controls such Underwriter on substantially the same basis as that of the indemnification provided above in this Section 4.1.

4.2 Indemnification by Holders of Registrable Securities . Each selling holder of Registrable Securities will, in the event that any registration is being effected under the Securities Act pursuant to this Agreement of any Registrable Securities held by such selling holder, indemnify and hold harmless the Company, each of its directors and officers and each Underwriter (if any), and each other selling holder and each other person, if any, who controls another selling holder or such Underwriter within the meaning of the Securities Act, against any losses, claims, judgments, damages or liabilities, whether joint or several, insofar as such losses, claims, judgments, damages or liabilities (or actions in respect thereof) arise out of or are based upon any untrue statement or allegedly untrue statement of a material fact contained in any Registration Statement under which the sale of such Registrable Securities was registered under the Securities Act, any preliminary prospectus, final prospectus or summary prospectus contained in the Registration Statement, or any amendment or supplement to the Registration Statement, or arise out of or are based upon any omission or the alleged omission to state a material fact required to be stated therein or necessary to make the statement therein not misleading, if the statement or omission was made in reliance upon and in conformity with information furnished in writing to the Company by such selling holder expressly for use therein, and shall reimburse the Company, its directors and officers, and each other selling holder or controlling person for any legal or other expenses reasonably incurred by any of them in connection with investigation or defending any such loss, claim, damage, liability or action. Each selling holder's indemnification obligations hereunder shall be several and not joint and shall be limited to the amount of any net proceeds actually received by such selling holder.

4.3 Conduct of Indemnification Proceedings . Promptly after receipt by any person of any notice of any loss, claim, damage or liability or any action in respect of which indemnity may be sought pursuant to Section 4.1 or 4.2, such person (the " **Indemnified Party** ") shall, if a claim in respect thereof is to be made against any other person for indemnification hereunder, notify such other person (the " **Indemnifying Party** ") in writing of the loss, claim, judgment, damage, liability or action; provided, however, that the failure by the Indemnified Party to notify the Indemnifying Party shall not relieve the Indemnifying Party from any liability which the Indemnifying Party may have to such Indemnified Party hereunder, except and solely to the extent the Indemnifying Party is actually prejudiced by such failure. If the Indemnified Party is seeking indemnification with respect to any claim or action brought against the Indemnified Party, then the Indemnifying Party shall be entitled to participate in such claim or action, and, to the extent that it wishes, jointly with all other Indemnifying Parties, to assume control of the defense thereof with counsel satisfactory to the Indemnified Party. After notice from the Indemnifying Party to the Indemnified Party of its election to assume control of the defense of such claim or action, the Indemnifying Party shall not be liable to the Indemnified Party for any legal or other expenses subsequently incurred by the Indemnified Party in connection with the defense thereof other than reasonable costs of investigation; provided, however, that in any action in which both the Indemnified Party and the Indemnifying Party are named as defendants, the Indemnified Party shall have the right to employ separate counsel (but no more than one such separate counsel) to represent the Indemnified Party and its controlling persons who may be subject to liability arising out of any claim in respect of which indemnity may be sought by the Indemnified Party against the Indemnifying Party, with the fees and expenses of such counsel to be paid by such Indemnifying Party if, based upon the written opinion of counsel of such Indemnified Party, representation of both parties by the same counsel would be inappropriate due to actual or potential differing interests between them. No Indemnifying Party shall, without the prior written consent of the Indemnified Party, consent to entry of judgment or effect any settlement of any claim or pending or threatened proceeding in respect of which the Indemnified Party is or could have been a party and indemnity could have been sought hereunder by such Indemnified Party, unless such judgment or settlement includes an unconditional release of such Indemnified Party from all liability arising out of such claim or proceeding.

4.4 Contribution .

4.4.1 If the indemnification provided for in the foregoing Sections 4.1, 4.2 and 4.3 is unavailable to any Indemnified Party in respect of any loss, claim, damage, liability or action referred to herein, then each such Indemnifying Party, in lieu of indemnifying such Indemnified Party, shall contribute to the amount paid or payable by such Indemnified Party as a result of such loss, claim, damage, liability or action in such proportion as is appropriate to reflect the relative fault of the Indemnified Parties and the Indemnifying Parties in connection with the actions or omissions which resulted in such loss, claim, damage, liability or action, as well as any other relevant equitable considerations. The relative fault of any Indemnified Party and any Indemnifying Party shall be determined by reference to, among other things, whether the untrue or alleged untrue statement of a material fact or the omission or alleged omission to state a material fact relates to information supplied by such Indemnified Party or such Indemnifying Party and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

4.4.2 The parties hereto agree that it would not be just and equitable if contribution pursuant to this Section 4.4 were determined by pro rata allocation or by any other method of allocation which does not take account of the equitable considerations referred to in the immediately preceding Section 4.4.1.

4.4.3 The amount paid or payable by an Indemnified Party as a result of any loss, claim, damage, liability or action referred to in the immediately preceding paragraph shall be deemed to include, subject to the limitations set forth above, any legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such action or claim. Notwithstanding the provisions of this Section 4.4, no holder of Registrable Securities shall be required to contribute any amount in excess of the dollar amount of the net proceeds (after payment of any underwriting fees, discounts, commissions or taxes) actually received by such holder from the sale of Registrable Securities which gave rise to such contribution obligation. No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

5. **RULE 144** .

5.1 Rule 144 . The Company covenants that it shall file any reports required to be filed by it under the Securities Act and the Exchange Act and shall take such further action as the holders of Registrable Securities may reasonably request, all to the extent required from time to time to enable such holders to sell Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 under the Securities Act, as such Rules may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission.

6. **MISCELLANEOUS** .

6.1 Other Registration Rights . The Company represents and warrants that no person, other than the holders of the Registrable Securities, has any right to require the Company to register any shares of the Company's share capital for sale or to include shares of the Company's share capital in any registration filed by the Company for the sale of shares of capital for its own account or for the account of any other person.

6.2 Assignment; No Third-Party Beneficiaries . This Agreement and the rights, duties and obligations of the Company hereunder may not be assigned or delegated by the Company in whole or in part. This Agreement and the rights, duties and obligations of the holders of Registrable Securities hereunder may be freely assigned or delegated by such holder of Registrable Securities in conjunction with and to the extent of any transfer of Registrable Securities by any such holder. This Agreement and the provisions hereof shall be binding upon and shall inure to the benefit of each of the parties, to the permitted assigns of the Investor or holder of Registrable Securities or of any assignee of the Investor or holder of Registrable Securities. This Agreement is not intended to confer any rights or benefits on any persons that are not party hereto other than as expressly set forth in Article 4 and this Section 6.2.

6.3 Notices . All notices, demands, requests, consents, approvals or other communications (collectively, " **Notices** ") required or permitted to be given hereunder or which are given with respect to this Agreement shall be in writing and shall be personally served, delivered by reputable air courier service with charges prepaid, or transmitted by hand delivery, telegram, telex or facsimile, addressed as set forth below, or to such other address as such party shall have specified most recently by written notice. Notice shall be deemed given on the date of service or transmission if personally served or transmitted by telegram, telex or facsimile; provided, that if such service or transmission is not on a business day or is after normal business hours, then such notice shall be deemed given on the next business day. Notice otherwise sent as provided herein shall be deemed given on the next business day following timely delivery of such notice to a reputable air courier service with an order for next-day delivery.

To the Company:

National Energy Services Reunited Corp.
777 Post Oak Blvd., 7 th Floor
Houston, Texas 77056
Attn: Sherif Foda, Chief Executive Officer

with a copy to:
Ellenoff Grossman & Schole LLP
1345 Avenue of the Americas New York, NY 10105
Attn: Stuart Neuhauser, Esq.

To the Investor:

SV3 Holdings PTE Ltd.
c/o SCF Partners
600 Travis Street, Suite 6600
Houston, Texas 77002
Attention: Andrew L. Waite; Theresa W. Eaton
Email: AWaite@scfpartners.com; TEaton@scfpartners.com

with a copy (which shall not constitute notice) to:
Vinson & Elkins L.L.P.
1001 Fannin Street, Suite 2500
Houston, Texas 77002
Attention: W. Matthew Strock; E. Ramey Layne
Email: mstrock@velaw.com; rlayne@velaw.com

6.4 Severability . This Agreement shall be deemed severable, and the invalidity or unenforceability of any term or provision hereof shall not affect the validity or enforceability of this Agreement or of any other term or provision hereof. Furthermore, in lieu of any such invalid or unenforceable term or provision, the parties hereto intend that there shall be added as a part of this Agreement a provision as similar in terms to such invalid or unenforceable provision as may be possible that is valid and enforceable.

6.5 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, and all of which taken together shall constitute one and the same instrument.

6.6 Entire Agreement. This Agreement (including all agreements entered into pursuant hereto and all certificates and instruments delivered pursuant hereto and thereto) constitute the entire agreement of the parties with respect to the subject matter hereof and supersede all prior and contemporaneous agreements, representations, understandings, negotiations and discussions between the parties, whether oral or written.

6.7 Modifications and Amendments. No amendment, modification or termination of this Agreement shall be binding upon any party unless executed in writing by such party.

6.8 Titles and Headings. Titles and headings of sections of this Agreement are for convenience only and shall not affect the construction of any provision of this Agreement.

6.9 Waivers and Extensions. Any party to this Agreement may waive any right, breach or default which such party has the right to waive, provided, however, that such waiver will not be effective against the waiving party unless it is in writing, is signed by such party, and specifically refers to this Agreement. Waivers may be made in advance or after the right waived has arisen or the breach or default waived has occurred. Any waiver may be conditional. No waiver of any breach of any agreement or provision herein contained shall be deemed a waiver of any preceding or succeeding breach thereof nor of any other agreement or provision herein contained. No waiver or extension of time for performance of any obligations or acts shall be deemed a waiver or extension of the time for performance of any other obligations or acts.

6.10 Remedies Cumulative. In the event that the Company fails to observe or perform any covenant or agreement to be observed or performed under this Agreement, the Investor or any other holder of Registrable Securities may proceed to protect and enforce its rights by suit in equity or action at law, whether for specific performance of any term contained in this Agreement or for an injunction against the breach of any such term or in aid of the exercise of any power granted in this Agreement or to enforce any other legal or equitable right, or to take any one or more of such actions, without being required to post a bond. None of the rights, powers or remedies conferred under this Agreement shall be mutually exclusive, and each such right, power or remedy shall be cumulative and in addition to any other right, power or remedy, whether conferred by this Agreement or now or hereafter available at law, in equity, by statute or otherwise.

6.11 Governing Law. This Agreement shall be governed by, interpreted under, and construed in accordance with the internal laws of the State of New York applicable to agreements made and to be performed within the State of New York, without giving effect to any choice-of-law provisions thereof that would compel the application of the substantive laws of any other jurisdiction.

6.12 Waiver of Trial by Jury. Each party hereby irrevocably and unconditionally waives the right to a trial by jury in any action, suit, counterclaim or other proceeding (whether based on contract, tort or otherwise) arising out of, connected with or relating to this Agreement, the transactions contemplated hereby, or the actions of the Investor in the negotiation, administration, performance or enforcement hereof.

IN WITNESS WHEREOF , the parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the date first written above.

COMPANY :

National Energy Services Reunited Corporation

By *<u>/s/Sherif Foda</u>*
Name: Sherif Foda
Title: Director

INVESTOR :

SV3 Holdings PTE LTD

By */s/Andrew Waite*
Name: Andrew Waite
Title: Director

LOC K - UP AGREEMENT

This Lock-Up Agreement (this *"Agreement')* is dated as of June 6, 2018, by and between National Energy Services Reunited Corp ., a corporation existing under the laws of the British Virgin Islands *("NESR")* and SV3 Holdings PTE LTD, a company incorporated in Singapore *("SV3 ")*.

RECITALS

WHEREAS, NESR and SV3 entered into that Contribution Agreement on or about November 12, 2017 (" *Contribution Agreement* "), pursuant to which SV3 would exchange shares it held in Gulf Energy S.A.O.C. for shares in NESR at the time of the consummation of NESR's initial business combination (" *NESR Closing* ").

WHEREAS, NESR and SV3 wish to enter into this Agreement, upon shareholder approval of the acquisition of Gulf Energy Services, S.A.O.C., to impose certain restrictions on the transferability of shares and other interests in NESR acquired by SV3 pursuant to the Contribution Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreements hereinafter set forth and for other good and valuable consideration , the receipt and sufficiency of which are hereby acknowledged , the parties hereto agree as follows:

AGREEMENT

1. Shares Subject to Lock Up . This Agreement shall apply to all 6,825,000 shares of NESR acquired by SV3 under the Contribution Agreement and any other shares of NESR held by SV3 or any of its subsidiaries or affiliates at any time prior to the expiration of the Lock-Up Period (including those held as a result of, or issuable upon, the conversion or exercise of options, warrants and other securities convertible into, or exchangeable or exercisable for at any time or upon the occurrence of any event or contingency and without regard to any vesting or other conditions to which such securities may be subject), or depositary receipts or depositary shares representing or evidencing, shares (including, without limitation, any note or debt security convertible into or exchangeable for shares), whether now owned or acquired by SV3 at a later time prior to the expiration of the Lock-Up Period (collectively, the " *Shares* ").

2. Lock Up Terms . SV3 and NESR affirm that the Shares are subject to the following restrictions (" *Restrictions* "):

> The Shares will not be transferred, assigned or sold until the earlier of one year after the NESR Closing and the date on which the closing price of NESR's ordinary shares equals or exceeds $12.00 per share (as adjusted for stock splits, stock dividends, reorganizations and recapitalizations) for any 20 trading days within any 30- trading day period commencing 150 days after the NESR Closing (the " *Lock Up Period* ") . Notwithstanding the foregoing, these transfer restrictions will be removed earlier if, after the NESR Closing, NESR consummates a (i) liquidation, merger, stock exchange or other similar transaction which results in all of NESR shareholders having the right to exchange their ordinary shares for cash, securities or other property or (ii) consolidation, merger or other change in the majority of NESR's management team.

3. Permitted Transfers During the Lock-Up Period . During the above-referenced Lock Up Period, SV3 will not be able to sell or transfer the Shares except, as applicable: (a) to other holders of NESR shares as of the NESR Closing or to NESR's officers, directors and employees or to its own officers, directors, members, employees and affiliates, (b) to relatives and trusts for estate planning purposes, (c) by virtue of the laws of descent and distribution upon death, (d) pursuant to a qualified domestic relations order, (e) by certain pledges to secure obligations incurred in connection with purchases of NESR securities, (f) by private sales made at or prior to the consummation of the NESR Closing at prices no greater than the price at which the shares were originally purchased or (g) to NESR for no value for cancellation in connection with the NESR Closing, in each case (except for clause (g)) where the transferee agrees to the Restrictions including that the transferees will not be entitled to redeem such shares in connection with the NESR Closing or in connection with a liquidation, but will retain all other rights as NESR shareholders, including, without limitation, the right to vote their ordinary shares and the right to receive cash dividends, if declared. If dividends are declared and payable in ordinary shares, such dividends will also be subject to the Restrictions.

4. Miscellaneous . This Agreement will be governed by and construed in accordance with the law s of the State of Texas and any dispute arising under this Agreement shall be adjudicated in the State and/or Federal courts of the State of Texas. Should any provisions of this Agreement be held by a court of law to be illegal, invalid or unenforceable, the legality, validity and enforceability of the remaining provisions of this Agreement shall not be affected or impaired thereby. This Agreement constitutes the entire agreement between the parties relating to this subject matter and supersedes all prior or contemporaneous oral or written agreements concerning such subject matter. This Agreement may only be changed by mutual written agreement of the parties hereto. This Agreement may be signed in one or more counterparts, each of which shall constitute an original and all of which together shall constitute one and the same agreement.

IN WITNESS WHEREO F , the parties have caused this Agreement to be executed and delivered by their duly authorized representatives as of the date first written above.

COMPANY:
National Energy Services Reunited Corporation

By *[/s/Sherif Foda]*
Name: Sherif Foda
Title: Director

SV3:
SV3 Holdings PTE LTD

By /s/Andrew Waite
Name: Andrew Waite
Title: Director

Exhibit 21.1

Entity	State of Incorporation/Formation
NESR Limited	United Kingdom
National Energy Services Reunited Corporation	Texas
NPS Bahrain for Oil and Gas Well Services W.L.L.	Algeria
NPS Bahrain for Oil and Gas Wells Services W.L.L.	Iraq
National Petroleum Services Company Limited	KSA
NPS Energy DMCC	UAE
NPS Energy Holding W.L.L.	Bahrain
National Petroleum Technology Company	KSA
National Wells Drilling Company	KSA
Specialised Oil Well Maintenance L.L.C.	UAE
NOWMCO Petroleum Services L.L.C.	UAE
NPS Holdings Limited	UAE
National Gulf Petroleum Services	Kuwait
National Oil Well Maintenance Company Limited	India
NPS Energy Oilfield Supplies DMCC	UAE
TAAQAAT Professional Service DMCC	UAE
PT NPS Energy	Indonesia
NPS (B) Sdn Bhd	Brunei
NPS Bahrain for Oil and Gas Well Services W.L.L.	Bahrain
NPS Energy Bahrain W.L.L.	Bahrain
Fahud Energy Solutions L.L.C.	Oman
PT DFI Asia Energi	Indonesia
PT Tiger Energy Services	Indonesia
NPS Energy Sdn Bhd	Malaysia
NPS Malaysia-Labuan	Malaysia
National Petroleum Services	Libya
NPS Energy DMCC	Iraq
NPS International LTD	Cayman Islands
National Oil Well Maintenance Company L.L.C.	Qatar
National Petroleum Services L.L.C.	Qatar
Benon Oil Services, LLC	Oman
Fishing and Remedial Experts Enterprise LLC	Oman
Gulf Drilling Fluids Technology LLC	Oman
Gulf Energy Services LLC	Oman
Intelligent Drilling Services LLC	Oman
Integrated Petroleum Services Company LLC	Oman
Midwest Oilfield Services LLC	Oman
Sino Gulf Energy Enterprises LLC	Oman
Tamkeen Fracking LLC	Oman
Well Maintenance Services LLC	Oman
Well Solution Services LLC	Oman
Makamen Petroleum LLC	Oman
Tasneea Oil and Gas technology LLC	Oman

NPS HOLDINGS LIMITED
CONDENSED CONSOLIDATED BALANCE SHEETS
(In USD thousands, except share data)

	March 31, 2018	December 31, 2017
ASSETS		
Current assets:		
Cash and cash equivalents	$ 27,857	$ 24,502
Short term deposits with bank	-	3,043
Trade accounts receivable, net of allowance for doubtful accounts of $4,309 and $4,106 as of March 31, 2018 and December 31, 2017, respectively	58,346	58,174
Unbilled revenue	35,764	24,167
Service inventories	32,664	32,313
Other receivable	10,013	13,430
Prepaid expenses	4,901	5,268
Advances to suppliers and other current assets	561	958
Total current assets	170,106	161,855
Property, plant and equipment, net	264,203	264,269
Other assets	9,713	11,385
Intangibles, net	-	10
Goodwill	182,053	182,053
Total assets	$ 626,075	$ 619,572
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable and other payables	23,566	25,132
Accrued expenses	25,246	23,324
Due to related parties	25	25
Current portion of long term debt	-	-
Short-term debt	56,958	8,773
Employee benefit liability	2,691	2,552
Income taxes payable	3,231	2,651
Total current liabilities	111,717	62,457
Deferred tax liability	1,834	1,922
Long-term debt, net of unamortized debt issuance cost	147,125	147,024
Other liabilities	4,472	4,472
Income taxes payable	3,530	3,530
Long-term employee benefit liability	11,081	10,738
Total liabilities	279,759	230,143
Stockholders' equity:		
Common stock - par value $1; 370,000,000 shares authorized ; 348,524,566 and 342,250,000 shares issued and outstanding at March 31, 2018 and December 31, 2017	348,525	342,250
Convertible shares	21,475	27,750
Additional paid in capital	3,345	3,345
Retained earnings (deficit)	(24,294)	18,480
Accumulated other comprehensive income (loss)	(435)	(436)
Total stockholders' equity	348,616	391,389
Non-controlling interests	(2,300)	(1,960)
Total stockholders' equity	346,316	389,429
Total liabilities and stockholders' equity	$ 625,075	$ 619,572
Commitments and contingencies (See Note 10)		

The accompanying notes are an integral part of these condensed consolidated financial statements.

NPS HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(In USD thousands, except per share data)

	For the three months period ended	
	March 31, 2018	**March 31, 2017**
Revenues, net	$ 76,842	$ 54,739
Cost of services	58,172	41,753
Gross profit	18,670	12,986
Depreciation and amortization expense	91	165
Selling, general and administrative expenses	9,409	7,603
Total operating costs and expenses	9,500	7,768
Operating income	9,170	5,218
Finance cost, net	(2,825)	(1,574)
Other income, net	91	109
Income before income taxes	6,436	3,753
Income taxes	983	912
Net income	5,453	2,841
Net loss attributed to non-controlling interests	(340)	(573)
Net income attributable to stockholders	$ 5,793	$ 3,414
Earnings (loss) per common share:		
Basic	$ 0.02	$ 0.01
Diluted	$ 0.02	$ 0.01
Weighted average number of common shares outstanding:		
Basic	345,457,000	342,250,000
Diluted	370,000,000	370,000,000
Cash dividends declared per share	$ 0.13	$ -

The accompanying notes are an integral part of these condensed consolidated financial statements.

NPS HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In USD thousands)

	For the three months period ended	
	March 31, 2018	**March 31, 2017**
Net income	$ 5,453	$ 2,841
Other comprehensive income (loss):		
Foreign currency translation adjustments	1	16
Comprehensive income	5,454	2,857
Comprehensive loss attributable to non-controlling interests	(340)	(573)
Comprehensive income attributable to stockholders	$ 5,794	$ 3,430

The accompanying notes are an integral part of these condensed consolidated financial statements.

NPS HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In USD thousands, except share data)

	Shares Outstanding	Common Stock	Redeemable Convertible Shares Outstanding	Redeemable Convertible Shares	Additional Paid In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Loss)	Total Company Stockholders' Equity	Non-controlling Interests	Total Stockholders' Equity
Balance at December 31, 2016	**342,250,000**	**$342,250**	**27,750,000**	**$ 27,750**	**$ 3,345**	**$ (391)**	**$ 8,814**	**$ 381,768**	**$ 313**	**$ 382,081**
Net income (loss)							30,626	30,626	(2,273)	28,353
Foreign currency translation adjustment						(45)		(45)		(45)
Dividends paid							(20,000)	(20,000)		(20,000)
Amount of provision for Zakat							(960)	(960)		(960)
Balance at December 31, 2017	**342,250,000**	**$342,250**	**27,750,000**	**$ 27,750**	**$ 3,345**	**$ (436)**	**$ 18,480**	**$ 391,389**	**$ (1,960)**	**$ 389,429**
Net income (loss)							5,5793	5,793	(340)	5,453
Foreign currency translation adjustment						1		1		1
Conversion of redeemable shares	6,274,566	6,275	(6,274,566)	(6,275)				-		-
Dividends paid							(48,210)	(48,210)		(48,210)
Amount of provision for Zakat							(357)	(357)		(357)
Balance at March 31, 2018	**348,524,566**	**$348,525**	**21,475,434**	**$ 21,475**	**$ 3,345**	**$ (435)**	**$ (24,294)**	**$ 348,616**	**$ (2,300)**	**$ 346,316**

The accompanying notes are an integral part of these condensed consolidated financial statements.

NPS HOLDINGS LIMITED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(In USD thousands)

	For the three months period ended	
	March 31, 2018	**March 31, 2017**
Cash flows from operating activities:		
Net income	$ 5,453	$ 2,841
Adjustments to reconcile net income to net cash provided by (used in) operating activities:		
Depreciation and amortization	10,376	9,198
Gain (loss) on disposal of property, plant and equipment	2	(51)
Accrued interest on loans	1,320	2,112
Deferred tax expense	(87)	150
Provision for bad debt expense	205	(100)
Change in operating assets and liabilities:		
(Increase) decrease in accounts receivable	(377)	3,755
(Increase) decrease in unbilled revenue	(11,597)	649
(Increase) decrease in other receivable	3,417	7,483
(Increase) decrease in advances to suppliers	398	4,910
(Increase) decrease in service inventories	(351)	(196)
(Increase) decrease in prepaid expenses and other assets	2,039	(6,881)
(Decrease) increase in trade accounts payable	(1,566)	(6,455)
(Decrease) increase in accrued liabilities	1,790	7,676
Increase (Decrease) in related party balances, net	-	1,160
Increase (Decrease) in other assets/liabilities, net	(355)	(1,129)
Net cash provided by operating activities	10,959	25,122
Cash flows from investing activities:		
Purchases of property, plant and equipment	(10,304)	(7,677)
Proceeds from disposal of property, plant and equipment	-	51
Investment in short-term deposits with bank	3,043	-
Net cash used in investing activities	(7,261)	(7,626)
Cash flows from financing activities:		
Proceeds from (payments against) lines of credit and other debt	50,000	(3,848)
Zakat paid	-	(28)
Loan processing fee paid	(240)	-
Interest paid on borrowings	(1,894)	-
Dividend paid	(48,210)	-
Net cash used in financing activities	(344)	(3,876)
Effect of foreign exchange rates on cash	1	16
Increase (decrease) in cash and cash equivalents	3,355	13,636
Cash and cash equivalents, at the beginning of the year	24,502	25,534
Cash and cash equivalents, at the end of the year	$ 27,857	$ 39,170
Supplemental disclosures of cash flow information:		
Cash payments during the year for:		
Interest	$ 1,894	$ 0
Income taxes	$ 57	$ 0

The accompanying notes are an integral part of these condensed consolidated financial statements.

NPS HOLDINGS LIMITED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Business Overview

NPS Holdings Limited ("NPS" or the "Company") is a regional provider of products and services to the oil and gas industry in the Middle East, North Africa and Asia Pacific regions. Revenues are primarily derived from services provided during the drilling, completion and production phases of an oil or natural gas well. The Company operates in 12 countries with the majority of the revenues derived from operations in the Kingdom of Saudi Arabia ("KSA" or "Saudi Arabia"), Algeria, Qatar, UAE and Iraq.

2. Summary of Significant Accounting Policies

Basis of presentation

The accompanying condensed consolidated financial statements of the Company have been prepared in accordance with accounting principles generally accepted in the United States of America ("US GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes required by US GAAP for complete financial statements. In the opinion of management, the accompanying financial statements include all adjustments (consisting of normal recurring accruals) considered necessary for a fair presentation. The results of operations for any interim period are not necessarily indicative of the results of operations for the full year.

The accompanying condensed consolidated financial statements include the accounts of NPS and its consolidated subsidiaries. All intercompany accounts, profits and transactions have been eliminated in consolidation. Investments that are not wholly-owned, but where the Company exercises control, are fully consolidated with the equity held by minority owners and their portion of net income (loss) reflected as non-controlling interests in the accompanying consolidated financial statements, and continue to be consolidated until the date that such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the Company, using consistent accounting policies.

The consolidated balance sheet at December 31, 2017 has been derived from the audited consolidated financial statements at that date, but does not include all of the information and notes required by US GAAP for complete financial statements.

You should read the accompanying condensed consolidated financial statements in conjunction with our consolidated financial statements and notes thereto for the year ended December 31, 2017.

Use of estimates and assumptions

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

The estimates and underlying assumptions are reviewed regularly. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Accounts receivable

Accounts receivables consisted of the following at March 31, 2018 and December 31, 2017 (in USD thousands):

	March 31, 2018	December 31, 2017
Trade receivables	$ 54,612	$ 54,143
Other	8,043	8,137
Less: allowance for doubtful accounts	(4,309)	(4,106)
Total	$ 58,346	$ 58,174

Trade receivables relate to sale of our services and products, for which credit is extended based on our evaluation of the customer's creditworthiness. Allowance for doubtful accounts for the three month period ended March 31, 2018 and the three month period ended March 31, 2017 was $203 thousand and $(100) thousand, respectively.

4. Service inventories

Service inventories, consisted of the following at March 31, 2018 and December 31, 2017 (in USD thousands):

	March 31, 2018	December 31, 2017
Spare parts	$ 15,767	$ 14,862
Chemicals	17,483	17,963
Raw materials	204	204
Other	144	237
Total	33,598	33,266
Less: allowance for obsolete and slow moving inventories	(934)	(953)
Total	$ 32,664	$ 32,313

Allowance for obsolete and slow moving inventories for the three month period ended March 31, 2018 and three month period ended March 31, 2017 was $ (19) thousand and $217 thousand, respectively.

5. Property, Plant and Equipment

Property, plant and equipment are presented at cost, net of accumulated depreciation and consist of the following (in USD thousands):

	March 31, 2018	December 31, 2017
Property, Plant and Equipment	$ 483,378	$ 473,245
Less: Accumulated Depreciation and impairment	(219,175)	(208,976)
Total	$ 264,203	$ 264,269

Depreciation expense recorded as cost of services was $10,287 thousand and $9,032 thousand for the three months ended March 31, 2018 and 2017, respectively. Depreciation expense recorded as selling, general, and administrative expenses amount to $81 thousand and $92 thousand for the three months ended March 31, 2018 and March 31, 2017, respectively.

6. Intangible Assets and Goodwill

Intangible assets and Goodwill were recorded in connection with the 2014 acquisition of NPS Bahrain and the 2017 acquisition of PT Tiger Energy Services ROI ("PT Tiger"). As a result of the purchase price allocation for the acquisitions, the Company recorded intangible assets related to customer contracts. These intangible assets were recorded at fair value on the date of acquisition as intangible assets with finite lives and amortized using the straight-line method over the estimated period of economic benefit, ranging from 1 to 3 years.

Amortization expense of $10 thousand and $74 thousand was recorded for the three months ended March 31, 2018 and March 31, 2017, respectively.

Intangible assets impairment

Goodwill is calculated as the excess of the consideration transferred over the fair value of the net assets acquired. The goodwill is primarily attributable to expected synergies and the assembled workforce, as well as intangible assets which do not qualify for separate recognition. The amount of goodwill that is deductible for income tax purposes is not significant.

The Company concluded that no triggering events necessitating an impairment assessment of goodwill had occurred in the period ended on March 31, 2018 or December, 31 2017.

7. Debt

Long-Term Debt

Debt consists of (in USD thousands):

	March 31, 2018	December 31, 2017
$150,000 thousand in senior notes under the Murabaha facility, interest at 6 months LIBOR plus 3.25% payable quarterly, principal due on May 28, 2025	150,000	150,000
Less: unamortized debt issuance costs	2,875	2,976
Long-term debt, net unamortized debt issuance costs and excluding current installments	147,125	147,024

The Company had entered into a syndicated Murabaha facility ("the Facility") for $150 million which was fully drawn by the Company on November 26, 2014. Murabaha is an Islamic financing structure where a set fee is charged rather than interest. This type of loan is legal in Islamic countries as banks are not authorized to charge interest on loans, so banks charge a flat fee for continuing daily operations of the bank in lieu of interest.

The Facility of $150 million is from a syndicate of three commercial banks. On May 28, 2017, the maturity of the Facility ("Amended Facility") was refinanced to extend the maturity of the agreement. The Amended Facility is repayable in quarterly instalments ranging from $1.076 million to $57.852 million commencing from August 1, 2019 with the last instalment due on May 28, 2025. The Amended Facility carries a stated interest rate of three months LIBOR plus a fixed profit margin of 3.25% per annum. The Amended Facility is secured by pro-rated personal guarantees of one individual shareholder and letters of awareness executed by the corporate shareholders as credit support for the new Amended Facility.

The maturities schedule presented below has been adjusted for the amendment to the Facility agreement. Scheduled principal payments of debt for years subsequent to March 31, 2018 are as follows (in USD thousands):

2018	$	0
2019		2,145
2020		6,428
2021		10,732
2022		17,175
Thereafter		113,520
	$	150,000

Costs incurred to obtain financing are capitalized and amortized using the effective interest method and netted against the carrying amount of the related borrowing. The amortization is recorded in interest expense on the consolidated statements of income / (loss) and was $102 thousand, and $82 thousand for the three months ended March 31, 2018 and March 31, 2017, respectively.

The Facility contains covenants which, among others, require that certain financial ratios be maintained, which include maintaining a gearing ratio of 1.5:1. The gearing ratio is calculated as all the Company's debt divided by the Company's total equity and debt. As of March 31, 2018 and December 31, 2017 the Company was in compliance with all its covenants.

Short-term debt

The Company entered into an additional $50 million term facility ("the Term Loan") on February 4, 2018 with APICORP. The loan is repayable by August 1, 2018 if the Company is acquired by National Energy Services Reunited Corp ("NESR") (see Note 17) or else the repayment can be extended till November 2019 on Company's request. The facility carries a stated interest rate of one month LIBOR plus a fixed profit margin of 1.50% per annum. ($888 thousand until August 1, 2018).

At March 31, 2018, and December 31, 2017, short term borrowings were $56,958 thousand, and $8,773 thousand, respectively. Short term borrowings represent funded letters of credit at year end which are due to be settled within one year and includes the additional $50 million term facility ("the Term Loan") entered into on February 4, 2018 with APICORP.

8. Fair value accounting

Financial instruments comprise of financial assets and financial liabilities. Financial assets consist of receivables, amounts due from related parties and cash and cash equivalents. Financial liabilities consist of loans and borrowings, amount due to related parties, bank overdrafts, and payables.

The various inputs used to measure assets at fair value establish a hierarchy that distinguishes between assumptions based on market data (observable inputs) and the Company's assumptions (unobservable inputs). The hierarchy consists of three broad levels as follows:

Level 1: Quoted market prices in active markets for identical assets and liabilities:

Level 2: Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3: Unobservable inputs developed using the Company's estimates and assumptions, which reflect those that market participants would use.

The carrying values of the Company's cash and cash equivalents, trade receivables and accounts payables, as reflected in the consolidated balance sheets, approximate fair value due to the short-term maturity of these items.

The estimated fair value of the Company's outstanding debt balances (including current portion), considered Level 2 instruments, as of March 31, 2018 and December 31, 2017 is set forth below (in USD thousands):

	March 31, 2018		December 31, 2017	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Borrowings under Credit Agreement:				
Murabaha facility	$ 150,000	$ 150,000	$ 150,000	$ 150,000
APICORP facility	50,000	50,000	-	-
Total debt	$ 200,000	$ 200,000	$ 150,000	$ 150,000

The carrying value of the balance outstanding under the facilities approximate their fair value as the instruments market interest rate.

There are no financial assets and liabilities that have been measured at fair values on recurring basis.

9. Employee benefits

The components of net periodic benefit cost for the year-to-date periods were as follows (in USD thousands):

	Pension Benefits	
	Three Months Ended	
	March 31, 2018	March 31, 2017
Service cost	$ 657	$ 532
Interest cost	86	101
Total net periodic benefit cost	$ 743	$ 633

The Company made contributions of $633 thousand to the end-of-service benefit plans during the three months of 2018. In the three months of 2017, the Company had made contributions of $743 thousand to the end of service plans.

10. Commitments and Contingencies

Capital expenditure commitments

The Company is committed to incur capital expenditure of $13,610 thousand at March 31, 2018 and $26,197 thousand as of December 31, 2017. These commitments are expected to be settled by the end of 2019.

Operating lease commitments

Future minimum lease commitments under non-cancellable operating leases with initial or remaining terms of one year or more at March 31, 2018, are payable as follows (in USD thousands):

2018	5,701
2019	5,044
2020	2,631
2021	2,356
2022	2,132
Thereafter	3,968
	21,832

Rental expense related to operating leases amounted to $1,145 thousand and $1,850 thousand for the three months ended March 31, 2018 and March 31, 2017.

As of March 31, 2018 and December 31, 2017, the Company has a liability of $4,472 and $4,472 thousand on the balance sheets included in the line item "Other liabilities" reflecting various tax liabilities associated with the 2014 acquisition of NPS Bahrain. As of March 31, 2018 and December 31, 2017, the Company also has a corresponding indemnification asset of $4,472 and $4,472 thousand recorded in the balance sheets included in the line item "Other assets," reflecting the estimated costs the Company expect the former owner of NPS Bahrain to cover.

In the normal course of business with customers, vendors and others, the Company has entered into off-balance sheet arrangements, such as surety bonds for performance, and other bank issued guarantees, which totaled $0 thousand and $27,900 thousand as of March 31, 2018 and December 31, 2017, respectively. A liability is accrued when a loss is both probable and can be reasonably estimated. None of the off-balance sheet arrangements either has, or is likely to have, a material effect on our consolidated financial statements.

Contingencies

The Company is involved in certain legal cases in the normal course of business, the outcome of which is currently, subject to uncertainties and therefore the probability of a loss, if any, being sustained and an estimate of the amount of any loss are difficult to ascertain. Consequently, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of these disputes. The Company is contesting these claims/disputes and the Company management believes that presently provision against these potential claims is not required as the ultimate outcome of these disputes would not have a material impact on the Company financial position.

11. Equity

Common shares

The Company has authorized 370,000,000 shares of 1 par value. The Company's issued and outstanding shares were 348,525,566 shares as of March 31, 2018 and 342,250,000 shares as at December, 31 2017, respectively. The Company declared and paid $48.2 million dividends during the three months ended March 31, 2018 (three months period ended March 31, 2017: Nil).

Convertible shares

As part of the Company's acquisition of NPS Bahrain in 2014, the Company had issued 37,000,000 convertible shares to two of NPS Bahrain's shareholders Mr. Abdulaziz Mubarak Al-Dolaimi and Mr. Fahad Abdulla Hamad Dekhayel (selling shareholders) aggregating to 18,500,000 convertible shares each. These shares were issued to provide security against certain tax and related indemnities given by the selling shareholders at the time of acquisition of NPS Bahrain. The convertible shares have the same rights and rank pari passu with the ordinary shares including the right to participate in any dividend declared for ordinary shares and are valued at $1 per share.

Under the terms of the convertible shares, in the event any indemnity claims are settled by the selling shareholders by providing cash to the Company, an equivalent amount of convertible shares would be converted into common shares. However, in the event the indemnity claims are not settled by the selling shareholders, an equivalent amount of convertible shares will be cancelled by the Company. These convertible shares are equity classified because the conversion to equity shares or the cancellation of the same is at the option of the Company. At the end of June 2019, unless all indemnity claims are settled to the satisfaction of the Company, half of the convertible shares convert into common shares and the balance on extinguishment of contingencies.

During the year ended December 31, 2016, 9,250,000 convertible shares were converted into ordinary shares of the Company, when the selling shareholders fulfilled their obligation to repay the amount incurred by the Company upon settlement of the contingency. During the three month period ended March 31, 2018, 6,274,666 convertible shares were converted into ordinary shares of the Company, when the selling shareholders fulfilled their obligation to repay the amount incurred by the Company upon settlement of the contingency. There was no conversion of shares of the Company during the year ended December 31, 2017.

12. Related party transactions

In prior periods the Company had provided Mr. Abdulaziz Mubarak Al-Dolaimi, a former 2.5% shareholder of the Company, with interest free short-term advances, payable at the discretion of Mr. Al-Dolaimi. These were fully repaid in the year 2017.

There is $25 thousand balances due to other related parties as of March 31, 2018 (amount payable to a related party as at December 31, 2017: $25 thousand).

There was no related party transactions during the three months ended March 31, 2018 and 2017, respectively.

Transactions with related parties are made at mutually agreed terms. Outstanding balances are unsecured, interest free and settlement occurs in cash. For the three months ended March 31, 2018 and 2017 respectively, the Company has not recorded any impairment of receivables relating to amounts owed by the related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

13. Earnings per share

Basic earnings per common share considers the weighted average number of common shares outstanding. Diluted earnings per share considers the outstanding shares utilized in the basic earnings per share calculation as well as the dilutive effect of outstanding equity. Common stock equivalents are excluded from the computation of earnings per share if they have an anti-dilutive effect.

The following table provides a reconciliation of the data used in the calculation of basic and diluted common shares outstanding for the three months ended March 31, 2018 and 2017 (in USD thousands, except share and per share data).

	Three months ended March 31,	
(in thousands except share and per share data)	**2018**	**2017**
Earnings per common share		
Net income attributable to common stockholders	$ 5,793	$ 3,414
Undistributed earnings allocated to participating securities (1)	198	(16)
Net income allocated to common stockholders	$ 5,991	$ 3,398
Average common shares issued and outstanding	345,457,000	342,250,000
Earnings per common share	$ 0.02	$ 0.01
Diluted earnings per common share		
Net income attributable to common stockholders	$ 5,793	$ 3,414
Undistributed earnings allocated to participating securities (1)	185	(15)
Net income allocated to common stockholders	$ 5,978	$ 3,399
Average common shares issued and outstanding	345,457,000	342,250,000
Dilutive potential common shares	24,543,000	27,750,000
Total diluted average common shares issued and outstanding	370,000,000	370,000,000
Diluted earnings per common share	$ 0.02	$ 0.01

(1) The Company's retention shares, granted in June 2014, and the co-investment shares, granted to employees of the Group in September 2015, rank pari passu with the ordinary shares in terms of the economic benefits accruing to the holder of the instruments. The undistributed earnings allocated to participating securities is calculated based on the weighted average outstanding retention shares and co-investment shares with dividends participation rights.

14. Income Taxes

For the three months period ended March 31, 2018 the Company effective tax rate was lower at 18% as compared to the three months period ended March 31, 2017 of 32% primarily due to increase in income earned in tax free jurisdictions in 2018 as compared to 2017. The computation of the annual effective tax rate for the three months ended March 31, 2018, is subject to uncertainty as the tax status of the Group will be affected by the merger with National Energy Services Reunited Corp. approved in May 2018 (refer to note 17).

Deferred income taxes are calculated on all temporary differences unless a valuation allowance has been recorded for uncertain deferred tax assets. Deferred tax liability in the unaudited condensed consolidated interim statement of financial position relate to the tax effect of accelerated tax depreciation.

15. Reportable segments

Operating segments are components of an enterprise where separate financial information is available that is evaluated regularly by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company reports segment information based on the "management" approach and its chief operating decision maker is its Chief Executive Officer.

The Company's services are similar to one another in that they consist of oilfield services and related offerings, whose customers are oil and gas companies. The results of operations of the service offerings are regularly reviewed by the chief operating decision maker for the Group as a whole for the purposes of determining resource and asset allocation and assessing performance. Hence, the Company has determined that it has one single reportable segment.

In accordance with FASB ASC 280 – Segment Reporting, geographical information on revenues and long-lived assets of the operations of the Company are disclosed below:

Country	Revenues for the three months ended March 31		Long-lived assets as at	
	2018	2017	March 31, 2018	December 31, 2017
Saudi Arabia	35,244	23,413	114,245	112,699
Qatar	10,559	7,788	26,247	25,325
Algeria	7,919	10,633	48,355	47,153
UAE	5,442	4,142	21,022	21,770
Iraq	13,378	6,436	46,132	46,670
Other foreign countries	4,300	2,326	8,202	10,652
Total	**76,842**	**54,739**	**264,203**	**264,269**

Geographical information on revenue is collated based on individual customers invoiced and is collated based on the physical location of the assets. The Company is domiciled in UAE.

Significant clients:

Revenues from four customers of the Company individually accounted for 46%, 17%, 10% and 7% of the company's consolidated revenues for three month period ended March 31, 2018. These same customers individually accounted for 42%, 18%, 12% and 11% of the company's consolidated revenues for three month period ended March 31, 2017.

16. Comparative figures

Within the financial statements there have been immaterial reclassification in certain disclosures for presentation purposes.

17. Business acquisition and Subsequent Events

The Company evaluates subsequent events and transactions that occur after the balance sheet date up to the date that the consolidated financial statements are issued. Other than as described below, the Company did not identify any subsequent events that would have required adjustment or disclosure in the consolidated financial statements.

On April 3, 2018, the Company entered into an agreement for purchasing 100% of the issued and outstanding share capital of PT DFI Asia Energi, Indonesia ("the acquisition") for a purchase consideration of up to $1.1 million. PT DFI Asia Energi, is an entity incorporated in Indonesia engaged in providing Coiled Tubing/Stimulation Services to its local clients. The acquisition will help the Group enter Indonesia Well Services market segment by reducing the time on prequalification and expand by offering additional services. The Company paid $940 thousand on 4th April 2018 to consummate the transaction. The balance has been retained for certain tax related contingencies and is expected to be settled by 2021.

On November 12, 2017, the Company entered into a definitive agreement with National Energy Services Reunited Corp. ("NESR") to effect a merger pursuant to which the Company will become a wholly-owned subsidiary of NESR. NESR will acquire the Company in two separate closings, in exchange for cash consideration of $443,000 thousand and the issuance of 11,318,828 NESR ordinary shares, valued at $10.00 per share. Potential earn-out mechanisms enable the Company's shareholders to receive additional consideration after the Closing Date, based on the financial results of the Company in fiscal year 2018. NESR is subject to certain penalties for delays in receiving shareholder approval to complete the transaction. The transaction obtained SEC approval on May 7, 2018, was approved by NESR's stockholders on May 18, 2018, and closed on June 6, 2018. Pursuant to the final closing of the Business Combination, total consideration of 11,318,828 NESR ordinary shares and total cash consideration of $319,015,289 was paid to complete the closing.

GULF ENERGY COMPANY SAOC
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF FINANCIAL POSITION
as of March 31

	Notes	**March 31, 2018**	December 31, 2017
		RO	RO
ASSETS			
Non-current assets			
Property, plant and equipment	*5*	39,232,566	40,156,365
Intangible assets and goodwill		5,837	10,442
Capital work in progress		718,486	619,740
Deferred tax asset		217,442	171,379
Investments in joint venture and associate		1,538,794	1,618,160
Total non-current assets		**41,713,125**	**42,576,086**
Current assets			
Inventories	*7*	11,224,577	10,934,286
Trade and other receivables	*8*	36,665,265	32,883,898
Amounts due from related parties	*14*	448,395	421,948
Cash and cash equivalents	*9*	1,224,967	2,597,832
Total current assets		**49,563,204**	**46,837,964**
Total assets		**91,276,329**	**89,414,050**
EQUITY:			
Share capital		500,000	500,000
Legal reserve		852,043	852,043
Retained earnings		29,081,572	28,940,235
Shareholders' contribution		11,231,640	10,235,089
Equity attributable to the Shareholders of the Company		41,665,255	40,527,367
Non-controlling interest		979,376	2,109,780
Total equity		**42,644,631**	**42,637,147**
LIABILITIES:			
Non-current liabilities			
Subordinated loan from a related party		171,000	171,000
Loans and borrowings	*10*	9,679,226	917,061
Finance lease liabilities		1,948	16,952
End of service benefits	*11*	626,229	604,385
Total non-current liabilities		**10,478,403**	**1,709,398**
Current liabilities			
Short term bank borrowings	*10*	2,756,735	2,451,380
Loans and borrowings	*10*	7,433,701	17,878,738
Finance lease liabilities		71,831	72,837
Trade and other payables	*12*	20,806,093	18,428,579
Amounts due to related parties	*14*	3,792,417	2,933,140
Income tax payable	*13*	3,292,518	3,302,831
Total current liabilities		**38,153,295**	**45,067,505**
Total liabilities		**48,631,698**	**46,776,903**
Total equity and liabilities		**91,276,329**	**89,414,050**

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

GULF ENERGY COMPANY SAOC
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
for the three months ended March 31

	Notes	**Three months ended March 31, 2018** **RO**	Three months ended March 31, 2017 RO
Revenue		15,647,618	18,065,353
Direct costs		(6,006,183)	(5,600,783)
Staff costs		(4,886,045)	(5,076,466)
Depreciation and amortization		(1,947,924)	(2,269,049)
Gross profit		**2,807,466**	5,119,055
Administrative and general expense		(1,865,230)	(1,663,814)
Impairment loss on trade and other receivables including contract assets		(37,880)	-
Finance cost		(346,832)	(318,986)
Finance income		-	156,258
Other income		36,931	57,326
Share of loss of equity-accounted investee, net of tax		(79,366)	(65,346)
Profit before taxation		**515,089**	3,284,493
Income tax expense	*13*	(353,605)	(565,868)
Net profit and total comprehensive income for the period		**161,484**	2,718,625
Net profit and total comprehensive income attributable to:			
Shareholders of the Company		141,337	2,432,457
Non-controlling interest		20,147	286,168
Net profit and total comprehensive income for the period		**161,484**	2,718,625

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

GULF ENERGY COMPANY SAOC
CONDENSED CONSOLIDATED INTERIM STATEMENTS OF CASH FLOWS
for the three months ended March 31

	Three months ended March 31, 2018 RO	Three months ended March 31, 2017 RO
Profit before tax	515,089	3,284,493
Adjustments for:		
Depreciation and amortization	2,064,400	2,384,605
Interest expense – net	346,832	162,728
End of service benefits	36,922	33,396
Impairment loss on trade and other receivables including contract assets	37,880	-
Reversal for provision of slow moving inventory	-	(217,751)
Share of loss of equity-accounted investee, net of tax	79,366	65,346
Profit on disposal of property, plant and equipment	(63,625)	-
Changes in working capital:		
Inventories	(290,291)	377,101
Trade and other receivables	(3,819,247)	1,886,285
Trade and other payables	2,377,514	(1,210,918)
End of service benefits paid	(15,078)	-
Interest paid	(346,832)	(162,728)
Taxes paid	(409,981)	(2,766,842)
Net cash generated from operating activities	512,949	3,835,715
Investing activities:		
Purchase of property, plant and equipment (including CWIP)	(1,250,864)	(430,807)
Proceeds from sale of property, plant and equipment	79,747	-
Acquisition of non-controlling interests	(154,000)	-
Acquisition of a subsidiary	-	6,907
Net cash used in investing activities	(1,325,117)	(423,900)
Financing activities:		
Repayment of finance lease liabilities	(16,010)	(11,448)
Net movement in related parties' balances	832,830	(2,564,587)
Repayment of loans and borrowings	(2,243,612)	(3,690,698)
Bank borrowings availed during the year	560,740	965,669
Net movement in short term bank borrowings	385,000	2,345,429
Net cash used in financing activities	(481,052)	(2,955,635)
Net change in cash and cash equivalents	(1,293,220)	456,180
Cash and cash equivalents at the beginning of the period	2,502,652	(124,030)
Cash and cash equivalents at the end of the period	1,209,432	332,150

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

GULF ENERGY COMPANY SAOC
CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY

	Share capital RO	Legal reserve RO	Retained earnings RO	Shareholder's contribution RO	Total equity attributable to the equity holders of the Company RO	Non-controlling interest RO	Total RO
January 1, 2017	500,000	827,043	51,352,239	4,057,390	56,736,672	10,548,407	67,285,079
Net profit and total comprehensive income for the period	-	-	2,432,457	-	2,432,457	286,168	2,718,625
March 31, 2017	500,000	827,043	53,784,696	4,057,390	59,169,129	10,834,575	70,003,704
January 1, 2018	500,000	852,043	28,940,235	10,235,089	40,527,367	2,109,780	42,637,147
Net profit and total comprehensive income for the year			141,337		141,337	20,147	161,484
Acquisition of non-controlling interest (refer to Note 6)	-	-	-	996,551	996,551	(1,150,551)	(154,000)
March 31, 2018	500,000	852,043	29,081,572	11,231,640	41,665,255	979,376	42,644,631

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

1. Legal status and principal activities

Gulf Energy Company SAOC ("the Company") ("GES SAOC") was incorporated in the Sultanate of Oman as a limited liability company on May 31, 2005. On June 20, 2013, the Company became a closed Omani joint stock company.

The business activities of the Company and its subsidiaries (together referred to as "the Group") include providing drilling equipment on rental and related services, providing well engineering services and directional drilling services and import and sale of oilfield equipment and rendering of specialized services to oil companies. Mubadarah Investment LLC ("Mubadarah") is the Parent Company ("the Parent Company") which holds 56.90% as at March 31, 2018 (December 31, 2017: 56.90%) shares in the Company. Also refer to Note 14.

The Group operates in the Sultanate of Oman, Kuwait, Algeria, Yemen, and the Kingdom of Saudi Arabia ("KSA") and consists of the twelve companies which are incorporated in the Sultanate of Oman.

The consolidation incorporates the following subsidiaries in which the Group has a controlling interest:

Name of the Subsidiaries	Country of registration	**March 31, 2018 Holding**	December 31, 2017 Holding
		%	%
Sino Gulf Energy Enterprises LLC ("SGEE")	Oman	**100**	95
Integrated Petroleum Services Company LLC ("IPS")	Oman	**97**	97
Intelligent Drilling Services LLC ("IDS")	Oman	**99**	99
Well Solutions Services LLC ("WSS")	Oman	**99.99**	99.99
Well Maintenance Services LLC (" WMS")	Oman	**99.99**	99.99
Fishing and Remedial Expert Enterprises LLC ("FREE")	Oman	**99**	99
Gulf Drilling Fluid Technology LLC ("GDFT")	Oman	**99**	99
Gulf Energy Services LLC ("GES")	Oman	**99**	99
Kuwait Gulf Petroleum services LLC	Kuwait	**95**	95
Midwest Oilfields Services LLC ("Midwest")	Oman	**99.99**	99.99
Makamen Petroleum LLC ("Makamen")	Oman	**75**	75

Integrated Petroleum Services LLC has a subsidiary Benon Oil Services LLC registered in Oman.

Gulf Energy Services LLC has a subsidiary, Tamkeen Fracking LLC, registered in Oman. Furthermore, Gulf Energy Services LLC also has branches in Kingdom of Saudi Arabia, Yemen, Algeria and Kuwait.

The following are entities where the Company has significant influence:

Company	Activity	Percentage of Share capital held	Share capital held RO	Share capital paid up RO
Joint Venture				
Senergy Gulf Solutions LLC	Services ancillary to oil and gas extraction	50%	75,000	75,000
Associate				
Tasneea Oil and Gas Technology LLC	Fabrication, maintenance and overhaul of oilfield equipment	20%	1,539,388	1,539,388

2. Basis of Preparation

a) Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Group's accounting policies have been applied consistently to all periods presented within the condensed consolidated interim financial statements. The condensed consolidated interim financial statements correspond to the classification provision contained within IAS 1 (revised) presentation of financial statements.

b) Consistency of accounting policies

The accounting policies applied in the unaudited condensed consolidated interim financial information are consistent with the accounting policies applied to the audited consolidated financial statements of the Company for the year ended December 31, 2017. These condensed consolidated interim financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2017. Also refer to note 3.

c) Basis of preparation

The unaudited condensed consolidated interim financial information for the three-month period ended March 31, 2018 ("the period") is prepared as per International Accounting Standard 34 - Interim Financial Reporting (IAS 34). These condensed consolidated interim financial statements are presented in Omani Rial (RO). All amounts have been rounded-off to the nearest Rial in two decimal places, unless otherwise indicated.

d) Use of estimates and judgements

The preparation of unaudited condensed consolidated interim financial information requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. Actual figures may differ from these estimates and judgments. While preparing the unaudited condensed consolidated interim financial information, the significant judgments made by the management in applying the accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the consolidated financial statements as at December 31, 2017.

e) Accounting estimates

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The condensed consolidated interim financial information does not include all financial risk management information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the annual consolidated financial statements as at December 31, 2017. There have been no changes in the risk management policies since December 31, 2017.

f) Common control transaction

The Group accounts for common control transactions using the fair value method.

3. New standards, interpretations and amendments adopted by the Group

The accounting policies adopted in the preparation of the condensed consolidated interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2017, except for the adoption of new standards effective as of 1 January 2018. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The Group applies, for the first time, IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments. As required by IAS 34, the nature and effect of these changes are disclosed below. Several other amendments and interpretations apply for the first time in 2018, but do not have an impact on the condensed consolidated interim financial statements of the Group.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 supersedes IAS 11 Construction Contracts, IAS 18 Revenue and related Interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. The standard also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract.

The Group has assessed the impact of IFRS 15 and concluded that the application of this standard does not have any material impact on Group's financial statements.

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments replaces IAS 39 Financial Instruments: Recognition and Measurement for annual periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement; impairment; and hedge accounting.

As allowed under transitional provisions of IFRS 9, the Company did not restate comparative periods and changes, if any have been affected through adjustment to the opening balances of retained earnings as at 1 January 2018.

The effect of adopting IFRS 9 is, as follows:

Classification and measurement of financial assets and financial liabilities

IFRS 9 contains three principal classification categories for financial assets: measured at amortized cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

On initial recognition, a financial asset is classified as measured at: amortized cost, FVOCI or FVTPL.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

● the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
● the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A financial asset (unless it is a trade receivable without a significant financing component) that is initially measured at the transaction price) is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition.

The following accounting policy applies to the subsequent measurement of financial assets:

Financial assets at amortized cost

These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

The following table and the accompanying notes below explain the original measurement categories under IAS 39 and the new measurement categories under IFRS 9 for each class of the Group's financial assets as at 1 January 2018:

			Impact of IFRS 9	
	Original classification under IAS 39	**New classification under IFRS 9**	**Original carrying amount RO**	**New carrying amount RO**
Financial assets (a)				
Cash and bank balances	Loans and receivables	Amortized cost	2,597,832	2,597,832
Trade and other receivables	Loans and receivables	Amortized cost	32,883,898	32,883,898
Due from related parties	Loans and receivables	Amortized cost	421,948	421,948

(a) Financial Assets that were classified as loans and receivables under IAS 39 are now classified at amortized cost. No difference in carrying amount is identified due to adoption of IFRS 9.

Financial liabilities

No change in reclassification and measurement of financial liabilities are identified due to adoption of IFRS 9.

Impairment

IFRS 9 replaces the “incurred loss” model in IAS 39 with “expected credit loss” (ECL) model. Under IFRS 9, credit losses are recognized earlier than under IAS 39.

The financial assets at amortized cost consist of trade and other receivables and cash and bank balances.

Under IFRS 9, loss allowances are measured on either of the following basis:

- 12 month ECLs: These are ECLs that result from possible default events within the 12 months after the reporting date; and
- Lifetime ECLs: These are ECLs that result from possible default events over the expected life of financial instrument; and
- The Group measures loss allowances at an amount equal to lifetime ECL.

The Group has elected to measure loss allowances for trade receivables at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group’s historical experience, informed credit assessment security/guarantee provided by customers, if any, and including forward-looking information. The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held).

Measurement of ECL

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company’s past history, customer’s creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortized cost are credit-impaired. A financial asset is ‘credit-impaired’ when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Presentation of impairment

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets.

Impact of the new impairment model

For assets in the scope of the IFRS 9 impairment model, impairment losses are generally expected to increase and become more volatile. The Group has determined that the application of IFRS 9’s impairment requirements at 1 January 2018 results in same impairment loss on trade and other receivables.

The ECLs were calculated based on actual credit loss experience over the past three years. Actual credit loss experience was adjusted by scalar factors to reflect differences between economic conditions during the period over which the historical data was collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables. Scalar factors were based on GDP and industry outlook.

Transition

Comparative periods have not been restated. No differences in the carrying amounts of financial assets and financial liabilities resulting from the adoption of IFRS 9 are identified.

The assessment for the determination of the business model within which a financial asset is held has been made on the basis of the facts and circumstances that existed at the date of initial application.

4. Standards, amendments and interpretations issued that are not yet effective (and which have not yet been adopted) that are relevant for the Group's operations

Following relevant new standards, amendments to standards and interpretations are not yet effective for the period ended March 31, 2018, and have not been applied in preparing these unaudited condensed consolidated interim financial statements as follows:

IFRS 16 – *Leases*

On January 13, 2016, the International Accounting Standards Board issued the final version of IFRS 16, Leases. IFRS 16 will replace the existing leases Standard, IAS 17 Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. IFRS 16 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Standard also contains enhanced disclosure requirements for lessees. The effective date for adoption of IFRS 16 is annual periods beginning on or after January 1, 2019, though early adoption is permitted for companies applying IFRS 15 Revenue from Contracts with Customers. The Group is currently assessing the impact of adopting IFRS 16 on the Group's condensed consolidated interim financial statements.

5. Property, plant and equipment

During the three months ended March 31, 2018, the Group acquired assets with a cost of RO 1,250,864 (three months ended March 31, 2017: RO 430,807).

Assets with a carrying amount of RO 16,122 were disposed of during the three months ended March 31, 2018 (three-months ended March 31, 2017: RO Nil), resulting in a gain on disposal of RO 63,625 (period ended March 31, 2017: gain of RO Nil), which was included in 'revenue' in the unaudited condensed consolidated interim statement of profit or loss and other comprehensive income.

6. Acquisitions

a) Acquisition of NCI - Sino Gulf Energy Enterprises LLC

During the three months ended March 31, 2018, the Group acquired an additional 5% interest in Sino Gulf Energy Enterprises LLC, increasing its ownership interest from 95% to 100%.

The following table summarizes the effect of changes in the Group's ownership interest in Sino Gulf Energy Enterprises LLC.

	Amounts in RO
Carrying amount of NCI acquired	1,150,551
Consideration paid	(154,000)
Increase in owner equity attributable to the Shareholders of the Company (transferred to Shareholders' contribution)	**996,551**

7. Inventories

	March 31, 2018	*December 31, 2017*
	RO	*RO*
Chemicals and other finished products	**1,296,930**	1,372,471
Consumables	**4,655,470**	4,257,223
Spares	**5,811,364**	5,843,779
Less: provision for obsolete and slow moving inventory	**(539,187)**	(539,187)
	11,224,577	10,934,286

The movement in the provision for slow moving and obsolete inventories balance was as follows:

	Three months ended March 31, 2018	*Three months ended March 31, 2017*
	RO	*RO*
1 January	**539,187**	856,714
Reversal during the period	**-**	(217,751)
	539,187	638,963

8. Trade and other receivables

	March 31, 2018	*December 31, 2017*
	RO	*RO*
Trade receivables (1)	**12,059,822**	11,668,035
Trade receivables, current	**12,059,822**	11,668,035
Less: Impairment loss	**(495,401)**	(457,521)
	11,564,421	11,210,514
Unbilled revenue	**19,234,788**	17,132,262
Prepayments and other receivables (2)	**5,866,056**	4,541,122
	36,665,265	32,883,898

(1) Included in the trade receivables is a balance of RO 4.8 million (USD 12.5 Million) due from the same customer whose receivable balance was assigned to Mubadarah during the year ended 31 December 2017. Further, on March 23, 2018, Mubadarah, the Parent Company entered into an agreement with the Company wherein it agreed to:

- guarantee the payment of the amounts due from the customer to the Company for an amount equal to the lesser off (a) RO 2.3 million (US$ 6 million), or (b) any unpaid balance of the receivable from the customer (the “Guaranteed Amount”); and

- remit to the Company amounts it receives against Mubadarah’s outstanding receivable balance from the customer, until both the Guaranteed Amount and the remaining RO 2.5 million (USD 6.5 million) owed by the customer to the Company has been paid.

(2) Includes advances to key management personnel amounting to RO 1,760,977 as at 31 March 2018 (31 December 2017: RO 1,739,875). Also refer to note 14.

9. Cash and cash equivalents

	March 31, 2018	*December 31, 2017*
	RO	*RO*
Cash and cash equivalents – condensed consolidated interim statement of financial position	**1,224,967**	2,597,832
Bank overdraft *	**(15,535)**	(95,180)
Cash and cash equivalents – condensed consolidated interim statement of cash flows	**1,209,432**	2,502,652

* Refer to note 10 for securities and covenants against the Group's bank borrowings. Call accounts carry interest at 0.1% per month (2017: 0.1% per month).

10. Loans and borrowings

(A) Bank loans		***March 31, 2018***	December, 31 2017
		RO	RO
Non-current liabilities			
Secured bank loans		9,846,059	917,061
Less: unamortized transaction cost		(166,833)	-
	(a)	9,679,226	917,061
Current liabilities			
Secured bank loans		6,301,570	16,805,959
Loan against trust receipts (STL)		1,132,131	1,229,985
Less: unamortized transaction costs		-	(157,206)
	(b)	7,433,701	17,878,738
	(c) = (a) + (b)	17,112,927	18,795,799

(i) New term loan:

In November 2015, the Group had re-financed all its existing bank term loans with National Bank of Oman for a single term loan of RO 23.10 million ("the new term loan") ("Tranche A"). As on December 31, 2017, the outstanding amount on this new term loan ("Tranche A") was RO 14.12 million, and as on March 31, 2018 RO 12.8 million. The loan will mature in 2020.

The new term loan carries interest at the rate of LIBOR + 3.50% per annum and is repayable with quarterly installments, starting 6 months from the drawdown in 18 equal instalments until July 2020.

During 2017, new term loan ("Tranche B") was availed by the Company to the extent of RO 1.96 million, which was outstanding at the year-ended December 31, 2017. At March 31, 2018 RO 1.8 million of this loan is outstanding. The "Tranche B" loan is repayable in equal quarterly installments starting 18 months from the first drawdown until June 2022.

The new term loan ("Tranche A and Tranche B") contain covenants which among others, require certain financial ratios to be maintained which include maintaining a minimum debt service coverage ratio of 1.25.

Working capital funded facilities including overdraft, bill discounting and loan against trust receipts facility carry an interest equal to US Dollar LIBOR for the applicable interest period, plus a margin of 3.50% per annum.

The new term loan ("Tranche A and Tranche B") and the working capital facility which includes overdraft, letters of credit and trust receipts etc. are secured by:

i) First priority assignment of all existing contracts and of new contracts financed by the facilities;

ii) First priority commercial charge over;

- the existing fixed assets of the Company and each of the operating companies in the Group
- new equipment acquired by the Company and the operating companies in the Group

iii) Assignment of insurance policies covering above assets;

iv) Joint and several corporate guarantees of the Guarantors; and

v) Subordination of any shareholder loans to the Company and/or the operating companies in the Group.

As of December 31, 2017, the Company was in compliance with its financial covenants except for the covenant relating to the consolidated net worth of the Group. As a result, long-term portion of all the borrowings from the concerned bank amounting to RO 10.5 million had been classified as part of current borrowings as at December 31, 2017. However, subsequent to the year end, the bank has issued a formal letter waiving off this breach of covenant as at December 2017 and post year-end the Group's facilities from the aforementioned bank continue uninterrupted as per the repayment plan outlined in the facility letter. Accordingly, the outstanding borrowings from this bank as at 31 March 2018 have been classified as non-current.

(ii) Other term loan:

The Group has also availed a term loan to the extent of RO 1.7 million in 2017 which was outstanding at the year-ended December 31, 2017. RO 1.5 million of this loan is outstanding at March 31, 2018. This balance is repayable with nine quarterly installment starting seven months from the first drawdown until December 2019 and carries interest at the rate 3 months / 6 months LIBOR + 4% per annum.

This loan is secured mainly by assignment of project contract proceeds, assignment of insurance proceeds and first exclusive charge over project assets, among others.

This other term loan has covenants which among others require, certain financial ratios to be maintained including maintaining a minimum debt service coverage ratio of 1.25.

(B) Bank borrowings

	March 31, 2018	*December 31, 2017*
	RO	*RO*
Bank overdraft	**15,535**	95,180
Short-term credit facility	**2,741,200**	2,356,200
Total bank borrowings	**2,756,735**	2,451,380

11. End-of-service benefits

Provisions were established for gratuity benefits provided to GES employees in Oman, KSA, and Kuwait. The net liability was accounted for as follows:

	March 31, 2018	*December 31, 2017*
	RO	*RO*
1 January	**604,385**	525,740
Charge for period / year	**36,922**	140,121
Payments during the three months ended / year	**(15,078)**	(61,476)
31 March / 31 December	**626,229**	604,385

Net cost for the year to date periods comprises the following components:

	Three months ended March 31, 2018	*Three months ended March 31, 2017*
Service cost	**31,279**	28,292
Interest cost	**4,966**	4,492
Actuarial loss	**677**	612
Net cost	**36,922**	33,396

12. Trade and other payables

	March 31, 2018	*December 31, 2017*
	RO	*RO*
Trade payables	**9,892,776**	7,972,509
Accruals and other payables	**10,913,317**	10,456,070
	20,806,093	18,428,579

13. Taxation

The Group's consolidated effective tax rate in respect of operations for the three months ended March 31, 2018 was 69% (three months ended March 31, 2017: 17%). The change in effective rate was mainly due to profit recorded by certain subsidiaries during the three months ended 31 March 2018 on which tax had to be provided notwithstanding losses recorded in certain other subsidiaries

Deferred income taxes are calculated on all temporary differences under the liability method using a principal tax rate of 15%. Deferred tax liability in the unaudited condensed consolidated interim statement of financial position and the deferred tax credit in the unaudited condensed consolidated interim statement of comprehensive income relate to the tax effect of accelerated tax depreciation.

14. Related party transactions

Related parties comprise the shareholders, key management personnel, subsidiary companies, jointly controlled entity and associate, business entities in which the Company has the ability to control or exercise significant influence in financial and operating decisions and other related parties which are a part of Mubadarah Investment LLC Group. In the ordinary course of business, such related parties provide goods and render services to the Group and the Company provides advances to these related parties at mutually agreed rates.

During the year 2017 and the three months ended March 31, 2018, the values of balances due from / due to and significant transactions with related parties (other than those disclosed elsewhere in these condensed consolidated interim financial statements) are as follows:

(i) Amount due from related parties – Current

		March, 31 2018	*December 31, 2017*
		RO	*RO*
Due from other related parties			
Heavy Equipment Maintenance & Trading Company LLC		**27,851**	21,479
Makamen Investment LLC		**25,000**	25,000
Vision Oil & Gas LLC		**1,200**	750
Rental Solution and Services LLC		**31,250**	14,351
Sadara Development and Investment LLC		**108**	108
Prime Business Solutions LLC		**25,551**	49,350
Mubadara Real Estate LLC		**406**	106
Colossal Engineering LLC		**21,510**	22,841
Isnaad Supplies LLC		**114,423**	88,466
Tasneea Oil and Gas Technology LLC		**5,454**	6,855
Senergy Gulf Solutions LLC		**3,000**	-
	(a)	**255,753**	229,306
Due from Shareholders			
Yasser Said Ahmed Al Barami		**192,642**	192,642
	(b)	**192,642**	192,642
	(c) = (a) + (b)	**448,395**	421,948

(ii) Amount due to related parties – Current

		March 31, 2018	*December 31, 2017*
		RO	*RO*
Due to the Parent			
Mubadarah Investment LLC	(a)	**1,917,432**	1,532,731
Due to Associates			
Tasneea Oil and Gas Technology LLC		**98,227**	110,015
Heavy Equipment Maintenance & Trading Company LLC		**178,297**	143,855
	(b)	**276,524**	253,870
Due to Jointly Controlled Entity			
Senergy Gulf Solutions LLC	(c)	**107,650**	107,650
Due to other related parties			
Rental Solution and Services LLC		**24,848**	24,848
Isnaad Supplies LLC		**1,109,937**	764,927
Prime Business Solutions LLC		**238,430**	131,518
	(d)	**1,373,215**	921,293
Due to shareholder			
Hilal Hamed Saif Al Busaidy	(e)	**117,596**	117,596
	(f) = (a) + (b) + (c) + (d) + (e)	**3,792,417**	2,933,140

Also, refer note 8 for details of assignment of a trade receivable to Mubadarah.

iii) Key management personnel transactions and balances:

	Three months ended March 31, 2018 RO	*Three months ended March 31, 2017 RO*
Salaries and allowances		
Yasser Said Ahmed Al Barami, Chief Commerical Officer	**133,940**	130,500
Hilal Hamed Saif Al Busaidy, Chief Executive Officer	**136,245**	134,500
Shaima Saif Hamed Al Busaidy Treasury Manager	**10,796**	17,950
Nayankumar Vora, Chief Financial Officer	**33,399**	23,346
Hamza Sayed Hameed Qarooni, Vice President	**43,613**	15,780
	357,993	322,076

	March 31, 2018 RO	*December 31, 2017 RO*
Advances *		
Yasser Said Ahmed Al Barami, Chief Commercial Officer	**1,637,195**	**1,618,184**
Hilal Hamed Saif Al Busaidy, Chief Executive Officer	**123,782**	**121,376**
Nayankumar Vora, Chief Financial Officer	**-**	**315**
	1,760,977	**1,739,875**

***** These represent short-term advances to key management personnel for personal use. The advances are unsecured, non-interest bearing and are repayable on demand. These advances are to be settled on or prior to the closing of the NESR transaction as described in note 16. Also, refer to note 8

iv) Related party transactions

	Three months ended March 31, 2018	*Three months ended March 31, 2017*
	RO	RO
Finance income from the Parent Company *	**-**	155,753
Finance income from an Associate *	**-**	504
Rental income from other related parties	**18,522**	7,104
Rental income from the Parent Company	**300**	1,902
Rental income from an Associate	**10,674**	34,224
Purchases from other related party	**429,249**	369,894
Purchases from an associate	**3,938**	16,554
Sales to an associate	**5,343**	16,529

* Finance income comprises 6.5% per annum interest on related party receivables (net).

(v) Subordinated loans from related parties

	March 31, 2018	*December 31, 2017*
	RO	*RO*
Islamic Finance PJSC (1)	**-**	-
Mubadarah Investment LLC	**171,000**	171,000
	171,000	171,000

(1) One of the Subsidiaries, SGEE had obtained loans from its shareholders. These subordinated loans were not repayable until all liabilities to National Bank of Oman SAOG were settled in full. Management could obtain permission from National Bank of Oman SAOG for early settlement of subordinated loans. During 2017, on account of acquisition of the non-controlling interest in SGEE by GES, the subordinated loan provided by the erstwhile shareholders, Islamic Finance PJSC was replaced with loan from GES and Islamic Finance PJSC loan was paid. The loan from GES to SGEE is eliminated in these consolidated financial statements.

These subordinated loans are interest free and do not have any repayment schedule.

(vi) *Shareholder's contribution*

Shareholder's contribution includes a funding of RO 4,057,390 provided by the Parent Company. This balance is non-interest bearing and the Company has no obligation to repay this amount to the Parent Company. It can only be settled by issuing 4,057,390 number of equity shares at par value of RO 1 per share after completing the necessary legal formalities.

15. Contingent liabilities and commitments

Contingent liabilities

Litigations

a) The Group is involved in certain legal cases with some of its erstwhile employees for labor related matters that have arisen from time to time in the Sultanate of Oman. A number of these matters relate to claims for compensation for dismissal, payment of salary arrears, allowance of overtime hours, cancellation of decision to terminate and reinstatement of employment. These matters which are presently in different stages of legal proceedings in the Courts of the Sultanate of Oman are subject to uncertainties and therefore the probability of a loss, if any, being sustained and an estimate of the amount of any loss are difficult to ascertain. Consequently, for a majority of these claims, it is not possible to make a reasonable estimate of the expected financial effect, if any, that will result from ultimate resolution of these disputes. The Group is contesting these claims/disputes and the Group's management believes that presently provision against these potential claims is not required as the ultimate outcome of these disputes would not have a material impact on the Group's financial position.

b) The Company was defendant in a claim before a sole arbitrator in an arbitration initiated by a party, namely, Falcon Oil Services Company LLC ("Falcon") ("the claimant") requesting for USD 1.78 million for breach of contract and the amount of USD 1 million in compensation for damages and arbitration fees. In the year 2013, the Company had entered into a contract with a Yemen based company ("the customer") and sub contracted the contract to Falcon. Falcon carried out the work in Yemen for a week and then cancelled the contract and sued the Company for not providing sufficient security in Yemen. The Arbitration award which was rendered on January 18, 2017 was in favor of the claimant in which the Arbitrator awarded them USD 0.871 million with an interest of 6% since the date of the Arbitration award until full payment of the award. The Company then filed a case against the Arbitration award before the Court of Appeal in Muscat, Sultanate of Oman on March 14, 2017 requesting to nullify the Arbitration award and to freeze its execution until the Court has reached a decision about the claim. The Court of Appeal rendered a decision on the 30 April 2017 in favor of the Company. The Claimant filed a Statement of Objection ("the SOA") on May 29, 2017 objecting the decision from the Court of Appeal. On July 26, 2017, the Court rendered a decision to freeze the enforcement of the judgment until it has reached a final decision on the SOA. On September 21, 2017, the Company has submitted a final memorandum to the Supreme Court.

On March 20, 2018 Supreme Court overruled the Court of Appeal Judgment, and referred the nullified case back to the Court of Appeal for retrial through a different circuit. The next hearing date is yet to be communicated by the Court.

The management intends to contest this matter and believes that it has a strong case on the merits due to non-availability of evidence with the claimant. Further, the management believes that the ultimate outcome of this matter is unlikely to result in any liabilities for the Group.

c) SGEE, one of the subsidiaries, was a defendant in a claim before an appeal in Muscat Primary Court filed by a party, namely, Al-Nukhba Al-lthihadiya Trading LLC ("Al-Nukhba") ("the claimant") requesting for RO 3.0 million as a compensation for the loss of procurement and its resulting damages. Al-Nukhba was also seeking to nullify a contract between Schlumberger LLC and SGEE and subsequently seek to acquire the contract under its name.

The Court of Appeal rendered a decision on the November 5, 2017 in favor of SGEE, approving the Primary Court judgment which declined Al-Nukhba's claim.

Recently SGEE found out that Al-Nukhba has filed an objection with the Supreme Court, the notice of which is yet to be served.

The management intends to contest this matter, when the formal notice is served by the Supreme Court and believes that the ultimate outcome of this matter is unlikely to result in any liabilities to SGEE.

Letter of guarantee

	March 31, 2018 ***RO***	*December 31, 2017* *RO*
Letter of guarantee	**4,483,376**	3,805,339

Commitments

a) Operating lease: the Company has taken land and building cancellable operating lease agreements that are renewable on a periodic basis at the option of both the lessor and the lessee. The operating lease agreements extend up to a maximum of 25 years from their respective dates of inception and some of these lease agreements have price escalation clause.

   Rental payments under such leases were RO 157,936 and RO 174,777 for the period ended March 31, 2018, and March 31, 2017, respectively.

b) At March 31, 2018, there were capital commitments amounting to RO 2,448,668 (December 31, 2017: RO 1,734,863).

c) The Group has outstanding letters of credit amounting to RO 566,985 as at March 31, 2018 (December 31, 2017: RO 482,025).

16. Subsequent events

Business acquisition

The Group evaluates subsequent events and transactions that occur after the balance sheet date up to the date that the condensed consolidated interim financial statements are issued. Other than as described below, the Group did not identify any subsequent events that would have required adjustment or disclosure in the consolidated financial statements.

On November 12, 2017, the Group entered into definitive agreement with National Energy Services Reunited Corp. ("NESR") to effect a merger pursuant to which the Company will become a wholly-owned subsidiary of NESR. NESR will acquire the Company in two separate closings, in exchange for consideration valuation of $282,300 thousand by the issuance of NESR ordinary shares, valued at $10.00 per share. Potential earn-out mechanisms enable the Group's shareholders to receive additional consideration after the NESR Closing Date, based on the financial results of the Group in fiscal year 2018. NESR is subject to certain penalties for delays in receiving shareholder approval to complete the transaction. The transaction obtained SEC approval on May 7, 2018, and was approved by NESR's stockholders on May 18, 2018 and closed on June 6, 2018. Pursuant to the final closing of the Business Combination, total consideration of 28,346,229 NESR ordinary shares was paid to complete the closing.

NATIONAL ENERGY SERVICES REUNITED CORP. ANNOUNCES THE COMPLETION OF ITS BUSINESS COMBINATION WITH GULF ENERGY SAOC AND NATIONAL PETROLEUM SERVICES

HOUSTON, June 7, 2018 – National Energy Services Reunited Corp. ("NESR") (NASDAQ: NESR) (NASDAQ: NESRW), announced today the completion of its business combination with Gulf Energy SAOC ("GES") and National Petroleum Services ("NPS") on June 6, 2018. The combined company creates an industry-leading provider of integrated energy services and solutions in the Middle East and North Africa ("MENA") region. Following the closing of the transaction, NESR's common stock and warrants will continue to trade on the NASDAQ Capital Market stock exchange under the ticker "NESR" and "NESRW," respectively.

"We are pleased to announce that National Energy Services Reunited Corp. is now ready and eager to deliver the highest quality of services to our esteemed customers in the MENA region," said Sherif Foda, Chairman of the Board and CEO of NESR. "When we set out on this journey, we envisioned to create a truly national services company which has its roots in the MENA region. With the closing of these acquisitions, I believe we achieved our objective and have set the stage for our future growth strategy. Our key goals are to create employment opportunities, significantly expand local manufacturing and be recognized as one of the best service providers in the area. I would also like to thank our shareholder base which has supported these transactions, and I look forward to working with our great team of employees of NPS and GES to fulfill our vision."

The transaction was approved by the board of directors of NESR and by shareholders at a special meeting in lieu of an annual meeting on May 18, 2018. At $10.00 per share, NESR will have an aggregate market capitalization following the business combination and completion of redemptions of approximately $1.1 billion. As a result of the business combination, former GES and NPS shareholders now collectively own a significant portion of the combined company, representing approximately 46% of the proforma market capitalization. Major shareholders include SCF Partners along with Viburnum Funds, The Olayan Group, and Waha Capital PJSC.

About National Energy Services Reunited Corp.

NESR is a leading oil and gas services provider in the MENA region. NESR began as a special purpose acquisition corporation, or SPAC, focused on investing in global oil & gas services space in May 2017. In November 2017, NESR announced the acquisition of two of the most prominent oilfield services companies in the MENA region: GES and NPS. These transactions were completed in June 2018.

About SCF Partners

Founded in 1989, SCF Partners ("SCF") provides equity capital and strategic growth assistance to build leading energy service and equipment companies that operate throughout the world. The firm is headquartered in Houston, Texas and has additional offices in Calgary, Singapore and Aberdeen. SCF currently oversees approximately $2 billion under management and has built more than 70 platform services companies, completing over 300 growth acquisitions, through partnerships with energy services and equipment entrepreneurs.

About Viburnum Funds

Viburnum Funds Pty Ltd. ("Viburnum") is an Australian high conviction, active ownership investment manager of public and private equities. Their private equity strategy focuses on investments in expansion and replacement capital for mid-market resource services firms operating in Asia and Australasia. Founded in 2007, Viburnum is headquartered in Perth, Australia with offices in Singapore and Melbourne.

About Olayan Group

The Olayan Group (the "Group"), a private multinational enterprise, is an international investor and a diverse commercial and industrial concern with operations in the Middle East. With offices in Saudi Arabia, Europe, and the US, the Group's global investment team focuses on public and private equities, real estate, fixed income securities, and other specialized assets. The commercial side of the Group comprises more than 40 companies and is centered in Saudi Arabia, where the Group originated in 1947. They are engaged in distribution, manufacturing, and services. Many of these companies operate in partnership with leading multinational or regional firms. Some have operations in other Gulf countries and the wider Middle East.

About Waha Capital

Waha Capital ("Waha") is an Abu Dhabi-listed investment company that offers shareholders and third-party investors exposure to high-potential opportunities in diversified asset classes. The company manages assets across several sectors, including aircraft leasing, healthcare, financial services, fintech, energy, infrastructure, industrial real estate and capital markets. Through its Principal Investments unit, Waha has established a strong investment track-record, deploying capital in sectors that display robust demand fundamentals and that have been prioritized by governments in the Middle East and North Africa region. The company has also built a strong capability in managing global and regional credit and equity portfolios, which have enhanced the diversification and liquidity of Waha's balance sheet. The excellent performance of the company's principal investments and capital markets portfolios has laid the foundations for the launch of an asset management business aimed at third-party investors. Established in 1997, Waha benefits from a roster of prominent local shareholders that includes Mubadala Development Company, and a distinguished board, chaired by H.E. Salem Rashid Al Noaimi.

Forward Looking Statements

This communication includes certain statements that may constitute "forward-looking statements" for purposes of the federal securities laws. Forward-looking statements include, but are not limited to, statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements may include, for example, statements about the benefits of the transaction described in this communication; the future financial performance and capital structure of NESR following the transaction; and changes in NESR's strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects, plans and objectives of management. These forward-looking statements are based on information available as of the date of this communication, and current expectations, forecasts and assumptions, and involve a number of judgments, risks and uncertainties. Accordingly, forward-looking statements should not be relied upon as representing NESR's views as of any subsequent date, and NESR does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date they were made, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. You should not place undue reliance on these forward-looking statements. As a result of a number of known and unknown risks and uncertainties, NESR's actual results or performance may be materially different from those expressed or implied by these forward-looking statements. Some factors that could cause actual results to differ include NESR's ability to maintain the listing of its ordinary shares and warrants on the NASDAQ Capital Market following the business combination, NESR's ability to recognize the anticipated benefits of the transaction, which may be affected by, among other things, the price of oil, natural gas and natural gas liquids, competition and the ability of NESR to grow and manage growth profitably following the transaction; changes in applicable laws or regulations; the possibility that NESR may be adversely affected by other economic, business, and/or competitive factors; and other risks and uncertainties indicated in NESR's public filings with the Securities and Exchange Commission.

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