

ADES IPO

Subscription FAQs

1. What is the transaction structure?

On 21 June 2023, the Capital Market Authority (“CMA”) approved the Company’s application for registering its share capital and Offering of 338,718,754 ordinary shares of the Company’s total capital by way of sale of 101,615,626 existing shares (the “Sale Shares”) by ADES Investments Holding Ltd., the Public Investment Fund (“PIF”) and Zamil Group Investments Ltd., (in proportion to their existing shareholding) together referred to as (the “Selling Shareholders”), and the issuance of 237,103,128 new shares (the “New Shares”) (referred to with the Sale Shares as the “Offer Shares” and each as an “Offer Share”) through a capital increase.

2. What are the key milestones for the transaction?

Milestone	Price Range announcement and institutional book building starts	Institutional book building end	Retail subscription starts	Retail subscription ends	Final allocation of the offer shares	Refund of excess subscription amounts	First day of trading
Date	Sunday, September 10 2023	Thursday, September 14 2023	Tuesday, September 26 2023	Thursday, September 28 2023	No later than Wednesday, October 04 2023	No later than Tuesday, October 10 2023	TBC

3. Who is eligible to participate in the IPO?

Subscription for the Offer Shares is restricted to the following groups of investors:

- Tranche (A):** Participating Parties: this tranche comprises the parties entitled to participate in the book-building process as specified in the Instructions for Book Building Process and Allocation Method in Initial Public Offerings issued by the board of the CMA, which includes investment funds, companies, Qualified Foreign Investors, GCC corporate investors and certain other foreign investors pursuant to swap arrangements (collectively the “Participating Parties” and each a “Participating Party”) (for further details, please see Section 1 (“Definitions and Abbreviations”) of this Prospectus). The number of the Offer Shares provisionally allocated to the Participating Parties is 338,718,754 Offer Shares, representing 100% of the total Offer Shares. Final allocation shall be after the end of the individual subscription period, and if there is sufficient demand from the Individual Subscribers (as defined below), the Joint Financial Advisors, in consultation with the Company, will have the right to reduce the number of Offer Shares allocated to Participating Parties to 304,846,879 Shares, representing 90% of the total Offer Shares.

- **Tranche (B): Individual Subscribers:** This tranche comprises Saudi natural persons, including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi individual, where she shall be entitled to subscribe to the Offer Shares for her own benefit, on behalf of her minor children, provided that she prove that she is a divorcee or widow and the mother of her minor children, any non-Saudi natural person who is a resident in the Kingdom or GCC nationals, who have a bank account and are entitled to open an investment account with one of the Receiving Agents and an active stock portfolio with one of the Capital Market Institution affiliated with the Receiving Agent through which the subscription is being made (collectively referred to as the “**Individual Subscribers**”, each as an “**Individual Subscriber**” and, together with the Participating Parties, as the “**Subscribers**”). A subscription for shares made by a person in the name of his divorcee shall be deemed invalid, and the law will be enforced against such an applicant if a transaction of this nature is proved to have occurred. If a duplicate subscription is made, the second subscription will be considered void and only the first subscription will be accepted. A maximum of thirty-three million, eight hundred and seventy-one thousand, eight hundred and seventy-five (33,871,875) Offer Shares representing ten percent (10%) of the Offer Shares shall be allocated to Individual Subscribers. If Individual Subscribers do not subscribe for all the Offer Shares allocated to them, the Financial Advisors may, in coordination with the Company, reduce the number of shares allocated to them in proportion to the number of shares to which they subscribed.

4. What is the final offer price of the transaction?

The final offer price of the IPO will be determined and announced at the conclusion of the book build process.

5. How can I subscribe to the Offering?

You should discuss the eligibility for investing in a particular tranche with your financial advisor.

The subscription method for eligible investors will be as follows:

Tranche (A): Participating Parties: This tranche includes the parties entitled to participate in the Book Building Process, including investment funds, qualified foreign companies and institutions, investors from GCC companies, and other foreign investors under Swap Agreements (SWAP Agreements) (for further details, please refer to Section 1 (“**Definitions and Abbreviations**”) of the Prospectus). Participating Parties may obtain Application Forms from Bookrunners during the book building period and subscription forms from the Lead Managers after initial allocation. The Bookrunners shall - after obtaining the approval of the CMA - offer the Offer Shares to the Participating Parties during the book building period only. Subscriptions by Participating Parties shall commence during the Offering Period, which also includes Individual Subscribers, in accordance with the terms and conditions detailed in the Subscription Application Forms. A signed Subscription Application Form must be submitted to the

Bookrunners, which represents a legally binding agreement between the Selling Shareholders and the Participating Party submitting the application.

Tranche (B): Individual Subscribers: This tranche comprises Saudi natural persons, including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi individual, who is entitled to subscribe to the Offer Shares for her own benefit on behalf of her minor children, on the condition that she proves that she is a divorcee or widow and the mother of her minor children, any non-Saudi natural person who is resident in the KSA or GCC nationals who, in each case, have a bank account with one of the Receiving Agents and an active stock portfolio at a Capital Market Institution affiliated to the Receiving Agent through which the subscription will be made.

A subscription for shares made by a person in the name of his divorcee shall be deemed invalid and if a transaction of this nature is proved to have occurred, the law shall be enforced against the applicant. Subscription Application Forms will be available during the Offering Period on the websites of the Receiving Agents offering this service. Subscribers can also subscribe through the internet, telephone banking or ATMs of any of the Receiving Agents that provide these services to its customers, provided that the following requirements are satisfied:

- The Subscriber has a bank account at a Receiving Agent that offers such service.
- There have been no changes in the personal information or data of the Subscriber (the removal or addition of a family member) since the Subscriber last participated in a recent offering.
- Individual Subscribers, whether Saudi or GCC nationals or others, must have an active stock portfolio at a Capital Market Institution affiliated with the Receiving Agent through which the subscription is being made.

All individual subscribers must comply with the above conditions. The subscription shall be deemed invalid if one of the above-mentioned conditions is violated, including not owning an active stock portfolio with one of the Capital Market Institutions affiliated with the Receiving Agent through which the subscription will be made, and in this case the subscription application shall be rejected, and the amounts paid in relation to the rejected application shall be refunded.

6. What are the documents required for subscription?

The relevant supporting documents (depending on the investor category) will be specified in the bid form and the bidding guidelines.

7. Is the allocation of my subscription amount guaranteed? What happens if it is not guaranteed?

The number of shares you receive will depend on the pricing and allocation decisions taken by the company and the financial advisors. If the IPO is oversubscribed, excess subscription monies, if any, will be refunded to Subscribers without any deduction, charge or amount being withheld by the Lead Managers or Receiving Agents.

8. If I do not receive the full allocation of my subscription, what is the process of refund?

The subscription surplus (if any) shall be refunded to the subscribers without any commissions or deductions and shall be deposited in the subscriber's account specified in the Subscription Application Form. The subscription amount shall not be refunded in cash or to the accounts of third parties.

9. How long will it take to process the refunds?

Excess subscription monies, if any, will be refunded to subscribers without any charge or commission being withheld by the Lead Manager or Receiving Entities. Announcement of the final allocation of the Offer Shares and refund of excess subscription amounts, if any, will be made no later than 04 October 2023 and 10 October 2023, respectively.

10. What is the minimum and maximum subscription amount?

The minimum number of offer shares to be subscribed per Individual Subscribers is ten (10) Shares, and the maximum number of offer shares to be subscribed per Individual Subscribers is two hundred and fifty thousand (250,000) Shares.

The minimum number of offer shares to be subscribed per Participating Parties is one hundred thousand (100,000) Shares, and the maximum number of offer shares to be subscribed per Participating Parties is Fifty-six million, four hundred and fifty-three thousand, one hundred and twenty-five (56,453,125) shares.

11. When will I be able to sell my shares?

There will be no implementation of a lock-up period or restrictions on the sale of your shares following listing. New shares will be available to buy and sell from the first day of trading.

The Current Shareholders and the Company will be subject to a lock-up period of six months starting from the commencement of trading of the Shares on the Saudi Stock Exchange. After the end of the Lock-up Period, the Substantial Shareholders may dispose of their shares without prior approval from the CMA.

12. Who are the appointed advisors?

- With respect to the Offering, the Company appointed EFG Hermes Saudi Arabia ("**Hermes**"), Goldman Sachs Saudi Arabia ("**Goldman Sachs**"), J.P. Morgan Saudi Arabia ("**J.P. Morgan**") and SNB Capital Company ("**SNB Capital**") as its financial advisors (collectively referred to as the "**Financial Advisors**") and global coordinators. In addition, the Company has appointed SNB Capital Company as Lead Manager (the "**Lead Manager**") in relation to the Offering. The Company has also appointed Hermes, Goldman Sachs, J.P. Morgan, SNB Capital, GIB Capital, HSBC Saudi Arabia, Al Rajhi Capital and Saudi Fransi Capital as bookrunners and underwriters (the "**Underwriters**") in relation to the Offering.
- Lazard Financial Advisory ("**Lazard**") has been appointed as Independent Financial Advisor to the Company.

13. Who are the receiving banks?

Arab National Bank (ANB), Al Rajhi Bank, Riyad bank and Saudi National Bank (SNB), have been appointed as receiving agents (the “**Receiving Agents**”) for the individual subscribers’ tranche.

14. Where can I find additional information about the transaction?

The Prospectus will be available on the website of the Company at www.adessgroup.com, the microsite at <https://ipo.adessgroup.com>, the Saudi Exchange at www.saudiexchange.sa, the CMA at www.cma.org.sa and the Joint Financial Advisors at www.efghermesksa.com, www.goldmansachs.com, , www.jpmorgan.com and www.alahlicapital.com

15. Where can I see the trading price of the shares once the Company is listed?

Investors can access the Company’s price information on the Saudi Exchange’s website, the Saudi Exchange’s mobile app, and through their trading members and third-party data vendors.

16. How can I sell shares obtained via the IPO process on the first day of trading?

Investors that have been successfully allocated shares will receive those shares in their portfolio, provided the shares have been paid for. Investors can then sell these shares as per normal market practice during business hours of the Saudi Exchange.