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## Press Release

# ADES HOLDING COMPANY ANNOUNCES SUBSCRIPTION COVERAGE OF 9.83 TIMES AND PARTICIPATION FROM 1,307,676 SUBSCRIBERS FOR INDIVIDUAL SUBSCRIBER TRANCHE OF ITS IPO

**RIYADH – 4 October 2023** – ADES Holding Company (*“ADES”, the “Group” or the “Company”*), a leading oil and gas drilling and production services provider in the Middle East and North Africa region (the *“MENA”* region), today announces the successful completion of the offering period for retail investors (*“Retail Subscription Period”*) for the Company’s initial public offering (*“IPO”* or the *“Offering”*).

The retail subscription process, comprising of a maximum of 33,871,875 shares representing 10% of the total Offer Shares, commenced on Tuesday, 11/3/1445H (Corresponding to 26/09/2023G) and ended at 2pm on Thursday, 13/3/1445H (Corresponding to 28/9/2023G). It witnessed participation of 1,307,676 subscribers, indicating a coverage of 9.83 times, with a total demand of SAR 4,499 million (USD 1,200 million)<sup>1</sup>. Individual Subscribers will receive a minimum of 10 shares each, while the remaining shares will be allocated on a pro-rata basis for the remaining demand with an average allocation factor of 6.4951%.

The Final Offer Price for the Offering has been set at SAR 13.50 per share, implying a market capitalization of SAR 15,242 million (USD 4,065 million) at listing. The book-building process for

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<sup>1</sup> For the purposes of this announcement, the exchange rate applied is SAR 3.75 = USD 1

institutional investors (“*Participating Parties*”) ended with a subscription coverage of 62.7 times, with recorded orders of approximately SAR 286,853 million (USD 76,494 million). Based on the results of the retail subscription process, the shares allocated to Participating Parties will be reduced to 304,846,879 Offer Shares, representing 90% of the total Offering.

For more information about the IPO, please visit: <https://ipo.adesgroup.com/>

## BACKGROUND TO THE OFFERING

- The CMA and Saudi Exchange approvals have been obtained for the Offering and listing as outlined below:
  - *The IPO of ADES comprises an offer of 338,718,754 ordinary shares, representing 30% of the Company’s issued share capital (post capital increase) through the sale of a mix of existing shares and newly issued shares.*
  - *The Sale Shares represent 9% and the New Shares represent 21% of the Company’s issued share capital upon completion of the Offering, totalling 30% of the issued share capital (after issuance of the New Shares and the Company’s capital increase).*
  - *The Offer Shares will be listed and traded on the Saudi Exchange’s Main Market following the completion of the IPO and listing formalities with the CMA and the Saudi Exchange.*
- With respect to the Offering, the Company appointed EFG Hermes KSA (“**EFG**”), 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 EFG, 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.
- Arab National Bank (“**ANB**”), Alrajhi Bank (“**Alrajhi**”), Riyadh Bank and The Saudi National Bank (“**SNB**”) have been appointed as receiving agents (collectively, the “**Receiving Agents**”) for the Individual Subscribers’ tranche.
- Lazard Saudi Arabia (“**Lazard**”) has been appointed as Independent Advisor to the Company.

## EXPECTED OFFERING TIMELINE

Key Events	Date
Refund of excess subscription amounts (if any)	No later than Tuesday 25/03/1445H (corresponding to 10/10/2023G)
Expected date of commencement of trading on the Exchange	Trading of the Company’s shares on the Saudi Exchange is expected to commence after all relevant regulatory requirements are satisfied. Trading will be announced on the Saudi Exchange’s website ( <a href="http://www.saudiexchange.sa">www.saudiexchange.sa</a> ).

**Note:** The above timetable and dates therein are indicative. Actual dates will be communicated through announcements appearing on the websites of the Saudi Exchange ([www.saudiexchange.sa](http://www.saudiexchange.sa)) and the websites of the Joint Financial Advisors.

## CONTACT DETAILS

Company	Name	Email	Role
ADES	Hussein Badawy	<a href="mailto:investor.relations@adesgroup.com">investor.relations@adesgroup.com</a>	Group CFO
EFG Hermes KSA	Mohamed Abou Samra –	<a href="mailto:efg_projectcheetah@efg-hermes.com">efg_projectcheetah@efg-hermes.com</a>	Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter

	Managing Director & Deputy Head, Investment Banking		
<b>Goldman Sachs</b>	Omar Alzaim – Goldman Sachs Saudi Arabia	<a href="mailto:gssainfo@gs.com">gssainfo@gs.com</a>	Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter
<b>J.P. Morgan Saudi Arabia</b>	Mohammad Al-Mansour – Executive Director	<a href="mailto:ADES_IPO@jpmorgan.com">ADES_IPO@jpmorgan.com</a>	Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter
<b>SNB Capital</b>	Zaid Ghoul Managing Director – Head of Investment Banking	<a href="mailto:snbcm@alahlicapital.com">snbc.cm@alahlicapital.com</a>	Lead Manager, Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter
<b>FGS Global</b>	Lyndsey McCusker	<a href="mailto:ADESIPO-ME@fgsglobal.com">ADESIPO-ME@fgsglobal.com</a>	Media and Communications Advisor
	Ahmed Jebur		

<b>Receiving Agents</b>	<ul style="list-style-type: none"> <li>• ANB</li> <li>• Alrajhi Bank</li> <li>• Riyad Bank</li> <li>• SNB</li> </ul>
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The Offering and the distribution of this announcement and other information in connection with the Offering may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes must inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This announcement is not for publication or distribution, directly or indirectly, in or into the United States of America.

This announcement is not an offer for sale of securities of the Company, directly or indirectly, in or into the United States. The Offer Shares may not be offered or sold in the United States unless registered under the US Securities Act of 1933, as amended (the "**Securities Act**"), or offered in a transaction exempt from, or not subject to, the registration requirements of the Securities Act. The Company has not registered and does not intend to register any portion of the Offer Shares under the Securities Act or the laws of any state in the United States or to conduct a public offering of any securities in the United States. Copies of this announcement are not being, and may not be, distributed, forwarded or otherwise sent, directly or indirectly, in or into the United States.

This announcement does not contain or constitute an offer of, or the solicitation of an offer to buy, the Offer Shares referred to herein to any person in the United States, Australia, Canada, South Africa or Japan or in any jurisdiction to whom or in which such offer or solicitation is unlawful. The offer and sale of the Offer Shares has not been and will not be registered under the applicable securities laws of Australia, Canada, South Africa or Japan. Subject to certain exceptions, the Offer Shares may not be offered or sold in Australia, Canada, South Africa or Japan or to, or for the account or benefit of, any national, resident or citizen of Australia, Canada, South Africa or Japan. There will be no public offer of the Offer Shares in the United States, Australia, Canada, South Africa or Japan.

In the European Economic Area (the "**EEA**"), this communication is only addressed to and directed at persons in member states of the EEA who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as

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This announcement is being distributed subject to the provisions of the Rules on the Offer of Securities and Continuing Obligations ("**OSCO Rules**") issued by the CMA, and should not result in any binding undertakings to acquire shares or subscribe in the Offering. This announcement is for information purposes only and under no circumstances shall constitute an offer or invitation, or form the basis for a decision, to invest in any securities of the Company. Neither this announcement nor anything contained herein shall form the basis of, or be relied upon in connection with, any offer or commitment whatsoever in any jurisdiction. Investors may only subscribe in the Offer Shares on the basis of the CMA approved Arabic language prospectus issued and published by the Company (the "**Local Prospectus**"). The information in this announcement is subject to change. In accordance with Article 51(d) of the OSCO Rules, copies of the Prospectus will, following publication, be available on the websites of the Company at [www.adessgroup.com](http://www.adessgroup.com), the Saudi Exchange at [www.saudiexchange.sa](http://www.saudiexchange.sa), the CMA at [www.cma.org.sa](http://www.cma.org.sa) and the Joint Financial Advisors at [www.efghermesksa.com](http://www.efghermesksa.com), [www.goldmansachs.com](http://www.goldmansachs.com), [www.jpmorgan.com](http://www.jpmorgan.com) and [www.alahlicapital.com](http://www.alahlicapital.com).

This announcement is not an offer document for the purposes of the OSCO Rules and should not be construed as such. The CMA and the Saudi Exchange do not take any responsibility for the contents of this announcement, do not make any representations as to its accuracy or completeness, and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this announcement.

The international offering circular prepared in connection with the Offering (the "**International Offering Circular**") is the sole legally binding document containing information about the Company and the Offering outside of Saudi Arabia. In the event of any discrepancy or incompleteness between this announcement and the Local Prospectus and/or the International Offering Circular, as the case may be, the Local Prospectus and/or the International Offering Circular will prevail.

This announcement may include statements that are, or may be deemed to be, "forward-looking statements". These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "aim," "anticipate," "believe," "can," "consider," "could," "estimate," "expect," "forecast," "intend," "may," "ought to," "potential," "plan," "projection," "seek," "should," "will," "would," or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth or strategies. Many factors could cause the actual results to differ materially from those expressed or implied by any such forward-looking statements or contained in projections, including, among other things, risks specifically related to the Company and its operations, the development of global economic and industry conditions, and the impact of economic, political and social developments in Saudi Arabia. Forward-looking statements speak only as of the date they are made. Each of the Company, the Underwriters, Lazard and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statements contained in this announcement whether as a result of new information, future developments or otherwise.

There is no guarantee that the Offering will occur and you should not base your investment decisions on the Company's intentions in relation to the Offering. This announcement does not constitute a recommendation concerning the Offering nor any declaration or undertaking by any means. Acquiring Offer Shares to which this announcement relates may expose an investor to a significant risk of losing the entire amount invested.

Persons considering investment should consult an investment advisor or an authorized person specializing in advising on such investments.

The Underwriters are acting exclusively for the Company and no-one else in connection with the Offering. They will not regard any other person as their respective client, nor for providing advice in relation to the Offering, the contents

of this announcement or any transaction, in relation to the Offering and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients, arrangement or other matter referred to herein. Lazard is acting exclusively for ADES and no-one else in connection with the Offering and it will not regard any other person as its client, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, in relation to the Offering and will not be responsible to anyone other than ADES for providing the protections afforded to its clients, arrangement or other matter referred to herein.

The contents of this announcement have been prepared by and are the sole responsibility of the Company. Neither the Underwriters, Lazard nor any of their respective affiliates, directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

In connection with the Offering, each of the Underwriters and any of their affiliates, may take up a portion of the Offer Shares in connection with the Offering as a principal position and in that capacity may retain, purchase, sell, offer to sell for their own accounts such Offer Shares and other securities of the Company or related investments in connection with the Offering or otherwise.

References in the Local Prospectus or the International Offering Circular, once published, to the Company's shares being issued, offered, subscribed, acquired, placed or otherwise dealt in should be read as including any issue or offer to, or subscription, acquisition, placing or dealing by, the Underwriters and any of their affiliates acting in such capacity. In addition, the Underwriters and any of their affiliates may enter into financing arrangements (including swap agreements) with investors in connection with which the Underwriters and any of their affiliates may from time to time, acquire, hold or dispose of securities. The Underwriters Advisors do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

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