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Arabian Internet and Communications Services Company (solutions by stc) announces the Offering Price Range and Commencement of Institutional Book-Building

Riyadh, 5 September 2021 – Arabian Internet and Communications Services Company (“**solutions by stc**” or “**The Company**”), the leading ICT services provider in Saudi Arabia (“**KSA**”) along with HSBC Saudi Arabia, Morgan Stanley Saudi Arabia and SNB Capital Company, as joint financial advisors, announce the price range for its Initial Public Offering (the “**IPO**” or the “**Offering**”) as well as the commencement of the institutional book-building period. The approved prospectus containing the full details of the Offering has also been published.

The price range for the Offering has been set at SAR 136 to SAR 151 per share (the “**Price Range**”).

On 28 June 2021, the Capital Market Authority (“**CMA**”) approved the Company’s application for an initial public offering of 24,000,000 Shares (“**Offer Shares**”), representing 20% of solutions by stc’s capital, by way of a sale of existing Shares by the Saudi Telecom Company “stc” and Telecom Commercial Investment Company Limited (a subsidiary of stc) (collectively, the “**Selling Shareholders**”). The final offer price of the Offer Shares will be determined at the end of the book-building period.

Offering Details:

- The price range for the Offering has been set at SAR 136 to SAR 151 per share (the “**Price Range**”)
- The Offering is comprised of 24,000,000 existing Shares to be sold by the current shareholders (the “**Offer Shares**”) - Immediately following listing, the Company is expected to have a free float of 20% of the Shares
- With respect to the Offering, the Company appointed HSBC Saudi Arabia, Morgan Stanley Saudi Arabia and SNB Capital as Financial Advisors, Underwriters and Bookrunners

- (together, the “**Bookrunners**” or “**Financial Advisors**”). The Company also appointed HSBC Saudi Arabia to act as Lead Manager.
- The Saudi British Bank (SABB), Saudi National Bank (SNB), Al Rajhi Bank, Riyad Bank, Alinma Bank and Bank Albilad have been appointed as receiving entities (collectively, the “**Receiving Entities**”) for the Individual Investors tranche.

The CMA and Saudi Exchange approvals have been obtained for the offering and listing outlined below:

The Offering will be restricted to the following two groups of investors:

- **Tranche (A): Participating Parties:** this tranche comprises the parties entitled to participate in the book building process as specified under the Instructions for Book Building Process and Allocation Method in Initial Public Offerings (the “Book Building Instructions”) issued by the Capital Market Authority (“CMA”) Board pursuant to Resolution No. 2.94-2016 dated 15/10/1437H (corresponding to 20/07/2016G), as amended by CMA Board Resolution No. 3-102-2019 dated 18/01/1441H (corresponding to 17/09/2019G) (collectively the “Participating Parties”). The number of Offer Shares to be provisionally allocated to Participating Parties is twenty-four million (24,000,000) Offer Shares, representing 100% of the total Offer Shares. Final allocation of the Offer Shares will be made after the end of the subscription period for Individual Investors. In the event that Individual Investors (as defined in Tranche B below) subscribe for the Offer Shares allocated thereto, the Bookrunners shall have the right to reduce the number of shares allocated to Participating Parties to a minimum of twenty-one million, six hundred thousand (21,600,000) Offer Shares, representing 90% of the total Offer Shares.
- **Tranche (B): Individual Investors:** this tranche comprises Saudi Arabian natural persons, including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi, who can subscribe under their names for her own benefit, on the condition that she proves that she is a divorcee or widow and the mother of her minor children, in addition to any non-Saudi natural person who is resident in the Kingdom or any GCC natural persons, provided they have a bank account with one of the Receiving Entities and are allowed to open an investment account (collectively, the “Individual Investors” and each an “Individual Investor,” and together with Participating Parties “Subscribers”). Subscription of 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 such person. If a duplicate subscription is made, the second subscription will be considered void and only the first subscription will be accepted. A maximum of two million, four hundred thousand (2,400,000) Offer Shares, representing 10% of the total Offer Shares, will be allocated to Individual Investors, provided that Participating Parties subscribe to all the Offer Shares allocated thereto. In the event that Individual Investors subscribe for all the Offer Shares allocated thereto, the Bookrunners shall have the right to reduce the number of shares allocated to Individual Investors in proportion to the number of Offer Shares subscribed for thereby.

Key Offering Timeline:

Event	Date
Bidding and Book-Building Period for Participating Parties	5 September 2021 – 13 September 2021
Subscription Period for Individual Investors	19 September 2021 – 21 September 2021
Announcement of Final Offer Shares Allotment	27 September 2021
Refund of Excess Subscription Amounts (if any)	29 September 2021
Expected Start Date of Trading in the Exchange	Trading of the Company's Shares in the Exchange is expected to commence after all relevant regulatory requirements are satisfied. Trading will be announced through Saudi Exchange website (www.saudiexchange.sa).

For more information on the prospectus, please visit the Capital Market Authority website www.cma.org.sa , and solutions by stc website on <https://solutions.com.sa/ipo/>.

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Media Contacts:

Rawan El-Saleh Associate Director – Finsbury Glover Hering Rawan.El-Saleh@fgh.com M: +971 50 7184018	Mohammed Al Abdullah Public Relations Manager pr@solutions.com.sa M: +966545411133
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Advisors:

HSBC Saudi Arabia Faizan A Baig/ Saad Al Mashari solutionsipo@hsbcsa.com	Morgan Stanley Saudi Arabia Motaz Alangari infomssa@morganstanley.com	SNB Capital Abdulaziz Behery SNBC.CM@alahlicapital.com
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About solutions by stc

Arabian Internet and Communications Services Company (solutions by stc), a 100% owned subsidiary of stc, is the Kingdom's leading enabler of digital transformation and the number one IT service provider in

the Kingdom. It aims to support the public and private sectors' transition into a new digital age by providing a set of integrated technology solutions across the ICT supply chain.

solutions by stc provides clients with a broad portfolio that enhance their day-to-day operations. Its core ICT services are designed to enable, manage and scale businesses. solutions by stc **enable** clients by offering system integration and connectivity & internet services, **manage** with managed services and business outsourcing, and scale by providing Cloud Solutions, digital services and cybersecurity.

It launched its operations in 1996 and to date has serviced almost 24,000 clients across 35 cities in Saudi Arabia and in key sectors, including financial services, healthcare and education. solutions by stc has approximately 1500 employees with over 800 certified on key technologies and domains.

As of end of December 2018, solutions by stc has established a 13% market-leading share of KSA's ICT services market, registering a net revenue growth of 30.6% CAGR across all service categories from 2018-2020, and an attractive net profit growth of 12.3% CAGR for the same period.

For more information, visit <https://solutions.com.sa/ipo/>

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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 on 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 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

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This announcement is only addressed to and directed at (a) persons in member states of the European Economic Area who are “qualified investors” within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (the “**Prospectus Regulation EU**”); (b) persons in the United Kingdom who are “qualified investors” within the meaning of Article 2 of Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the European Union Withdrawal Act 2018 (“**UK Prospectus Regulation**”) who are: (i) “investment professionals” as defined in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Order**”); or (ii) entities falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Order; and (c) persons to whom it can otherwise lawfully be distributed (all such persons together being referred to as “Relevant Persons”). This communication and any investment activity to which it relates will only be engaged in with Relevant Persons and it should not be acted upon or relied on by anyone other than a Relevant Person.

This announcement is being distributed in accordance with Article 32(g) of the Rules on the Offer of Securities and Continuing Obligations (“**OSCO Rules**”) issued by the CMA for the purposes of ascertaining the extent to which potential investors are willing to participate in the potential initial public offering of the Company, 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, of 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 (the “**Prospectus**”). The information in this announcement is subject to change. In accordance with Article 33(d) of the OSCO Rules, copies of the Prospectus are available on the websites of the Company at www.solutions.com.sa, the Saudi Exchange at www.saudiexchange.sa, the CMA at www.cma.org.sa and the Financial Advisors.

This announcement is not an offer document for the purposes of the Rules 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.

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, 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. These factors will be described in more detail in the Prospectus. Forward-looking statements speak only as of the date they are made. Each of the Company, the Financial Advisors and their respective affiliates expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement 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 financial decisions on the Company's intentions in relation to the Offering at this stage. This announcement does not constitute a recommendation concerning the Offering. Acquiring Offer Shares to which this announcement relates may expose an investor to a significant risk of losing the entire amount invested. Persons considering an investment should consult an investment advisor or an authorized person specializing in advising on such investments.

The Financial Advisors 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 clients 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, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

The contents of this announcement have been prepared by and are the sole responsibility of the Company. None of the Financial Advisors or any of their affiliates or respective 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 Financial Advisors 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. Accordingly, references in the Prospectus, 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 Financial Advisors and any of their affiliates acting in such capacity. In addition, the Financial Advisors and any of their affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which the Financial Advisors and any of their affiliates may from time to time acquire, hold or dispose of securities. None of the Financial Advisors

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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