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05 October 2023G

SAL SAUDI LOGISTICS SERVICES COMPANY ANNOUNCEMENT OF FINAL OFFER PRICE

Following the announcement by SAL Saudi Logistics Services Company ("**SAL**", "**Company**"), the market leading cargo handling player and growing logistics solutions business in Saudi Arabia ("**KSA**" or "**Saudi Arabia**"), on 25 September 2023G of the Offer price range, the Company along with HSBC Saudi Arabia, as sole financial advisor, announces today the successful completion of the institutional book-building process in compliance with the rules and regulations issued by the Capital Market Authority ("**CMA**") and the determination of the final offer price (the "**Final Offer Price**") for the Initial Public Offering (the "**IPO**" or the "**Offering**") at SAR 106 per share, implying a market capitalization of SAR 8,480 million (USD 2,261 million¹) at listing.

The institutional book-building process generated an order book of SAR 182.4 billion (USD 48.6 billion) and resulted in a subscription of coverage of c.72x of the total offered shares.

Faisal bin Saad Albedah, Managing Director & Chief Executive Officer of SAL, said:

"We are honored to have witnessed such strong demand for SAL's shares by institutional investors securing the top end of the price range, reflecting their confidence in SAL's equity story, particularly our business, financial performance, management team, and growth prospects. We remain focused on maintaining our leading position and creating long-term value for our incoming shareholders."

This is a proud moment for SAL, as we welcome new institutional investors into our increasingly diversified shareholder base. Over the next few weeks, we look forward to inviting retail investors to participate in our future success story as we aim to deliver impact every day and live up to our vision of being the logistics champion for a globally connected Saudi Arabia."

Offering Details

- The Final Offer Price for the Offering has been set at SAR 106 per share, implying a market capitalization at listing of SAR 8,480 million (USD 2,261 million).
- The total Offering size is SAR 2,544 million (USD 678 million).
- The Offering is comprised of 24,000,000 ordinary shares (the "**Offer Shares**") representing 30% of the Company's share capital post-listing, to be sold by the current shareholders (the "**Selling Shareholders**").
- Immediately following the listing on the Main Market of the Saudi Exchange (Tadawul), the Company is expected to have a free float of 30% (24,000,000) of its total shares (80,000,000).

¹ For the purposes of this announcement, the exchange rate applied is SAR 3.75 = USD 1.



- 100% of the Offer Shares have been provisionally allocated to the Participating Parties that took part in the book-building process (“**Participating Parties**”). This may be reduced to 21,600,000 Offer Shares (representing 90% of the total Offer Shares) depending on the level of demand by Individual Investors (as defined below). The final number of Offer Shares allocated to the Participating Parties will be clawed-back accordingly based on subscriptions from Individual Investors.
- Saudi Arabian nationals, foreign residents in the Kingdom of Saudi Arabia and GCC nationals (“**Individual Investors**”) will be able to subscribe for shares in the retail offering between 11/10/2023G – 13/10/2023G (corresponding to 26/03/1445H – 28/03/1445H) at the Final Offer Price of SAR 106 per Offer Share through the appointed receiving agents which are Saudi Awwal Bank (SAB), Riyadh Bank, Saudi National Bank, Al Rajhi Bank and Arab National Bank (ANB) (collectively, the “**Receiving Agents**”).
- The offer to Individual Investors will be made as follows:
 - Individual Investors are required to complete a Retail Subscription Form. Individual Investors who have participated in recent initial public offerings in the Kingdom can also subscribe through the internet, telephone banking or automated teller machines (“**ATMs**”) of any of the Receiving Agents branches that offer any or all such services to its customers, provided that the following requirements are satisfied: (i) the Individual Investor must have a bank account at a Receiving Agent which offers such services and (ii) there have been no changes in the personal information or data of the Individual Investor since such person’s subscription in the last initial public offering.

Expected Timeline of the Offering:

Key Events	Date (Gregorian)	Date (Hijri)
Subscription Period for Individual Investors Based on Final Offer Price	11/10/2023G – 13/10/2023G 11:59PM KSA	26/03/1445H – 28/03/1445H 11:59PM KSA
Announcement of final allocation of Offer Shares	No later than 17/10/2023G	No later than 02/04/1445H
Refund of excess subscription amounts (if any)	No later than 24/10/2023G	No later than 09/04/1445H
Expected start date of trading on the Saudi Exchange	Trading of the Offer Shares on the Exchange is expected to commence after all relevant legal requirements and procedures have been fulfilled. Trading will be announced in local newspapers and on the Saudi Exchange website (www.saudiexchange.com)	

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Enquiries

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Receiving Agents	<ul style="list-style-type: none">• Saudi Awwal Bank (SAB)• Riyad Bank• Saudi National Bank (SNB)• Al Rajhi Bank• Arab National Bank (ANB)
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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 should inform themselves about and observe any such restriction. 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 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 amended) ("**Qualified Investors**"). In the United Kingdom, this communication is only addressed to and directed at persons who are "qualified investors" within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (as amended), which forms part of UK law by virtue of the European Union (Withdrawal) Act 2018, who are also: (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order; or (iii) are other persons to whom it may otherwise lawfully be communicated (all such persons referred to in (i), (ii) and (iii) together being "**Relevant Persons**"). This communication must not be acted or relied on (i) in the United Kingdom, by persons who are not Relevant Persons and (ii) in any member state of the EEA by persons who are not Qualified Investors. Any investment activity to which this communication relates (i) in the United Kingdom is available only to, and may be engaged in only with, Relevant Persons; and (ii) in any member state of the EEA is available only to, and may be engaged only with, Qualified Investors.

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 “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.sal.sa, the Saudi Exchange Company at www.saudiexchange.sa, the CMA at www.cma.org.sa and the Financial Advisor at www.hsbcSaudi.com.

The CMA and the Saudi Exchange Company 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. Forward-looking statements speak only as of the date they are made and the Company does not assume any obligations to update any forward-looking statements. Each of the Company, the Financial Advisor 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 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 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 Financial Advisor is 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, 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 Financial Advisor 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, the Financial Advisor and any of its 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 published Prospectus 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 Advisor and any of its affiliates acting in such capacity. In addition, the Financial Advisor and any of its affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection



with which the Financial Advisor and any of its affiliates may from time to time acquire, hold or dispose of securities. The Financial Advisor does 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.