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Any offer to acquire shares pursuant to the proposed offering will be made, and any investor should make his investment decision solely on the basis of the information that is contained in the formal offering documents to be published by Retal Urban Development Company in due course in connection with the listing and trading of its ordinary shares on the Saudi Exchange.

25 May 2022G

RETAL URBAN DEVELOPMENT COMPANY ANNOUNCEMENT OF OFFER PRICE RANGE AND START OF PARTICIPATING PARTIES BOOK-BUILDING

Following the announcement on 9 May 2022G, Retal Urban Development (“Retal” or the “Company”), a real estate development champion, of its intention to float 30% of its share capital to the public, the Company announces today the price range for the Initial Public Offering (the “IPO” or the “Offering”) as well as the commencement of the participating parties’ book-building period. The approved red herring prospectus containing the full details of the Offering has been published on 9 May 2022G.

Confirmation of Offer Details:

- The price range for the Offering has been set between SAR 112 and SAR 120 per share (the “Price Range”).
- The Offering is comprised of 12,000,000 existing ordinary shares of the Company to be sold by the current shareholder (the “Offer Shares”).
- The total Offering size is expected to be between SAR 1,344 million (US\$ 358 million) and SAR 1,440 million (US\$ 384 million), implying a market capitalization at listing between SAR 4,480 million (US\$ 1,195million) and SAR 4,800 million (US\$ 1,280 million).
- Immediately following listing, the Company is expected to have a free float of 30% of the entire issued share capital of the Company.
- The IPO will comprise an offer of 12,000,000 Offer Shares to Participating Parties entitled to participate in the book-building process (“Participating Parties”) in accordance with the CMA Instructions on Book-Building and Allocation of Shares in Initial Public Offerings, including non-resident qualified foreign financial institutions in accordance with the Rules for Qualified Foreign Financial Institutions Investment in Listed Securities.
- Following the completion of the Participating Parties Tranche, the Offer Shares will also be offered to Saudi Arabian nationals, foreign residents in the Kingdom of Saudi Arabia and GCC nationals (“Individual Investors”).

Initially, 100% of the Offer Shares will be provisionally allocated to the Participating Parties. This may be reduced to 10,800,000 Offer Shares (representing 90% of the total Offer Shares) depending on the level of demand by Individual Investors. The final number of Offer Shares allocated to the Participating Parties will be accordingly adjusted based on subscription from Individual Investors.

The Offer Shares to Participating Parties will be made as follows:

- Participating Parties registered in the Kingdom may submit a Bid Form or may apply for subscription electronically to the Bookrunner by email during the Book-Building Period, and in accordance with the bidding guidelines communicated by the Financial Advisor and Bookrunner. The Bid Form will be made available by the Financial Advisor and Bookrunner. Additionally, Participating Parties registered in the Kingdom must complete the Participating Parties Subscription Form after the allocation of Offer Shares based on the number of Offer Shares that is provisionally allocated to them.

The Offer Shares to Individual Investors will be made as follows:

- Individual Investors are required to fill and submit 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 (by way of exclusion or addition of any member of his family) since such person last participated in an initial public offering.
- Substantial shareholders who own 5% or more of the Shares and comprise Al Fozan Holding Company and Abdullah bin Faisal bin Abdulaziz Al-Braikan (the “Substantial Shareholders”) may not dispose of any of their Shares for a period of 6 months, and the Company is also prohibited from listing shares of the same class as the listed Shares for a period of 6 months, in each case from the date on which trading of the Company’s Shares commences on the Saudi Exchange.

With respect to the Offering, the Company appointed SNB Capital as the Sole Financial Advisor, Lead Manager, Bookrunner and Underwriter (“Bookrunner” or “Financial Advisor”).

The Saudi National Bank (SNB), Riyad Bank and Albilad Bank have been appointed as receiving agents (collectively, the “Receiving Agents”).

Key Events	Date (Gregorian)	Date (Hijri)
Bidding and Book-Building Period for Institutional Subscribers	25/05/2022G – 31/05/2022G	24/10/1443H - 01/11/1443H
Final Offer Price Announcement	02/06/2022G	03/11/1443H
Subscription Period for Individual Investors Based on Final Offer Price	05/06/2022G – 06/06/2022G	06/11/1443H - 07/11/1443H
Deadline for payment of subscription money by Participating Parties based on their initially allocated Offer Shares	07/06/2022G	08/11/1443H
Announcement of final Offer Shares allotment	12/06/2022G	13/11/1443H
Refund of excess subscription amounts (if any)	15/06/2022G	16/11/1443H
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).	

retal.com.sa

For more information, including the Prospectus, please visit the Capital Market Authority website (www.cma.org.sa) or Retal Urban Development Company website (<https://retal.com.sa/en/ipo/>).

-ENDS-

ENQUIRIES

Sole Financial Advisor, Lead Manager, Bookrunner, and Underwriter

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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

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

The Bookrunner is acting exclusively for the Company and no-one else in connection with the Offering. It 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 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.

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In connection with the Offering, the Bookrunner 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 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 Bookrunner and any of its affiliates acting in such capacity. In addition, the Bookrunner and any of its affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which the Bookrunner and any of their affiliates may from time to time acquire, hold or dispose of securities. The Bookrunner intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.