



BUILD
FOR
*Gene-
rations*

This announcement is not an advertisement and not a prospectus and not an offer of securities for sale or subscription in any jurisdiction, including in or into the United States, Canada, Japan, Australia, or South Africa.

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.

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.

RETAL URBAN DEVELOPMENT COMPANY ANNOUNCEMENT OF FINAL OFFER PRICE

Following the Offer Price Range announcement on the 25 May 2022G by Retal Urban Development (“Retal” or the “Company”), a real estate development champion, the Company along with SNB Capital, as financial advisor, announce today the successful completion of the participating parties’ book-building process in compliance with the guidelines of 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 120 per share, implying a market capitalization of SAR 4,800 million (US\$ 1,280 million).

The book-building process generated an order book of SAR 90.3 billion (US\$ 24 billion)¹ and resulted in a subscription of coverage of 62.7x the total offered shares.

Eng. Abdullah bin Faisal bin Abdulaziz Al-Braikan, Chief Executive Officer of Retal Development Co., commented: “The robust demand for Retal’s shares reflects the attractiveness of our scalable business model and highlights the investor appetite for next generation real estate development companies such as ours. It also shows strong investor confidence in our growth strategy and our ability to tap into the significant long-term opportunities in the Saudi real estate and housing market.

Our goal is to increase the availability of housing in Saudi Arabia in-line with Vision 2030. We want to offer every Saudi the opportunity to live in our communities across the country, from East to West, from affordable to luxury. We have successfully completed over 30 projects in the last decade, and currently have 7,000 units executed and under construction, with a further 6,000 units in our backlog to be completed over the next two years. We look forward to welcoming our new institutional and retail investors to join us in the next chapter of our long-term growth.”

Confirmation of Offer Details

- The Final Offer Price for the Offering has been set at SAR 120 per share, implying a market capitalization at listing of SAR 4,800 million (US\$ 1,280 million).
- The total Offering size is SAR 1,440 million (US\$ 384 million).
- The Offering is comprised of 12,000,000 existing ordinary shares of the Company to be sold by the current shareholders (the "Offer Shares"). 100% of the Offer Shares have been provisionally allocated to the Participating Parties having participated in the book-building ("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 (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 5-6 June 2022G at the Final Offer Price of SAR 120 per Offer Share through the appointed receiving agents which are Saudi National Bank (SNB), Riyad Bank and Albilad Bank (collectively, the "Receiving Agents").
- 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's subscription in the last initial public offering.

Expected Offering Timeline

Key Events	Date (Gregorian)	Date (Hijri)
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)	

For more information, including the Prospectus, please visit the Capital Market Authority website (www.cma.org.sa) or Retail Urban Development Company website (www.retal.com.sa).

-ENDS-

retal.com.sa

ENQUIRIES

Sole Financial Advisor, Lead Manager, Bookrunner, and Underwriter

SNB Capital

Zaid Al Ghouli

Managing Director, Head of Investment Banking Department

SNBC.CM@alahlicapital.com

Media Enquiry

Brunswick Group

Jade Mamarbachi / Joudi Issa

+971 4 560 9600

retal@brunswickgroup.com

Retal

Abdullah AlShuwayer

+966 54 226 0013

a.alshuwayer@retal.com.sa

Disclaimer

The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed by any person for any purpose on the information contained in this announcement or its accuracy, fairness or completeness. The information in this announcement is subject to change. Neither the Company nor the Bookrunner or their respective affiliates undertake to provide the recipient of this announcement with any additional information, or to update this announcement or to correct any inaccuracies, and the distribution of this announcement shall not be deemed to be any form of commitment on the part of the Company or the Bookrunner to proceed with the Offering or any transaction or arrangement referred to therein. The contents of this announcement are not to be construed as legal, financial or tax advice.

The distribution of this announcement 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 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.

This announcement is being distributed in accordance with 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 to be issued and published in due course (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 will, following publication, be available on the websites of the Company at www.retal.com.sa, the Saudi Exchange at www.saudiexchange.sa, the CMA at www.cma.org.sa and of the Financial Advisor. 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.

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 Bookrunner 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 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.

The contents of this announcement have been prepared by and are the sole responsibility of the Company. None of the Bookrunner or any of its 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 or its 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 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.