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**For Immediate Release**

**16 April 2019**

## **INTENTION TO LIST ARABIAN CENTRES COMPANY ON THE SAUDI STOCK EXCHANGE (TADAWUL)**

Arabian Centres Company ("**Arabian Centres**" or "**the Company**"), the leading owner, developer and operator of lifestyle shopping centres in Saudi Arabia, announces its intention to proceed with an initial public offering (the "**IPO**" or the "**Offering**") on the Main Market of the Saudi Stock Exchange of Saudi Arabia ("**Tadawul**"). The Offering is expected to comprise a combination of existing and newly issued shares and is expected to result in a free float of 20 percent post-IPO (prior to any exercise of the over-allotment option). The Capital Market Authority ("**CMA**") approved the Company's application for the initial public offering of 95,000,000 ordinary shares (representing 20% of the Company's share capital post-Offering) on 15 April 2019. The net proceeds due to the Company will be used to reduce debt and (if there is any surplus) for general corporate purposes. Subsequently, the Company believes it will be in a prime position to achieve its growth plans as set out in the Prospectus to be published in due course in connection with the Offering.

### **Arabian Centres Overview**

- Arabian Centres is the leading owner, developer and operator of lifestyle shopping centres in Saudi Arabia with a current operating portfolio of 19 high quality and well invested shopping malls spanning approximately 1.1m sqm in gross leasable area ("**GLA**")
- The Company is the largest shopping mall operator in Saudi Arabia with strategically located assets across 10 cities, boasting a 14% market share<sup>1</sup> in the 4 major cities (Riyadh, Jeddah, Dammam Metropolitan Area<sup>2</sup> and Makkah). Arabian Centres enjoys superior scale with its nationwide presence more than double that of its closest competitor<sup>3</sup>

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<sup>1</sup> JLL market study (2018)

<sup>2</sup> Dammam Metropolitan Area comprises of Dammam, Dhahran, and Al Khobar

<sup>3</sup> JLL market study (2018) and Company information

- Arabian Centres operates in the largest retail market in the GCC (Gulf Cooperation Council), with a distinctive consumer environment characterised by a unique mix of local factors making lifestyle shopping centres a "go-to" destination for the population. These positive structural demand drivers are further strengthened by the ongoing structural and socio-economic reforms being implemented as part of Saudi Arabia's Vision 2030. Management believes that the Company is well positioned to capture the benefits of this expected transformational shift in Saudi Arabia
- Arabian Centres has built a 17-year track record and delivered sustained growth since inception. The Company's rich history began in 2002 with a single asset and has since evolved into the operator of top lifestyle destinations in Saudi Arabia with 19 operating malls attracting approximately 109 million visitors per annum
- The Company has a well-diversified and high-quality portfolio offering unique lifestyle experiences through a combination of super regional, regional and community centres and is home to over 1,000 renowned local, regional and international brands. Arabian Centres operates some of the most iconic centres in Saudi Arabia including Mall of Arabia (Jeddah), Mall of Dhahran and Nakheel Mall (Riyadh), cementing its position as the partner of choice for retailers and consumers alike
- Over the past 17 years, the Company has built long-standing and trusted relationships with many of the leading retailers inside and outside of Saudi Arabia through its in-depth industry knowledge, local expertise and unique value proposition by offering the most attractive locations and high-quality formats with the largest and broadest consumer reach within Saudi Arabia
- Arabian Centres' business model is underpinned by its category mix that comprises a full suite of lifestyle offerings ranging from food and beverage, entertainment, leisure, retail and other offerings underpinned by strategic relationships with key retailers, providing a lifestyle experience that targets a broad segment of the Saudi Arabian population
- Arabian Centres has a robust near-term pipeline and is enhancing its footprint with the addition of four new malls and one extension in the next 12 months, which is expected to further boost the Company's GLA to 1.38 million sqm. The Company's controlled medium-term pipeline includes five projects with a total GLA of approximately 355,000 sqm which are targeted for completion from fiscal year 2021 onwards. Together, these projects are expected to further solidify Arabian Centres' position as the leader in lifestyle shopping centres in Saudi Arabia
- The Company has demonstrated robust growth with revenue increasing by a CAGR of 6.2 percent from USD 511 million<sup>4</sup> in fiscal year 2016<sup>5</sup> to USD 576 million<sup>6</sup> in fiscal year 2018<sup>7</sup>. The Company has achieved a strong underlying EBITDA margin of 64.9 percent resulting in an underlying EBITDA of USD 374 million<sup>8</sup> in fiscal year 2018<sup>9</sup> demonstrating strong cashflow generation

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<sup>4</sup> Converted using USD:SAR FX rate of 3.75

<sup>5</sup> ACC fiscal year ended 31 March

<sup>6</sup> Converted using USD:SAR FX rate of 3.75

<sup>7</sup> ACC fiscal year ended 31 March

<sup>8</sup> Converted using USD:SAR FX rate of 3.75

<sup>9</sup> ACC fiscal year ended 31 March

- The Company has a highly experienced management team with more than 100 years of combined team experience in the commercial real estate and retail industries, and significant industry and regional knowledge

**Mr. Fawaz Alhokair, Chairman of Arabian Centres**, said, *“Today marks a major milestone for Arabian Centres, as we enter the next phase in our journey as a business. What began nearly two decades ago as a company with a bold retail vision has rapidly grown to become the undisputed market leader in lifestyle shopping centres in Saudi Arabia. By pursuing an initial public offering, we are laying the groundwork for the next chapter of our growth story and are offering investors – both domestic and international – the opportunity to invest in a dynamic company and industry well-positioned to benefit from the longer-term structural growth path within the retail sector in the Kingdom”*

**Mr. Olivier Nougrou, CEO of Arabian Centres**, said, *“An initial public offering will enable Arabian Centres to deliver on our ambitious growth strategy. As we already have a portfolio of 19 assets – with another four malls and one extension due to open in the coming 12 months, and another four sites for future development along with one extension in the medium-term pipeline – we are in an excellent position to capitalize on future opportunities. We have a clear plan for our business to unlock further value from our current portfolio, enhance our lifestyle and brand offering, and maintain our leadership through developing a focused and superior pipeline. We are excited for what the future holds for Arabian Centres and the Kingdom as a whole”*

## Offering Overview

The Offering will have the following features:

- Listing on the Main Market of the Tadawul of Saudi Arabia
- The Offering is comprised of 65,000,000 existing shares to be sold by the current shareholders and 30,000,000 new shares to be issued by the Company by way of a capital increase (together the **"Offer Shares"**)
- Immediately following Admission, the Company is expected to have a free float of 20% of the Company's enlarged issued share capital (prior to any exercise of the Over-allotment Option (defined as below))
- The IPO will comprise of an offer of 95,000,000 Offer Shares to parties entitled to participate in the book-building process (**"Institutional Tranche"**) in accordance with the CMA Instructions on Book-Building and Allocation of Shares in Initial Public Offerings. Following the completion of the Institutional Tranche, the Offer Shares will also be offered to individual investors in the Kingdom of Saudi Arabia (**"Retail Tranche"**). Initially, 100% of the Offer Shares will be provisionally allocated to the Institutional Offering. This may be reduced to 85,500,000 Offer Shares (representing 90% of the total Offer Shares) depending on the level of demand by individual investors in the Kingdom. The final number of Offer Shares allocated to the Institutional Tranche will be accordingly adjusted based on subscription from individual investors in the Retail Tranche
- The offer of Offer Shares in the Institutional Tranche will be made as follows:
  - Within Saudi Arabia, including but not limited to Government entities and Government owned companies, public and private investment funds, persons authorised by the CMA (**"Authorised Persons"**) and certain institutional clients of Authorised Persons

- Outside of Saudi Arabia, the offer of shares will be made in reliance on Regulation S and Rule 144A under the US Securities Act of 1933, enabling qualified foreign institutional investors, GCC institutional investors and certain other foreign investors (as beneficiaries through swap arrangements) to participate in the IPO
- For the purposes of allowing Goldman Sachs Saudi Arabia, as stabilising manager (the "**Stabilising Manager**"), to cover short positions resulting from any over-allotments, FAS Real Estate Company (the "**Over-allotment Shareholder**") will grant the Stabilising Manager an option (the "**Over-allotment Option**"), pursuant to which the Stabilising Manager may purchase additional Shares up to a maximum of 14,250,000 Shares, representing 15 percent of the total number of Shares comprised in the Offering (the "**Over-allotment Shares**") at the Offer Price. The Over-allotment Option will be exercisable in whole or in part upon notice by the Stabilising Manager, at any time on or before the 30th calendar day after the commencement of dealings of the Shares on the Tadawul (the "**Stabilising Period**"). Any Over-allotment made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the Shares, including for all dividends and other distributions declared, made or paid on the Shares, will be purchased on the same terms and conditions as the Shares being sold in the Offering and will form a single class with the other Shares
- The substantial shareholders who each own 5% or more of the Shares currently in issue and comprise Fawaz Abdulaziz Alhokair, Salman Abdulaziz Alhokair, Abdul Majeed Abdulaziz Alhokair, Al Farida Al Oula Company, Al Farida Al Thania Company, Al Farida Al Thalitha Company and FAS Real Estate Company (collectively, the "**Substantial Shareholders**") may not dispose of any of their Shares for a period of six months from the date on which trading of the Company's Shares commences on the Tadawul.
- CMA and Tadawul approvals have been obtained for the Offering

The Company has engaged Samba Capital & Investment Management Company, Morgan Stanley Saudi Arabia, NCB Capital Company and Goldman Sachs Saudi Arabia to act as Joint Financial Advisors and Joint Bookrunners, and appointed Citigroup Saudi Arabia, Credit Suisse Saudi Arabia, EFG Hermes KSA, Emirates NBD Capital KSA and Natixis to act as Joint Bookrunners in connection with the Offering. In addition, Samba Capital & Investment Management Company has been appointed as Lead Coordinator and Lead Manager

### Key Investment Highlights

Management believes that the Company has a compelling combination of competitive advantages that position it as the partner of choice and the leading owner, developer and operator of lifestyle shopping centres in Saudi Arabia. In particular, management believes that the business benefits from the following key competitive strengths, which are expected to help the Company drive further growth in the future:

#### *Large, under-penetrated Saudi Arabian retail market with robust long-term growth prospects*

- Saudi Arabia, a G20 Nation, is by far the largest market in the GCC with population of 33.6 million inhabitants and GDP of USD 782 billion in 2018
- The Saudi consumer retail sector benefits from strong secular growth drivers with attractive macro and demographic conditions supported by: (1) positive consumer spending outlook and

(2) further gains as a result of the structural shift to organised retail that is currently inherently underpenetrated

- Consumer spending in Saudi Arabia is forecasted to grow at a CAGR of 5% between 2019-2021<sup>8</sup> period driven by favourable demographics with a comparatively young and growing population coupled with growing discretionary spending outlook as a result of several socioeconomic reforms
- Evolving consumer tastes are shifting in Arabian Centres' favour as recent reforms are increasing the availability of entertainment and leisure options. Preference for large, organised retail formats present a competitive advantage for the Company as it is best placed to capture the additional opportunities these shifts create
- Furthermore, Saudi Arabia's organised retail market remains comparatively under-supplied with retail mall density of 0.4 sqm GLA per capita in Saudi Arabia's four main cities and even lower in Jeddah and Riyadh, which both are both equal to 0.3 sqm GLA per capita<sup>9</sup>. According to JLL, this indicates potential for retail penetration when compared with regional markets and an international benchmark of 1.1 sqm GLA per capita. Management believes the Company's scale, leadership, differentiation and focus will enable them to capture the additional benefit from the positive long-term growth prospects as the structural shift to organised retail develops in Saudi Arabia

*Saudi Arabia's #1 shopping centre platform with a high-quality portfolio of assets*

- The Company is the largest owner, developer and operator of shopping malls in Saudi Arabia with 14% market share in Saudi Arabia's 4 major cities<sup>10</sup> according to JLL, which is more than twice the size of the second largest player
- Arabian Centres enjoys a geographically diversified presence of strategically-located assets across key urban centres and regions. The Company's assets are located in prime locations in 10 key cities giving access to a catchment area that represents approximately 60% of the population of Saudi Arabia, the most populous nation in the GCC
- The Company benefits from a well-balanced and high-quality portfolio combining lifestyle shopping centres with local community assets comprised of 3 super regional, 10 regional and 6 community malls with total GLA of approximately 1.1 million sqm. Arabian Centres' assets have strong local positioning driven by differentiated formats that are tailored to their catchment areas giving the Company substantial breadth of appeal with target consumers

*Fully integrated operating platform leveraging the Fawaz AlHokair Group's retail ecosystem*

- The Company has a long track record of delivering strong operational performance embedded in its fully integrated business model as a developer, owner and operator of lifestyle shopping centres, with scale, experience and know-how. Geared for operational excellence and growth, the Company has consistently delivered high occupancy rates of 90%+ over the FY2016 – 9M 2019 period
- Arabian Centres has unique development capabilities with cutting edge design and planning abilities, access to differentiated construction experience through its relationship with Fawaz Alhokair Real Estate Company, and proven ability to pre-lease its new projects (70% pre-opening on average) giving rise to a unique model with substantial ability to de-risk its development pipeline evidenced in the track record of 8% CAGR in sqm GLA since fiscal 2014 coupled with approximately 10% CAGR in footfall over the same period

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- Arabian Centres benefits from a long-standing and synergistic relationship with the Fawaz AlHokair Group retail ecosystem including unique access to over 90 brands across fashion, food and beverage and leisure and entertainment, including Fawaz A. Alhokair & Co. ("AlHokair Fashion Retail"), the leading franchise retailer in Saudi Arabia and beyond

*Focused three tier strategy: unlock value, enhance the offering and drive growth*

- The Company has in place a clear and actionable strategy to unlock significant value from its current operating portfolio via yield management, space optimisation, focus on non-GLA revenue opportunities, cost optimization, and tailored repositioning of selected assets
- In addition, Arabian Centres has a strong pipeline of four new malls and one expansion in the near-term to further bolster the Company's portfolio. These properties benefit from prime locations and all incorporate a significant focus on leisure and lifestyle. They are expected to open in the next 12 months and deliver substantial near-term growth
- Furthermore, the Company also has plans to further develop its portfolio in the medium-term via a targeted and controlled growth plan including 4 new malls and 1 extension to be gradually delivered from fiscal year 2021 onwards
- The Company aims to further enhance its offering by launching the first omni-channel experience platform in Saudi Arabia while utilizing digitization to enrich engagement with visitors and enhance tenant experience
- Arabian Centres' strategy is designed to deliver long-term sustained organic and development driven growth creating long-term shareholder value

*Robust financial profile delivering growth and yield*

- The Company has delivered steady top-line growth with revenue increasing by a CAGR of 6% from USD 511 million<sup>10</sup> in fiscal year 2016<sup>11</sup> to USD 576 million<sup>12</sup> in fiscal year 2018<sup>13</sup> respectively, whilst maintaining a strong EBITDA margin of 64.9% in fiscal year 2018<sup>14</sup>. During the nine months ended 31 December 2018, total revenue was USD 432 million<sup>15</sup> and EBITDA margin was 65.7%
- The attractive top-line growth is further complemented with a strong balance sheet providing financial flexibility to fund future growth and dividends
- Arabian Centres has an outstanding track-record of generating high double-digit yield-on-cost on its newly developed assets

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<sup>10</sup> Converted using USD:SAR FX rate of 3.75

<sup>11</sup> ACC fiscal year ended 31 March

<sup>12</sup> Converted using USD:SAR FX rate of 3.75

<sup>13</sup> ACC fiscal year ended 31 March

<sup>14</sup> ACC fiscal year ended 31 March

<sup>15</sup> Converted using USD:SAR FX rate of 3.75

- The Company has an attractive growth outlook driven by its strong pipeline with an addition of over 300,000 sqm GLA to be delivered in the next 12 months and a further 355,000 sqm of GLA to be delivered in medium term

#### *Robust corporate governance framework*

- The Company has in place a highly experienced and seasoned management team, which includes executives with regional and international experience. This is supplemented with a robust corporate governance framework designed to maximise value for its shareholders. The Company's Board of Directors comprises 6 members, with 3 members being independent. In accordance with the Company's bylaws, the Company intends to appoint 3 other directors following completion of the Offering, including at least one independent director
- The Company has both a Nomination and Remuneration Committee and an Audit Committee which are both chaired by independent members and the Audit Committee is majority independent
- Additionally, the Company has implemented additional protective measures beyond regulatory requirements to ensure a high standard of corporate governance

#### **Board of Directors**

The Company's current Board of Directors comprises the following individuals:

- **Fawaz Abdulaziz Fahad Alhokair, Chairman of the Board**

Mr. Alhokair is the Chairman of the Board of Directors and a founding member of Arabian Centres. He is responsible for leading the Board and ensuring that it is effective in the exercise of its duties and responsibilities. Mr. Alhokair is also a founding member of Alhokair Fashion Retail – a leading franchise retailer in Saudi Arabia and beyond – and holds chairmanships, executive positions and memberships in multiple companies with interests across various industries, including real estate, investments and technology. He obtained his Bachelor's degree in Economics and Accounting from Loughborough University in 1989, and received an honorary Doctorate in Economics and Accounting from the same University in 2008

- **Salman Abdulaziz Fahad Alhokair, Vice Chairman and Managing Director**

Mr. Alhokair is Vice Chairman of the Board of Directors and Managing Director for Arabian Centres, responsible for overseeing the day-to-day activities of the Company and directing its management team on shareholders' behalf. He is also a founding member of Alhokair Fashion Retail – a leading franchise retailer in Saudi Arabia and beyond – and holds executive positions and memberships in multiple companies with interests across various industries, including real estate, investments and technology. He obtained his Bachelor's degree in Architecture from King Saud University in 1990

- **Kamel Badih Al Qalam, Director**

Mr. Al Qalam is a Member of the Board of Directors and holds a number of current executive and membership positions, both in Saudi Arabia and internationally. He previously served as an architectural engineer at the Federal Highway Administration, part of the United States Department of Transportation. Additionally, he served as member of the board of Amlak

International Real Estate Investments, a closed joint stock company, operating in the real estate development sector, from 2012 to 2018. He obtained his Bachelor's degree in Architecture Engineering from the University of North Carolina in 1988 and his Master's in Science in Civil Engineering in 1990

Additionally, Arabian Centres has appointed 3 Independent Directors ("**IDs**"). The IDs are:

- **Dr Abdulrahman Abdulaziz Abdullah Al Tuwaijri**

Dr Al Tuwaijri is a member of the Board of Directors, responsible for oversight, expressing an independent opinion in respect of the Company's business and operations. Dr Al Tuwaijri brings decades of finance and regulatory experience to the group, holding previous chairmanships with the Middle East Financial Investment Company and the Capital Markets Authority of Saudi Arabia. Dr Al Tuwaijri was also a board member of Saudi Aramco and Managing Director and the representative of the Kingdom of Saudi Arabia in the International Monetary Fund. Dr Al Tuwaijri obtained his Bachelor's degree in Economics from King Saud University in 1978 and his Doctorate in Economics from Iowa State University in 1985

- **Mohamed Abdullah Ibrahim Al Khorayef**

Mr. Al Khorayef is a member of the Board of Directors, responsible for the direction and oversight of the Company. He is currently Chief Executive Officer of Al Khorayef Group, a Saudi closed joint stock company with interests in the industrial sector, and holds various memberships in companies operating across various industries. Previously, he served as Managing Director of Al Khorayef Water and Energy Technologies Company, a Saudi limited liability company with interests in the water and energy sector. He obtained his Bachelor's degree in Industrial Engineering from King Saud University in 1988

- **Bernard Higgins, Independent Director, Chairman of Audit Committee**

Mr. Higgins is a member of the Board of Directors and Chairman of the Audit Committee. He has extensive experience within the financial services industry, previously serving as CEO of Tesco Bank, a UK public limited company operating in the banking sector. He also held senior positions with HBOS plc, Standard Life and Royal Bank of Scotland. Mr. Higgins achieved a Bachelor's degree in Mathematics from the University of Glasgow in 1983. He qualified as a Fellow of the Faculty of Actuaries in 1986 and is currently a member of its Council. He is also a Fellow of the Chartered Institute of Bankers in Scotland

### **Management Team**

Under the guidance of the Board of Directors, Arabian Centres is led by an experienced team with expertise and track record in the real estate sector:

- **Olivier Nougrou, Chief Executive Officer**

Mr. Nougrou is the CEO of Arabian Centres, responsible for the financial and operational performance of the Company, and the development and implementation of its strategy. He brings more than 15 years of senior executive experience in retail property, having previously



been CEO for Germany at Unibail-Rodamco, a European real estate company. During his time with Unibail-Rodamco, he was deeply involved in the merger between Unibail and Rodamco and was instrumental in the successful integration of the German organization into the group while establishing and developing Unibail-Rodamco's German business. He later worked as Managing Director, Russia, for Morgan Stanley Real Estate. He obtained his Master's in International Management from ISG (Institut Supérieur de Gestion), France, in 1991 and his Master's in Business Administration from ESCP Europe, France, in 2001

- **Dr. Lionel Ponsard, Vice President of Finance**

Dr. Ponsard is the Vice President of Finance at Arabian Centres and is responsible for financial, risk management and administrative operations of the Company including the financial and operational strategy. Prior to joining Arabian Centres, Dr. Ponsard served as Chief Financial Officer of Al Faisaliah Group, a closed joint stock company established in Saudi Arabia and operating in the dairy, electronics, healthcare and food service sector. Dr. Ponsard's prior experience also includes various positions at the Boston Consulting Group. He holds several distinguished academic degrees including a Bachelor's degree in Languages from the University of Louvain, Brussels, in 1997, a Master's degree in International Relations from King's College, London, in 1998 and a Doctoral degree in Economics from Leiden University, Netherlands, in 2004

- **Bruno Wehbe, Chief Portfolio and Asset Management Officer**

Mr. Wehbe has served as the Company's Chief Portfolio and Asset Management Officer since July 2018. He holds several distinguished academic degrees such as a Bachelor's degree in Computer Engineering and Communications from the American University of Beirut, Lebanon; a Master of Science degree (MSc.) in Management from the London School of Economics and Political Science (LSE); and a Master of Business Administration (MBA) from INSEAD, France, in 2010. From 2008-2018, he worked with US-based global management consulting firm Strategy& (formerly Booz & Company), becoming principal of the region's real estate practice in 2016. Prior to that, he was employed by Booz Allen Hamilton

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In member states of the European Economic Area ("**EEA**") (each, a "**Relevant Member State**"), this announcement and any offer if made subsequently is directed only at persons who are "qualified investors" within the meaning of the Prospectus Directive ("**Qualified Investors**"). For these purposes, the expression "**Prospectus Directive**" means Directive 2003/71/EC (and amendments thereto, including Directive 2010/73/EU), and includes any relevant implementing measure in the Relevant Member State. In the United Kingdom this announcement is directed exclusively at Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**") or (ii) who fall within Article 49(2)(A) to (D) of the Order, and (iii) to whom it may otherwise lawfully be communicated, and any investment activity to which it relates will only be engaged in with such persons and it should not be relied on by anyone other than such persons.

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.

This announcement is being distributed in accordance with Article 33(g) of the Rules on the Offer of Securities and Continuing Obligations ("**OSCOs**") issued by the Capital Market Authority in Saudi Arabia (the "**CMA**") for the purposes of ascertaining the extent to which potential investors are willing to participate in the potential initial public offering of Arabian Centres Company (the "**Company**"), and should not result in any binding undertakings to acquire shares or subscribe in the Company's initial public offering. 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 securities referred to in this announcement on the basis of the CMA approved prospectus to be issued and published in due course (the "**Prospectus**"). Copies of the Prospectus will, following publication, be available from the Company's registered office and its website at [www.arabiancentres.com](http://www.arabiancentres.com).

This announcement is not an offer document for the purposes of the OSCOs and should not be construed as such. The CMA and the Saudi Stock Exchange (Tadawul) 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 is the sole legally binding document containing information about the Company and the Offering outside of Saudi Arabia. In the event of any discrepancy between this announcement and the Arabic language prospectus and/or the international offering circular, as the case may be, the Arabic language 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 contained in projections or forward-looking statements of the Company, 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 Joint Bookrunners 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 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 authorised person specializing in advising on such investments.

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