

المطاحن الحديثة MODERN MILLS

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MODERN MILLS COMPANY ANNOUNCEMENT OF COMPLETION OF OFFERING PERIOD FOR INDIVIDUAL INVESTORS AND FINAL ALLOTMENT OF SHARES

Jeddah, Saudi Arabia – 11 March 2024G – Modern Mills Company (the “**Company**”, or “**Modern Mills**”, or “**MMC**”), a national and leading milling and nutrition company and a key player in the Kingdom of Saudi Arabia’s food security landscape (the “**Kingdom**” or “**Saudi Arabia**”), along with HSBC Saudi Arabia, as Sole Financial Advisor, Global Coordinator, Joint Bookrunner and Underwriter and Lead Manager, and Emirates NBD Capital KSA as Joint Bookrunner and Underwriter, announces the successful completion of the individual Investor offering period and the Final Allotment of Offer Shares in relation to its Initial Public Offering (the “**IPO**” or the “**Offering**”). With regards to the offering, Moelis & Company Saudi Limited has been appointed as the Advisor to the Selling Shareholders.

Following the successful completion of the institutional book-building period which set the Final Offer Price at SAR 48 per share and resulted in subscription coverage of approximately 127 times the total offered shares, the individual investors offering took place from 05 to 06 March 2024G. The number of Offer Shares that were allocated to the Individual Investors’ tranche was 2,454,960 Offer Shares, representing 10% of the total offering. The individual investor offering saw 966,707 subscribers place orders, reflecting a subscription coverage of 21.9 times the offered shares in this tranche.

Modern Mills allocated a minimum of 2 Offer Shares to each Individual Investor, with the remaining Offer Shares allocated on a pro-rata basis based on demand size to the remaining demand with an average allocation factor of 1.0076%.

Offering Details

- The Final Offer Price for the Offering has been set at SAR 48 per share, implying a market capitalization at listing of SAR 3,928 million (USD 1,047 million)¹.
- The total Offering size is SAR 1,178 million (USD 314 million).
- The Offering is comprised of 24,549,600 ordinary shares (the “**Offer Shares**”) representing 30% of the Company’s share capital, 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 will have a free float of 30% (24,549,600) of its entire issued share capital (81,832,000).
- The Selling Shareholders are Mada International Holding Company (50% share pre-Offering), Al Ghurair Foods Company (45% share pre-Offering), and Masafi Company (5% share pre-Offering). Following the completion of the Offering, the current shareholders shall collectively own 69% of the Company’s share capital.
- The Company will hold 818,320 treasury shares (equivalent to 1% of Company’s capital) after the completion of the Offering through buying 687,389 shares (representing 84% of treasury shares) based on the final Offer Price and the award of 130,931 shares (representing 16% of treasury shares) by the Selling Shareholders, in conjunction with completing the Offering process to use them within the Company’s employee stock program.

¹ FX: US\$ 1.00 = SAR 3.75

Expected Offering Timeline

| Milestone | Date (Gregorian) | Date (Hijri) ² |
|---|---|---------------------------|
| Refund of excess subscription monies (if any) | By 18 th March 2024G | By 08 Ramadan 1445H |
| Expected trading commencement date for the Shares | 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.sa). | |

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| Joint Bookrunner and Underwriter | |
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² According to Um Al Qura Calendar.

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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.

The international offering circular prepared in connection with the Offering (the "International Offering Circular") 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 Local Prospectus and/or the International Offering Circular, as the case may be, the Local Prospectus and/or the International Offering Circular will prevail.

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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. 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 Underwriters 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. Moelis & Company Saudi Limited ("**Moelis**") is acting exclusively for the Selling Shareholders and no-one else in connection with the Offering. It will not regard any other person as their respective client, nor for providing advice in relation to the Offering, the contents of this announcement or any transaction, in relation to the Offering and will not be responsible to anyone other than the Selling Shareholders for providing the protections afforded to its clients, arrangement or other matter referred to herein.

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