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luberef

شركة أرامكو السعودية لزيوت الأساس - لوبريف
Saudi Aramco Base Oil Company - Luberef

11 DECEMBER 2022G

RIYADH – KINGDOM OF SAUDI ARABIA

SAUDI ARAMCO BASE OIL COMPANY - LUBEREF
ANNOUNCES FINAL OFFER PRICE

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Press Release

SAUDI ARAMCO BASE OIL COMPANY – LUBEREF ANNOUNCES FINAL OFFER PRICE

RIYADH – 11 December 2022G – Saudi Aramco Base Oil Company – Luberef (*the “Company”*), one of the largest base oils producers in the world and the leading base oils producer in the Kingdom of Saudi Arabia (the *“Kingdom”*) and SNB Capital Company, HSBC Saudi Arabia, Citigroup Saudi Arabia and Morgan Stanley Saudi Arabia, as joint financial advisors, announce the successful completion of the book-building process for participating entities and the final offer price for the Company’s initial public offering (*“IPO”* or the *“Offering”*).

The final offer price for the Offering has been set at SAR 99 per share (*“Final Offer Price”*), implying a market capitalization of SAR 16.706 billion (USD 4.455 billion)¹ at listing. The institutional order book was 29.5 times oversubscribed with the book-building process generating an order book of around SAR 146.4 billion (USD 39.0 billion).

Tareq Abdulaziz Alnuaim, President and CEO of Luberef, commented: “We are delighted that Luberef’s offering has been met with substantial interest from both local and international institutional investors. It is a testament to the investors’ confidence in our company, our growth strategy and the prospects for our industry.”

The retail subscription period will be for a five day period, commencing on Wednesday, 14 December 2022G and ending at 5 pm on Sunday, 18 December 2022G.

On 24 November 2022, the Capital Market Authority (the *“CMA”*) approved the Company’s application for an initial public offering of 50,045,00 shares (*“Offer Shares”*) representing 29.6562963% of the Company’s capital, by way of selling existing shares by Jadwa Industrial Investment Company (*“Selling Shareholder”*).

More information about the Company, the Offering and the subscription process is available in the Offering prospectus dated 24 December 2022G.

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

Background to the Offering:

- The CMA's and the Saudi Exchange's approvals have been obtained for the Offering and listing as outlined below:
 - An offer of 50,045,000 ordinary shares, representing 29.6562963% of the Company's issued share capital of 168,750,000 shares, by way of a sale of existing shares by Jadwa Industrial Investment Company.
 - The Saudi Arabian Oil Company (Saudi Aramco) will not sell any of its shares in the Offering and will continue to own 70% of the Company's share capital following completion of the Offering.
 - The Company's shares will be listed on the Main Market of the Saudi Exchange following the completion of the Offering and the listing formalities with the CMA and the Saudi Exchange.
 - The Offer Shares will be offered to institutional investors, including institutional investors outside the United States in "offshore transactions" in accordance with Regulation S under the Securities Act, and individual investors.
 - A maximum of 12,511,250 ordinary shares, representing 25% of the total Offer Shares, will be allocated to individual investors. If individual investors do not subscribe for all the shares allocated to them, the Joint Financial Advisors may reduce the number of shares allocated to them in proportion to the number of shares for which they subscribed.
- With respect to the Offering, the Company appointed SNB Capital Company, HSBC Saudi Arabia, Citigroup Saudi Arabia and Morgan Stanley Saudi Arabia as Joint Financial Advisors, Bookrunners, Global Coordinators and Underwriters (collectively the "**Joint Financial Advisors**"). In addition, the Company appointed SNB Capital Company as the Lead Manager (the "**Lead Manager**") in relation to the Offering.
- The Saudi National Bank (SNB), Alrajhi Bank, Riyad Bank, Alinma Bank, ANB, the Saudi Investment Bank, Bank Albilad, Banque Saudi Fransi, SABB, Meem (Gulf International Bank) and Bank Aljazira have been appointed as receiving entities (collectively, the "**Receiving Entities**") for the individual investors' tranche.
- Moelis & Company UK LLP ("**Moelis**") has been appointed as an Independent Advisor to Saudi Aramco.

Expected Offering Timeline

Key Events	Date
Subscription period for Individual Investors	Five day period, commences on Wednesday 20/05/1444H (corresponding to 14/12/2022G) and ends at 5 pm on Sunday 24/05/1444H (corresponding to 18/12/2022G)
Deadline for submission of subscription forms by Participating Parties based on the initial allocation of Offer Shares	Monday 18/05/1444H (corresponding to 12/12/2022G)
Deadline for submission of subscription forms and payment of subscription amounts for Individual Investors	Sunday 24/05/1444H (corresponding to 18/12/2022G)
Deadline for payment of the subscription amounts for Participating Parties based on the number of provisionally allocated Offer Shares	Wednesday 20/05/1444H (corresponding to 14/12/2022G)
Announcement of the final allocation of the Offer Shares	No later than Thursday 28/05/1444H (corresponding to 22/12/2022G)
Refund of excess subscription amounts (if any)	No later than Wednesday 04/06/1444H (corresponding to 28/12/2022G)
Expected date of commencement of trading on the Exchange	Trading of the Company's shares on the Saudi Exchange is expected to commence after all relevant regulatory requirements are satisfied. Trading will be announced on the Saudi Exchange's website (www.saudiexchange.sa).

Note: The above timetable and dates therein are indicative. Actual dates will be communicated through announcements appearing on the websites of the Saudi Exchange (www.saudiexchange.com.sa) and the websites of the Joint Financial Advisors.

-ENDS-

Contact details

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HSBC Saudi Arabia	Mohammed Fannouch	luberefipo@hsbcsa.com	+966112992481	<ul style="list-style-type: none">Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter
Citigroup Saudi Arabia	Wassim Al Khatib	Info.csa@citi.com	+966112246140	<ul style="list-style-type: none">Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter
Morgan Stanley Saudi Arabia	Head of ECM syndicate	Ineqsy@morganstanley.com	+966112187000	<ul style="list-style-type: none">Financial Advisor, Joint Global Coordinator, Bookrunner and Underwriter
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Receiving Entities	<ul style="list-style-type: none">The Saudi National Bank (SNB)Alrajhi BankRiyad BankAlinma BankANBThe Saudi Investment Bank	<ul style="list-style-type: none">Bank AlbiladBanque Saudi FransiSABBMeem (Gulf International Bank)Bank Aljazira
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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

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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 "**Qualified Investors**"). 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 in 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 to be issued and published in due course (the "**Local 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.luberef.com, the Saudi Exchange at www.saudiexchange.sa, the CMA at www.cma.org.sa and the Joint Financial Advisors at www.alahlicapital.com, www.hsbcSaudi.com, www.citigroup.com/citi/about/countries-and-jurisdictions/citigroup-saudi-arabia and www.morganstanleysaudiArabia.com.

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 or incompleteness 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.

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 or contained in projections, 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 Financial Advisors, Moelis 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 investment decisions on the Company's intentions in relation to the Offering. 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 Joint Financial Advisors 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 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 Company for providing the protections afforded to their respective clients, arrangement or other matter referred to herein. Moelis is acting exclusively for Saudi Aramco and no-one else in connection with the Offering and it will not regard any other person as its 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 Saudi Aramco for providing the protections afforded to its clients, arrangement or other matter referred to herein.

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In connection with the Offering, each of the Joint Financial Advisors and any of their 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.

References in the Local Prospectus or the International Offering Circular, once published, 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 Joint Financial Advisors and any of their affiliates acting in such capacity. In addition, the Joint Financial Advisors and any of their affiliates may enter into financing arrangements (including swaps or contracts for difference) with investors in connection with which the Joint Financial Advisors and any of their affiliates may from time to time, acquire, hold or dispose of securities. The Joint Financial Advisors do 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.
