



SAL Delivers **﷼ 727 million** in EBIT for FY 2025 as Operational Efficiencies and Ground Handling Momentum Lift Performance

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2026

SAL Saudi Logistics Services Company (“SAL” or “the Company”) (Ticker: TADAWUL 4263), the Kingdom’s leading cargo handling and logistics solutions provider, today announced its financial results for the fourth quarter and full-year period ended 31 December 2025.

Full-year and 4th Quarter 2025 Highlights

- SAL delivered a **strong close to the year**, with Q4 reflecting improved profitability conversion driven by operating leverage, efficiency gains and disciplined execution.
- **The Ground Handling Division** delivered another standout quarter, underpinned by operational excellence, uplift in volumes, expanded service offerings, and continued product innovation.
- **The Logistics Division** recorded positive full-year momentum, supported by the successful scaling of the division, which enabled new client wins and delivered higher activity levels.
- **Capital Deployment** continued to progress across SAL’s strategic growth priorities, with targeted investments in people and operating capacity, including expanding ground handling capacity, scaling logistics hubs and fleet capabilities, and advancing SAL Zones development to unlock the next phase of sustainable, long-term growth.

Revenue

Q4'25: **﷼ 509 mn**
↑ **25%**

Net Profit

Q4'25: **﷼ 202 mn**
↑ **42%**

Operating Margin

Q4'25: **40%**
↑ **1.8pp**

Earnings per share

Q4'25: **﷼ 2.52**
↑ **42%**

Handling Volumes

Q4'25: **265 mn kg**
↑ **5%**

Note: All percentages figures represent year-on-year changes compared to the same quarter of last year



Omar bin Talal Hariri

Chief Executive Officer of SAL, commented:

“2025 marked another year of strong execution for SAL, demonstrating the resilience and scalability of our business. We delivered earnings growth and robust cash generation. This performance demonstrates our strategy in action; strengthening the core through operational excellence and margin discipline, accelerating key expansion engines, and investing in the capabilities that will define the next phase of growth.

The Ground Handling Division delivered another standout year, supported by our expanded product offering and continued commitment to services innovation, improved revenue quality, and efficiency gains that enabled margin expansion. At the same time, the Logistics Division continued to build scale, with improving activity levels and targeted investments that are strengthening the foundations for long-term growth.

As Saudi Arabia advances its Vision 2030 ambitions, SAL remains well positioned to play a central role in the Kingdom’s logistics ecosystem. With sustained investment in infrastructure, digital capabilities, and talent, we are focused on building long-term value and capturing the significant growth opportunities ahead.”



Haydar Ucar

Chief Financial Officer of SAL, commented:

“Our full-year results highlight SAL’s prudent financial stewardship and strong cash-generative business model. In 2025, we delivered solid profitability while maintaining a strong balance sheet, enabling us to fund strategic growth investments while sustaining attractive shareholder returns.

Operating cash flow and adjusted free cash flow strengthened further, increasing by 21% YoY to ₪ 957 million and 12% to ₪ 814 million respectively. These were driven by improved working capital management, enhanced collections, and continued margin discipline.

Importantly, SAL’s scale and operational agility, in addition to past investments in capacity, enabled us to capture peak-period volumes during Q4, while protecting profitability through efficiency gains and strong execution. At the same time, we continued to deploy capital across logistics infrastructure, digital transformation initiatives and capacity expansion to support future growth.

Looking ahead, SAL remains in a strong financial position, with a clear capital allocation framework that supports continued expansion, strengthens returns and delivers sustainable shareholder value over the long term.”

Revenue and Profitability: Enhanced Profitability in a Normalized Volume Environment and Expanded Service Offerings

Revenue for Q4 2025 increased 25% year-on-year to reach ₪ 509 million, up from ₪ 409 million in Q4 2024. Performance was driven by an exceptionally strong year-end seasonal uplift in Ground Handling volumes, complemented by continued double-digit topline growth in the Logistics Division. For **FY 2025, revenue reached ₪ 1.71 billion**, surpassing the ₪ 1.63 billion achieved in the same period last year, closing and even exceeding the gap entirely on the exceptionally high base of 2024, which was driven by supply chain disruptions in the Red Sea resulting in heightened air cargo volumes across the Kingdom's airports. This performance reflects SAL's strong growth momentum and its ability to navigate a dynamic operating environment, underscoring the strength of its platform.

	Q4 2025 ₪ Million	Q4 2024 ₪ Million	Variance	FY 2025 ₪ Million	FY 2024 ₪ Million	Variance
Revenue	509	409	25%	1,708	1,634	5%
Operating Profit (EBIT)	202	155	31%	727	709	3%
Operating Margin %	39.7%	37.9%	1.8pp	42.6%	43.4%	-0.8pp
Net Profit	202	142	42%	698	661	6%
EPS (SAR absolute)	2.52	1.78	42%	8.72	8.27	6%
Handling Volumes (Million KGs)	265	252	5%	961	972	-1%

Operating profit (EBIT) in Q4 stood at ₪ 202 million, compared to ₪ 155 million in the same period last year, with an **operating profit (EBIT) margin of 39.7%, up 1.8 percentage points year-on-year**. Profitability was driven by a standout quarter in the Ground Handling Division, despite ongoing investments to accelerate the expansion of the business. In **FY 2025, EBIT reached ₪ 727 million**, compared to ₪ 709 million in FY 2024, once again closing the gap on the exceptional 2024 base, with an **EBIT margin of 42.6%, reflecting a slight 0.8 percentage points decline**.

Net profit for the quarter grew 42% year-on-year reaching ₪ 202 million, compared to ₪ 142 million in Q4 2024, with **earnings per share (EPS) increasing to ₪ 2.52 from ₪ 1.78** in the prior-year period, underscoring SAL's impactful margin management and ability to capture value from higher volume quarters. **FY 2025 Net profit increased 6% year-on-year to ₪ 698 million**, from ₪ 661 million the prior-year period, reflecting SAL's capability to match and surpass the record levels seen last year through disciplined execution and commercial agility.

The Ground Handling volumes for the quarter grew 5% continuing the strong volume uplift from the 3rd quarter. Both export and transit volumes grew in the quarter, with transit volumes demonstrating significant strength of 14% growth in the quarter and flat for the full year. The total volume for the **full year, reached 961 million KGs, which is 1.1% under last year's high-volume base**.

Cash Flow and Balance Sheet: Strong Cash Generation and Balance Sheet Discipline Support Strategic Investment

Net Cash Generated from Operations amounted to ₪ 957 million in FY 2025, compared to ₪ 792 million in FY 2024. **Adjusted free cash flow** stood at ₪ 814 million at the end of the period, up from ₪ 724 million in FY 2024 reflecting disciplined working capital management, improved cash collections, and sustained profitability. **CAPEX outflows** reached ₪ 144 million, highlighting focus on expanding our capacity and capabilities to support long-term growth.

Balance Sheet	31 Dec 2025 ₪ Million	31 Dec 2024 ₪ Million	Variance
Net Working Capital	103	221	-53%
Property and Equipment	808	720	12%
Right-of-Use Assets	846	523	62%
Net debt <u>(Net cash)</u>	(980)	(745)	32%
Total Assets	3,729	3,232	15%
Total Equity	1,622	1,402	16%
Total Liabilities	2,107	1,830	15%

Cash Flow	31 Dec 2025 ₪ Million	31 Dec 2024 ₪ Million	Variance
Net Cash Generated from Operations <u>(incl. NWC)</u>	957	792	21%
Capital Expenditures (CAPEX)	144	68	113%
Adjusted Free Cash Flow	814	724	12%

As of 31 December 2025, **net debt (positive)** fell by 32% year-on-year to ₪ (980) million, compared to ₪ (745) million in the previous period, demonstrating SAL's commitment to its capital deployment program, investing in the future growth of the business, bolstered by a robust balance sheet. **Shareholders' equity** increased by 16% year-on-year, while **total liabilities** increased by 15%.

Net working capital (NWC) reached ₪ 103 million, representing a 53% year-on-year reduction, reflecting disciplined working capital management, improved cash discipline, and stronger collections. Over the past year, SAL has demonstrated steady and disciplined progress in optimizing NWC, underpinned by continued improvements in cash conversion and a sustained focus on operational efficiency.

Ground Handling Division: Strong Commercial Execution Drives Growth and Margin Expansion

The **Ground Handling Division** generated **revenue** of ₪ 423 million in Q4 2025, compared to ₪335 million in Q4 2024, surging by 27% on a year-on-year basis. The EBIT margin for the quarter reached a record 51.9% level, reflecting the strong surge in the business activity. On a full-year basis, revenue reached ₪ 1.46 billion, up from ₪ 1.36 billion, growing by 7% on a year-on-year basis and representing 85% of the business. The full-year EBIT margin was also strong and reached to 51.1%. Growth was driven by stable performance across core clients, further strengthened by expanded service offerings and product innovation. During the period, the Division renewed and secured major international customer wins such as Emirates SkyCargo, and China Cargo Airlines Co., alongside the conversion of charter agreements into long-term scheduled contracts, underscoring deepening relationships with global airline partners and SAL's ability to translate commercial momentum into recurring, high-quality revenue.

The Ground Handling Division continued delivering its ₪ 922 million capital deployment plan, executing in a disciplined and targeted manner to reinforce its leadership in ground handling. Investments are focused on expanding terminal capacity across the key airports of Riyadh, Jeddah, Dammam and Medina, and enhancing operational resilience and service quality.

Logistics Division: Executing on the Strategy and Laying the Foundation for Scalable Growth

Revenue from the Logistics division reached ₪ 86 million in Q4 2025, compared to ₪ 74 million in the same period last year, representing a 16% year-on-year increase. The quarterly EBIT margin declined to negative 16%, primarily due to a one-off lease asset write-off, which muted otherwise strong revenue growth during the quarter. The sales growth reflects improving momentum as the business continued to scale. Performance in the quarter was supported by higher activity levels and stronger commercial execution, alongside expanded service offerings and continued product innovation. The Division secured number of new major contracts during Q4, reinforcing growing customer demand and expanding SAL's logistics footprint. For the full year, revenue reached ₪ 252 million, down 7% year-on-year, reflecting a deliberate focus on foundation building and capability development to position the division for sustainable, scalable growth. The full-year EBIT margin reached negative 5.4%, mainly impacted by the one-off item recorded during the period.

SAL continues to advance its strategic roadmap across the Logistics Division, progressing core products, infrastructure projects in SAL Logistics Zone in Malham North Riyadh and Jeddah, and a growing pipeline of mandates that support future commercial conversion and long-term growth.

Strategy & CAPEX Plans Progress

SAL continued to execute on its long-term growth strategy in 2025, accelerating capital deployment across priority infrastructure and platform investments to support the next phase of scalable expansion. Capital expenditure more than doubled year-on-year, reflecting a deliberate step-up in investment to strengthen capacity, enhance capabilities and underpin sustainable growth across both divisions.

A key milestone during the fourth quarter was the breaking of ground at the **SAL Logistics Zone**, marking the transition from planning to execution into one of the Company's most strategic long-

term investments. The project is designed to create a next-generation, integrated iconic logistics hub, supporting the expansion of value-added services and reinforcing SAL's role at the center of Saudi Arabia's logistics ecosystem. In parallel, the Company initiated Phase 2 development activities, maintaining momentum against its capital deployment roadmap and advancing the build-out of future growth capacity.

To support this elevated investment programme and enhance financial flexibility, SAL launched a 1 billion SAR-Denominated Sukuk Programme in Q1 2026, broadening access to capital markets and diversifying its long-term funding sources. The programme strengthens the Company's capital structure and provides additional headroom to fund strategic growth initiatives while maintaining a strong balance sheet and disciplined capital allocation framework.

Outlook of Logistics Services

Looking ahead to 2026, SAL expects to continue seeking operational enhancements, with performance supported by sustained momentum in its core Ground Handling business and accelerating contributions from Logistics. Ground Handling is expected to continue delivering resilient earnings and cash generation as the core business.

The Logistics Division is expected to maintain its momentum in 2026, as investments made in infrastructure, digital capabilities, and product development begin to translate into improved margins and scale. Ongoing progress across SAL Zones, technology adoption, and a shift toward higher-value client segments are expected to support this transition.

With a strong balance sheet, robust cash generation, and a continued focus on Vision 2030 alignment, SAL remains well positioned to capture opportunities from Saudi Arabia's expanding role as a global logistics hub while maintaining its commitment to sustainable returns for shareholders.

Q4' 25 Dividend Announcement

SAL's Board of Directors approved distributing an **ordinary cash dividend** of ﷲ 151.2 million for the fourth quarter of 2025. This equates to ﷲ **1.89 per share**, compared to ﷲ 1.33 per share in Q4 2024. The recommendation reflects the Company's ongoing commitment to enhancing shareholder value.

Earnings Call

An earnings call will be held to discuss the financial results with analysts and investors **at 3:00 PM (KSA) on February 17, 2026**. Interested investors are encouraged to contact the Investor Relations department for participation details.

Financial Report & Earnings Presentation | SAL ([Link](#))

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Contact Information

For further information, please contact:

Investor Relations

investor.relations@sal.sa

+966-12-6964168 or +966-550-120163

About SAL Saudi Logistics Services Co.

SAL Saudi Logistics Services Co. (Ticker: TADAWUL 4263) is the leading logistics services provider in Saudi Arabia, specializing in air cargo handling, ground handling, and logistics solutions. With operations spanning key airports and logistics hubs across the Kingdom, SAL plays a crucial role in facilitating trade and connectivity in the region. The Company is committed to innovation, operational excellence, and sustainable business practices, ensuring seamless and efficient logistics services to airlines, freight forwarders, and other industry stakeholders. SAL continues to expand its network and enhance its service offerings, reinforcing its position as a key enabler of Saudi Arabia's Vision 2030 logistics ambitions. For more information, visit www.sal.sa.

Glossary

Net Working Capital (NWC):

The difference between Current Assets (excluding Cash) and Current Liabilities (excluding Lease Liabilities, Dividends Payable and Long-Term Loans)

Adjusted Free Cash Flow:

Free Cash Flow adjusted for short-time Murabaha time deposits, reflecting the Company's available cash after capital expenditures and strategic investments.

Disclaimer

This press release contains forward-looking statements, which are based on current assumptions and forecasts made by SAL's management. These statements are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements. Factors that could impact future results include, but are not limited to, changes in market conditions, macroeconomic developments, geopolitical factors, and regulatory changes. SAL assumes no obligation to update these forward-looking statements or to adjust them to future events or developments. Readers are cautioned not to place undue reliance on these statements. All figures and percentages presented in this document have been rounded for ease of reference.