

SAL.

Q1 2026 Earnings Presentation

6 May 2026





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V Presenters



Omar Talal Hariri
Chief Executive Officer



Haydar Ucar
Chief Financial Officer



SAL's Core Business Divisions Powering Saudi Arabia's Logistics Future



SAL Ground Handling

- **National scale:** 19 Airports, 4 Hubs
- **Market leader:** KSA air cargo handling
- **Core services:** Ramp, Terminal handling, Storage, and other Value-added services



SAL Logistics

- **End-to-end solutions:** Global Freight Management, Contract Logistics, Project Cargo Logistics, Fine Arts, Events and Sport Logistics
- **Specialist focus:** Pharma, Perishables, High-Value Cargo
- **Strategic partner:** Single-Window for Businesses & E-Commerce



SAL Zones

- **1.5m sqm Falcon City hub** with +4 billion planned Capex
- **Multimodal, built-to-suit:** Warehousing, Storage, Air/Sea/Land Connectivity
- **Revenue-generating** from 2028

Aligned with the Ambitious Government Strategies and Investments





How We Are Supporting Our Future Growth

Expansion Engines



Expand Offerings

- Diversified verticals across logistics & super niche segments



Opportunistic Inorganic Growth

- Expansion through JVs, M&A, and other possible strategies

Operational Excellence



Streamline Processes

- Deploy real-time tracking
- Support high-value cold chain growth
- Lean, agile operations supported by QA and control towers



Smarter Contract Logistics

- Service Consistency
- Performance-Based Contracts
- Market Responsiveness & Flexibility

Transformation Enablement



Digitalization

- Deploy advanced digital platforms for end-to-end visibility
- Leverage AI-powered tools and predictive insights
- CRM systems driving customer-centric service models



Innovation

- Invest in cutting-edge solutions and digital freight tools.
- Robotics & automation boosting productivity & precision





Operating Environment

Temporary Disruption to Air Cargo and Maritime Trade Flows

- Regional airspace restrictions and maritime disruptions impacted global trade flows, particularly in March
- Reduced air cargo capacity across Middle East corridors due to flight suspensions and airspace closures
- Maritime delays and re-routing extended transit times across key shipping lanes
- Short-term volume decline in the Kingdom, especially in transit and time-sensitive segments (e.g. e-commerce)
- Tightened capacity drove elevated freight rates across key corridors

Resilient Demand and Shifting Trade Dynamics

- Demand partially shifted to alternative routes and transport modes, much of which was captured by SAL
- Underlying demand remained robust despite disruption, indicating strong structural foundations
- Market demonstrated flexibility, with flows rebalancing across networks
- Operational adjustments across the value chain supported continued cargo movement





Overview of Q1 2026 Performance

Resilient topline growth with improved earnings quality and strong cash conversion, despite temporary disruptions

Margin Discipline & Operating Leverage Supporting Profitability

- Revenue up 16% YoY to **ﷲ 446 million**, supported by last years revised rates, improved revenue quality, and Logistics contribution.
- EBIT rose 4% YoY to **ﷲ 171 million**, underlying business strength.
- EBIT margin of 38.3%, down 4.6pp YoY, due to manpower deployment, increased RFS-linked activity, and digital investments.
- Net profit increased 2% YoY to **ﷲ 157 million (EPS ﷲ 1.96, +2%)**, underscoring earnings resilience during disruption.

Core Business Strength with Improving Logistics Performance

- ✈️ **Ground Handling** remains performance anchor amid airspace disruptions.
 - **Competitiveness strengthened** with CargoGate launch (new landside portal), two new customer wins and uptick in RFS.
 - **Advanced SAL's growth agenda** through inorganic expansion, marked by Aviapartner Liège SPA.
- 🚚 **Logistics** performance improving, with narrowing losses as conditions normalize.
 - **Commercial momentum** with new business wins and resilient topline despite event cancellations.
 - **Improving activity levels** toward quarter-end, notably across road freight and warehousing.

Disciplined Execution on Strategic Growth Priorities

- **Net cash at ﷲ 1.1bn; CAPEX of ﷲ 70 million** focused on capacity, hubs, fleet, digital, and SAL Zones.
- **Launched Sukuk programme**, strengthening funding flexibility and strategic growth execution.
- **Continued progress at SAL Logistics Zone**, enabling the next phase of value-added service expansion.
- **Strong cash conversion** and disciplined working capital management continue to support investment priorities and shareholder returns.



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Q1 2026 Financial Performance



Robust Revenue Growth and High-Quality Earnings

Q1 2026

Revenue

**₹ 446
million**

▲ 16% YoY

EBIT

**₹ 171
million**

▲ 4% YoY

Net Profit

**₹ 157
million**

▲ 2% YoY

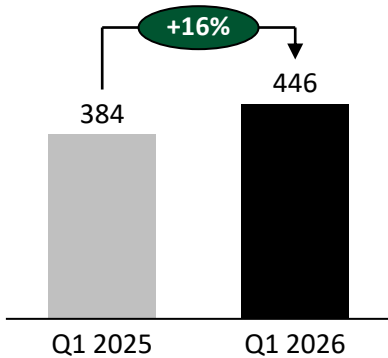


Q1 2026 Financial Summary

Resilient topline growth with improved earnings quality and strong cash conversion, despite temporary disruption

Revenue

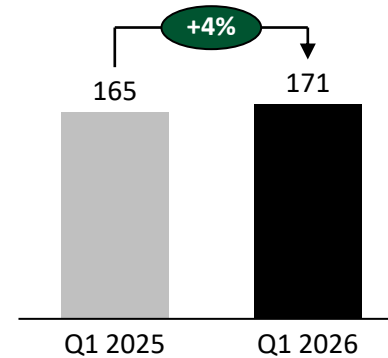
(S Million)



- Solid revenue quality in the Cargo Ground Handling Division, supported by sustained pricing and improved yield baseline.
- Continued contribution from Logistics, with performance improving and activity picking up towards quarter-end.
- Performance driven by pricing and mix; Growth reflects a non-volume-led profile, with volumes impacted by temporary airspace disruption in March.

Operating Profit (EBIT)

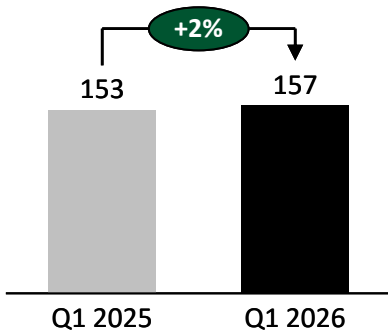
(S Million)



- EBIT continues to grow, reflecting sustained earnings momentum across the business.
- Lower EBIT margin impacted by higher operating costs related to manpower, increased road feeder service activity, and digital investment.
- Reflects temporary procedures to maintain service levels during disruption.

Net Profit

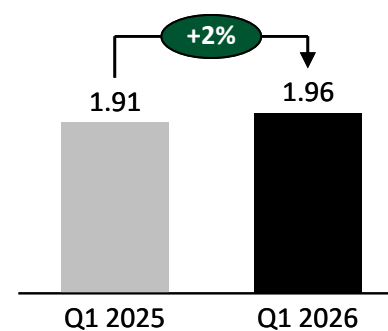
(S Million)



- Net profit increased to S157 million, reflecting underlying resilience of the business.
- Performance supported by revenue quality and disciplined execution across divisions.
- Growth achieved despite temporary cost pressures during the period.

EPS

(S)



- EPS increase reflecting the underlying strength of the business, as earnings rose despite additional costs for investments and M&A execution.



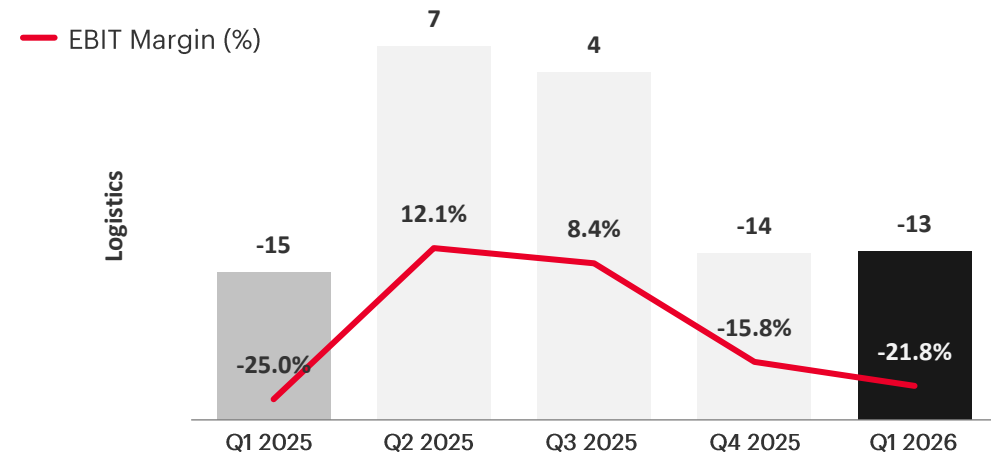
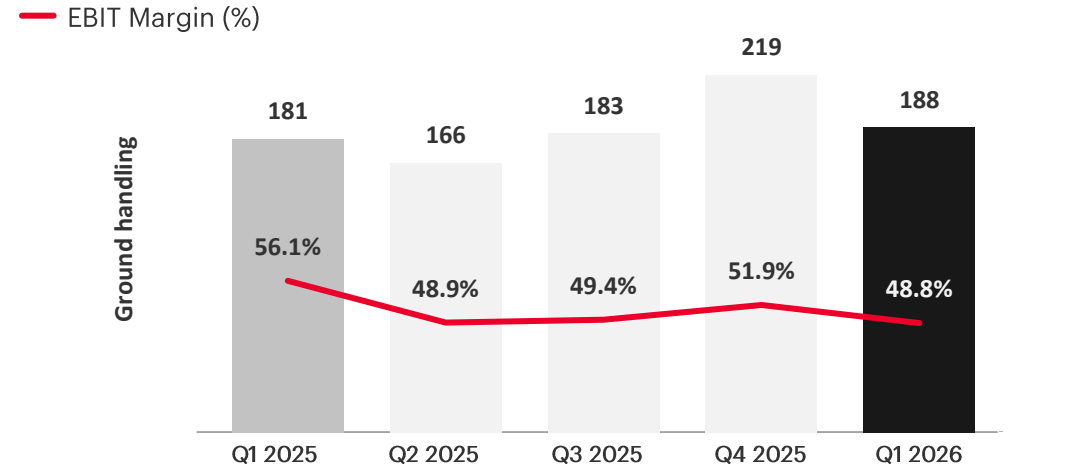


Q1 2026 Financial Summary

Margins Impacted by Temporary Cost Pressures, with Underlying Performance Remaining Resilient

- Margin pressure partially reflects one-off expenses such as M&A-related advisory expenses and lease adjustments
- Margins also moderated as the business absorbed higher operating costs, while rerouting through disruptions, to protect revenue quality, maintain service continuity, and support customers during the March disruption
- Performance remained resilient despite non-volume-led conditions, underscoring continued enhancement of service offerings and operational agility

Operating Profit (EBIT) (M Million)



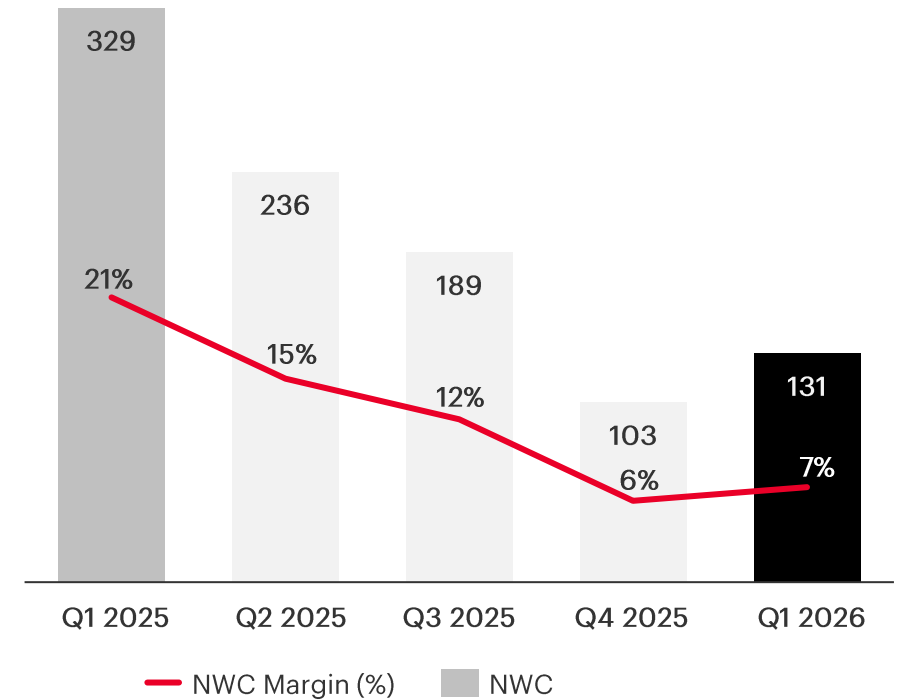


Q1 2026 Financial Summary

Strong Cash Conversion Supported by Disciplined Working Capital Management

- The quarter was characterized by a non-volume-led growth profile
- Working capital remained well controlled despite operating disruptions
- Liquidity strength was preserved through disciplined working capital management.

NWC and NWC Margin (S Million) and (%)



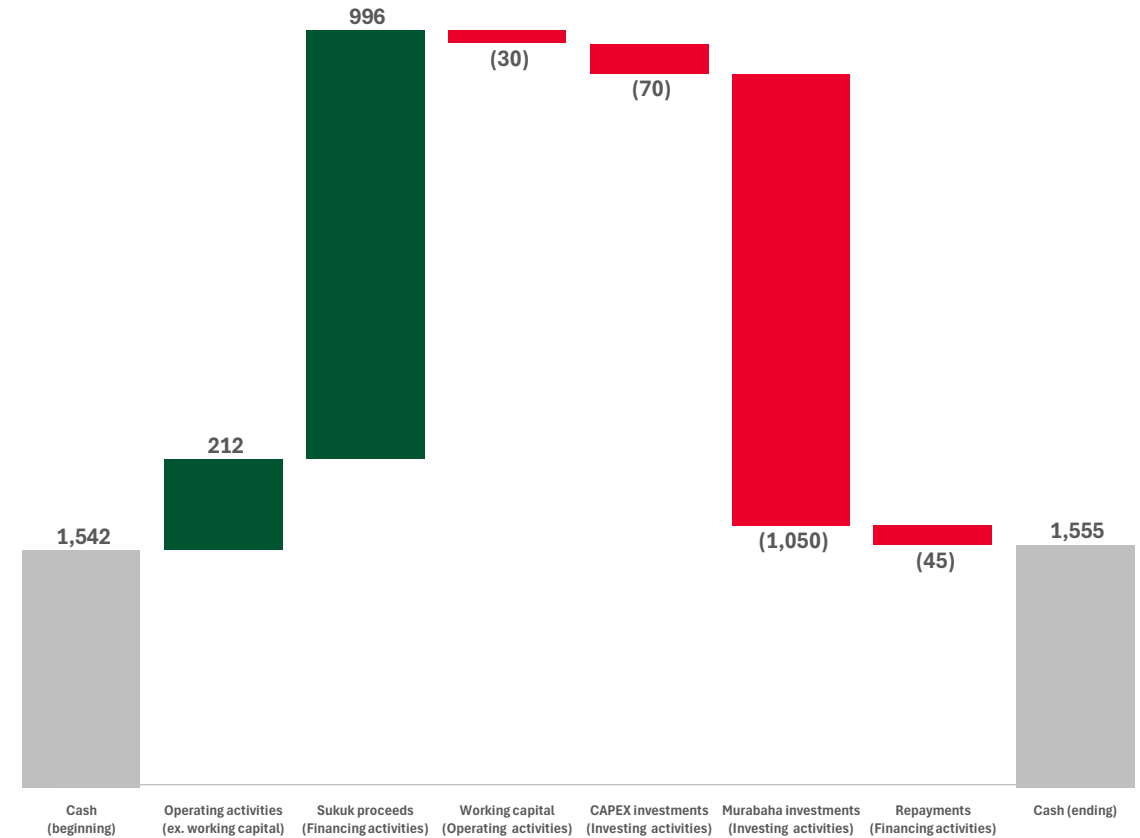


Q1 2026 Financial Summary

Disciplined Capital Allocation Supports Investment and Shareholder Returns

- Closed the period with a strong net cash position of $\text{ﷲ}1.56$ billion, supported by disciplined working-capital management and robust operating cash generation.
- Liquidity was further strengthened through the successful Sukuk issuance, enhancing funding flexibility and extending the maturity profile to support long-term strategic priorities.
- Invested $\text{ﷲ}70$ million in key projects supporting our growth priorities.

Cash Flow Movement (ﷲ Million)





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Division Deep Dive: Ground Handling

Ground Handling Division: Resilient Performance Driven by Yield Strength and Operational Agility

Q1 2026

Revenue

₹ **384**
million

▲ 19% YoY

EBIT
Margin

48.8%

▼ 7.9pp

EBIT

₹ **188**
million

▲ 3% YoY



Ground Handling Performance Highlights

Core profit engine delivering resilient performance driven by pricing, revenue quality, and operational agility during disruption

Pricing Strength & Revenue Quality Driving Growth

- Revenue increased to ₪ 384 million (+19% YoY), driven by sustained pricing strength and improved yield baseline
- Growth reflects a non-volume-led profile, with performance supported by higher revenue quality
- Ground Handling remains the core engine of SAL's earnings and growth

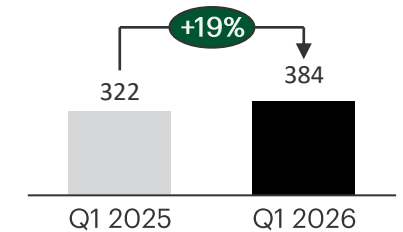
Maintaining Service Continuity During Disruption, with a Minimum Cost Impact

- March disruption impacted cargo flows, requiring operational adjustments
- Rapid scaling of road feeder services (RFS) and increased manpower enabled continued cargo flows during disruption
- Operational response supported airline partners and maintained service levels across the network
- These actions protected operations and revenue quality, but increased operating costs
- Demonstrates strong execution and adaptability in a dynamic operating environment

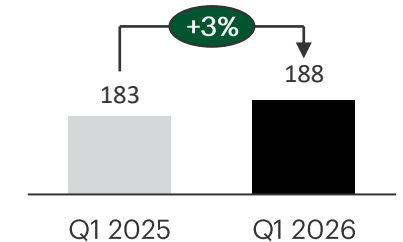
Temporary Cost Pressures Impacting Profitability

- EBIT reached ₪188 million (+3% YoY), with margin at 48.8%
- Profitability impacted by higher manpower deployment, increased RFS activity, and continued investment in digital capabilities (CargoGate)
- Reflects deliberate actions to sustain operations and support customers during disruption

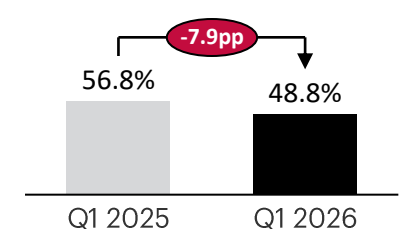
Revenue (₪ Million)



Operating Profit (₪ Million)



EBIT Margin (%)

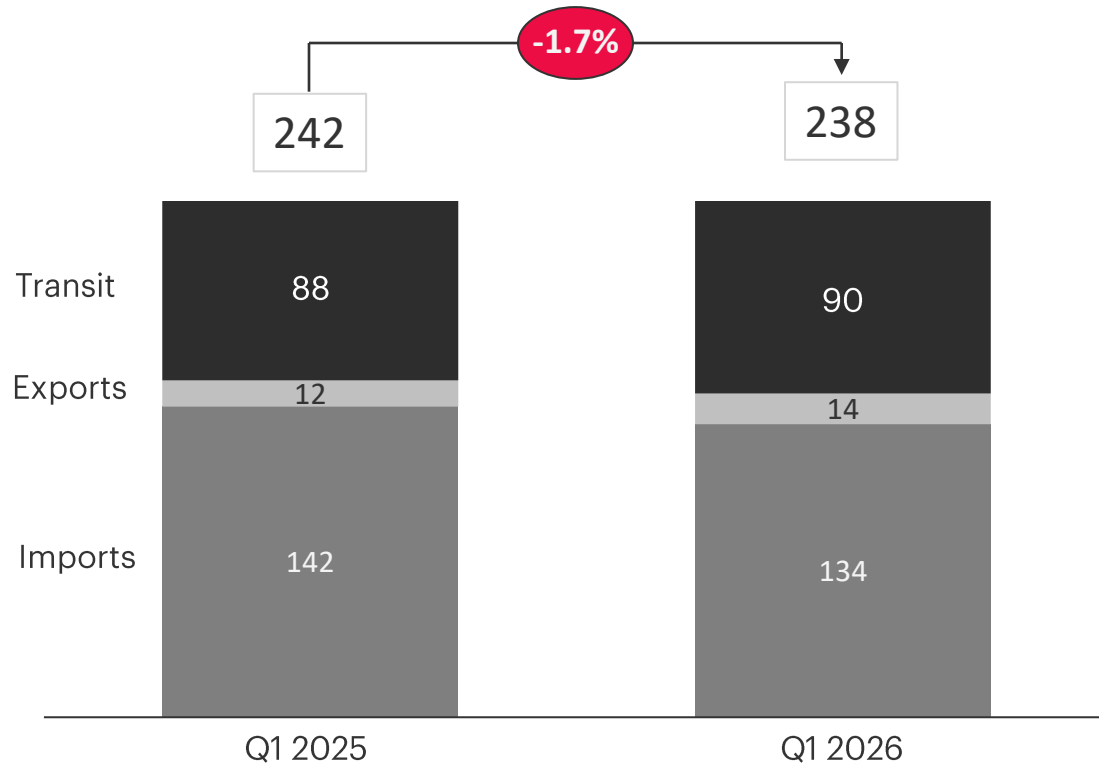




Ground Handling Performance Highlights

Ground handling volumes impacted by disruption, with operations maintaining cargo flows and supporting customers

Volumes (Million KG)



- 238 million KG handled in Q1 2026, down 1.7% YoY, despite temporary disruption to regional airspace
- **Operational agility**, including scaling of road feeder services (RFS), enabled continued cargo flows through alternative routes
- **Performance reflects operational resilience** and continued demand, alongside strengthening of relations with key airline partners





Division Deep Dive: Logistics



Logistics Division: Improving Performance with Strengthening Activity Levels

Q1 2026

Revenue

₹ **62**
million

▼ 1% YoY

EBIT
Margin

(21.8)%

▲ 6.8pp

EBIT

₹ **(13)**
million

▲ 24% YoY



Logistics Performance Highlights

Improving performance with strengthening activity levels and continued investment in scalable capabilities

Recovery Following Disruption to Trade Flows

- Revenue of ₪ 62 million, broadly in line with Q1 2025, reflecting a stabilizing topline
- Activity levels in the early part of the quarter were impacted by disruptions to regional trade flows and cancellation of certain event-related logistics activities
- From late March onwards, demand picked up as customers adapted to shifting supply chain dynamics and conditions began to normalize

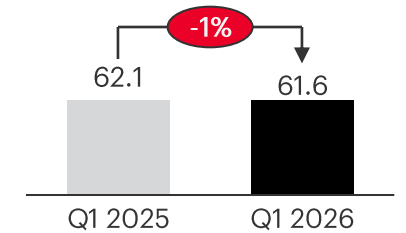
Underlying Performance Improving as the Operating Model Evolves

- Underlying performance improved, with losses narrowing compared to the prior-year period
- Progress reflects continued transition towards a more scalable and integrated operating model
- Strengthening activity levels towards quarter-end supported operational recovery and improved utilization across key services

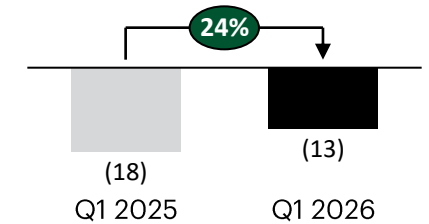
Capability Build-out and Commercial Expansion Supporting Long-term Growth

- Continued investment in infrastructure, capabilities and commercial development to support scale
- Progress across strategic projects, including logistics hubs in Riyadh and Jeddah
- Agreement with Saudi Motorsports Company to deliver integrated logistics services, supporting complex, large-scale event logistics requirements
- Ongoing development of core products and service offering to enhance market positioning and support future growth

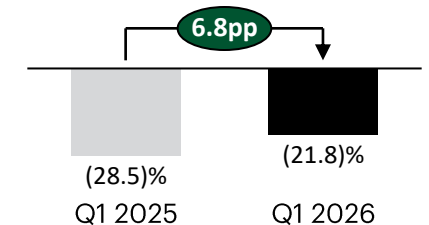
Revenue (₪ Million)



Operating Profit (EBIT) (₪ Million)



EBIT Margin (%)





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Outlook and Guidance



2026 Outlook & Priorities

Area

Outlook

Strategic Levers



Ground Handling

Sustained operational momentum, underpinned by continued volume uplift, improved service mix and disciplined execution

Automation, product innovation, cost control, long-term client growth, and Vision 2030 alignment



Logistics

On track for gradual improvement with a focus to strengthen topline performance as the division scales

Infrastructure build-out, technology adoption, shift in client mix



Zones

Execution progressing, with early pre-leasing and phased implementation underway ahead of targeted revenue generation from 2028

Phased/gated development, lease-up milestones, disciplined capital deployment, and platform integration



Dividend

75% dividend payout policy to be maintained

Strong net cash position and healthy balance sheet





Recap of SAL Growth Initiatives

SAL Ground Handling

- Strengthen core capabilities and operational efficiency
- Drive growth through capacity investments and manpower operations.
- Deepen airline partnerships and expand internationally:
 - Signed SPA to acquire Aviapartner Liège, marking SAL's first international expansion
 - Strengthened commercial position through agreements with Royal Jordanian Airlines and DSV

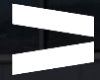
SAL Logistics

- Continue building a scalable and integrated logistics operating model.
- Expand capabilities across road freight, warehousing, and integrated logistics services.
- Advance infrastructure and platform development:
 - Progress on logistics hubs in Malham and Jeddah
- Strengthen commercial pipeline and customer base:
 - Agreement with Saudi Motorsports Company

SAL Zones

- Advance development of SAL Logistics Zone as a grade-A integrated logistics hub.
- Transition from planning to execution, supporting expansion of value-added services.





Closing Remarks & Key Takeaways

- 1. A resilient start to the year** supported by disciplined execution, strong revenue quality, and effective operational response.
- 2. Ground Handling** continued to anchor performance, while **Logistics** operating momentum continued improve.
- 3. Strong cash conversion** and balance sheet strength support our future growth and value creation.
- 4. Favorable early evidence of volume recovery** in April as cargo flows normalize, while we continue assessing the sustainability of demand.

SAL.

We appreciate your time and engagement today.

SAL's journey continues.

See you at our next dispatch!

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V Q&A



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