



SAL Saudi Logistics announces the signing of a mutual agreement with Taiba Airports Operation Co. Ltd.

Element	Explanation
Introduction	SAL Saudi Logistics announces the signing of a mutual agreement with Taiba Airports Operation Company Ltd. For the lease of land at Prince Mohammed bin Abdulaziz International Airport in Al-Madinah al-Munawwarah.
Transaction Details *	leasing land of 7,500 square meters (3,500 actual square meters and 4,000 square meters reserved) for a period of 16 years.
Transaction Value *	SAR 420,000 per year, or a percentage of the revenue, whichever is higher, so that the percentage of the revenue is 2% for the first ten years and 2.5% for the rest of the contract period.
Transaction Terms *	A mutual agreement for a period of 3 months during which SAL is committed to signing a lease contract for a period of 16 years. The lease is for a land area of 3,500 square meters plus 4,000 square meters reserved for 3 years for the benefit of SAL for the purpose of expansion if needed.
Parties of the Transaction *	Tenant: SAL Saudi Logistics Co. Lessor: Taiba Airports Operation Ltd.
Transaction Execution Date *	21 March 2024
Description of the Business of the Asset forming the Subject Matter of the Transaction *	Land at Prince Mohammed bin Abdulaziz International Airport in Al-Madinah al-Munawwarah.
Transaction reasons *	Construction and development of a new air cargo terminal.
Expected Impact of the Transaction on the Company and Its Operations *	The agreement reduces rental costs by SAR 34,356,688 throughout the contract period and it is expected that SAL will invest an estimated amount of SAR 12 million in the development of the new terminal which will increase the terminal capacity and efficiency.
Related Parties *	N/A