

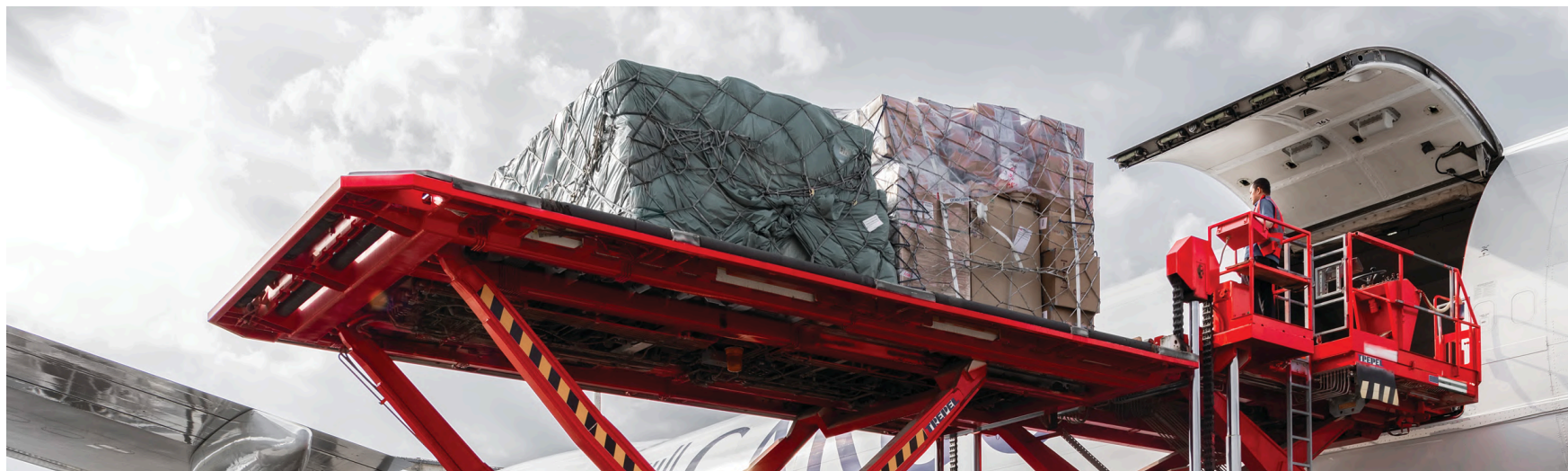


SAL's Journey 2024: From Strategic Actions to National Impact

SAL has demonstrated exceptional growth and operational success in 2024. With strategic investments, digital transformation, and customer-centric innovations, the Company remains at the forefront of the logistics industry, setting new benchmarks for efficiency, profitability, and impact.



Handling



SAL continued to optimize productivity and operational efficiency, reinforcing its leadership in ground handling and air cargo services. The Company achieved a 20% increase in total volume handled, driven by 20% growth in import volumes and 28% growth in transit-in volumes. Additionally, the year showed a continued increase in e-commerce volumes, which grew 30% year on year.

Key Achievements

- Expanded the Road Feeder Service (RFS) network, strengthening connectivity and logistics capabilities across key locations.
- Secured a long-term lease agreement to develop 90,000 square meters of air cargo facilities at King Khaled International Airport, Riyadh.
- Signed agreements to upgrade cargo facilities at King Fahd International Airport, Dammam, and to build a new cargo facility in Prince Mohammad bin Abdulaziz International Airport, Madinah.
- Diversified service offerings, increasing the number of handled charters and expanding into new sectors.
- Enhance the Jeddah e-Commerce Center, enhancing last-mile efficiency for online retail logistics.

Full year revenue increased to SAR 1.36 billion, up 12% from SAR 1.22 billion in 2023. This growth illustrates strong performance and operational efficiencies, driven by a 20% volume growth in 2024. The volume growth was mainly propelled by a high Q1 volume peak and an impressive 30% increase in courier volumes. The division did face some market challenges, especially during the second half of the year.

Despite market fluctuations, we achieved an impressive full-year operating profit (EBIT) of SAR 687 million, marking a notable 20% increase from the previous year's SAR 570 million. Our EBIT margin rose to 50.4%, reflecting our steadfast commitment to operational excellence and efficiency compared to 2023. The Handling division's annual results demonstrated a robust growth trajectory and is poised for continued expansion, while maintaining its dedication to further enhancing operational efficiencies.

Handling	2024 (SAR million)	2023 (SAR million)	Variance
Revenue	1,363	1,220	12%
Operating profit (EBIT)	687	570	20%
EBIT Margin	50.4%	46.7%	3.7pp
KGs (millions)	972	810	20%



Logistics



SAL continued to enhance its end-to-end service offerings, leveraging strategic partnerships and operational innovations to strengthen its logistics capabilities.

Key Achievements

- Secured a three-year warehouse management contract with Saudia Technic.
- Managed logistics for major entertainment and sports events, reflecting growth in new market segments.
- Expanded warehousing solutions, launching a fulfillment center in Dammam, with Riyadh and Jeddah centers planned for Q2 2025 and Q1 2026, respectively.
- Strengthened customs clearance capabilities, obtaining an in-house customs clearance license for all major air and seaports.

The Logistics division demonstrated significant growth, with total revenue in 2024 reaching SAR 271 million, marking a 15% organic increase from 2023. This upward trend in revenue is a testament to SAL's diversification strategy, which is unfolding positively as planned.

The annual EBIT rose to SAR 23 million for 2024—a 41% increase from SAR 16 million in 2023—driven by 35% air freight volume growth and a positive impact from the recovery of aged receivables. The EBIT margin improved to 8.4%, up from 6.8% in the previous year, showcasing a positive profitability trend mainly due to diversifying the client base and tapping into new verticals.

The Division also expanded its warehousing capacity in 2024 and aims to increase capacity further in 2025. Overall annual performance reflects robust growth in revenue and improved profitability, and the logistics sector remains a key pillar in SAL's growth strategy.

Logistics	2024 (SAR million)	2023 (SAR million)	Variance
Revenue	271	236	15%
Operating profit (EBIT)	23	16	41%
EBIT Margin	8.4%	6.8%	1.6pp

