

Talco IPO Frequently Asked Questions

1. What sectors does Al Taiseer Group TALCO Industrial Company operate in?

Al Taiseer Group TALCO Industrial Company has been operating for more than 45 years in the industrial sector and is considered one of the leading industrial companies specialized in the production and manufacturing of aluminum products, powder coatings, aluminum accessories, and spinning threads. The company has been a prominent player in this industry for more than 45 years.

2. What is the IPO main objective?

The IPO aims to raise the level of governance and maintain sustainability of the company's business, as well as leveraging future growth opportunities by attracting a broader base of investors and enhancing market presence.

3. Who can participate in the IPO?

The subscription shall be restricted to two tranches of investors:

Tranche (A): Participating Parties: comprising the parties entitled to participate in the book-building process as specified under the Book-Building Instructions, including investment funds, companies, Qualified Foreign Investors, GCC Corporate Investors and certain other Foreign Investors pursuant to Swap Agreements.

Tranche (B): Individual Investors: comprising Saudi Arabian natural persons, including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi person who can subscribe for her own benefit or in the names of her minor children, on the condition that she proves that she is a divorcee or widow and the mother of her minor Saudi Arabian children, as well as any non-Saudi natural persons resident in the Kingdom or GCC natural persons, in each case who have a bank account with a Receiving Agent and the right to open an investment account with a Capital Market Institution.

4. What is the minimum and maximum subscription limit for individual investors?

The minimum subscription limit for individual investors is 10 Offer Shares, while the maximum is 250,000 shares per individual investor.

5. Are there restrictions on the sale of company's shares by major shareholders after the IPO?

Yes, there is a lock-up period prohibiting the sale of the company's shares for six months from the date of listing on Saudi Stock Exchange for major shareholders who own 5% or more of the company's shares.

6. What are the shares that can be allocated to individual investors?

A total of 1.2 million shares, representing 10% of the total Offer Shares, will be allocated to individual investors.

7. How will the Offering Proceeds be utilized?

After deducting the offering expenses, the net Offering Proceeds will be distributed to the selling shareholders. The company itself will not receive any portion of the net Offering Proceeds.

8. When will trading in the company's shares begin?

Trading in the company's shares on the market is expected to commence shortly after the completion of the share allocation process. The specific date for the start of trading will be announced through official sources and the Tadawul website.

9. What is the total number of shares being offered in the IPO?

The offering comprises 12 million shares, representing 30% of the share capital of Al Taiseer Group TALCO Industrial Company.

10. What is the offer price per share?

SAR 43 per share.

11. Can international investors participate in the IPO?

Yes, international investors, specifically qualified foreign investors, GCC corporate investors, and certain other foreign investors under swap agreements, are eligible to participate in the IPO.

12. Where will Al Taiseer Group TALCO Industrial Company's shares be listed?

Talco's shares will be listed on the Saudi Stock Exchange's Main Market (Tadawul).

13. What measures has Talco taken to ensure compliance and governance after the IPO?

Talco is committed to the highest standards of transparency and best governance practices, viewing them not merely as a legal obligation but as an integral part of its core values.

14. How does the IPO align with Saudi Vision 2030?

The IPO aligns with Saudi Vision 2030 by contributing to the economic diversification of the Kingdom through supporting the manufacturing sector and increasing the depth of the Saudi capital market.

15. What are the risks associated with investing in Talco?

As with any investment, the risks include market volatility, economic conditions affecting the industrial sector, and specific operational risks associated with the aluminum production industry. We advise investors to thoroughly read the prospectus to understand all associated risks.

16. How can potential investors obtain more information about the IPO?

Potential investors can obtain more information by visiting Talco's website, contacting the financial advisor and IPO manager, or through the approved prospectus which will be available on the company's website and the Saudi Capital Market Authority's website.

17. What are Talco's future plans after the IPO?

Talco intends to continue pursuing growth and innovation strategies, expand its market presence nationally and internationally, and invest in implementing the latest industrial technologies to maintain its leadership and competitiveness.