



**FTSE
RUSSELL**
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Savola (Saudi Arabia): Stock Distribution of Almarai (Saudi Arabia)

Informative Notice

09 December 2024

FTSE Russell notes the announcements by Savola (Saudi Arabia, B133RS9, GEIS Mid Cap) relating to the distribution of shares held in Almarai Co (Saudi Arabia, B137VV2, GEIS Large Cap), with terms 0.3044 shares for each share held. Concurrently, Savola will undergo a capital reduction and cancellation of 73.54% of shares. The event is subject to approval at a shareholder meeting on Thursday 12 December 2024, and if approved, would take effect the following trading day. Savola will be suspended for two trading days following the general meeting.

Savola have designated that a portion of the shares distributed will be considered as a capital reduction and the remainder as a dividend-in-kind. The shares distributed as a capital reduction will not be subject to withholding tax. The shares distributed as a dividend-in-kind (i.e. illustratively provided as 200,178,117 shares) will be subject to 5% withholding tax for non-resident shareholders. The values will depend on the share price of Almarai Co on the day of the shareholder meeting, but is expected to represent greater than 10% measured against Savola's share price, which in accordance with Section 4.14.4 of the [Corporate Actions and Events Guidelines](#), will result in a tax adjustment in the applicable net-of-tax indices.

Subject to shareholder approval and based on the current timetable, FTSE Russell anticipates the following treatment.

Sunday 15 December 2024 (non FTSE Russell calculation day):

The ex-entitlement date for the capital reduction and stock distribution.

Tuesday 17 December 2024 (from market open):

Savola is expected to resume trading and reflect the impact of the event. The company will have its shares in issue and price adjusted based on the capital reduction and stock distribution terms. A temporary line will be added to the same indices to represent the Almarai Co Distribution shares. Overall the event will be market capitalisation neutral.

To reflect the withholding tax liability, a compensatory negative dividend adjustment will be applied to the Net Total Return indices. The negative dividend will be calculated using the maximum withholding tax rate applicable to Saudi Arabia (5%) applied to the portion of the distribution designated as a dividend-in-kind and based on the share price of Almarai Co on the day of the shareholder meeting. If the company has not announced the updated amount by Monday 16 December 2024 then the illustrative rate will be used.

After the settlement is confirmed and providing at least two trading days notice:

The temporary Almarai Co Distribution line will be removed from the FTSE Russell indices.

Almarai Co will remain in its existing FTSE Russell indices with index shares increased in accordance with the distribution terms.

FTSE Russell will issue further notices in due course.

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