



شركة اليمامة للصناعات الحديدية
Al Yamamah Steel Industries Company

Al-Yamamah Steel Industries Company Supplementary Prospectus

This Supplementary Prospectus (the “**Supplementary Prospectus**”) must be read in conjunction with the Red Herring Prospectus dated 19/6/1437H (corresponding to 28/03/2016G), issued by Al-Yamamah Steel Industries Company in connection with the offering of (15,245,000) fifteen million two hundred forty-five thousand ordinary shares, representing 30% of Al-Yamamah Steel Industries Company’s issued share capital through an initial public offering (the “**Red Herring Prospectus**”).

Financial Advisor, Institutional Investors Bookrunner, Lead Manager and Underwriter

الرياض المالية
riyad capital

Receiving Agents



Important Notice:

This Supplementary Prospectus includes information given in compliance with the Listing Rules of the Saudi Arabian Capital Market Authority (the “**CMA**”). The directors of the Company (the “**Directors**”), whose names appear on page (iv) of the Red Herring Prospectus, collectively and individually, accept full responsibility for the accuracy of the information contained in this Supplementary Prospectus and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, there are no other facts the omission of which would make any statement herein misleading. The CMA and Saudi Stock Exchange (“**Exchange**” or “**Tadawul**”) do not take any responsibility for the contents of this Supplementary Prospectus, do not make any representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss arising from, or incurred in reliance upon, any part of this Supplementary Prospectus.

This Supplementary Prospectus is dated 04/07/1437H (corresponding to 11/04/2016G).

This unofficial English translation of the official Arabic Supplementary Prospectus is provided for information purposes only. The Arabic Supplementary Prospectus published on the CMA’s website (www.cma.org.sa) remains the only official, legally binding version and shall prevail in the event of any conflict between the two texts.

1. THE COMPANY

Al-Yamamah Steel Industries Company (the “**Company**”) is a Saudi closed joint stock company incorporated in the Kingdom of Saudi Arabia (the “**Kingdom**”) pursuant to ministerial resolution No. 1419 dated 30/05/1427H (corresponding to 26/06/2006G). The Company was registered under commercial registration No. 1010070794 dated 01/06/1409H (corresponding to 09/01/1989G). The Company’s head office is located at Al-Steen Street, Al-Aqaryyah New Building.

2. DIRECTORS DECLARATIONS

The Directors of the Company whose names appear on page (iv) of the Red Herring Prospectus hereby declare and accept full responsibility to the following:

- that no significant changes in material matters nor additional significant matters have arisen other than what has been disclosed in Section 5 of this Supplementary Prospectus.
- that the Supplementary Prospectus was presented to the CMA and issued on 04/07/1437H (corresponding to 11/04/2016G) and that it supplements the Red Herring Prospectus issued on 19/06/1437H (corresponding to 28/03/2016G) and published on the CMA’s website on 26/06/1437H (corresponding to 04/04/2016G).

3. NOTICES

- This Supplementary Prospectus should be read in conjunction with the Red Herring Prospectus and all readers should seek professional advice from a person authorized by the CMA to provide such advice, in order to ensure that their investment in the Offer Shares and the risks associated therewith are in line with their investment objectives and financial position.
- Terms and definitions used in this Supplementary Prospectus shall have the same meaning given to them in the Red Herring Prospectus (Please see pages (1) to (4) of the Red Herring Prospectus).
- This Supplementary Prospectus may not be distributed and the Offer Shares may not be sold to any person other than the Subscribers described in the Red Herring Prospectus or in any country other than the Kingdom. The Company, the Substantial Shareholders and the Financial Advisor draw the attention of the recipients of this Supplementary Prospectus to the importance of considering and abiding by all such restrictions.

4. Reason for the Issuance of this Supplementary Prospectus

The Listing Rules prescribe that an issuer must submit a supplementary prospectus to the CMA if at any time after the prospectus has been published and before listing, an issuer becomes aware that:

1. there has been a significant change in material matters contained in the prospectus or any document required by the Listing Rules; or
2. additional significant matters have become known which would have been required to be included in the prospectus.

There have been some developments, which are considered to be important changes or updates to material information included in the Red Herring Prospectus, and should be disclosed in a supplementary prospectus. Therefore, the Company has issued this Supplementary Prospectus which includes information relating to such developments

5. Additional Matters

This Supplementary Prospectus includes the following amendments and additions to the information contained in the Red Herring Prospectus:

On 29/06/1437H (corresponding to 07/04/2016G), the Subsidiary received a letter from Marafiq pursuant to which the claim representing differences between the booked capacity of water and electricity and

the actual consumption of the Subsidiary in the years 2012G and 2013G has been reduced from (40,364,269) forty million three hundred sixty-four thousand two hundred sixty-nine Saudi Riyals to (18,690,657) eighteen-million six hundred ninety thousand six hundred fifty-seven Saudi Riyals.

In light of the abovementioned changes, the previous claimed amount (i.e. (40,364,269) forty million three hundred sixty-four thousand two hundred sixty-nine Saudi Riyals) shall be replaced with the current claimed amount (i.e. (18,690,657) eighteen million six hundred ninety thousand six hundred fifty-seven Saudi Riyals) wherever it appears in the Red Herring Prospectus, and in particular, in each of the following:

- Section 2-1-3 of the Risk Factors Section relating to the Company and the Subsidiary's dependence on the availability and supply of energy and water, mentioned on page 6 of the Red Herring Prospectus.
- Section 2-1-16 of the Risk Factors Section relating to the Company and the Subsidiary being subject to lawsuits and product liability claims during the ordinary course of business which could adversely affect the Company and the Subsidiary, mentioned on page 10 of the Red Herring Prospectus.
- Section 29 and 30 of the Declarations Section relating to the Board Directors, CEO, CFO, Secretary and Senior Management declarations mentioned on page 132 of the Red Herring Prospectus.
- Section 11-7 of the Legal Information Section relating to the utility user agreement mentioned on page 149 of the Red Herring Prospectus.
- Section 11-15 of the Legal Information Section relating to litigation mentioned on page 161 of the Red Herring Prospectus.

