

Life Post-IPO

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BMG Family Business Forum

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Zamil
Group

Analysis, Excellence, Dedication, Hon...

Good citizens, Integrity, Pro...

Introduction

- In Saudi Arabia, when speaking business, you think: business families.
- Private sector companies are almost either family or state controlled.
- Governance and continuity of family business is thus of great importance.
- By this presentation and the Q&A session after it I endeavour to share our experience with IPOs.



Zamil Group – Background

Founding
owner



Sibling
partnership

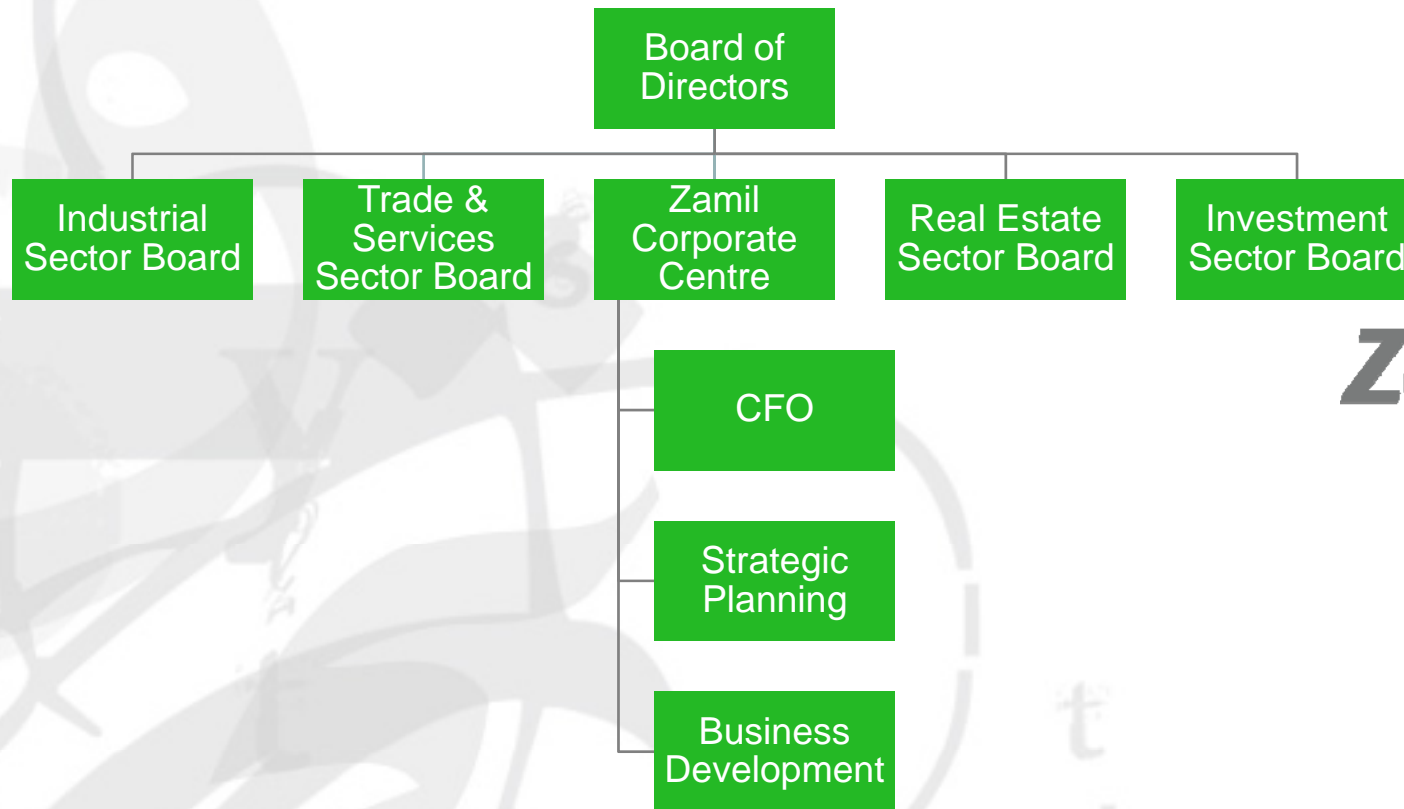


Cousins
consortium

- Abdullah AlHamad AlZamil moved from Onaiza to Bahrain and founded his business in 1920s.
- He set up a successful trade and real estate business in Bahrain and expanded to Saudi Arabia.
- Passed away in 1961 leaving his 12 sons to take over the business.
- They engaged in an aggressive strategy to establish a strong industrial base in the early 1970s.
- Growth was sustained through diversification of core industries into four distinct business sectors: industry, trade and services, real estate and investment.
- Zamil Group is preparing itself for the task of succession of the third generation and the smooth transfer of ownership.

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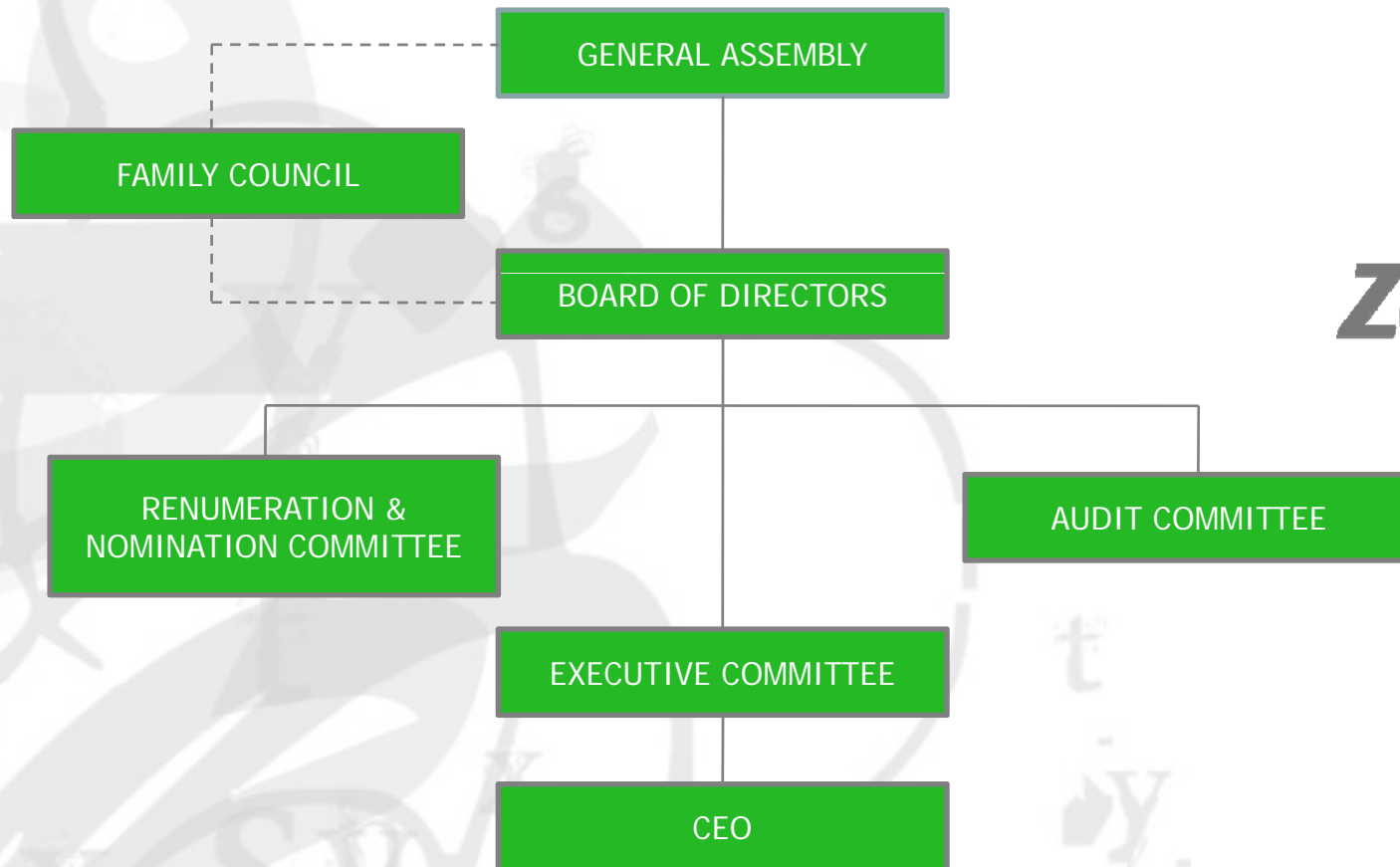
Corporate Structure



Analism, Excellence, Dedication, Hu...

Good citizens, Integrity, Pro...

Corporate Structure

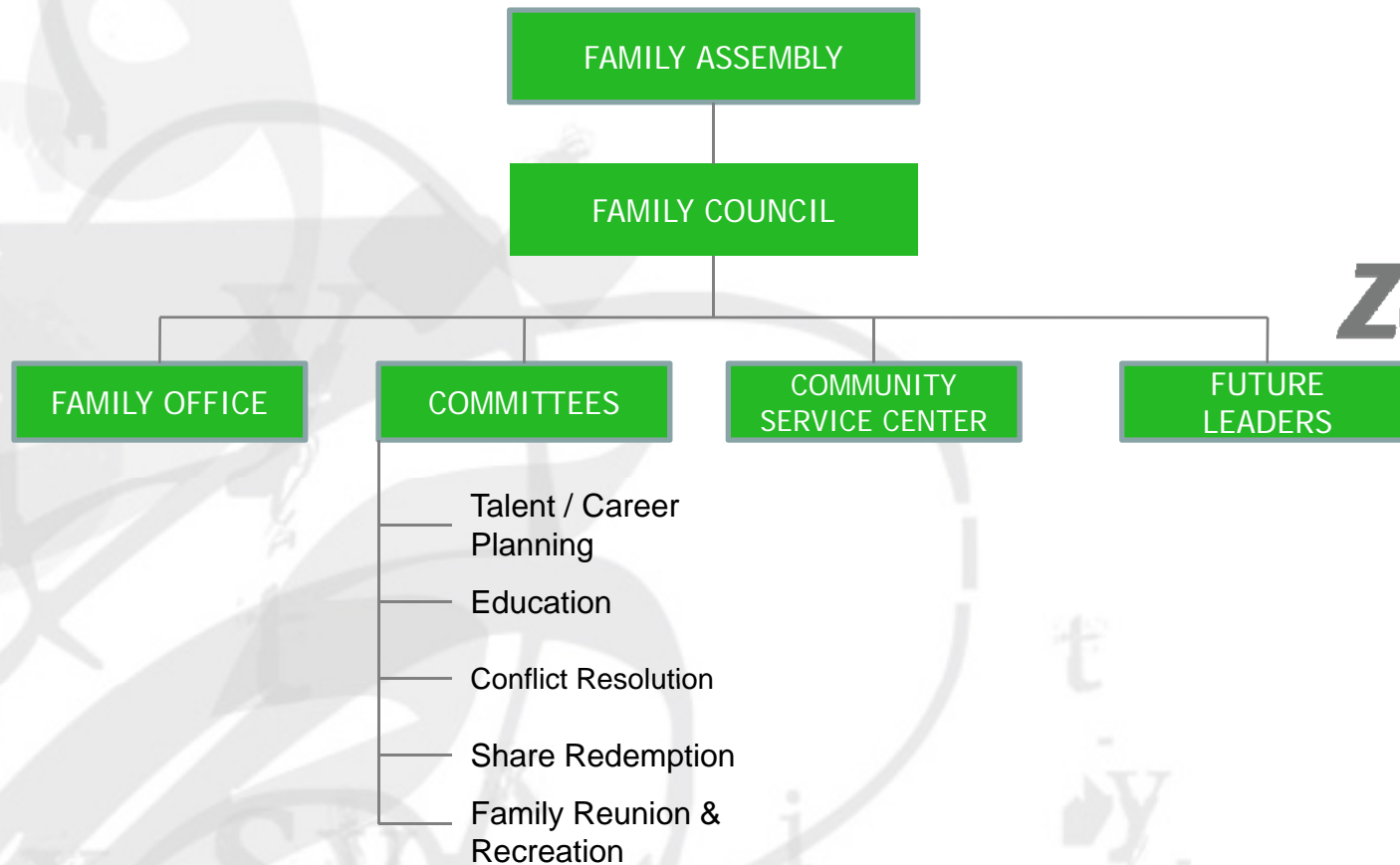


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Integrity, Excellence, Dedication, Humility

Good citizens, Integrity, Proud

Family Structure



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| ZIIC – The First IPO

- In 1998 Zamil AC, Zamil Steel and Zamil Glass were combined under the umbrella of Zamil Industrial Investment Co.
- ZIIC was formed as a closed joint stock company and shares were sold to selected partners via private placement.
- 2002 saw the IPO and ZIIC was listed on the Saudi Stock Market.



| Why the IPO?

- The family wanted to unlock some of the value in the company.
- Allow the company to grow with access to capital from the markets.
- Add value to the company by building new alliances and introducing new shareholders.
- Make the company more and more viable by being directly affected by market forces.



|What it Meant

- Being under the scrutiny of the regulator and the public.
- New board members having their say.
- Redefining relationships with related companies and parties.
- Govern the relationship between the family and the company.

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Q&A Session

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