

Acquisition of *DirectFN* Case Study

DirectFN Acquisition: Accelerating Innovation and Impact

In line with WAMID's strategic vision of expanding its digital and technological footprint in the financial market, it identified an opportunity to build scale, capabilities, and capacity through inorganic growth in 2023.

WAMID's SAR 118.26 million (USD 31.54 million) majority acquisition of 51% of DirectFN, which was finalized in the first half of the year, was based on three key strategic drivers.

1 Market expansion and diversification

The acquisition opens up significant opportunities for market expansion for both companies. DirectFN's global presence provides a platform for WAMID to extend its services globally and diversify its revenue streams.

2 Enabling advancement of the Saudi Capital market

DirectFN's capabilities in emergent technologies – coupled with WAMID's leadership in capital market infrastructure – position the company at the forefront of innovation in financial services supporting long-term growth and profitability.

3 Operational synergistic benefits

DirectFN's skilled workforce, which includes a significant number of software developers, enhances WAMID's human capital. This infusion of talent will accelerate product development and innovation, making WAMID a more dynamic and competitive player in the market. In addition to talent, there are operational efficiencies that can be realized.



Capitalizing on Synergies to Create Value

Throughout this landmark transaction, WAMID's management took a proactive approach to ensuring its success, undertaking a range of initiatives and activities including:

1. The establishment of a synergy and value realization program.
2. The development of a detailed collaborative market entry strategy.

3. A joint R&D initiative plan to enhance the Saudi Capital Market.

4. The development of a talent integration and enhancement plan.

5. The establishment of a new governance, controls and risk management framework.

The post-acquisition focus was to establish a program to support future growth; this includes processes, governance, committees, and strategies. As at year-end 2023,

the value realization program is well underway and will start delivering tangible outcomes in 2024 and beyond.

This landmark transaction underscores WAMID's commitment to creating Shareholder and Stakeholder value, by ensuring the company's financial stability and positioning it as a leader in the evolving financial market landscape.

DirectFN at a Glance

DirectFN has a global footprint of over 530 professionals distributed across 13 countries. It serves over 100 clients in Saudi Arabia with a range of products that span both market data and investment applications.

- +100 Clients globally
- 5 Offices
- 2 Development centers
- 530 Multinational professionals

