



A Regional Powerhouse with Global Ambition

Saudi Tadawul Group has risen to prominence in the financial landscape, embodying the essence of a regional powerhouse with an unyielding global ambition.

During a year of strategic progress and noteworthy milestones, the Group unveiled its ambitious new strategic aspiration to leverage its full potential as a market leader and innovator, catalyzing Saudi Arabia's transformation into a pivotal global financial hub bridging East and West.

The Group solidified its leadership position this year through a range of strategic transformation, acquisitions, products and services launches, and partnerships, which is a testament to its relentless pursuit of growth and diversification journey. The acquisition by Tadawul Advanced Solutions Company (WAMID) of DirectFN marked a pivotal moment in the Group's growth trajectory, amplifying its strategic ambitions, technological prowess, and market reach. The Securities Depository Center (Edaa) launched a multifaceted transformational journey to support the diversification of revenues through new products;

Securities Clearing Center
Company (Muqassa) was
recognized as the Best
Clearinghouse in the Region by
Arab Federation of Capital Markets
(AFCM), and Saudi Exchange's
introduction of new indices and
Single Stock Options was a
transformative step in market
sophistication. The surge in overall
listings, with 51 across
all of the Saudi Exchange markets,
culminated in an impressive market
performance and showcased its
resilience.

Complementing these significant steps in Saudi Tadawul Group's growth journey, the Group's performance in 2023 was nothing short of spectacular. The Saudi Exchange ranking 8th globally and 1st in the MENA region by market capitalization of SAR 11.31 trillion (USD 3.02 trillion), demonstrating the Group's robust strategy and growth to support the Saudi economy.

The Group prioritizes investing in data monetization, diversifying the range of securities offered, and enhancing communication of its growth strategy. The Group's trajectory in 2023 demonstrated its unwavering focus on reshaping the regional financial landscape and setting new benchmarks for global financial markets. Its journey is a clear message to the world: the Saudi Tadawul Group is a "Regional Powerhouse" transforming with "Global Ambition".



About the Group

Saudi Tadawul Group is committed to developing an advanced capital market as part of its mandate towards realizing the objectives of the Financial Sector Development Program (FSDP), one of the Saudi's ambitious Vision 2030's realization programs. The Group's transformation into a holding group represented a key milestone in this initiative.

The Saudi Tadawul Group was transformed in 2021, following the transformation of the Saudi Stock Exchange (Tadawul) into a holding group structure. It is the parent company with a portfolio of four fully owned subsidiaries including: the Saudi Exchange Company, (Saudi Exchange); the Securities Depository Center Company, (Edaa); the Securities Clearing Center Company, (Mugassa); and the Tadawul Advanced Solutions Company, (WAMID).

In May 2023, the Group announced the completion of its first inorganic growth by acquiring a 51% stake in Direct Financial Network Company (DirectFN) by WAMID, which reflects the Group's ambitious strategy to create an opportunity to build new capabilities, elevate innovation in the regional capital markets and diversify revenue.

The Group benefits from its vertically integrated and diversified business model between its subsidiaries, ensuring efficient operations and the independence of each subsidiary.

This facilitates the introduction of best-in-class services to all market participants, diversification of investment opportunities, and the continued development of the Saudi capital market.

Advancing the Saudi capital market's infrastructure is one of the Group's objectives, in line with global best practices, while solidifying Saudi Arabia's position as an emerging market leader, a technologically advanced and attractive sophisticated global investment destination, and the gateway to the MENA region.





Vision

To be a world-leading holding group fostering the development of a diverse Saudi capital market, and a bridge between global investors and regional economies.

Strategic Review

Mission

As part of its 2030 Vision, Saudi Tadawul Group is helping the Kingdom build a thriving economy with a technologically advanced and integrated capital market at its center.

Values

Look ahead

We keep things moving, staying focused on the future and what it has to offer. We anticipate change and are one step ahead of others.

Challenge conventions

We are inquisitive, ask questions and challenge the status quo, never afraid to find new ways to create what's different and better.

Aim high

Raising the bar means improving and adapting as we go. We operate with integrity and commit to progress in every way. Always striving to advance our thinking and capabilities.

Make things happen

Our heads are in the sky, but our feet are on the ground. We build high levels of trust and follow through to get things done. We keep our promises.

Our Subsidiaries

100%

تداول السعودية Saudi Exchange

Saudi Exchange Company (Saudi Exchange)

The Saudi Exchange conducts listing and trading in securities for local and international investors. The Exchange is instrumental in achieving the long-term growth plans for the Group and providing market participants with attractive and diversified investment opportunities.

100%



Securities Depository Center Company (Edaa)

Edaa aims to achieve the strategic objectives of the financial market in terms of developing the infrastructure and implementing the resulting procedures to execute transactions in line with international standards. It also aims to enhance the efficiency of services related to securities deposit and ownership registration by developing a more streamlined environment that promotes excellence in all sectors related to the financial market.



Securities Clearing Center Company (Muqassa)

Muqassa plays a significant role in developing market infrastructure to enhance market efficiency and is essential for the development of new products and services in the Saudi Capital Markets.

100%

Saudi Tadawul Group Holding Company (Listed Company)

Tadawul Advanced Solutions Company (WAMID)

WAMID is an innovation-focused company helping market players solve real-world challenges. Its unlimited potential will unlock the power of technology and data in the Saudi Capital Market, boost economic growth, and contribute to the success of the Saudi's ambitious Vision 2030.

100%



DirectFN is the innovative financial technology solutions provider and technology partner in the capital market, with game-changing innovation as DirectFN's foundation and new value creation for the capital market ecosystem as an ongoing passion. Reliably, for the past 20+ years, **DirectFN** DirectFN has specialized in digital maturity for FinTech (brokerage, wealth, and asset management platforms) and FinCON (market information screens)-based solutions. It is provisioning in the emerging and frontier markets at brokerage firms (retail and institutional), banks, clearing members, and wealth and asset managers spanning from Morocco to Indonesia.

At a Glance

The Saudi Tadawul Group solidified its regional leadership and ambitious global aspirations. Its commitment to diversity is evident through a strong presence of qualified foreign investors and a diverse workforce. The Group actively champions sustainability initiatives, showcasing its dedication to a responsible future.

2023 Full Year Operational Highlights

8th

Largest stock exchange globally and 1st in the MENA region, by market capitalization.

3,724

Registered qualified foreign investors (QFI).

118.26 SAR million

Completion of DirectFN acquisition (51% stake) with SAR 118.26 million

Saudi Exchange onboarded 3 market makers for 8 different securities.

تداول السعودية Saudi Exchange

invested.

Edaa launches 2nd edition of the Association of Global Custodians' questionnaire to promote transparency.



Muqassa won the Best Clearing House in the MENA Region award by the Arab Federation of Capital Markets (AFCM).



WAMID launched the Liqua platform.

وامض WAMID



2023 Full Year Financial Highlights

Operating revenue

1,072.8

-1.6% YOY



EBITDA margin

38%

-19.5% YOY



Investment income

127.0

127.0% YOY



Net profit after zakat

390.1

-8.1% YOY



EBITDA

403.1

-20.8% YOY



Free cash flow

362.5

-14.2% YOY



Sustainability Highlights



25.6%

increase in average training hours per employee

(from 44.6 in 2022 to 56.0 in 2023)



91%



30%

Saudization

Female workforce



Introduced the HiPo **Development Program** and Future Leaders Program and elevated the Graduate **Development Program**



Donation of SAR 100,000 to the Children with Disability Association



Donation of SAR 200,000 to the King Salman Humanitarian Aid and Relief Centre



Formation of the Group's sustainability framework

The Group Journey

2018

- Incorporation of the Securities Clearing Center Company (Muqassa).
- MSCI, S&P, and FTSE announce the intention to include the Exchange in their emerging markets indices.
- Listing of government Sukuk and bonds on the debt instruments market.

2019

- The Exchange became one of the world's 10 largest exchanges in terms of total market capitalization, with the listing of the Saudi Arabian Oil Company (Saudi Aramco).
- Complete inclusion of the Exchange in MSCI and S&P emerging markets indices and partial inclusion in the FTSE Russell Emerging Index.
- Allowing foreign listed companies to list (on a dual listing basis) on the Main Market.

2020

- Mugassa obtained the CMA license as a qualified central counterparty (QCCP).
- Activated clearing derivatives with the launch of the derivatives
- Funds allowed to be listed on Nomu – Parallel Market.
- Completed the inclusion of the Exchange in the FTSE Emerging Index.
- Edaa launches REPO collateral transfer services.
- Listing for the first time Sukuk and Exchange Traded Funds (ETFs).
- Incorporation of Tadawul Advanced Solutions Company (WAMID), a subsidiary focused on technology and innovation.

CMA approved the entry of foreign investment through swap agreements.

2008

2009

Establishment of the fixedincome market.

2010

Launch of the Exchange Traded Funds (ETF) platform.

1954

Commenced as an informal financial market.

1983

A ministerial committee was formed to regulate and develop the market.

(CMA) as the sole regulator. 2007

2003

Came under the supervision of

the Capital Market Authority

- Incorporation of the Saudi Stock Exchange (Tadawul), as the sole authorized entity for securities exchange in the Kingdom of Saudi Arabia.
- Establishment of the "Main Market".

2021

- The Saudi Stock Exchange is reorganized, whereby the Company is converted into a holding company and changes its name to Saudi Tadawul Group Holding Co. and established a new company under the name Saudi Exchange to assume all listing and trading services.
- Launch of WAMID, focused on solutions and pioneering technologies.
- Launch of the Close-Ended Funds platform (CEFs).
- Linking Clearstream with Edaa as the first International Central Securities Depository (ICSD), which allows foreign investors to invest in local listed bonds and Sukuk.

2015

- Qualified foreign investors (QFIs) are allowed to invest through the QFI framework.
- Launch of the Independent Custody framework in alignment with the best international practices and listing requirements for international indices.
- The Saudi Exchange deploys "X-Stream" trading platform in cooperation with Nasdaq.

2022

- The Saudi capital market ranked as the ninth largest global exchange in terms of market capitalization, which reached SAR 9.9 trillion at the end of 2022.
- Completion of the first dual listing on the Saudi Exchange and Abu Dhabi Securities Exchange.
- Saudi Tadawul Group, in collaboration with the Public Investment Fund (PIF), established the Regional Voluntary Carbon Market Company.
- The completion of the enhancements to develop posttrade infrastructure, the largest bundle in the history of Saudi Capital Market.

2016

- Incorporation of the Securities Depository Center Company (Edaa).
- Launch of the Real Estate Investment Traded Funds' (REITs) platform.

2017

- Establishment of Nomu

 Parallel Market for the
 SME sector.
- Agreement with Nasdaq to revamp the Exchange's post-trade infrastructure.
- Launch of securities borrowing and lending and short selling frameworks.
- Registration of all government bonds and Sukuk in Edaa.



Year in Review

In line with its strategic ambitions and the overarching objectives of the Financial Sector **Development Program** outlined in the Saudi's ambitious Vision 2030. Saudi Tadawul Group continued to innovate, forge new partnerships, launch new offerings, and engage key Stakeholders in 2023. creating more value and fostering sustainable success.

January

Formation of a GCC Financial Markets Committee

Saudi Exchange announced that GCC Exchanges Formulated Financial Markets Committee consisting of Saudi Exchange, Bahrain Bourse, Boursa Kuwait, Qatar Stock Exchange, Muscat Stock Exchange, Abu Dhabi Securities Exchange and Dubai Financial Market that aim to support the development of regional capital markets by elevating their position on the global stage and utilizing technology to create an advanced capital market ecosystem in the Gulf Cooperation Council (GCC) region.

Launch of the second edition of the Investor Relations Best Practice Toolkit

Saudi Exchange launched the second edition of the Investor Relations Best Practice Toolkit. This toolkit provides information and practical advice tailored to the Saudi capital market, enabling investor relations professionals of companies listed on the Saudi Exchange to implement international IR best practices.

Launch of the new Saudi Exchange website

Saudi Exchange launched its new website, underscoring its commitment to enhancing user experience.

Winner of Procurement Excellence Standard Award

Saudi Tadawul Group received the Procurement Excellence Standard Award from the Chartered Institute of Procurement and Supply (CIPS). The Group stands as one of the six entities in Saudi Arabia to receive this prestigious accreditation.



Successful Saudi Capital Market Forum 2023

Saudi Tadawul Group organized the Saudi Capital Market Forum 2023, bringing together opinion leaders, issuers, investors, and government entities. The event aimed to delve into key industry challenges, the evolution of global capital markets, and spotlight the efforts of Saudi companies in aligning with global sustainability standards.

Fostering global collaboration

Saudi Tadawul Group inked Memoranda of Understanding (MoU) regionally and internationally with Hong Kong, Singapore, Egypt, and Qatar stock exchanges. The objective is to bolster collaboration across diverse areas, including dual listings, ESG, FinTech, diversity, and inclusion, aligning with the Group's vision of becoming an investment destination linking East and West.



Enhancing sustainable development in the Kingdom

Saudi Exchange signed an MoU with the Saudi Capital Market Authority (CMA) and the Ministry of Economic Planning. The collaboration aims to propel the Kingdom's sustainable development, advance environmental, social and governance (ESG) standards, and raise awareness among investors about ESG principles.

Elevating sustainability assessment, analysis, and reporting with Clarity Al

Saudi Tadawul Group signed an MoU with Clarity AI to bolster MENA companies' sustainability reporting. The collaboration aims to infuse innovation into the ESG infrastructure, introduce dynamic new platforms to provide investors and issuers with more granular access to data, and facilitate benchmarking in ESG practices.

Stimulating investment in specialized private sector funds

Saudi Exchange signed an MoU with SVC on the sidelines of the Saudi Capital Market Forum 2023 to stimulate investment in specialized private sector funds in early pre-IPO stages managed by financial institutions. The agreement supports startups and SMEs intending to list in the Kingdom by offering advisory services and training, enhancing their understanding of the dynamics of the Saudi capital market.

April

Creation of Ligaa, an engaging virtual meeting platform

Saudi Tadawul Group's innovation arm, WAMID, launched Liqaa, a new meeting management platform. Liqua provides issuers, investors, entities, and Stakeholders a secure and integrated virtual meeting experience for AGMs, earning calls and other corporate meetings. The platform includes a suite of valueadded services aimed at enhancing engagement with key Stakeholders.



Year in Review (continued)

May

Completion of DirectFN acquisition

WAMID successfully completed the acquisition of a 51% stake in DirectFN for SAR 118.26 million (USD 31.54 million). This strategic move will enable WAMID to expand its geographic reach, diversify non-trading revenue streams, and support its vision to elevate capital markets by offering differentiated services and products.

Enhancing accessibility through acceptance of non-cash collateral

Saudi Tadawul Group's subsidiary, the Securities Clearing Center Company (Muqassa), began accepting non-cash collateral in the cash market. This now includes Saudi Arabian Government Sukuk denominated in Saudi Riyals with five years or less remaining to maturity.

Recognition as the Best Clearinghouse in the Region

Muqassa has been recognized as the Best Clearinghouse in the Region for the year 2022 by Arab Federation of Capital Markets (AFCM). This award acknowledges Muqassa's commitment to providing clearing services aligned with international risk management practices, supporting the growth and development of capital markets in the region.



June

Successful implementation of Saudi Exchange market enhancements

Saudi Exchange successfully implemented a bundle of enhancements designed to further strengthen the Exchange's infrastructure. These enhancements, developed in line with international standards, aim to increase the efficiency of trading services on the Exchange.

July

Forging stronger ties with Turkey

Edaa signed an MoU with the Central Securities Depository of Turkey. This agreement aims to enhance operational, administrative, and technical procedures between the two markets and establish effective cooperation and knowledge exchange programs.

Enhancing liquidity and further strengthening the financial markets

Following the publication of Market Making Rules and Procedures in 2022, Saudi Exchange continued its efforts in this area in 2023 with the signing of eight Market Making Agreements with three key market makers: Riyad Capital, Al Rajhi Capital, and SNB Capital.



August

Strengthening ties with the Amman Stock Exchange

Saudi Tadawul Group signed an MoU with Amman Stock Exchange during the Saudi Jordan Joint Committee meeting held in Riyadh. The agreement aims to bolster cooperation across several key fields, including ESG, cross listing, FinTech, investor relations, investor education, and knowledge exchange.

Silver Excellence Award from the Human Resources Development Fund

Saudi Tadawul Group received a Silver Excellence Award from the Human Resources Development Fund, recognizing the Group's contributions to support SMEs using the FORSAH platform.

Strengthening collaboration with the Shanghai Stock Exchange

The Saudi Exchange signed an MoU to explore opportunities in cross-listing, FinTech, ESG, data exchange, and research. Additionally, the agreement aims to facilitate knowledge sharing and promote diversity and inclusion in both markets.

Launching Tadawul Size **Indices and IPO Index**

Saudi Exchange introduced the new Tadawul Size Indices and IPO Index, marking a significant milestone in the development of the Saudi capital market. The Tadawul Size Indices provide investors with benchmarks to diversify their investment strategies and to capitalize on specific market opportunities. The Tadawul IPO Index also provides a benchmark for evaluating the performance of the IPOs of companies listed on the Main Market within the past five years, presenting a unique opportunity to invest in new and rapidly growing companies.

October

Outstanding efforts in nurturing SMEs growth

Saudi Exchange received an award for its outstanding efforts in nurturing the growth of SMEs. The award is part of the Tomoh program, which aims to support the development of fastgrowing SMEs in the Kingdom.

November

Launching Single Stock Options

The Saudi Exchange launched Single Stock Option (SSO) contracts, enabling both local and international investors to effectively hedge and manage portfolio risks. This marked the third derivatives product introduced in the Exchange.

Elevating standards with two ISO certifications

Saudi Tadawul Group received two ISO certifications: ISO 9001:2015 for Quality Management System, and ISO 4001:2018 for Facilities Management System. These certifications underscore the Group's commitment to excellence and operational efficiency.

Enhancing mutual cooperation with Al Yamamah University

Saudi Tadawul Group signed an MoU with Al Yamamah University to deepen and broaden mutual cooperation across a variety of fields. This collaborative effort aims to provide academic and developmental opportunities, foster a work environment conducive to continuous education, and create training opportunities that meet the needs of both parties.

Launch of third edition of the Listing Guide

Saudi Exchange released the third edition of the Listing Guide, which serves as a roadmap to clearly outline the steps involved in the listing journey so that any firm - whether an emerging startup or an established entity looking to take its development to the next level - can gain access to the vast resources available on one of the world's largest exchanges.



December

Advancing Saudi Arabia's stock market sustainability standards

Saudi Exchange signed an MoU with e& enterprise to collaborate on sustainability initiatives and support listed companies in the Saudi capital market in disclosing their ESG practices. This partnership will advance the objective of aligning the Saudi capital market with international sustainability standards.

Diversifying and enhancing the Saudi capital market

Saudi Tadawul Group signed an MoU with Shenzhen Stock Exchange, in line with the Group's commitment to diversifying and enhancing the Saudi capital market. Both exchanges will explore cross-listing opportunities, develop indices, funds, REITs, and ETF products to promote greater investment in Saudi Arabia and China. The MoU will also facilitate knowledge sharing in listing family businesses, SMEs, and IR initiatives.

Investment Case

Saudi Tadawul Group stands as a pioneering paradigm of transformative financial capital markets, embodying a bold vision that is innovative yet deeply rooted in the rich cultural and economic heritage of Saudi Arabia. This unique investment proposition is spearheaded by an experienced Saudi leadership team and supported by a dedicated workforce, each of whom are committed to creating robust and sustainable value for its shareholders and key Stakeholders.

National champion integral to the Saudi's ambitious Vision 2030 delivery

- The Group plays a crucial role in realizing the objectives of the Saudi's ambitious Vision 2030 and developing an advanced capital market, which is foundational for the delivery the Financial and Sector Development Program (FSDP).
- Through advanced technology and seamless infrastructure, the Group fosters the development of a diverse Saudi Capital Market that acts as a bridge between global investors and regional economies.
- The Privatization Program supports strong levels of trading activity on the Saudi Exchange by creating a robust listing pipeline and encouraging further foreign direct investment (FDI) into the Kingdom.
- The inclusion in international indices like MSCI, S&P, and FTSE Emerging Markets underscores the Exchange's growing international significance and attractiveness.
- The QFI ownership journey since 2018 not only reflects heightened international investor confidence, but also positions the Group as a key player in the global investment landscape.

Robust and rapidly modernizing core market

- A diversified capital markets group – offering a complete suite of services covering listing, trading, post-trade, and data and technology services – ranked 8th among the top 10 exchanges globally and 1st among GCC countries by market capitalization.
- Strong IPO pipeline through continuous enhancements to build a diversified and resilient capital market, as evidenced by the record number of listings and the sectors now represented across the Main Market and Nomu – Parallel Market.
- Continuous technological investments and development to create an advanced capital market, introducing new products and services and implementing best practices to drive market efficiencies.

Resilient superior financial performance and strategic progress

- New growth strategy oriented towards propelling the Kingdom's emergence as a global financial hub, accelerating the Group's transition from a position of regional leadership towards global significance.
- Successful delivery of the diversification strategic plan through expansion into financial derivatives with the launch of index futures, enhancement of debt markets trading infrastructure, and delivery of large-scale post-trade capabilities, strengthening the Group's position as an emerging integrated market with high liquidity and market capitalization opportunities.
- Proven track record of collaborating with numerous important regional and international partners.

Seasoned leadership team with a track record of delivery

- Experienced and visionary management team with strong capital markets expertise and proven record of delivery.
- Strong performance-driven culture of shared responsibility and accountability.
- Driving the transformation of the Group to achieve global leadership and deliver sustainable value creation for all Stakeholders.

Accelerating international growth and diversification

- Continuous focus to significantly expand the Group's footprint and diversify its revenue streams to further capture material shareholder value and create sustainable value for all Stakeholders.
- Steady development of the region's largest capital market through the Group's existing regionally focused franchises, fueled by economic transformation in the Kingdom and its associated market expansion.
- Pursuit of self-deterministic global development initiatives and mutually beneficial partnerships to deliver breakthrough growth and expansion on the international stage.
- Relentless efforts to lead the market's strategic development to make it more diverse, attractive, and sophisticated.

Investor Relations and Shareholders' Information

Investor Relations

Saudi Tadawul Group's Investor Relations is committed to a strategic approach aligned with best practices. This, in turn, contributes to creating sustainable value for all stakeholders, enhances confidence in the Group, and solidifies its regional and global position.

Since the Group's successful 2021 IPO, the department has continued to build capacity and capabilities to provide seamless and effective access to local, regional, and global investors, while ensuring they receive up-to-date, transparent, and accurate information concerning the Group's strategic, financial and operational progress.

To achieve its goals and support the Group's ambitions, the department continued its outreach activities with both prospective and current investors, as well as building access and visibility by hosting quarterly earnings calls and taking part in dozens of investor roadshows across the world. By ensuring clarity and transparency across all its communications and disclosures, in accordance with its governance protocols and the highest international standards, the department continued to fulfill its mandate and strengthen ties between the Group and its investors.



Engagements and meetings

253

Meetings held with the investment community's Stakeholders



Site visits

24

Meetings held at the Group headquarters with the investment community's Stakeholders



Global and local conferences

11

Participated in global and local conferences



Sell-side reports

35

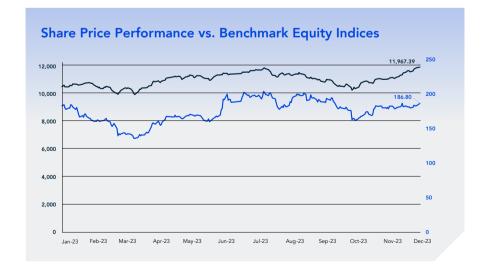
Reports published by global and local sell-side analysts



Sell-side coverage

8

Global and local sell-side analysts covering the Group



- Saudi Tadawul Group Holding Co. Share Price 186.80
- Tadawul All Share Index (TASI) 11,967.39

Market cap as at 31 December 2023

Foreign ownership as at 31 December 2023

Share Price at 31 December 2023 Free float

SAR 22.42 billion 8.95%

SAR 186.80

40.00%







Major Shareholders

Ownership of 5% and more of the issued shares	Number of shares	Ownership (%)
Public Investment Fund (PIF)	72,000,000	60%
Public	48,000,000	40%
 Total	120,000,000	100%

Investor Relations Calendar 2023-2024

2023

Q1 Interim Consolidated Financial Results Announcement:

16 April 2023

Q2 Interim Consolidated Financial Results Announcement:

23 July 2023

Q3 Interim Consolidated Financial Results Announcement:

22 October 2023

Annual Consolidated Financial Results Announcement:

10 March 2024

