

مجموعة تداول السعودية  
Saudi Tadawul Group

# Q3 2022 Financial Results Presentation

October 31, 2022





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# Agenda

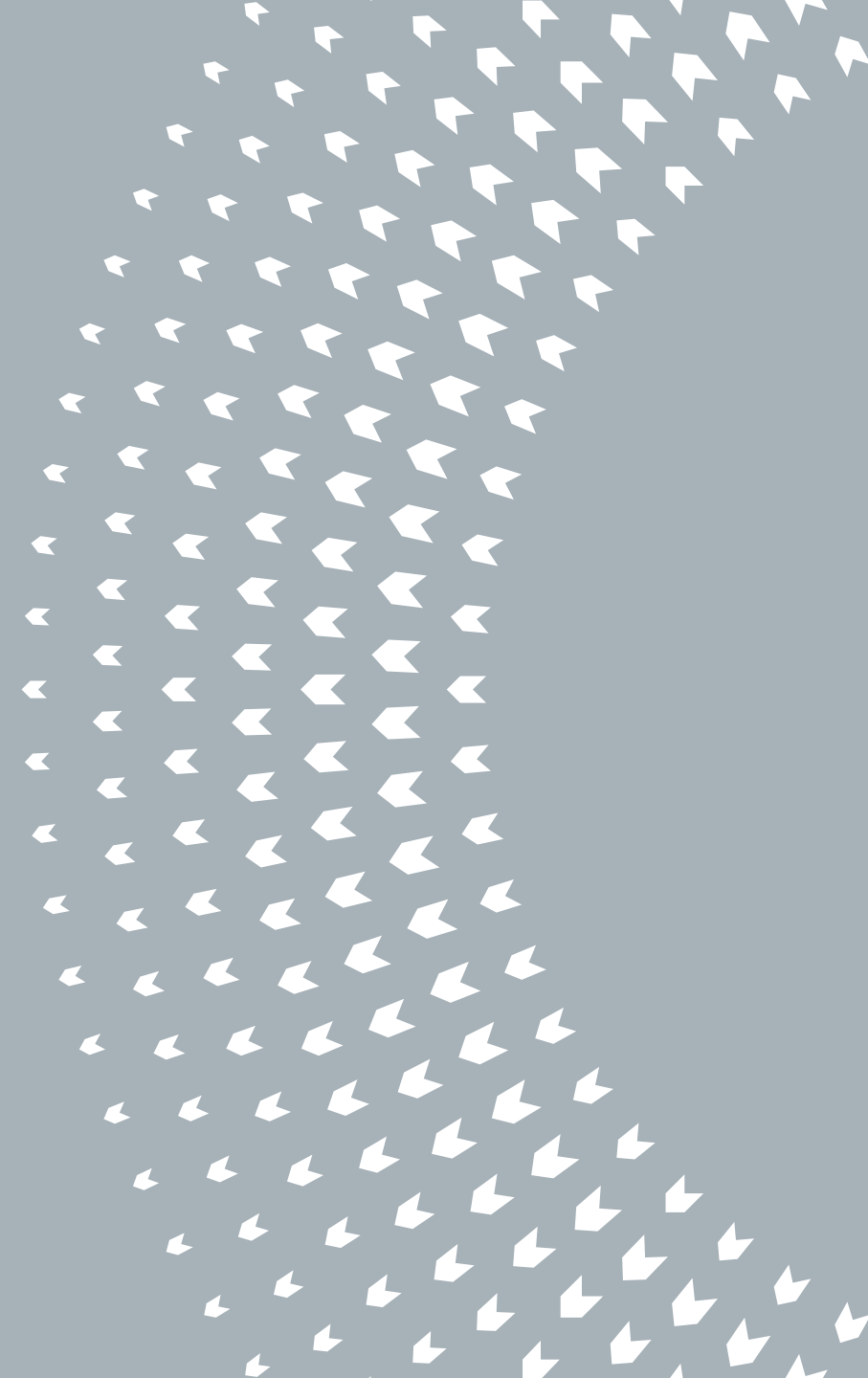
 Key Performance Highlights

 Market Update

 Financial Review

 Q&A

 Appendix



# Speakers



**Eng. Khalid Alhussan**  
Group Chief Executive Officer

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**Shahrukh Qureshi**  
Group Chief Financial Officer

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**Lee Hodgkinson**  
Group Chief Strategy Officer

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**Haitham Al Shathri**  
Group Investor Relations Head

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# Newly Joined Chief Strategy Officer



**Lee Hodgkinson**

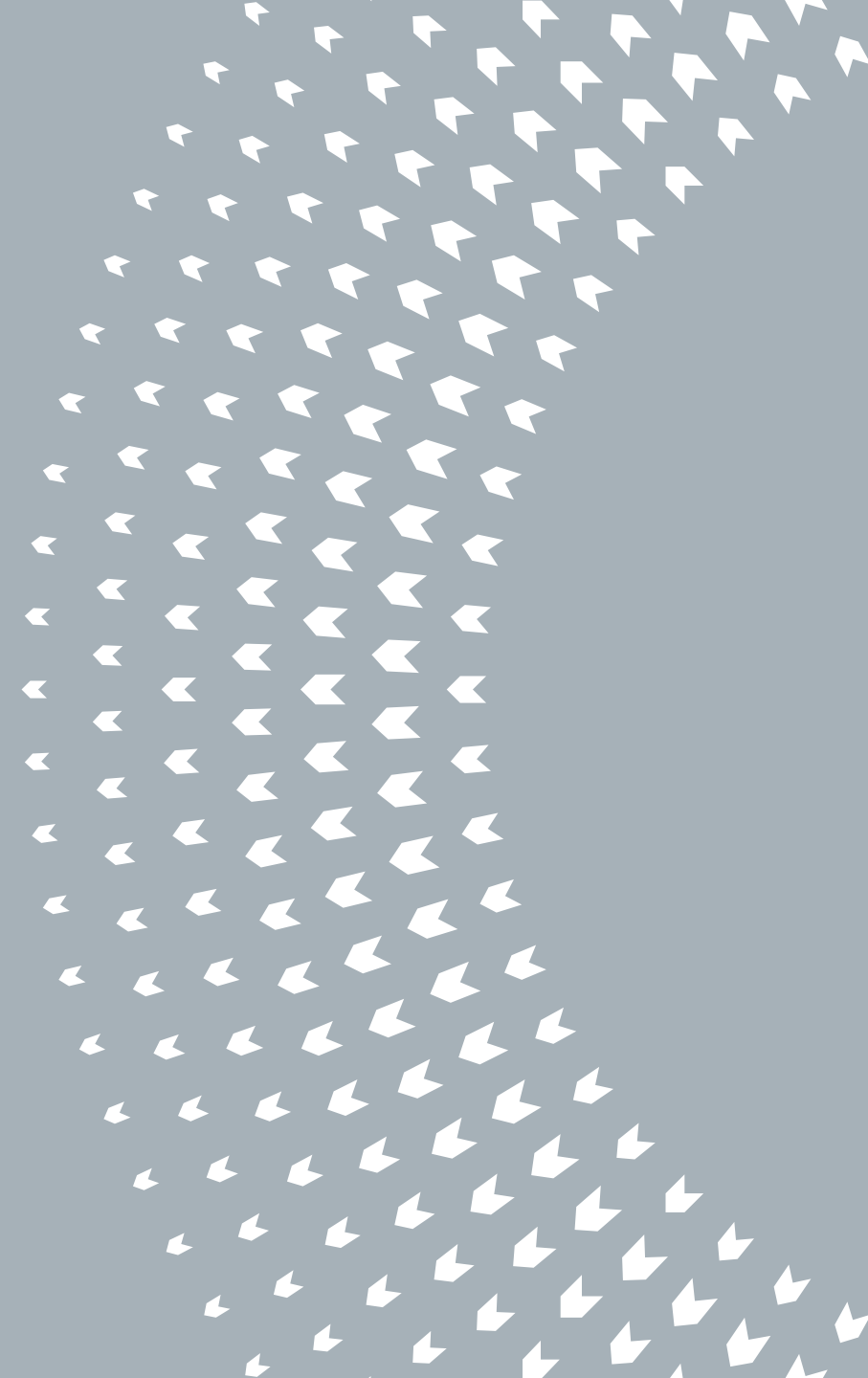
Group Chief Strategy Officer

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- Lee Hodgkinson is an accomplished C-suite executive in the financial markets industry. Passionate about trading, markets and data. He holds a wealth of experience with 30+ years across the UK, EU and US, China, Russia, and India.
- Throughout his career, Hodgkinson has held various executive positions in the capital markets infrastructure industry, including CEO of SWX Europe, CEO of Euronext London and Group CEO of OSTC Ltd, the global derivatives trading firm. He has also served as Vice President of the Federation of European Securities Exchanges and as non-Executive Chairman of BMLL Technologies, a London-based data analytics company.
- Hodgkinson is completing an MA from King's College London in International Affairs and is an alumni of Harvard Business School.



# Key Performance Highlights



# Operational Highlights: Q3 Highlights

## Saudi Exchange, Muqassa and its members celebrate the commencement of trading and clearing of the second derivatives products; Single Stock Futures

- The Saudi Exchange announced the launch of Single Stock Futures (SSFs) contracts and available to trade as of Monday, July 4th 2022, which will be cleared by the Securities Clearing Center Company "Muqassa".
- SSFs are the second derivatives product to be introduced on the Saudi Exchange, after launching Index Futures, as part of wider efforts to develop an advanced capital market in Saudi Arabia.



## Saudi Exchange Signs MoU with Ministry of Municipal, Rural Affairs and Housing to Encourage Real Estate Developers to List on Saudi Exchange

- The agreement involves collaborating on both entities efforts to support Vision 2030, including educating real estate developers on the process and benefits of listing on the Saudi Exchange.
- The Saudi Exchange and the Ministry of Municipal, Rural Affairs and Housing will organize workshops to raise awareness around listing and identify challenges facing real estate developers in the listing process



## Thomas Murray Upgrades the Overall Risk Rating for Edaa from 'A' to 'A+' with a Stable Outlook

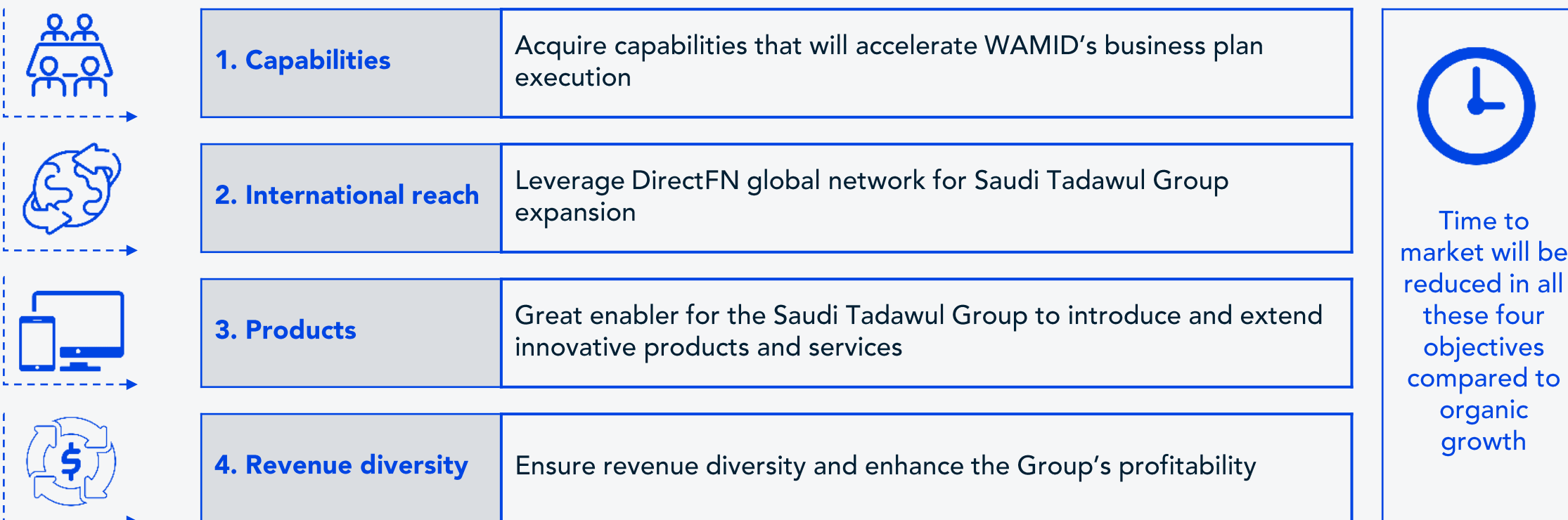
- The overall risk rating for Edaa, a company fully owned by Saudi Tadawul Group which operates and maintains the Depository and Settlement System (DSS), has been upgraded from 'A' to 'A+' with a stable outlook by Thomas Murray, the leading global post-trade risk and custody specialist.

## Muqassa & Edaa announces the approval of the amended Cash Market Clearing Procedures & the mended Depository Centre Procedures

- The amendments include changing the failed settled trades intended settlement date (ISD), from Two business days from the intended settlement date (ISD) to Eight business days from intended settlement date (ISD), and Muqassa will initiate the cash substitution process, whereby securities obligation is substituted with a cash obligation, if the securities are not delivered by the intended settlement date (Eight business days from the ISD).

# A step towards diversification: Wamid has a clear view on acquisition objectives

**Wamid Has Entered Into A Non-binding Preliminary Agreement With DirectFN In Relation To Acquiring 51% Of Its Issued Shares**





# 9M 2022 Key and Financial Highlights

## Market Capitalization (Main Market & Nomu)

**10.9**

(SAR Trillion)

**\$2.9**

(USD Trillion)

**7.8%** ▲

Y-o-Y vs SAR 10.1 trn

## ADTV (Main Market & Nomu)

**7.7**

(SAR Billion)

**\$2.0**

(USD Billion)

**20.8%** ▼

Y-o-Y vs SAR 9.7 bn

## Listed Entities (Main Market & Nomu)

**255**

(Entities)

**17.5%** ▲

Y-o-Y vs 217

## Operating Revenues

**849.2**

(SAR Million)

**\$226.5**

(USD Million)

**6.5%** ▼

Y-o-Y vs SAR 908.5m

## EBITDA

**428.7**

(SAR Million)

**\$114.3**

(USD Million)

**21.6%** ▼

Y-o-Y vs SAR 546.8m

## Investment Income

**37.6**

(SAR Million)

**\$10.0**

(USD Million)

**48.0%** ▲

Y-o-Y vs SAR 25.4m

## Net Income After Zakat

**367.4**

(SAR Million)

**\$98.0**

(USD Million)

**23.0%** ▼

Y-o-Y vs SAR 477.2m

## Free Cash Flow

**373.1**

(SAR Million)

**\$99.5**

(USD Million)

**22.3%** ▼

Y-o-Y vs SAR 480.0m

## EPS

**3.06**

(SAR)

**\$0.82**

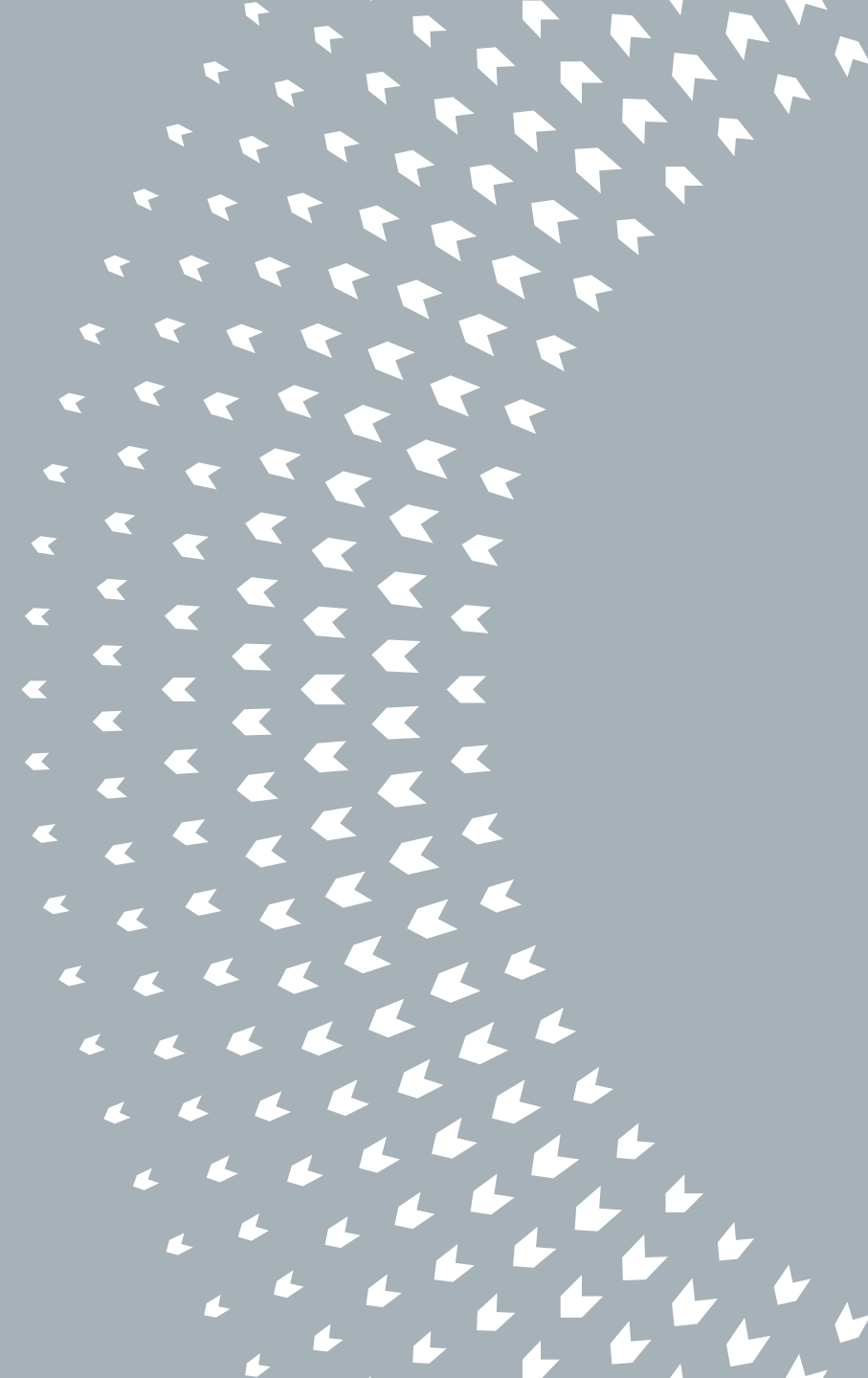
(USD)

**23.0%** ▼

Y-o-Y vs SAR 3.98

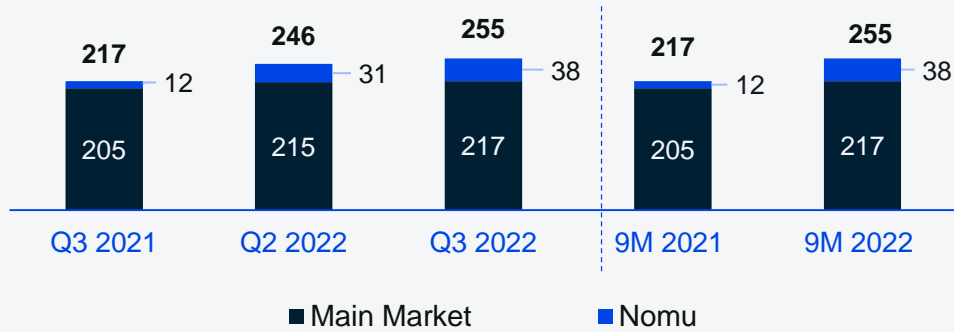


# Market Update

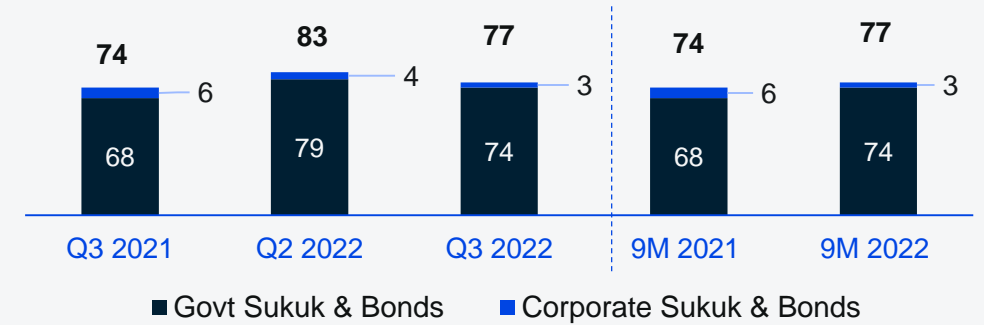


# Strong Listing Momentum Continues

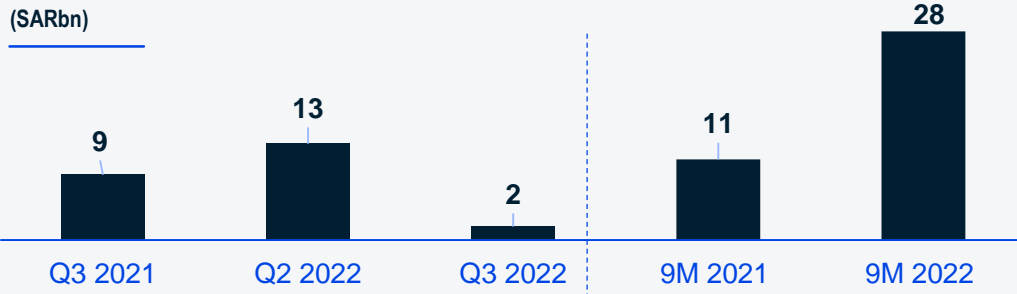
## Number of Listed companies on Main Market & Nomu



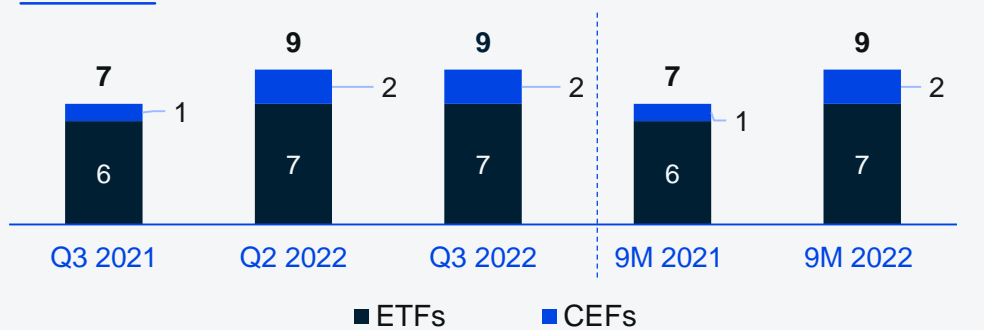
## Number of Listed Bond & Sukuk Securities



## Equity Capital Raised<sup>(1)</sup>



## Number of ETFs and CEFs

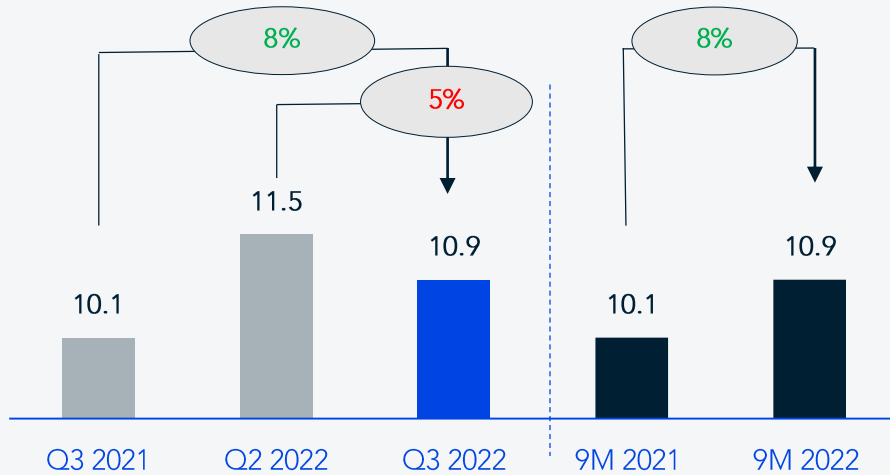


(1) Capital raised through IPOs, right issues and secondary offering

# Stock Market Performance Lifts Valuations, Trading Improves Sequentially

## Market Capitalization (Main Market + Nomu)

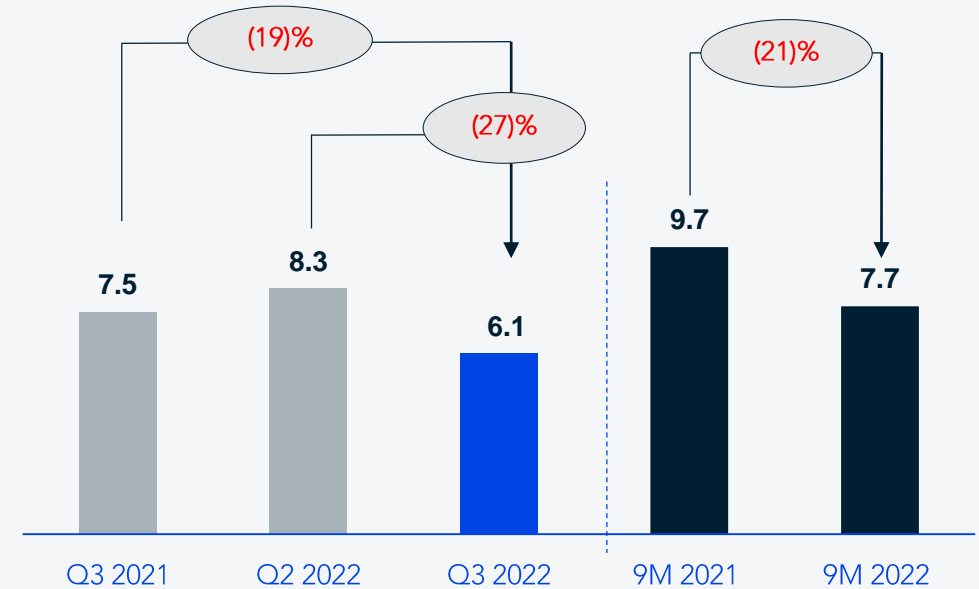
(SAR trillion)



- Market capitalization for both the Main Market and Nomu, combined, increased 7.76% YoY and decreased 5.33% QoQ.
- Positive IPO traction and market sentiment as we emerge out of the Covid-19 pandemic.

## ADTV (Main Market + Nomu)

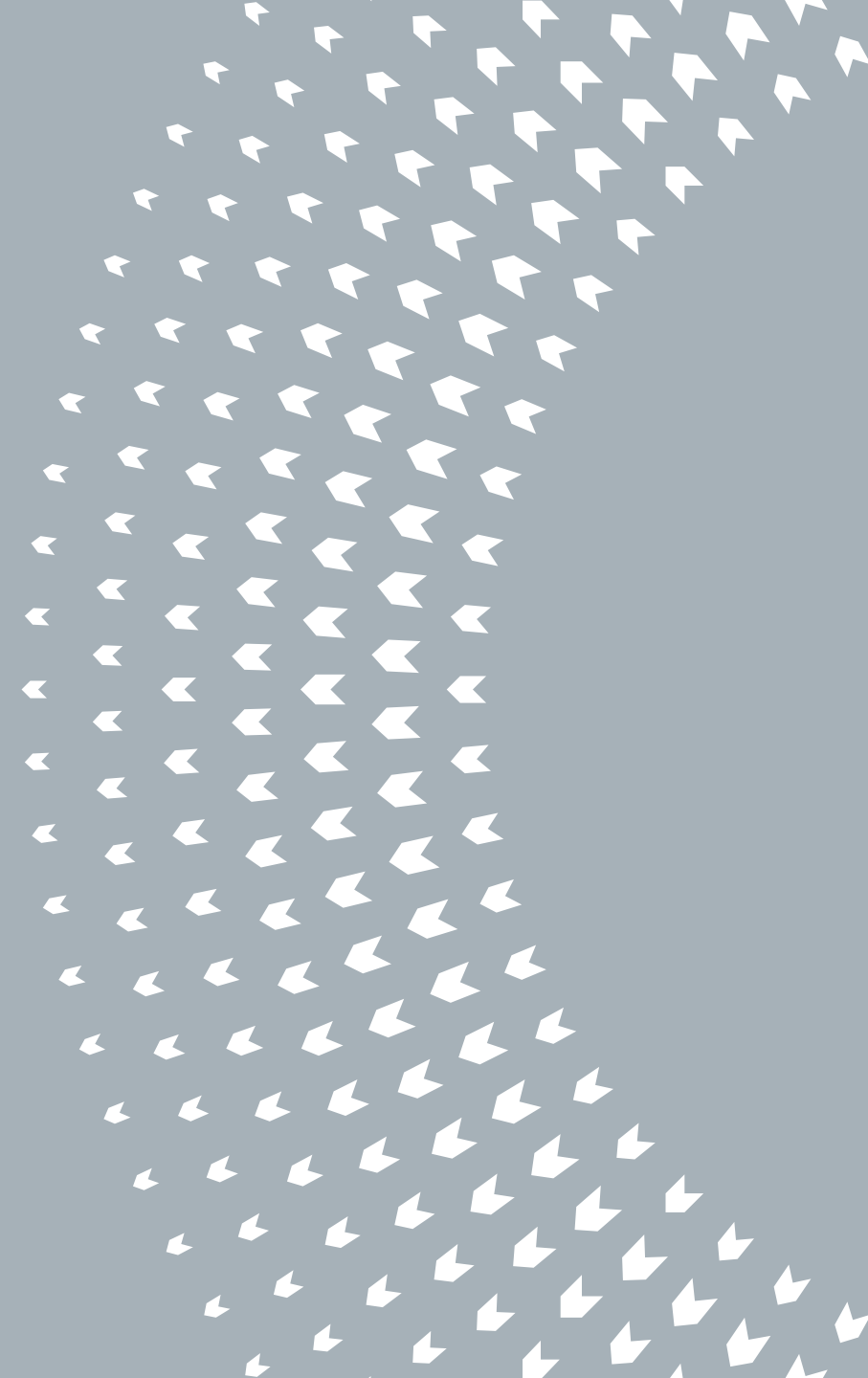
(SAR billion)



- Daily average traded values decreased 19% YoY an exceptionally strong quarter a year ago and decreased 27% QoQ.



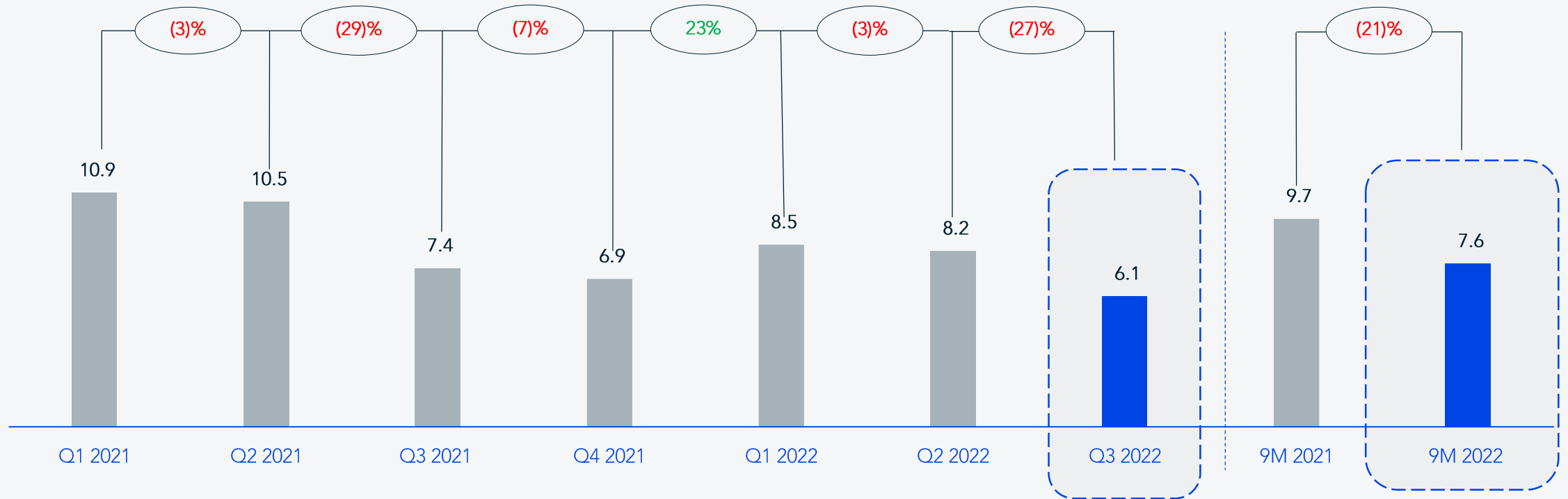
# Financial Review





# Average Daily Trading Value (Main Market "TASI")

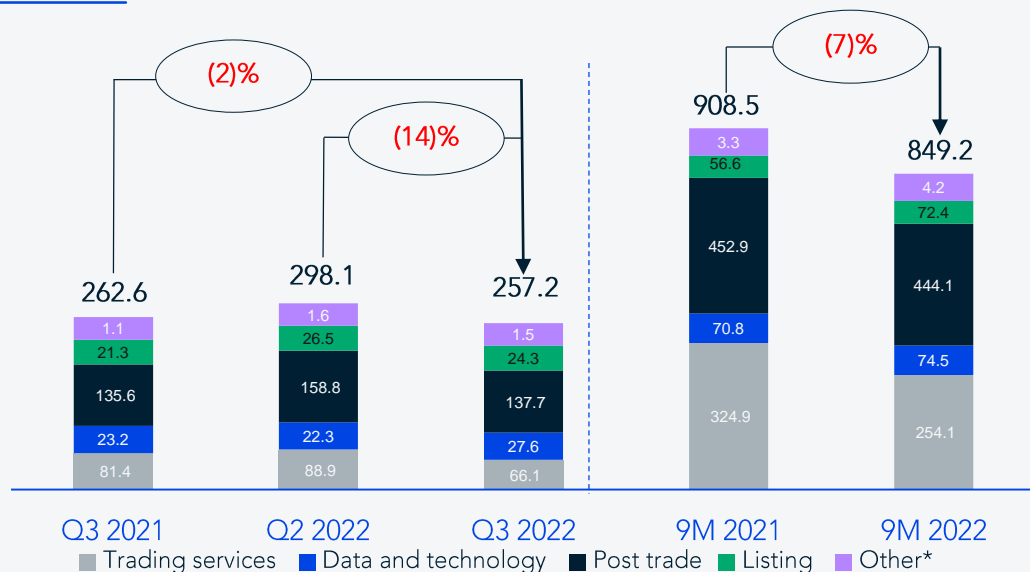
(SAR billion)



# Operating Revenues Normalize from High Base

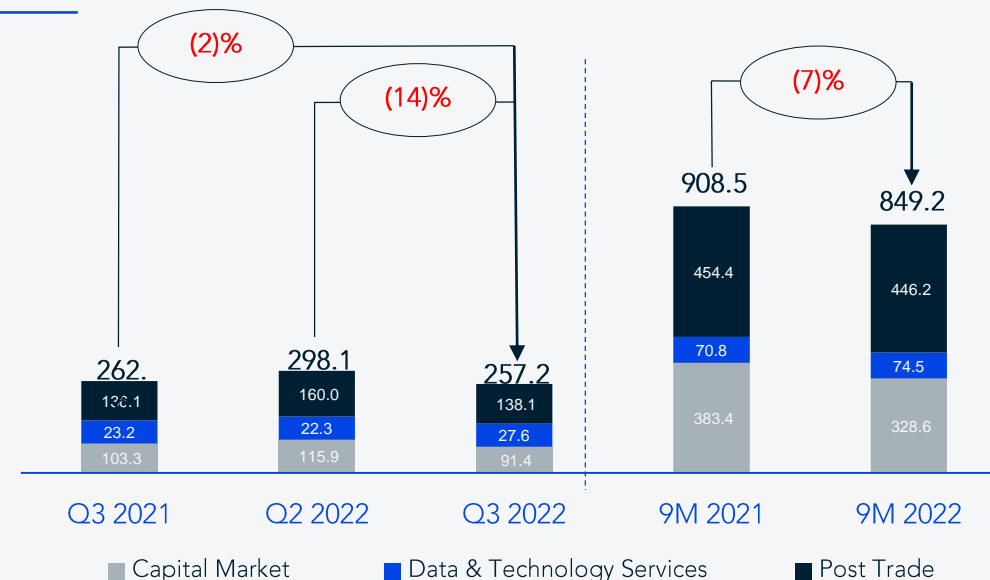
## Operating Revenue

(SAR million)



## Segmental Revenue

(SAR million)



### Vs. Q3 2021:

- Despite the additional SR 14.5m revenue associated with the new fees structure of post trade services and the increase in listing, market information and registry revenue, the decrease in trading values reduces revenue by 2% YoY to SAR 257.2 million.
- Approximately 43% of operating revenue was non-trading driven vs 38% a year ago on the back of lower ADTV and higher listing and registry revenue driven by the increase in the number and size of listings.

### Vs. Q2 2022:

- The decrease in trading values reduces revenue by 14% QoQ to SAR 257.2 million.
- Approximately 43% of operating revenue was non-trading driven vs 34% last quarter on the back of lower ADTV and higher data & technology revenue driven by market information and Wamid's co-location service, which was activated in Q1 2022.

\* Includes derivatives and membership fees

### Vs. Q3 2021:

- Capital Markets revenue decreased 11% YoY owing to lower trading revenue, partially offset by an increase in listing revenue.
- Data & Technology revenue increased 19% YoY driven by market information and Wamid's co-location service, which was activated in Q1 2022.
- Post-Trade revenue increased 1% YoY on the back of the new fees structure of post trade services (Clearing, Settlement and Safekeeping) mitigated by the decrease of trading values which contracted by 18.7%.

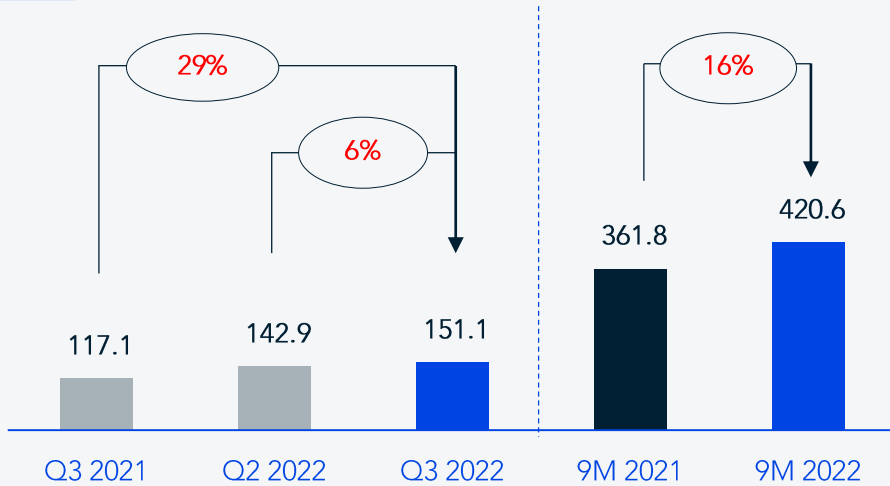
### Vs. Q2 2022:

- Capital Markets revenue decreased 21% QoQ owing to lower trading revenue and lower listing revenue.
- Data & Technology revenue increased 24% QoQ driven mainly by higher revenue from Market Information services.
- Post-Trade revenue decreased 14% QoQ due to lower trading values which contracted by 27%.

# EBITDA at SAR 428.7m with margin of 50% [in the first 9 months in 2022] and 106.0m with margin of 41% [in Q3] 2022

## Operating Expenditures excl. D&A

(SAR million)



### Vs. Q3 2021:

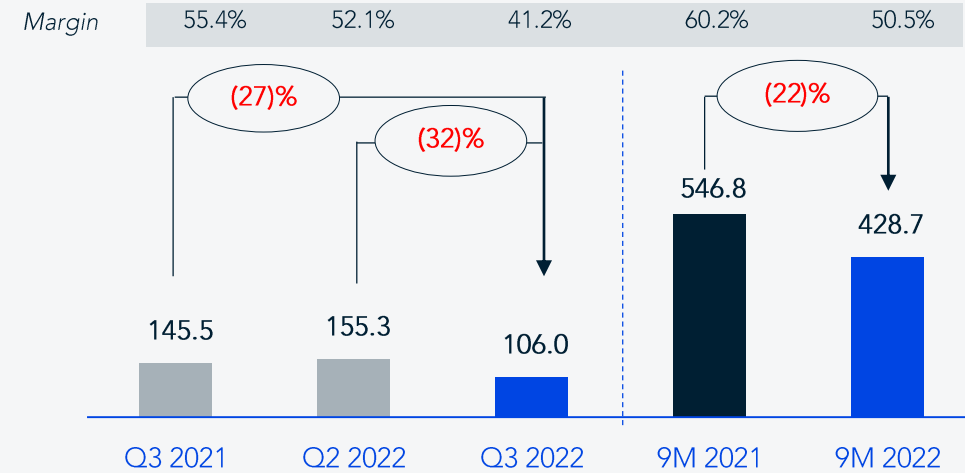
- Operating expenditures, excluding depreciation & amortization, increased 29% YoY to SAR 151.1 million.
- Salaries and related benefits, the largest cost item, increased 19% YoY reaching SAR 75.2 million, driven by the increase in headcount.

### Vs. Q2 2022:

- Operating expenditures, excluding depreciation & amortization, increased 6% QoQ to SAR 151.1 million.

## EBITDA

(SAR million)



### Vs. Q3 2021:

- EBITDA decreased 27% to SAR 106.0 million owing to the decrease in the Group's operating revenue against growth in the Group's operating expenditures.
- EBITDA margin reached 41%, down from 55% a year earlier.

### Vs. Q2 2022:

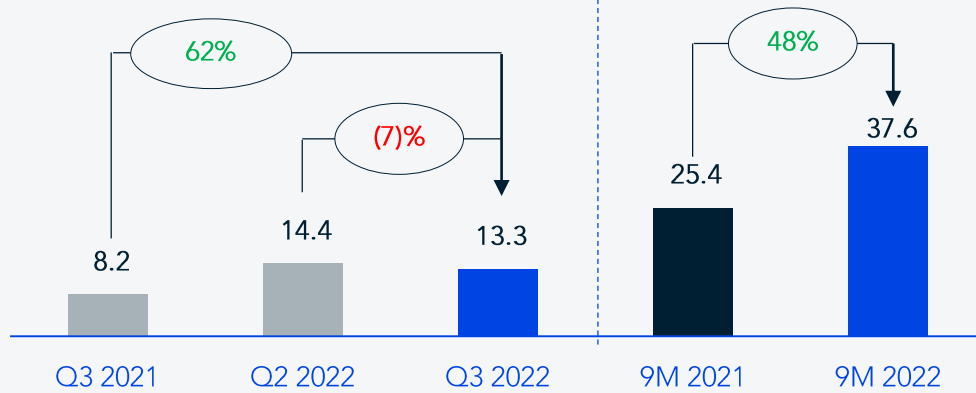
- EBITDA decreased 32% to SAR 106.0 million owing to the decrease in the Group's operating revenue against moderate growth in the Group's operating expenditures.
- EBITDA margin reached 41%, down from 52% last quarter.



# Investment Income increased by 62% YoY attributed to enhancement on MM yields

## Investment Income

(SAR million)



### Vs. Q3 2021:

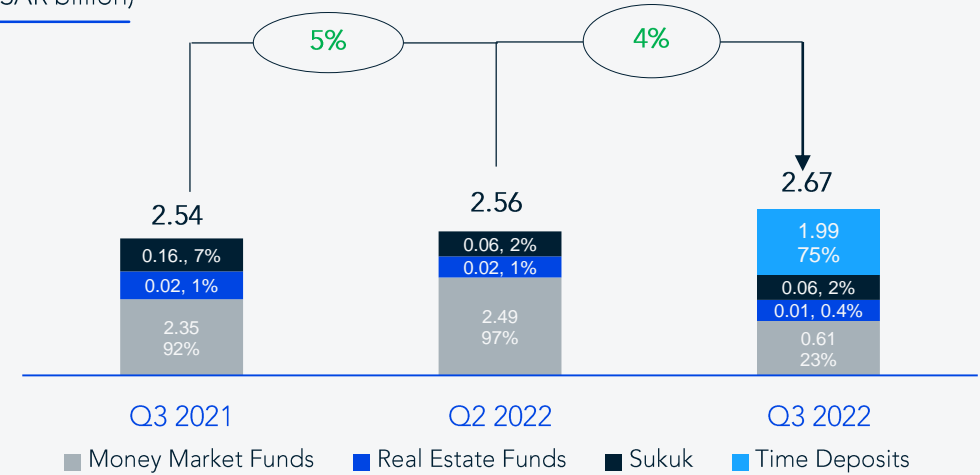
- Investment income increased by 62% YoY to SAR 13.3 million attributed to enhancement in money market levels while the interest rate environment is witnessing interest rate hikes. Moreover, enhanced return on managing Cash collateral Funds of the clearing members margins that became a part of investment income starting from April 2022.
- Annualized return on the investment portfolio % decreased to 1.28% in Q3 2022 (vs Q3 2021 1.33%) attributed to the a drawdown in on e of the portfolio constituents.

### Vs. Q2 2022:

- Investment income decreased by 7% QoQ to SAR 13.3 million while reallocation from MMFs who start to fall behind interest rate benchmark to TDs that been "in act" to catch up with the rapid interest rate hike movement toward more feasible relative return in the following quarter.
- Annualized return on investment portfolio increased to 1.28% in Q3 2022 (vs Q2 2022 1.23%) attributed to margin collateral positive contribution in Q3.

## Investment Portfolio Structure

(SAR billion)

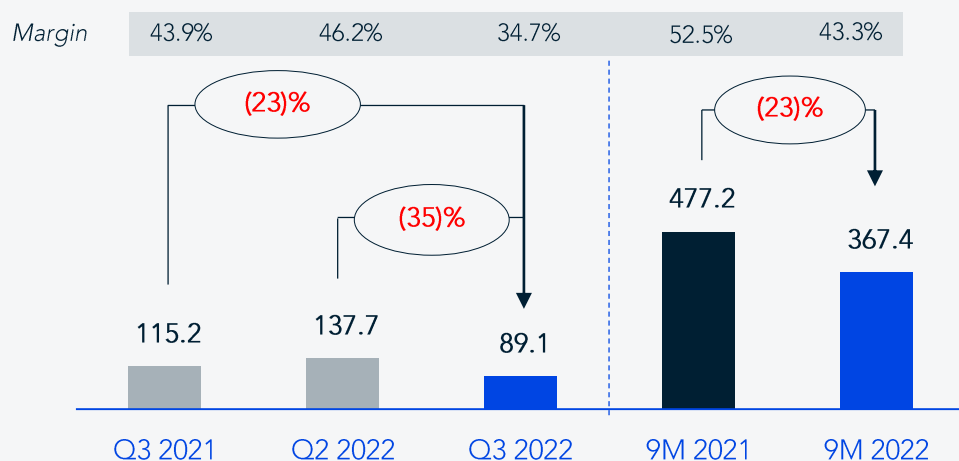


- Investment portfolio size increased to 5.12% YoY to SAR 2.67 Billion in Q3 2022 due to active management/deployment of excess cash deployment toward time deposits.
- Investment portfolio size increased 4.3% QoQ to SAR 2.67 Billion in Q3 2022 (vs Q2 2022 SAR 2.56 Billion) attributed mainly to active management/deployment of excess cash.
- 97.1% of investment portfolio was allocated to liquid money market products, majorly TDs.
- "Current" investments constituted 98% of total investments.
- Cash collateral received from clearing participants is being held in a separate interest-bearing account at SAMA as well as invested partially in SAMA bills auction.

# Net Income After Zakat at SAR 367.4m with margin of 43% [in the first 9 months in 2022] and 89.1m with margin of 35% [in Q3] 2022

## Net Profit After Zakat

(SAR million)



### Vs. Q3 2021:

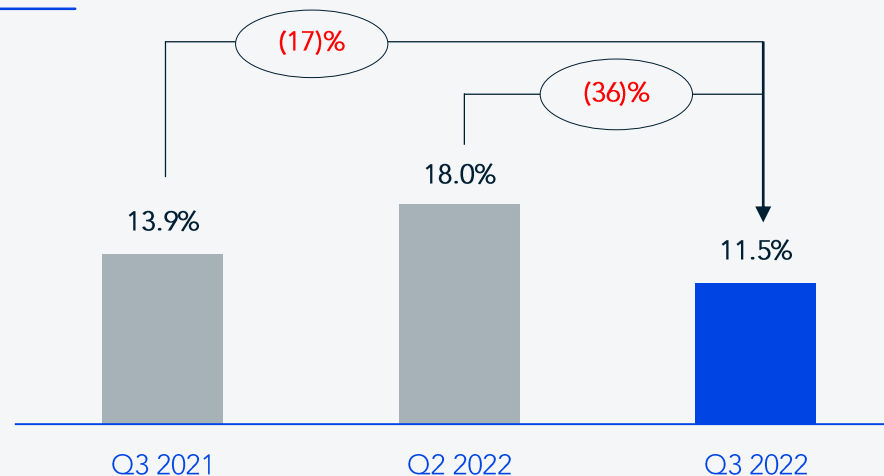
- Net profit after Zakat decreased 23% to SAR 89.1 million from SAR 115.2 million a year earlier.
- This is predominantly explained by the decrease in the Group's operating revenue against growth in the Group's operating expenditures.

### Vs. Q2 2022:

- Net profit after Zakat decreased 35% to SAR 89.1 million from SAR 137.7 million last quarter.
- This is predominantly explained by the decrease in the Group's operating revenue against moderate growth in the Group's operating expenditures.

## Return on Average Equity

(Annualized %)



### Vs. Q3 2021:

- Annualized ROE decreased to 11.5% compared to 13.9% a year earlier.
- This is mainly explained by lower net income after zakat mainly driven by the decrease in the Group's operating revenue against growth in the Group's operating expenditures.

### Vs. Q2 2022:

- Annualized ROE decreased to 11.5% compared to 18.0% last quarter.
- This is mainly explained by lower net income after zakat mainly driven by the decrease in the Group's operating revenue against growth in the Group's operating expenditures.

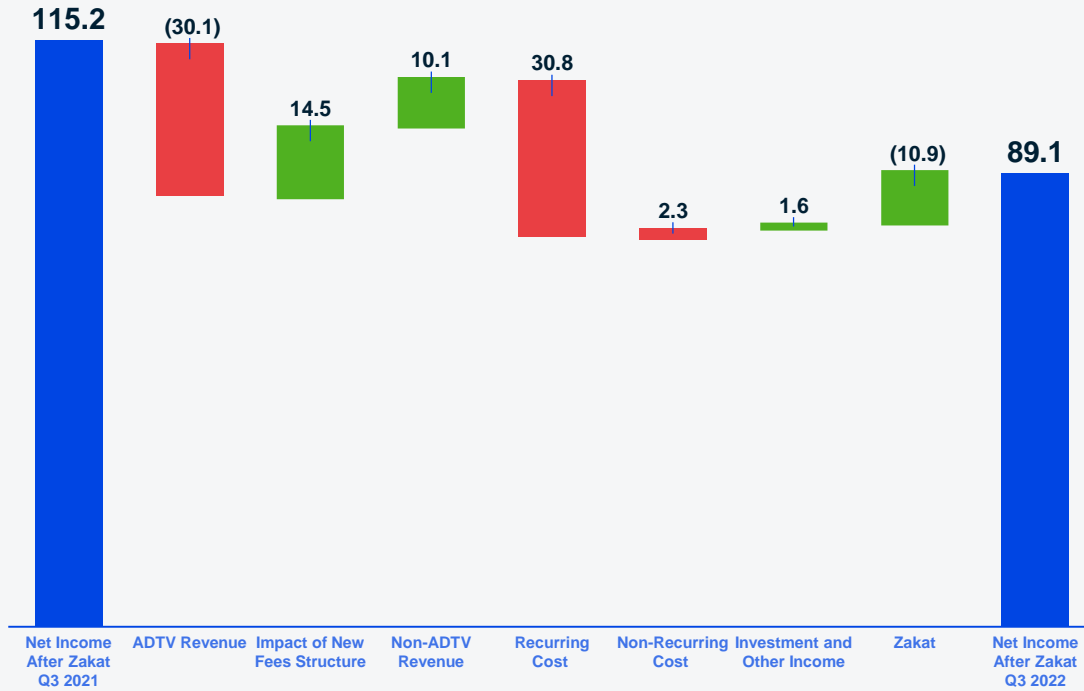


# Net Income After Zakat Movement

Decrease  
Increase

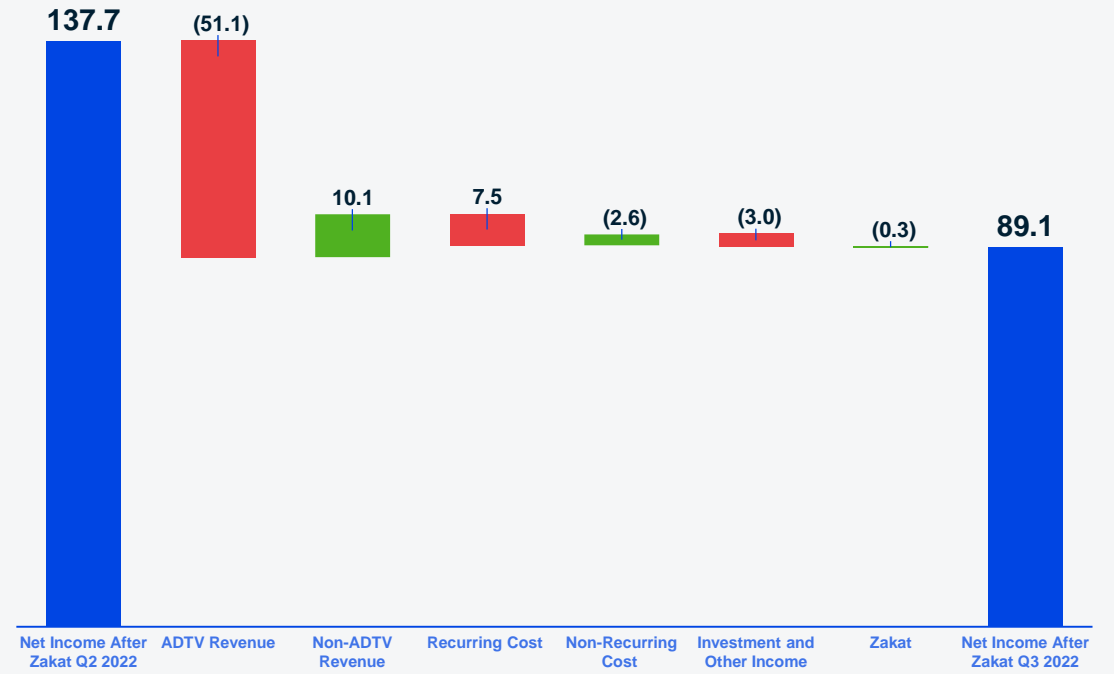
## Q3 2022 Vs. Q3 2021

(SAR million)



## Q3 2022 Vs. Q2 2022

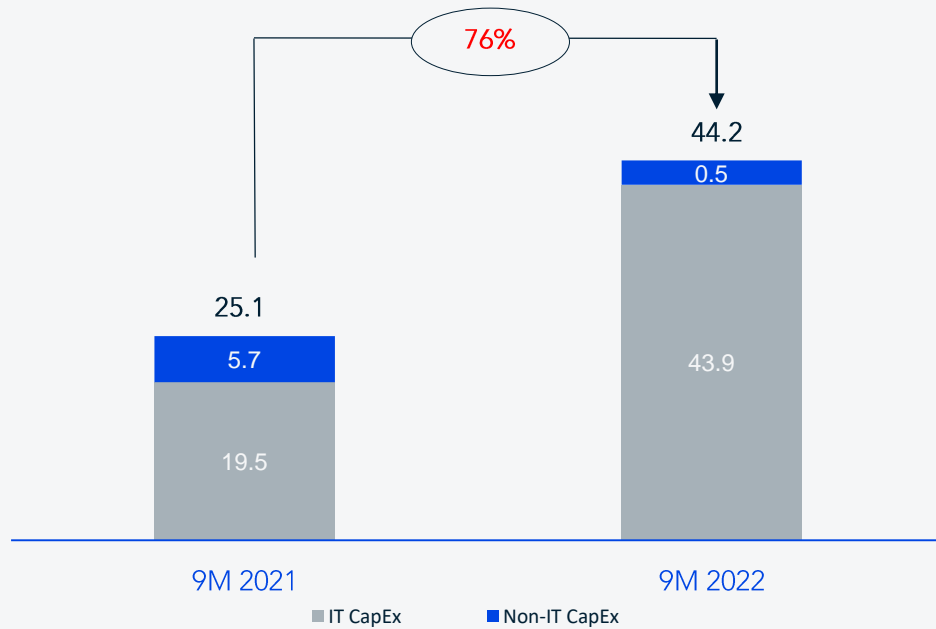
(SAR million)



# Capital Deployed

## Capital Expenditure

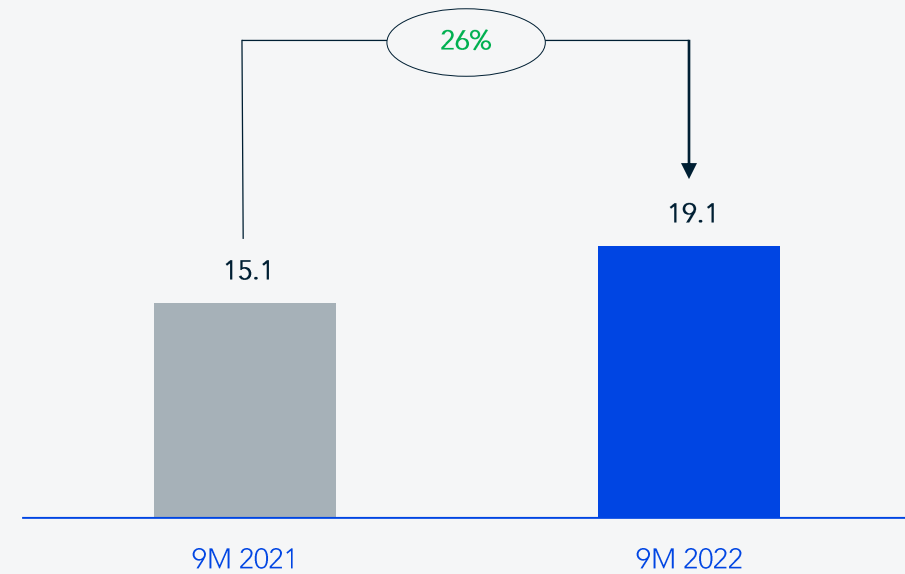
(SAR million)



- Capital expenditure increased 76% YoY to SAR 44.2 million in Q2 2022.
- The increase is mainly attributable to PTPP phase 1 related capital expenditure deployed and IBM WebSphere Application Server.

## Change in Net Working Capital

(SAR million)

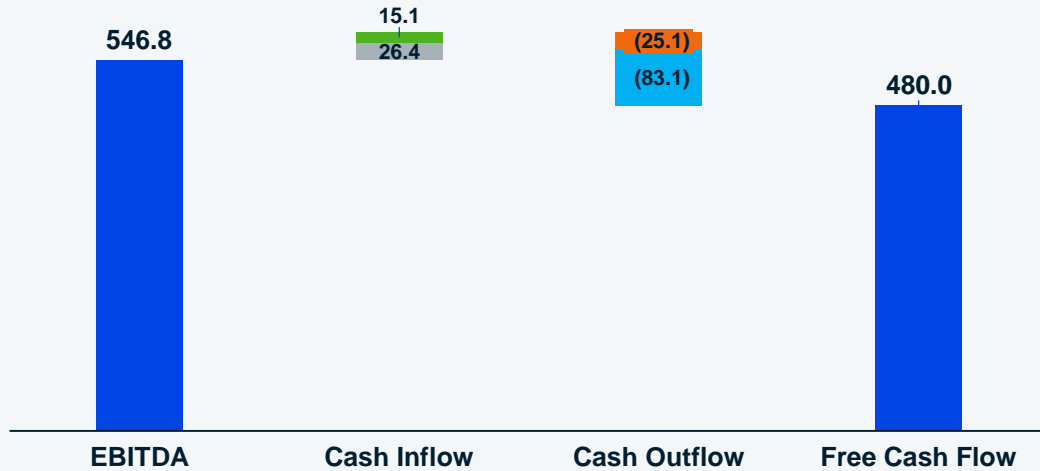


- Change in Net Working Capital increased 26% to SAR 19.1 million compared to SAR 15.1 million a year earlier.
- This is mainly attributable to the higher current liability driven by the increase in account payable and accrued liabilities.

# Strong Cash flow Conversion Exceeding 87%

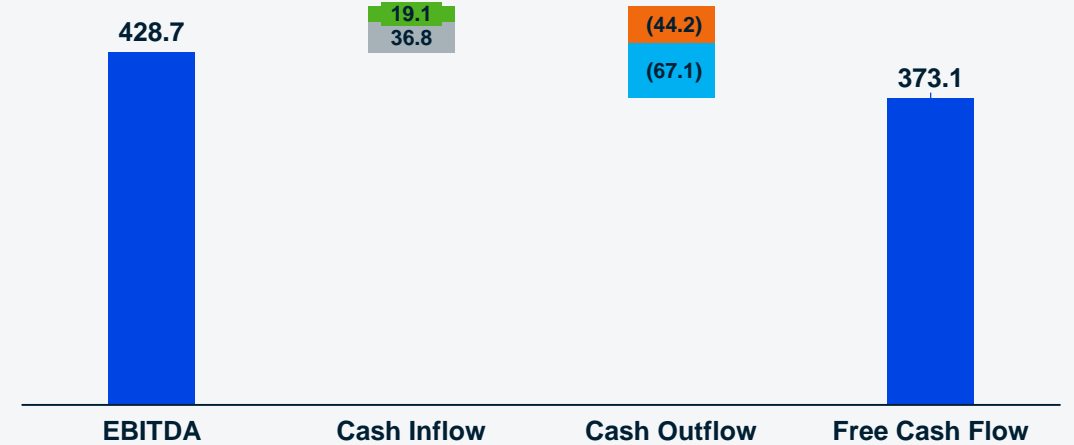
## Free Cash Flow Waterfall – 9M 2021

(SAR million)




## Free Cash Flow Waterfall – 9M 2022

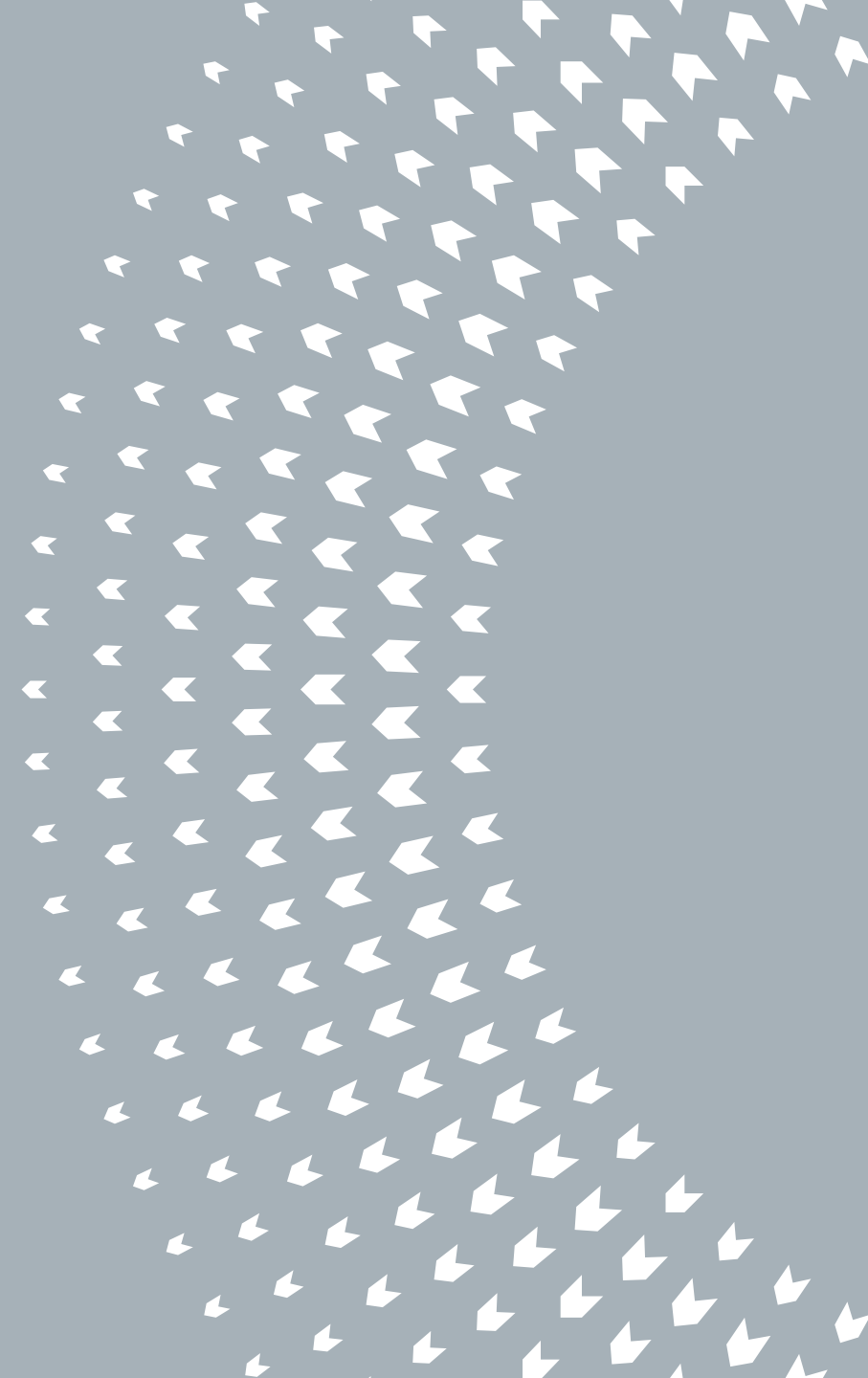
(SAR million)



■ Change in Net Working Capital  
 ■ Investment and Other Income  
 ■ Capital Expenditure  
 ■ Zakat Paid

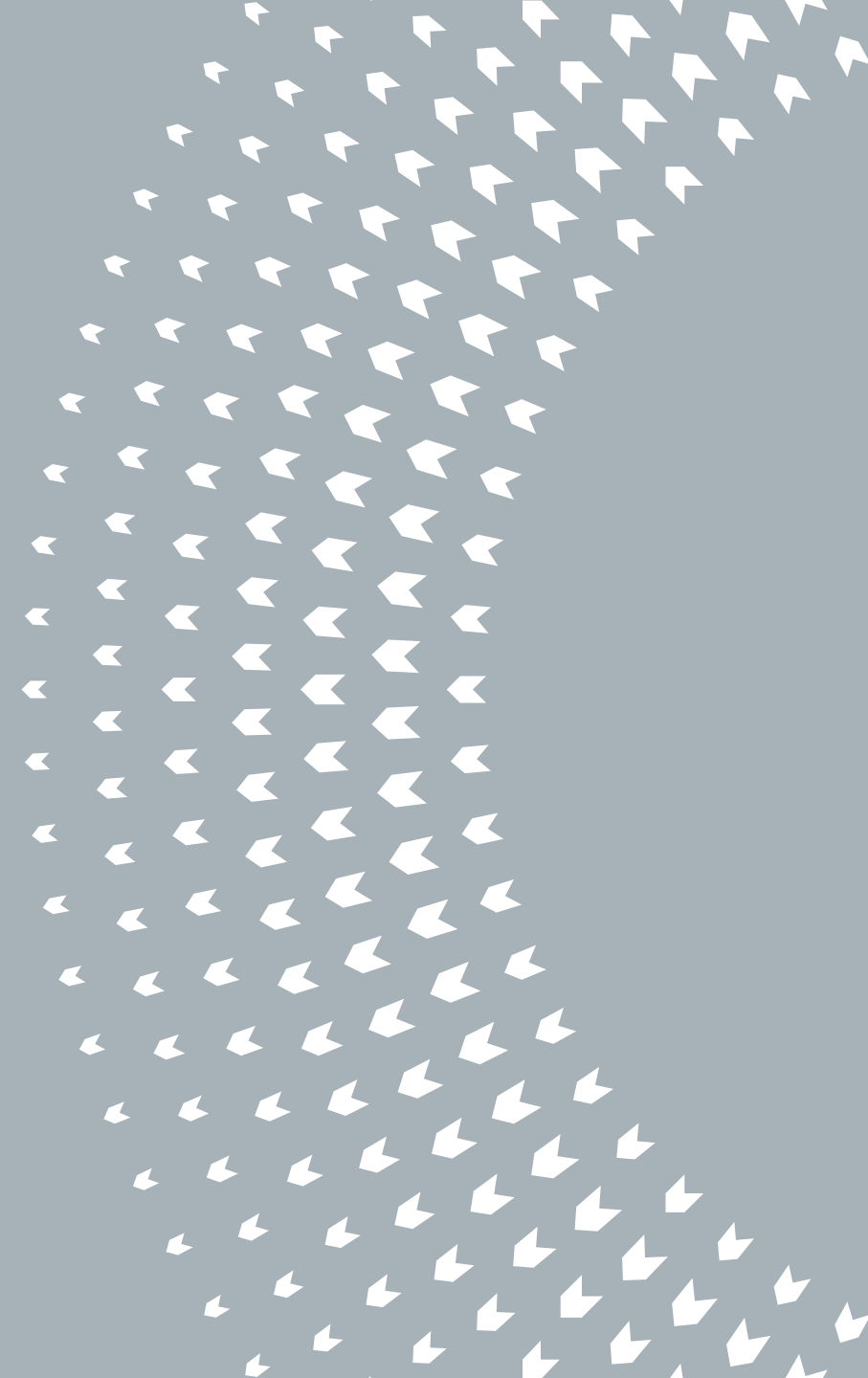


**Q&A**





# Appendix





# Saudi Tadawul Group – A Differentiated Capital Markets Leader

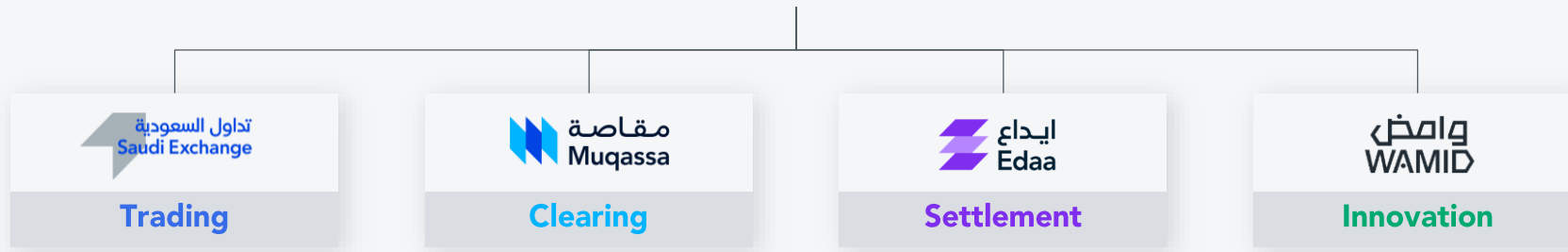
## Group Vision

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.



## Group 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.



## Strategic Goals

### Growth & Diversification

Develop and implement new asset classes, products and services

### Integrated & Connected

Deepen global mindshare and strengthen inter-connectivity and capital formation across major global financial markets

### Capable & Agile

Innovation-first mindset with best-in-class risk and governance

**A Foundational Pillar for the Kingdom's Vision 2030 and Financial Sector Development Program**





# Vertically Integrated and Diversified Business Model

## Key Activities

|                    |  |   |
|--------------------|--|---|
| Listing            | <ul style="list-style-type: none"><li>Trading venue for a range of asset classes (equities, FI, ETFs, CEFs and REITs) as well as client coverage and issuer services</li></ul>                 |   |
| Trading            | <ul style="list-style-type: none"><li>Enhancement of the Exchange's offering of listed instruments from a market development perspective and provision of derivatives products</li></ul>       |   |
| Post Trade         | Clearing and Settlement  | <ul style="list-style-type: none"><li>Securities clearing and settlement services for traded products; Muqassa established to manage counterparty risks and perform clearing services</li></ul> |
|                    | Safekeeping  | <ul style="list-style-type: none"><li>Safekeeping account services for Saudi securities</li></ul>   |
|                    | Registry   | <ul style="list-style-type: none"><li>Registry services for both listed and unlisted companies</li></ul>  |
|                    | Depository   | <ul style="list-style-type: none"><li>Central securities depository services</li></ul>  |
| Market Information | <ul style="list-style-type: none"><li>Various data and indices services to a diverse client base (fund managers, issuers, index providers, data distributors and authorised persons)</li></ul> |   |
| Innovation         | <ul style="list-style-type: none"><li>Through Wamid – an innovation hub that is focused on developing new products, services, capabilities and revenue, primarily in data &amp; tech</li></ul> |   |

**Our Integrated Business Model is a Key Enabler for Sustainable Top-Line Revenue Growth and Innovation**

# We are Primed For the Next Stage of our Strategic Evolution

| Strategic Goals | Growth & Diversification   |   |   | Integrated & Connected   |  | Capable & Agile   |  |
|-----------------|--|---|---|--|--|---|--|
| 7 Key Pillars   | Listing & Trading  | Clearing  | Depository  | Market Information   | Innovation & Digitalisation  | Strategic Expansion   | Organisational Performance & Capabilities  |
| Description     | <ul style="list-style-type: none"> <li>Enhance product and service offerings for local and international stakeholders</li> <li>Introduce new asset classes allowing the development of innovative investment strategies by providing turnkey solutions to market participants</li> </ul> | <ul style="list-style-type: none"> <li>Manage systemic risk in the capital markets</li> <li>Strengthen and diversify clearing services in line with international best practices allowing a safe development of the Saudi and regional capital markets</li> </ul> | <ul style="list-style-type: none"> <li>Enhance securities depository business by introducing value added services to Issuers and Investors</li> <li>Develop partnerships and links with ICSDs to leverage and attract into Saudi capital markets</li> </ul> | <ul style="list-style-type: none"> <li>Empower our stakeholders with high quality Market Information products and services</li> <li>Develop a well-informed market featuring the latest tools and platforms for customers</li> </ul> | <ul style="list-style-type: none"> <li>Initiate strategic development of the Saudi Capital Market through innovation and digitalisation</li> <li>Organic and external opportunities to complement growth and diversify our business</li> </ul> | <ul style="list-style-type: none"> <li>Develop and diversify business and sustainable innovation through expansion opportunities</li> </ul> | <ul style="list-style-type: none"> <li>Enhance and develop new organisational competencies, capabilities and resources to achieve strategic goals</li> <li>Build a business-oriented organization that collaborates with all stakeholders</li> </ul> |

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

# Key Investment Highlights



**National Champion and Integral to Vision 2030**



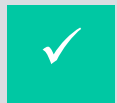
**Differentiated Business Model — Integrated, Scalable, Diverse**



**Undisputed Centre for Regional Capital Formation**



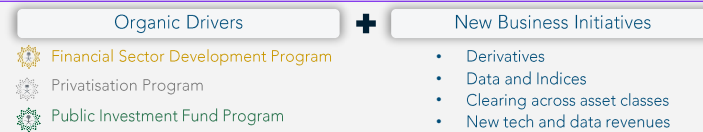
**Superior Financial Performance**



**Seasoned Leadership Team with Track Record of Delivery**



**Massive Growth Opportunities Ahead**



# KSA is a Reformed Economy with Increased Focus on Privatisations and Listings

## Privatisation Program

- Identify government assets and services that can be privatised
- Develop the privatisation system and its mechanisms
- Define public and private sector partnership frameworks
- Support contributions to economic development

## The Kingdom has a Track-Record of Successful Privatisations via Public Listing



## Incentives for Listing

- Core goal of the Financial Sector Development Program is to encourage private sector listings
- STG is collaborating with 10+ government entities to incentivise listing, with 18 incentives approved and available to issuers



### Ministry of Investment

- Facilitated approval process for listed companies to register foreign partners (joint ventures)



### Ministry of Finance

- Preference in business and Government procurement for listed companies



### Saudi Industrial Development Fund

- Increased loan limits granted to listed companies



### Zakat, Tax and Customs Authority

- Providing a relationship manager to help settle all tasks related to Zakat or income taxes with the Authority



### Project Support Funding

- Raising funding limits for "Mega Projects" in sectors such as health, education, and real estate development.



### Ministry of Health

- Priority on training programmes, reporting and statistical data and advertisement at Ministry events

# Sustainability / ESG

25%

Of Group's workforce are female

10%

Women occupying C-Level positions

39%

Of our employees are below 30 years of age

Our sustainability activities have included more than 15 initiatives directly linked to the core strategy of the Group. Some of them are described below under the four themes.

## Economy

- Launched ESG disclosure guidelines
- Launched Invest Wisely Program
- Member of UN Sustainable Stock Exchanges (SSE) since 2018

## Community

- Hosted “Ring the Bell for Gender Equality” to mark International Women’s Day annually, starting from 2019

## Education

- Welcomed 9th batch of Graduate Development Program (GDP) in Q3.
- GDP trainees are total of 23 in Q3.
- Cooperative and Summer training program trainees are total 51 students in Q3.

## Environment

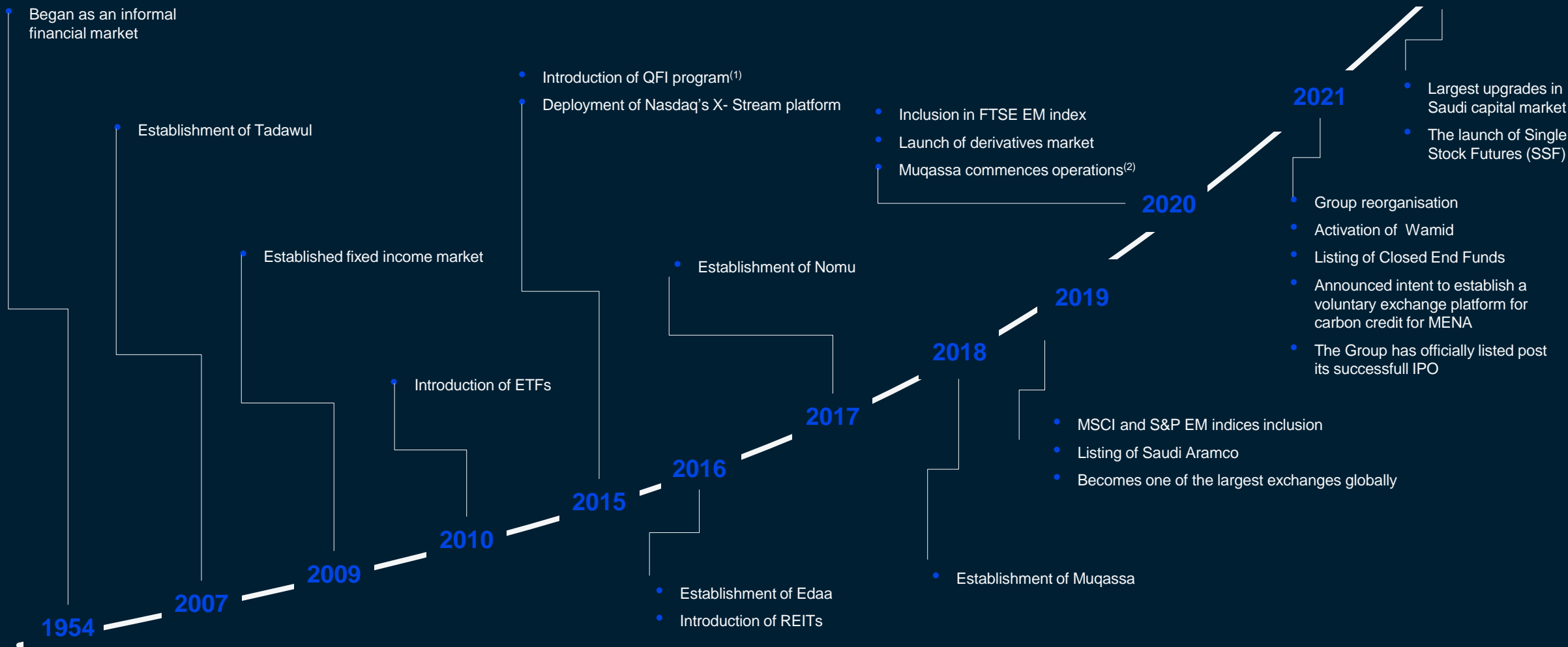
- Launched paper recycling initiatives
- Launched plastic waste reduction initiatives
- Member of SSE Climate Change Exchanges Advisory Group

The Group has identified the following six of the SDG targets to focus on out 17 goals in its sustainability programs





# A History of Innovation and Execution ...



Source: Company information.

(1) QFI framework allowed direct foreign ownership in Saudi-listed securities. Foreign investors have been able to access the Saudi market indirectly through SWAPs since 2008.

(2) In 2020, Muqassa was licensed by the CMA as a Qualified Central Counterparty (QCCP).



# ... Coupled with a Highly Accomplished Board of Directors



**Mrs. Sarah Al Suhaimi**

Chairperson  
(Independent)



**Mr. Yazeed Al-Humaid**

Vice-Chairman  
(Non-Executive)



**Eng. Khalid Al Hussan**

Board Member  
(Executive)



**Mr. Hashem Al Hekail**

Board Member  
(Independent)



**Ms. Rania Nashar**

Board Member  
(Non-Executive)



**Mr. Sabti Al Sabti**

Board Member  
(Non-Executive)



**Mr. Mark Makepeace**

Board Member  
(Non-Executive)



**Mr. Xavier Rolet**

Board Member  
(Non-Executive)

# Seasoned and Visionary Management Team

220+ years  
of combined experience

## Group Management

|  |  |   |  |  |  |   |   |
|--|--|---|--|--|--|---|---|
|  <p><b>Group Chief Executive Officer</b></p> <p>14+ years with the Group<br/>18+ years of experience</p> <p>Eng. Khalid Al-Hussan</p> |  <p><b>Group Chief Financial Officer</b></p> <p>4+ years with the Group<br/>23+ years of experience</p> <p>Shahrukh Qureshi</p> |  <p><b>Group Chief Strategy Officer</b></p> <p>Less than a year with the Group<br/>30+ years of experience</p> <p>Lee Hodgkinson</p> |  <p><b>Group Chief Operations Officer</b></p> <p>4+ years with the Group<br/>18+ years of experience</p> <p>Alhasan Ashram</p> |  <p><b>Group Chief Legal Officer</b></p> <p>2+ years with the Group<br/>10+ years of experience</p> <p>Abdullah Al Elsheikh</p> |  <p><b>Group Chief Human Resources Officer</b></p> <p>3+ years with the Group<br/>12+ years of experience</p> <p>Maha Al Beshar</p> |  <p><b>Group Chief Risk &amp; Security Officer</b></p> <p>14+ years with the Group<br/>15+ years of experience</p> <p>Yazeed Al Eidi</p> |  <p><b>Group Chief Regulatory Oversight &amp; Authorisation Officer</b></p> <p>15+ years with the Group<br/>18+ years of experience</p> <p>Khalid Al Ghereri</p> |
|--|--|---|--|--|--|---|---|

## Subsidiary CEOs

|   |  |  |   |
|---|--|--|---|
|   <p><b>Chief Executive Officer</b></p> <p>12+ years with the Group<br/>17+ years of experience</p> <p>Mohammed Al Rumaih</p> |   <p><b>Chief Executive Officer</b></p> <p>1+ year with the Group<br/>20+ years of experience</p> <p>Raed Al Humaid</p> |   <p><b>Chief Executive Officer</b></p> <p>19+ years with the Group<br/>19+ years of experience</p> <p>Wael Al Hazzani</p> |   <p><b>Chief Executive Officer</b></p> <p>1+ year with the Group<br/>17+ years of experience</p> <p>Mohammed Al Nory</p> |
|---|--|--|---|



# Financial Review / Key Ratios

| SAR million,             | Q3 2022    | Q3 2021    | Y-o-Y Change | Q2 2022    | Q-o-Q Change |
|--------------------------|------------|------------|--------------|------------|--------------|
| Trading revenues         | 146.5      | 162.1      | 9.6% ▼       | 197.6      | 25.8% ▼      |
| Non-trading revenues     | 110.7      | 100.6      | 10.0% ▲      | 100.5      | 10.1% ▲      |
| Operating revenues       | 257.2      | 262.6      | 2.1% ▼       | 298.1      | 13.7% ▼      |
| Opex                     | 165.5      | 132.3      | 25.0% ▲      | 160.6      | 3.1% ▲       |
| EBITDA                   | 106.0      | 145.5      | 27.1% ▼      | 155.3      | 31.7% ▼      |
| <i>EBITDA margin</i>     | <i>41%</i> | <i>55%</i> |              | <i>52%</i> |              |
| Net income after Zakat   | 89.1       | 115.2      | 22.6% ▼      | 137.7      | 35.3% ▼      |
| <i>Net income margin</i> | <i>35%</i> | <i>44%</i> |              | <i>46%</i> |              |
| EPS                      | 0.74       | 0.96       | 22.6% ▼      | 1.15       | 35.3% ▼      |

# P&L Snapshot

| SAR million,                                | Q3 2022      | Q3 2021      | Y-o-Y Change   | Q2 2022      | Q-o-Q Change   |
|---|--------------|--------------|----------------|--------------|----------------|
| Operating revenue                           | 257.2        | 262.6        | 2.1% ▼         | 298.1        | 13.7% ▼        |
| Operating expenses                          | 151.1        | 117.1        | 29.1% ▲        | 142.9        | 5.8% ▲         |
| <b>EBITDA</b>                               | <b>106.0</b> | <b>145.5</b> | <b>27.1% ▼</b> | <b>155.3</b> | <b>31.7% ▼</b> |
| <i>EBITDA margin</i>                        | 41%          | 55%          |                | 52%          |                |
| Depreciation & amortization                 | 14.3         | 15.2         | 6.0% ▼         | 17.7         | 19.2% ▼        |
| <b>EBIT</b>                                 | <b>91.7</b>  | <b>130.3</b> | <b>29.6% ▼</b> | <b>137.6</b> | <b>33.3% ▼</b> |
| <i>EBIT margin</i>                          | 36%          | 50%          |                | 46%          |                |
| <b>Investment income &amp; other income</b> | <b>12.6</b>  | <b>12.5</b>  | <b>1.0% ▲</b>  | <b>17.1</b>  | <b>26.4% ▼</b> |
| Profit / (Loss) from associates             | 0.7          | (0.8)        | 189.5% ▲       | (0.8)        | 187.8% ▲       |
| Zakat                                       | 15.9         | 26.8         | 40.6% ▼        | 16.2         | 1.9% ▼         |
| <b>Net profit after Zakat</b>               | <b>89.1</b>  | <b>115.2</b> | <b>22.6% ▼</b> | <b>137.7</b> | <b>35.3% ▼</b> |
| <i>Net profit margin</i>                    | 35%          | 44%          |                | 46%          |                |
| EPS (SAR)                                   | 0.74         | 0.96         |                | 1.15         |                |



# Summary P&L

| SAR million                                 | FY 2020      | FY 2021      | 9M 2021      | 9M 2022      |
|---|--------------|--------------|--------------|--------------|
| Operating revenue                           | 1,079.6      | 1,166.1      | 908.5        | 849.2        |
| <i>% growth</i>                             | 91%          | 8%           | 30%          | -7%          |
| Operating expenses                          | 488.3        | 497.2        | 361.8        | 420.6        |
| <b>EBITDA</b>                               | <b>591.4</b> | <b>668.9</b> | <b>546.8</b> | <b>428.7</b> |
| <i>EBITDA margin</i>                        | 55%          | 57%          | 60%          | 50%          |
| Depreciation & amortization                 | 48.2         | 57.0         | 43.8         | 44.6         |
| <b>EBIT</b>                                 | <b>543.2</b> | <b>611.8</b> | <b>503.0</b> | <b>384.0</b> |
| <i>EBIT margin</i>                          | 50%          | 52%          | 55%          | 45%          |
| <b>Investment income &amp; other income</b> | <b>43.0</b>  | <b>45.4</b>  | <b>28.8</b>  | <b>38.5</b>  |
| Income/(Loss) from associates               | (2.1)        | (3.3)        | (2.4)        | (1.7)        |
| Zakat                                       | 83.6         | 66.2         | 52.2         | 53.4         |
| <b>Net profit after Zakat</b>               | <b>500.5</b> | <b>587.7</b> | <b>477.2</b> | <b>367.4</b> |
| <i>Net income margin</i>                    | 46%          | 50%          | 53%          | 43%          |
| EPS (SAR)                                   | 4.17         | 4.90         | 3.98         | 3.06         |

# Financial Position Snapshot

| SAR million,            | Q3 2022 | Q2 2022 | Q-o-Q Change | Q3 2021 | Y-o-Y Change |
|-------------------------|---------|---------|--------------|---------|--------------|
| Cash & cash equivalents | 2,099.1 | 158.9   | 1220.7% ▲    | 107.4   | 1854.9% ▲    |
| Investments             | 670.8   | 2,563.7 | 73.8% ▼      | 2,543.0 | 73.6% ▼      |
| Other assets            | 5,279.4 | 4,814.0 | 9.7% ▲       | 823.5   | 541.1% ▲     |
| Total assets            | 8,049.3 | 7,536.7 | 6.8% ▲       | 3,473.9 | 131.7% ▲     |
| Total liabilities       | 4,949.4 | 4,525.9 | 9.4% ▲       | 482.0   | 926.8% ▲     |
| Total equity            | 3,099.9 | 3,010.7 | 3.0% ▲       | 2,991.9 | 3.6% ▲       |

| Key Metrics | Annualized | Annualized | Annualized |
|-------------|------------|------------|------------|
| ROaE        | 12%        | 18%        | 14%        |
| ROaA        | 6%         | 10%        | 12%        |



# IPO Pipeline

| #  | Issuer Name                              | Market             | Size (shares)  | Closing Date | Note                         |
|----|--|--------------------|----------------|--------------|------------------------------|
| 1  | Keir International Company               | Nomu Market        | Direct Listing | -            | It was listed on 17 Jul 2022 |
| 2  | Academy of Learning Company              | Nomu Market        | Direct Listing | -            | It was listed on 18 Jul 2022 |
| 3  | Future Care Trading Co.                  | Nomu Market        | Direct Listing | -            | It was listed on 01 Aug 2022 |
| 4  | Saudi Networkers Services Co.            | Nomu Market        | 1,500,000      | 28 Jul 2022  | It was listed on 17 Aug 2022 |
| 5  | Rawasi Albina Investment Co.             | Nomu Market        | Direct Listing | -            | It was listed on 18 Aug 2022 |
| 6  | International Human Resources Co.        | Nomu Market        | 500,000        | 02 Aug 2022  | It was listed on 22 Aug 2022 |
| 7  | Naba Alsaha Medical Services Co.         | Nomu Market        | 1,400,000      | 14 Aug 2022  | It was listed on 07 Sep 2022 |
| 8  | Al Waha REIT Fund                        | Nomu Market - REIT | 3,227,069      | 13Oct 2022   |                              |
| 9  | Knowledge Tower Trading Co.              | Nomu Market        | 355,000        | 03 Nov 2022  |                              |
| 10 | Sure International Technology Co.        | Nomu Market        | Direct Listing | -            |                              |
| 11 | Abdulaziz & Mansour Ibrahim Albabtin Co. | Nomu Market        | 544,000        | 28 Sep 2022  | It was listed on 18 Oct 2022 |
| 12 | Arabian Plastic Industrial Co.           | Nomu Market        | 1,000,000      | 13 Sep 2022  |                              |
| 13 | Naqi Water Company                       | Main Market        | 6,000,000      | 28 Jul 2022  | It was listed on 15 Aug 2022 |
| 14 | Alamar Foods Co.                         | Main Market        | 10,633,392     | 21 Jul 2022  | It was listed on 09 Aug 2022 |
| 15 | Arabian Drilling Co.                     | Main Market        | 26,700,000     | 19 Oct 2022  |                              |

# Thank you

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