

Saudi Tadawul Group Holding Company

Supplementary Prospectus

This Supplementary Prospectus ("**Supplementary Prospectus**") is a supplement to the Red Herring Prospectus dated 28/03/1443H (corresponding to 03/11/2021G) (the "**Red Herring Prospectus**") issued by Saudi Tadawul Group Holding Company (the "**Company**" or the "**Issuer**") in connection with the offering of thirty-six million (36,000,000) ordinary shares representing 30% of the Company's share capital (the "**Offering**"). This Supplementary Prospectus must be read in conjunction with the Red Herring Prospectus.

Financial Advisors, Bookrunners, Joint Global Coordinators and Underwriters

 SNB Capital

J.P.Morgan

 citi

Lead Manager

 SNB Capital

Important Notice:

This Supplementary Prospectus includes information provided as part of the application for registration and offer of securities in compliance with the Rules on the Offer of Securities and Continuing Obligations of the Capital Market Authority of the Kingdom of Saudi Arabia (the "**CMA**" or the "**Authority**") and the application for listing of securities in compliance with the Listing Rules of the Saudi Exchange. The directors, whose names appear on page (iii) 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 Authority and the Saudi Exchange do not take any responsibility for the contents of this Supplementary Prospectus, do not make any representation 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 prospectus.

This Supplementary Prospectus is dated 04/04/1443H (corresponding to 09/11/2021G).

Advisors

Financial Advisors, Bookrunners, Joint Global Coordinators and Underwriters



SNB Capital Company
King Saud Road, SNB Regional Building
P.O. Box 22216, Riyadh 11495
Kingdom of Saudi Arabia
Tel: +966 (92) 0000232
Fax: +966 (11) 4060052
Website: www.alahlicapital.com
E-Mail: snbc.cm@alahlicapital.com



J.P. Morgan Saudi Arabia Company
Al Faisaliah Center
King Fahd Road
P.O. Box 51907, Riyadh 11553
Kingdom of Saudi Arabia
Tel: +966 11 2993854
Fax: +966 11 2993840
Website: www.jporgansaudiarabia.com
E-Mail: STG_IPO@jpmorgan.com



Citigroup Saudi Arabia
20th Floor, Kingdom Tower
P.O. Box 301700, Riyadh 11372
Kingdom of Saudi Arabia
Tel: +966 11 2246140
Fax: +966 11 2110020
Website:
<https://www.citibank.com/icg/sa/emea/saudi-arabia>
E-Mail: STG.IPO@citi.com

Lead Manager



SNB Capital Company
King Saud Road, SNB Regional Building
P.O. Box 22216, Riyadh 11495
Kingdom of Saudi Arabia
Tel: +966 (92) 0000232
Fax: +966 (11) 4060052
Website: www.alahlicapital.com
E-Mail: snbc.cm@alahlicapital.com

Saudi Legal Advisor to the Company



أبو حيمد وآل الشيخ والحقباني
ABUHIMED ALSHEKH ALHAGBANI

in co-operation with
CLIFFORD CHANCE

Abuhimed Alsheikh Alhagbani Law Firm
Building 15,
The Business Gate
King Khaled International Airport Road
P.O. Box: 90239, Riyadh 11613
Kingdom of Saudi Arabia
Tel: +966 11 481 9780
Fax: +966 1 1 481 9701
Website: www.ashlawksa.com
E-Mail: Info.ASH@ashlawksa.com

Legal Advisor for the Offering outside the Kingdom

C L I F F O R D
C H A N C E

Clifford Chance LLP
Dammam Tower, 1st Floor
DIFC
P.O. Box: 9380 Dubai
UAE
Tel: + 97145032600
Fax: + 97145032800
Website: <https://www.cliffordchance.com>
E-Mail: info.stgipo@cliffordchance.com

Legal Advisor to the Financial Advisors, Bookrunners, Underwriters and Lead Manager

**المستشارون
القانونيون**
عبدالعزیز العجلان وشركاه
بالتعاون مع بيكر آند مكنزي ليميتد

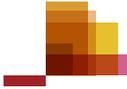
Abdul Aziz AlAjlan & Co., Attorneys and Legal Advisors
Al Olayan Building, 2nd Tower, 3rd Floor
Al Ahsa Street, Malaz
P.O. Box 69103, Riyadh 11547
Kingdom of Saudi Arabia
Tel: +966 11 265 8900
Fax: +966 11 265 8999
Website: <http://www.legal-advisors.com/>
E-Mail: legal.advisors@legal-advisors.com

Legal Advisor to the Financial Advisors, Bookrunners and Underwriters for the Offering outside the Kingdom

**Baker
McKenzie.**

Baker & McKenzie LLP
100 New Bridge Street
London EC4V 6JA
United Kingdom
Tel: +44 20 7919 1000
Fax: +44 20 7919 1999
Website: www.bakermckenzie.com
E-Mail: legaladvisors@bakermckenzie.com

Financial Due Diligence Advisor


pwc

PricewaterhouseCoopers Chartered Accountants
King Fahd Road
P.O. Box 8282, Riyadh 11482
Kingdom of Saudi Arabia
Tel: +966 (11) 211 0400
Fax: +966 (11) 465 1663
Website: www.pwc.com
E-Mail: omar.alsagga@pwc.com

Auditor


KPMG

KPMG Al Fozan & Partners
Certified Public Accountants
KPMG Tower, Head Office
Riyadh Front, Airport Road
P.O. Box 92876, Riyadh, 11663
Kingdom of Saudi Arabia
Tel: + 966 (11) 874 8500
Fax: + 966 (11) 874 8600
Website: www.kpmg.com.sa
E-Mail: marketingsa@kpmg.com

Receiving Agents



Saudi National Bank (SNB)

King Fahd Road, Al Aqiq District, King Abdullah Financial District
P.O. Box 3208, Unit 778
Riyadh 13519-6676
Kingdom of Saudi Arabia
Tel: +966 92000 1000
Fax: +966 11 4060052
Website: www.alahli.com
E-Mail: contactus@alahli.com



Al Rajhi Bank

King Fahd Road, AlMurooj District, Al Rajhi Bank Tower
Riyadh 11411
Kingdom of Saudi Arabia
Tel: +966 (11) 828 2515
Fax: +966 (11) 279 8190
Website: www.alrajhibank.com.sa
E-Mail: contactcenter1@alrajhibank.com.sa



Arab National Bank

King Faisal Road
P.O. Box 9802, Riyadh 11423
Kingdom of Saudi Arabia
Tel: +966 11 4029000
Fax: +966 11 4047535
Website: www.anb.com.sa
E-Mail: info@anb.com.sa



Alinma Bank

King Fahd Road, Al Anoud Tower
P.O. Box 66674
Riyadh 11586
Kingdom of Saudi Arabia
Tel: +966 (11) 218 5555
Fax: +966 (11) 218 5000
Website: www.alinma.com
E-Mail: info@alinma.com



Riyad Bank

Eastern Ring Road
P.O. Box 22622
Riyadh 11614
Kingdom of Saudi Arabia
Tel: +966 (11) 412 3030
Fax: +966 (11) 403 0016
Website: www.riyadbank.com
E-Mail: customercare@riyadbank.com

1- The Company

Saudi Tadawul Group Holding Company (the “**Company**” or the “**Issuer**”) is a Saudi closed joint stock company registered under Commercial Registration No. 1010241733 dated 02/12/1428H (corresponding to 11 December 2007G). The Company was established by Royal Decree No. M/15 dated 01/03/1428H (corresponding to 20 March 2007G), and its Head Office is at 6897 Tawuniya Towers, King Fahd Road, Olaya District, Riyadh 12211 P.O. Box 60612, Kingdom of Saudi Arabia.

The Company was established as a Saudi closed joint stock company with a share capital of one billion two hundred million Saudi Riyals (SAR 1,200,000,000) divided into one hundred twenty million (120,000,000) Shares, all of equal value, with a nominal value of ten Saudi Riyals (SAR 10) per Share. All Shares are cash Shares fully subscribed by the Public Investment Fund.

2- Directors' Declarations

The Directors whose names appear on page (iii) of the Red Herring Prospectus hereby acknowledge and confirm the following:

- there have been no significant changes in material matters nor additional significant matters have arisen other than what has been disclosed in this Supplementary Prospectus; and
- this Supplementary Prospectus was submitted to the CMA and issued on 04/04/1443H (corresponding to 09/11/2021G), and it supplements the Red Herring Prospectus issued by the Company dated 28/03/1443H (corresponding to 03/11/2021G) and published on the CMA's website on 02/04/1443H (corresponding to 07/11/2021G).

3- Notices

- The Company, the Selling Shareholder and the Financial Advisors draw the attention of the recipients of this Supplementary Prospectus to the importance of considering and abiding by all of the terms and restrictions relating to the Offering set forth in the Red Herring Prospectus.
- This Supplementary Prospectus should be read in conjunction with the Red Herring Prospectus and prior to making an investment decision, each recipient of this Supplementary Prospectus is responsible for obtaining independent professional advice (in the case of investors in the Kingdom, from a CMA licensed financial advisor) in relation to the Offering. Each recipient of this Supplementary Prospectus must rely on its own examination of the Company and the appropriateness of both the investment opportunity and the information herein with regard to the recipient's individual objectives, financial situation and needs, including the merits and risks involved in investing in the Offers Shares.
- This Supplementary Prospectus may not be distributed, and the Offer Shares may not be sold, to any person other than the Participating Parties and/or the Individual Subscribers described in the Red Herring Prospectus.
- Defined terms used in the Supplementary Prospectus shall have the same meaning ascribed to them in the Red Herring Prospectus. Such terms are defined in Section (1) (“**Definitions and Abbreviations**”) of the Red Herring Prospectus.

4- Reason for the Issuance of this Supplementary Prospectus

In accordance with Article 31 of the OSCOs, an issuer must submit a supplementary prospectus to the CMA if at any time after the prospectus has been published, and prior to the completion of the Offering, an issuer becomes aware that:

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

In consultation with the Financial Advisors, the Company has decided to increase the maximum number of Offer Shares that can be allocated to the Individual Subscribers from three million, six hundred thousand (3,600,000) shares (representing 10% of the total number of Offer Shares) to ten million eight hundred thousand (10,800,000) shares (representing 30% of the total number of Offers Shares).

Based on this change, the Company has made certain amendments to the Red Herring Prospectus which are illustrated in section (5) ("**Amendments to Certain Information in the Red Herring Prospectus**") of this Supplementary Prospectus.

5- Amendments to Certain Information in the Red Herring Prospectus

A. Certain paragraphs in the cover page of the Red Herring Prospectus have been amended to become as follows (after amendment):

- **Tranche (A): Participating Parties:** This tranche comprises a number of institutions and companies, including investment funds, qualified foreign investors ("**QFI**"), and GCC investors with legal personality (collectively referred to as the "**Participating Parties**") who entitled to participate in in the book building process as specified under the Instructions for Book Building Process and Allocation Method in Initial Public Offerings (IPOs) (the "**Book Building Instructions**") issued by the Capital Market Authority ("**CMA**"). Please refer to Section 1 ("**Definitions and Abbreviations**") for more information. Participating Parties will initially be allocated thirty-six million (36,000,000) ordinary shares, representing 100% of the Offer Shares and the final allocation will be made after the end of the subscription period for Individual Subscribers (as defined in Tranche (B) below). In the event that Individual Subscribers subscribe for the Offer Shares allocated thereto, the Financial Advisors shall have the right to reduce the number of Offer Shares allocated to Participating Parties to twenty-five million two hundred thousand (25,200,000) Shares, representing seventy percent (70%) of the Offer Shares. The Financial Advisors in coordination with the Company (each as defined in Section 1 ("**Definitions and Abbreviations**")), shall determine the number and percentage of Offer Shares to be allocated to Participating Parties, using the discretionary allocation mechanism. It is possible that certain Participating Parties will not be allocated any shares as deemed appropriate by the Company and the Financial Advisors.

- **Tranche (B): Individual Subscribers:** This tranche comprises Saudi natural persons including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi individual, who is entitled to subscribe to the Offer Shares for her own benefit or in the names of her minor children, on the condition that she proves that she is a divorcee or widow and the mother of her minor children, any non-Saudi natural person who is resident in the Kingdom or GCC nationals, in each case, who have a bank account, and is entitled to open an investment account, with one of the Receiving Agents (collectively referred to as the **"Individual Subscribers,"** and each an **"Individual Subscriber"** and together with the Participating Parties as the **"Subscribers"**). A subscription for Shares made by a person in the name of his divorcee shall be deemed invalid and if a transaction of this nature is proved to have occurred, the law shall be enforced against the applicant. If a duplicate subscription is made, the second subscription will be considered void and only the first subscription will be accepted. A maximum of ten million eight hundred thousand (10,800,000) Offer Shares representing thirty percent (30%) of the Offer Shares shall be allocated to Individual Subscribers. If Individual Subscribers do not subscribe for all the Shares allocated thereto, the Financial Advisors may reduce the number of Shares allocated to them in proportion to the number of Shares to which they subscribed.
- Each Individual Subscriber must apply for a minimum of ten (10) Offer Shares. The minimum number of Offer Shares that can be allocated is ten (10) shares, while the maximum number is two hundred fifty thousand (250,000) shares. The balance of the Offer Shares, if any, will be allocated pro rata based on the number of Offer Shares requested by each Individual Subscriber and the total number of the Offer Shares. In the event that the number of Subscribers exceeds one million eighty thousand (1,080,000) Subscribers, the Company will not guarantee the minimum allocation of ten (10) Offer Shares per Subscriber. In this case, the allocation will be determined at the discretion of the Company and the Financial Advisors. Excess subscription monies, if any, will be refunded to the Individual Subscribers without any charge or commission being withheld by the Receiving Agents. An announcement of the final allotment will be made on Monday 02/05/1443H (corresponding to 06/12/2101G) and refund of subscription monies, if any, will be made no later than 04/05/1443H (corresponding to 08/12/2021G) (refer to Sub-section (**"Allocation of Shares and Refund of Excess Subscription Monies"**) in Section 17 (**"Share Information and Subscription Terms and Conditions"**) of this Prospectus).

- B. Certain provisions in the Offering Summary Section of the Red Herring Prospectus have been amended to become as follows (after amendment):

Total Number of Offer Shares for each Type of Targeted Investor	
Number of Offer Shares for Participating Parties	Thirty-six million (36,000,000) shares representing 100% of the total number of Offer Shares. If there is sufficient demand by Individual Subscribers, and the Participating Parties subscribe to all the Offer Shares allocated to them, the Financial Advisors, in coordination with the Company, shall have the right to reduce the Offer Shares allocated to the Participating Parties to twenty-five million two hundred thousand (25,200,000) Offer Shares, representing 70% of the total number of Offer Shares.
Number of Offer Shares for Individual Subscribers	A maximum of ten million eight hundred thousand (10,800,000) shares, representing 30% of the total number of Offer Shares.
Method of Allocation and Refund of Excess Subscription Amount for each Targeted Investor Category	
Allocation of Offer Shares to Participating Parties	The initial allocation of the Offer Shares will be made as the Financial Advisors deem appropriate in coordination with the Company, using the discretionary share allocation mechanism. It is possible that certain Participating Parties will not be allocated any shares as deemed appropriate by the Company and the Financial Advisors. The number of Offer Shares to be initially allocated to the Participating Parties will be thirty-six million (36,000,000) shares, representing one hundred percent (100%) of the total number of Offer Shares, with the final allocation made after the end of the Individual Subscribers' subscription. In the event that Individual Subscribers subscribe for the Offer Shares allocated thereto, the Financial Advisors shall have the right to reduce the number of Offer Shares allocated to Participating Parties to twenty-five million two hundred thousand (25,200,000) shares, representing seventy percent (70%) of the total Offer Shares after the completion of the Individual Subscribers subscription process.
Allocation of Offer Shares to Individual Subscribers	Allocation of the Offer Shares to Individual Subscribers is expected to be completed no later than Monday 02/05/1443H (corresponding to 06/12/2021G). The minimum number of Offer Shares that can be subscribed for is ten (10) shares, while the maximum number is two hundred fifty thousand (250,000) shares. The remaining Offer Shares, if any, will be allocated pro rata based on the number of Offer Shares requested by each Individual Subscriber and the total number of the Offer Shares. In the event that the number of Individual Subscribers exceeds one million eighty thousand (1,080,000), the Company will not guarantee the minimum allocation of ten (10) Offer Shares per Individual Subscriber. In such case, the allocation of Offer Shares to Individual Subscribers will be determined at the discretion of the Company and Financial Advisors.

C. Certain paragraphs in Section (17) ("**Share Information and Subscription Terms and Conditions**") of the Red Herring Prospectus have been amended to become as follows (after amendment):

- The second and third paragraphs of Section (17-1) ("**Subscription for Offer Shares**"):

Tranche (A): Participating Parties: This tranche comprises a number of institutions and companies, including investment funds, QFIs, and GCC investors with legal personality. Participating Parties will initially be allocated thirty-six million (36,000,000) ordinary shares, representing 100% of the Offer Shares and the final allocation will be made after the end of the subscription period for Individual Subscribers. In the event that there is sufficient demand from Individual Subscribers, the Financial Advisors, in coordination with the Company, shall have the right to reduce the number of Offer Shares allocated to Participating Parties to twenty-five million two hundred thousand (25,200,000) Shares, representing seventy percent (70%) of the Offer Shares.

Tranche (B): Individual Subscribers: This tranche comprises Saudi natural persons including any Saudi female divorcee or widow with minor children from a marriage to a non-Saudi individual, who is entitled to subscribe to the Offer Shares for her own benefit or in the names of her minor children, on the condition that she proves that she is a divorcee or widow and the mother of her minor children, any non-Saudi natural person who is resident in the Kingdom or GCC nationals, in each case, who have a bank account, and is entitled to open an investment account, with one of the Receiving Agents. A subscription for Shares made by a person in the name of his divorcee shall be deemed invalid and if a transaction of this nature is proved to have occurred, the law shall be enforced against the applicant. A maximum of ten million eight hundred thousand (10,800,000) Offer Shares representing thirty percent (30%) of the Offer Shares shall be allocated to Individual Subscribers. If Individual Subscribers do not subscribe for all the Shares allocated thereto, the Financial Advisors may reduce the number of Shares allocated to them in proportion to the number of Shares to which they subscribed.

- Section (17-6) ("**Allocation of Offer Shares to Participating Parties**"):

The initial allocation of the Offer Shares will be made as the Financial Advisors deem appropriate, in coordination with the Company, using the discretionary share allocation mechanism. It is possible that certain Participating Parties will not be allocated any shares, as deemed appropriate by the Company and the Financial Advisors. The final allocation of the Offer Shares to Participating Parties shall, upon the completion of the allocation of the Offer Shares to Individual Subscribers, be determined by the Financial Advisors, in coordination with the Company. The Offer Shares initially allocated to Participating Parties shall not be less than thirty-six million (36,000,000) Shares, representing 100% of the Offer Shares. If there is sufficient demand by Individual Subscribers, the Financial Advisors shall have the right to reduce the Offer Shares allocated to the Participating Parties to twenty-five million two hundred thousand (25,200,000) Offer Shares, representing 70% of the total number of the Offer Shares after the completion of the subscription process for Individual Subscriber.

- The first paragraph of section (17-7) ("**Allocation of Offer Shares to Individual Subscribers**"):

The minimum number of shares to be allocated to each Individual Subscriber shall be ten (10) ordinary shares and the remaining Offer Shares, if any, will be allocated to Individual Subscribers on a pro-rata basis based on the ratio of the number of shares requested by each Individual Subscriber to the total number of shares applied for. The Financial Advisors may increase the number of shares allocated to Individual Subscribers to 30% of the total Offer Shares and to decrease the number of shares allocated to Participating Parties to 70% of the Offer Shares. In the event that the number of Individual Subscribers exceeds one million eighty thousand (1,080,000) Subscribers, the Company will not guarantee the minimum allocation of ten (10) shares per Individual Subscriber. In this case, the allocation will be determined at the discretion of the Company and the Financial Advisors.



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