

مجموعة تداول السعودية
Saudi Tadawul Group

Q3 2023 Financial Results

23 October 2023

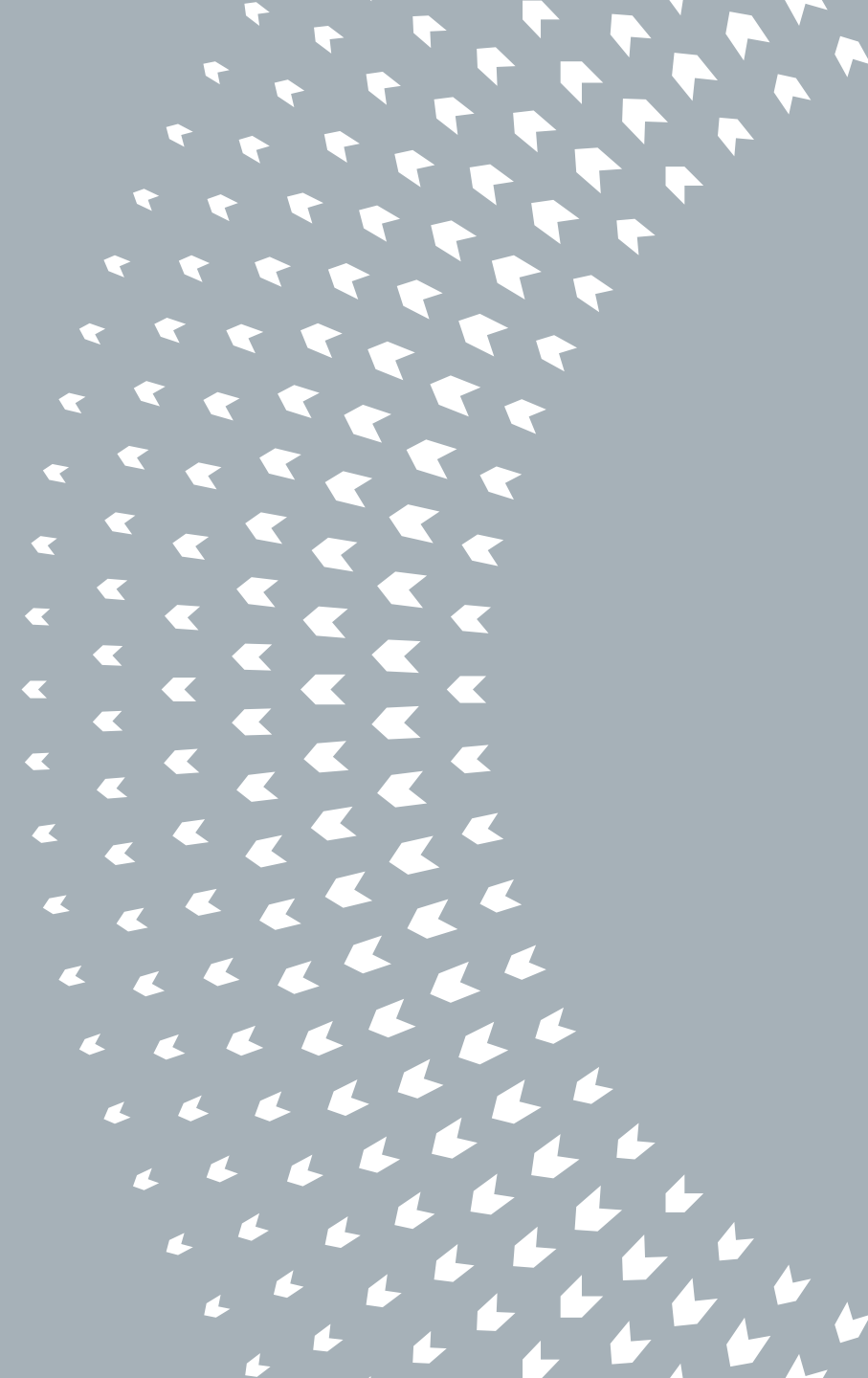


Speakers





Key Performance Review




Key Market Highlights

(As of 30 September 2023)

Market Capitalization

Main Market & Nomu - Parallel Market

11,457.8 (SAR Billion) \$3,055.4 (USD Billion) 5.4% Y-o-Y 


Listed Securities

(Including REITs)

230 (Main Market) **67** (Nomu Market)

Total Value Traded

Main Market & Nomu - Parallel Market


980.6 (SAR Billion) \$261.5 (USD Billion) 30.6% Y-o-Y 

Listed Bond & Sukuk

67 (Government) **4** (Corporates)

Average Daily Traded Value "ADTV"

Main Market & Nomu - Parallel Market

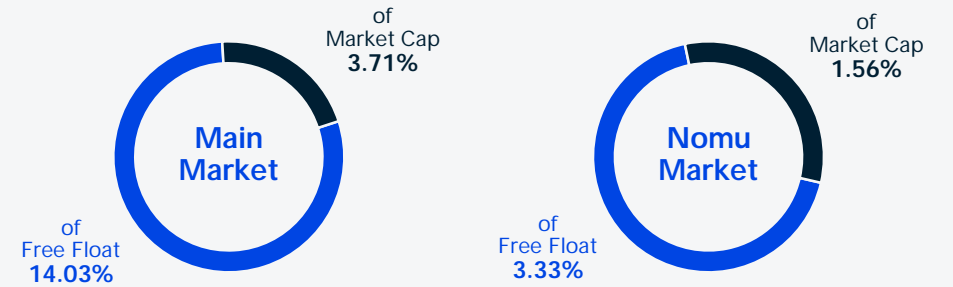
5.4 (SAR Billion) \$1.4 (USD Billion) 30.2% Y-o-Y 

Listed Funds

2 (CEFs) **8** (ETFs)

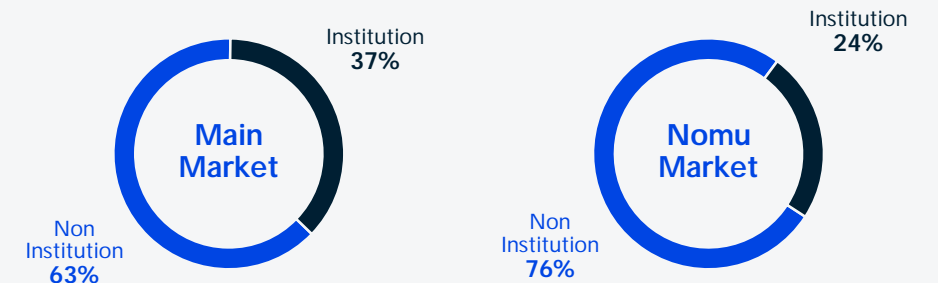
Foreign Ownership

Main Market & Nomu - Parallel Market



Trading Value by Type

Main Market & Nomu - Parallel Market

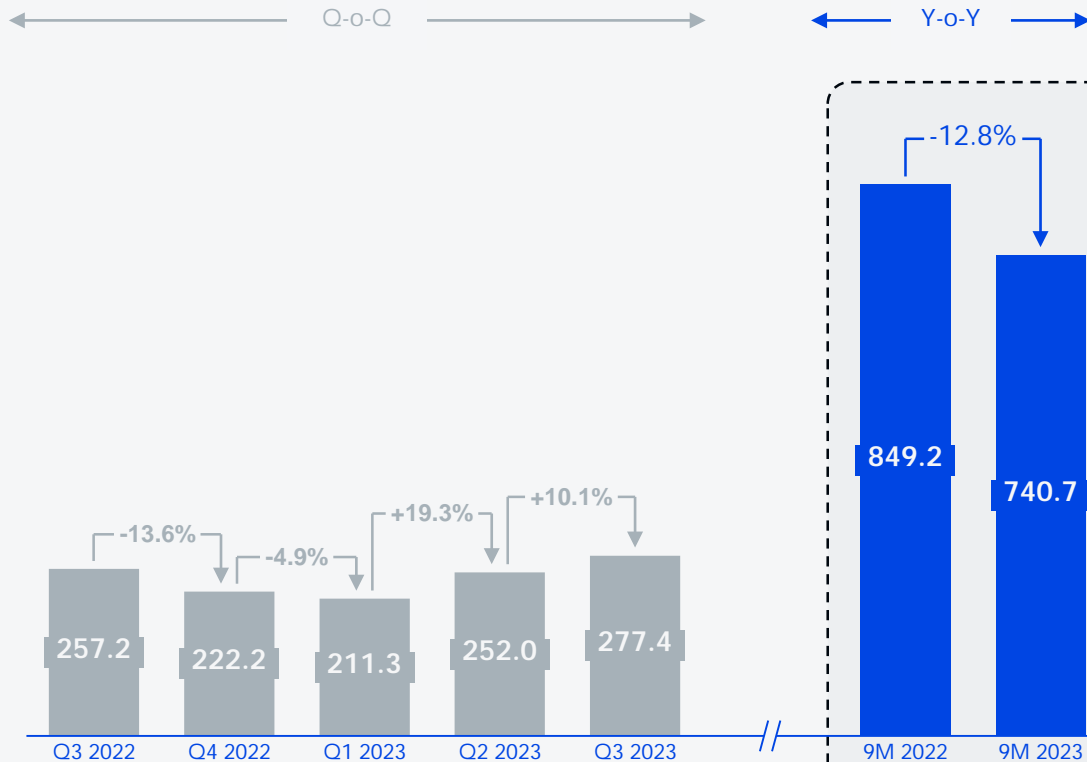


Key Financial Performance Indicators

(As of 30 September 2023)

Operating Revenues Evolution

(SAR Million)



Operating Revenues

740.7 (SAR Million)

197.5\$ (USD Million) 12.8% Y-o-Y



Net Income After Zakat*

298.3 (SAR Million)

79.5\$ (USD Million) 18.8% Y-o-Y



Investment Income

143.8 (SAR Million)

38.4\$ (USD Million) 283.0% Y-o-Y



EBITDA

265.5 (SAR Million)

70.8\$ (USD Million) 38.1% Y-o-Y



Free Cash Flow

258.9 (SAR Million)

69.0\$ (USD Million) 27.0% Y-o-Y



Earnings Per Share**

2.49 (SAR)

0.66\$ (USD) 18.8% Y-o-Y

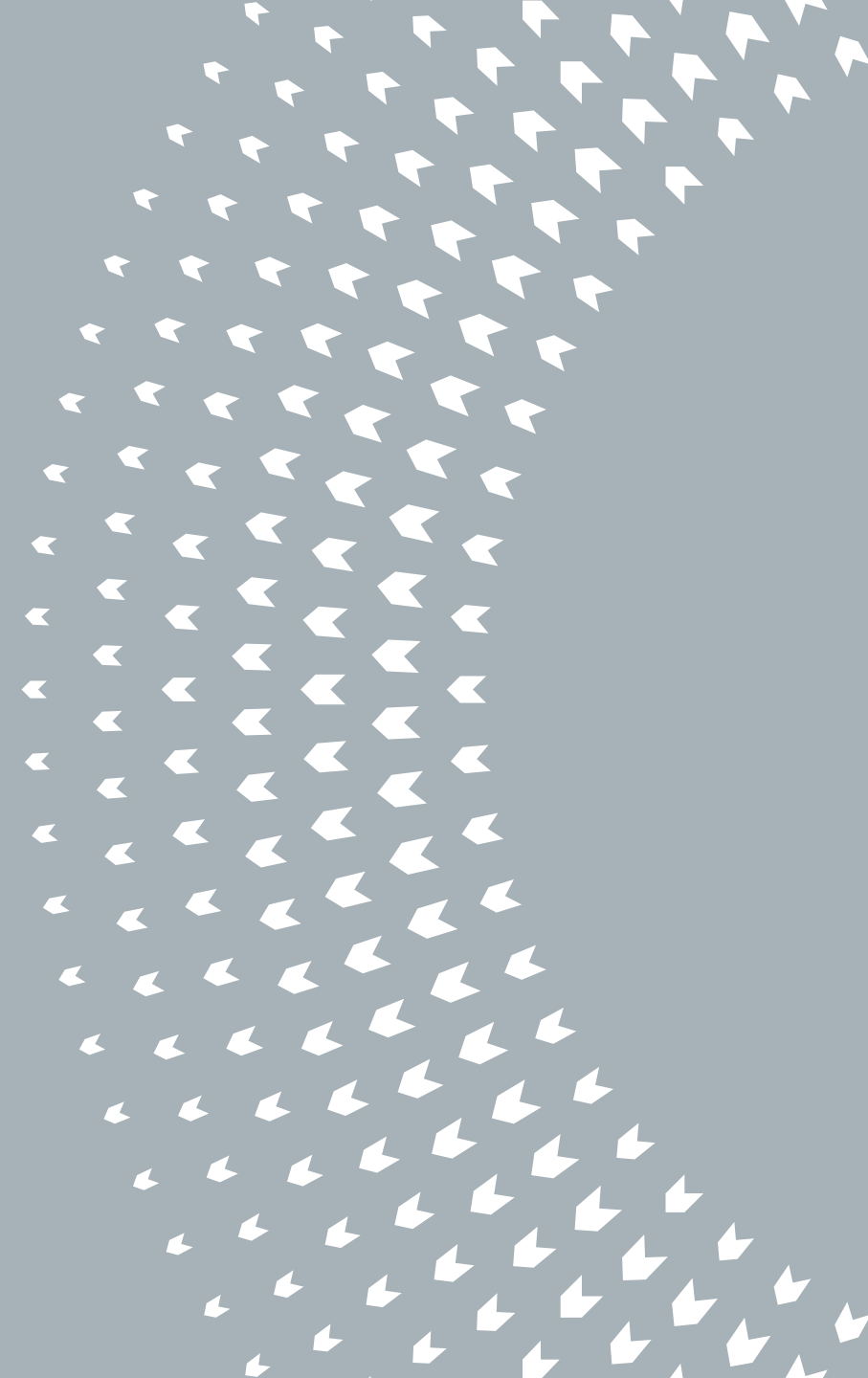


* Net Income after Zakat - Attributable to equity holders of the parent.

** Earnings per Share: Net income attributable to equity holders of the parent / Number of Shares



Business Performance Review



Saudi Exchange

Key Highlights

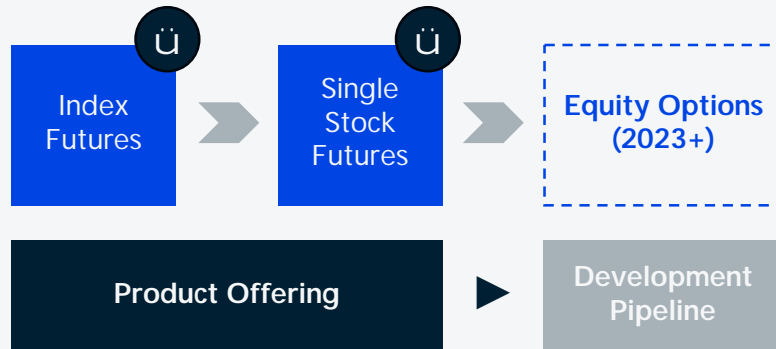
Total of Listed Securities

278 (Equities) **19** (REITs) **2** (CEFs) **8** (ETFs)

Capital Raised⁽¹⁾ (Main Market & Nomu - Parallel Market)

9,092.69 (SAR Million) **\$2,424.72** (USD Million)

Derivatives Products



(1) Capital raised through IPOs

EDAA

Key Highlights



Securities Transfers

153,823

New Account Openings

162,199

Pledges

1,615

New Issuances

61

Corporate Actions

62

Assets Under Custody

12+
(SAR Trillion)

Muqassa

Key Highlights



Derivatives Clearing Members⁽¹⁾

10

Value of Cleared Products

994.13
(SAR Thousand)

Cash Market Clearing Members⁽¹⁾

38

Collaterals Under Management⁽²⁾

38+
(SAR Billion)

MT30 Index Futures contracts cleared

228

REPO Clearing members⁽³⁾

6

(1) Includes General Clearing Members (GCM), Direct Clearing Members (DCM) and Non-Clearing Members (NCM).

(2) Considering collaterals relating to the derivatives market only.

(3) GCM's only service

Key Updates on Saudi Capital Market



Memorandum of Understanding signed with Shanghai Stock Exchange



Memorandum of Understanding signed with The Central Securities Depository of Türkiye



The first Market Makers were introduced for Equities and Derivatives



Saudi Exchange Launches Tadawul Size Indices and IPO Index



Tadawul Large Cap Index

Large companies based on market capitalization, represents **70%** of the free float market cap



Tadawul IPO Index

Tracks companies listed on the Saudi Exchange on **the last five years**



Tadawul Small Cap Index

small companies based on market capitalization, representing the remaining **10%** of the free float market cap



Tadawul Medium Cap Index

Medium sized companies based on market capitalization, represents **20%** of the free float market cap

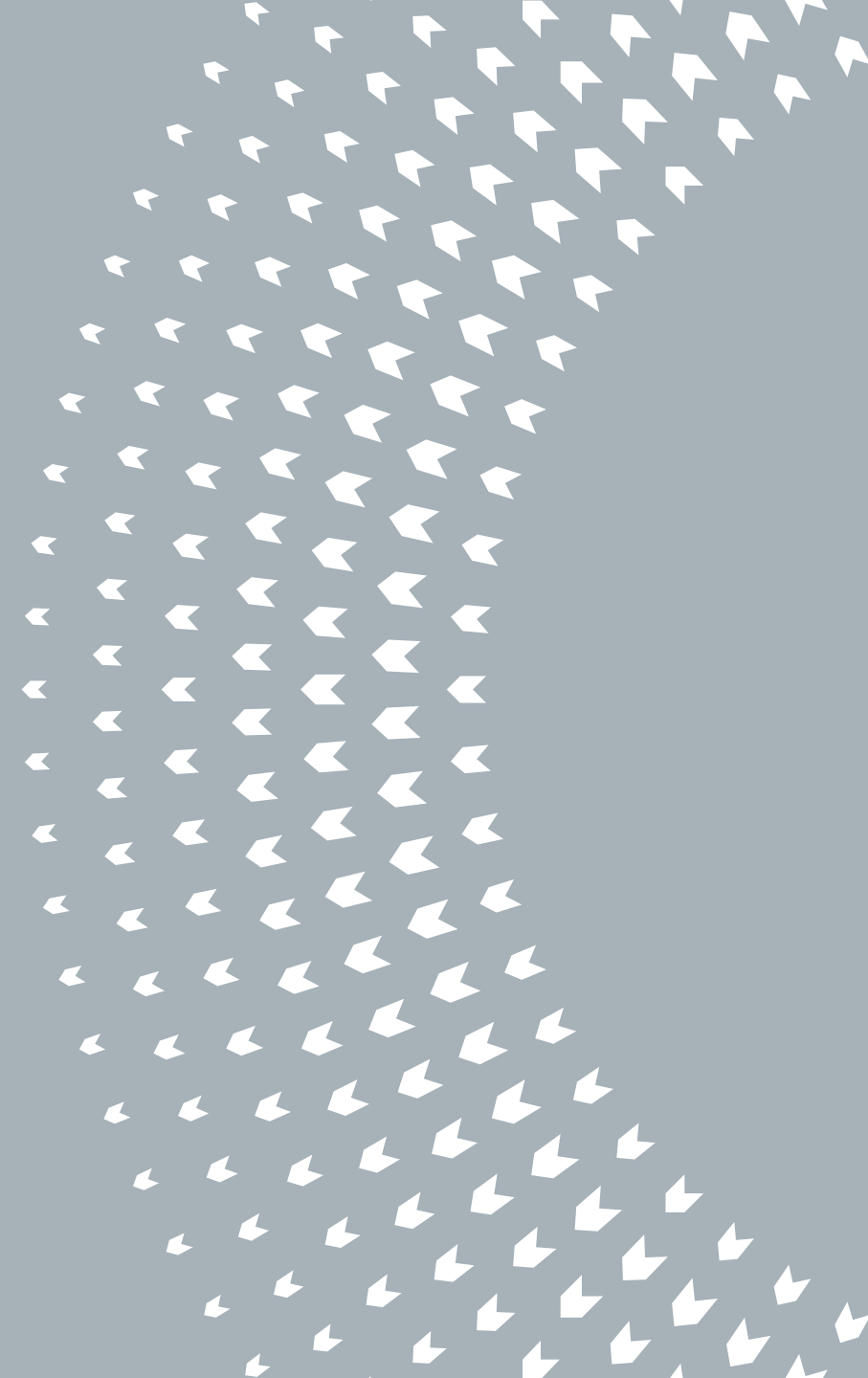


Muqassa increases accepted composition limit and Non-Cash Collateral eligibility

The recent enhancement allows members to benefit from the increase of the composition limit accepted as non-cash collateral up to 20% and assets with maturity dates up to 10 years, as part of promoting the development of the debt market



Financial Performance Review

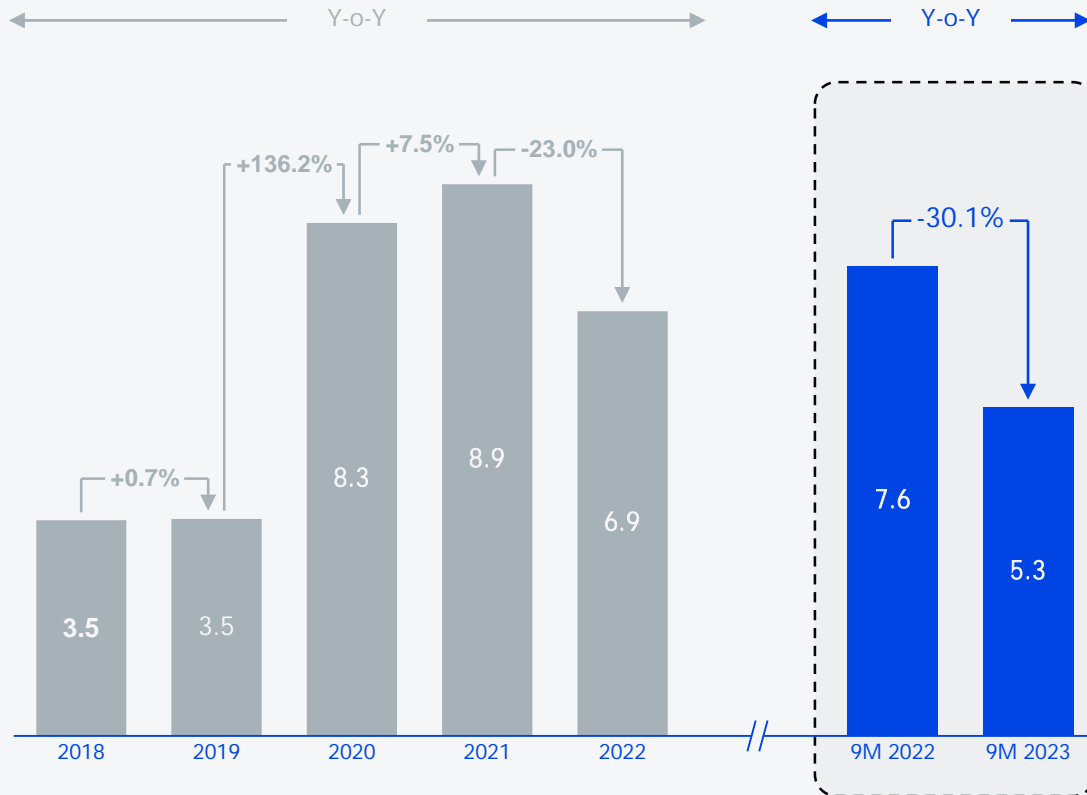


Average Daily Trading Value "ADTV"

(Main Market - SAR Billion)

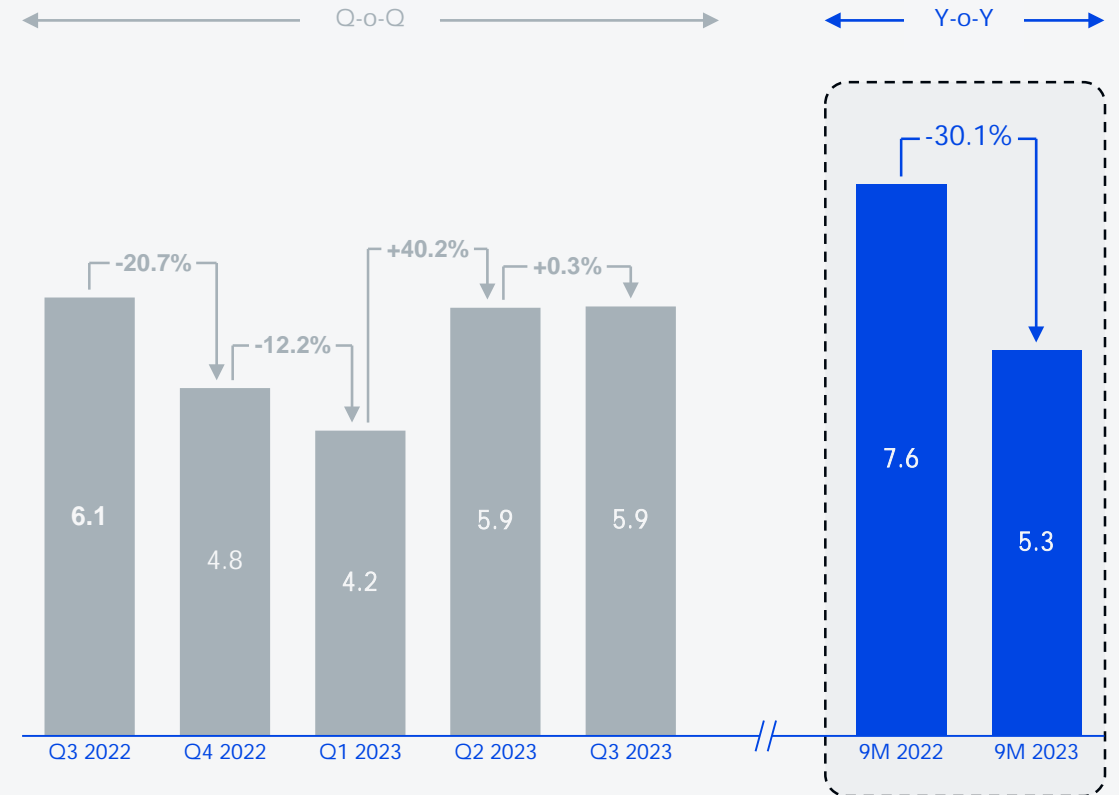
ADTV Yearly Evolution

(Main Market - SAR Billion)



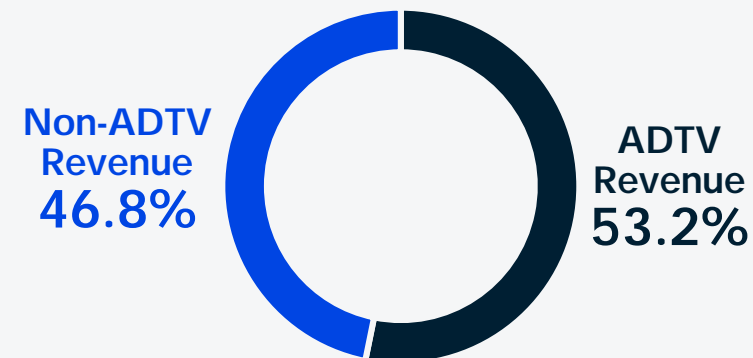
ADTV Quarterly Evolution

(Main Market - SAR Billion)



View on Operating Revenue

	9M 2023	Y/Y	9M 2022
(SAR million)			
Operating Revenue	740.7	-12.8%	849.2
Trading services	178.1	-29.9%	254.1
Data & technology services	126.5	69.9%	74.5
Post trade services	365.9	-17.6%	444.1
Listing	66.2	-8.6%	72.4
Other (Includes derivatives and membership fees)	4.0	-5.9%	4.2

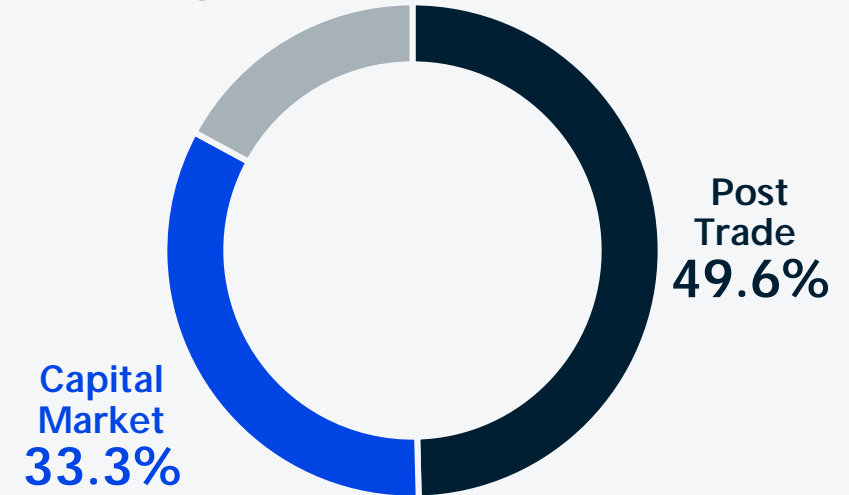


	9M 2023	Y/Y	9M 2022
(SAR million)			
Operating Revenue	740.7	-12.8%	849.2
ADTV Revenue	393.8	-27.3%	541.6
Non-ADTV Revenue	346.8	12.8%	307.6

View on Segmental Information

(SAR million)	9m 23	Y/Y	9m 22
Segmental Revenue	740.7	-12.8%	849.2
Capital Markets	246.5	-25.0%	328.6
Data & technology services	126.5	69.9%	74.5
Post trade services	367.6	-17.6%	446.2

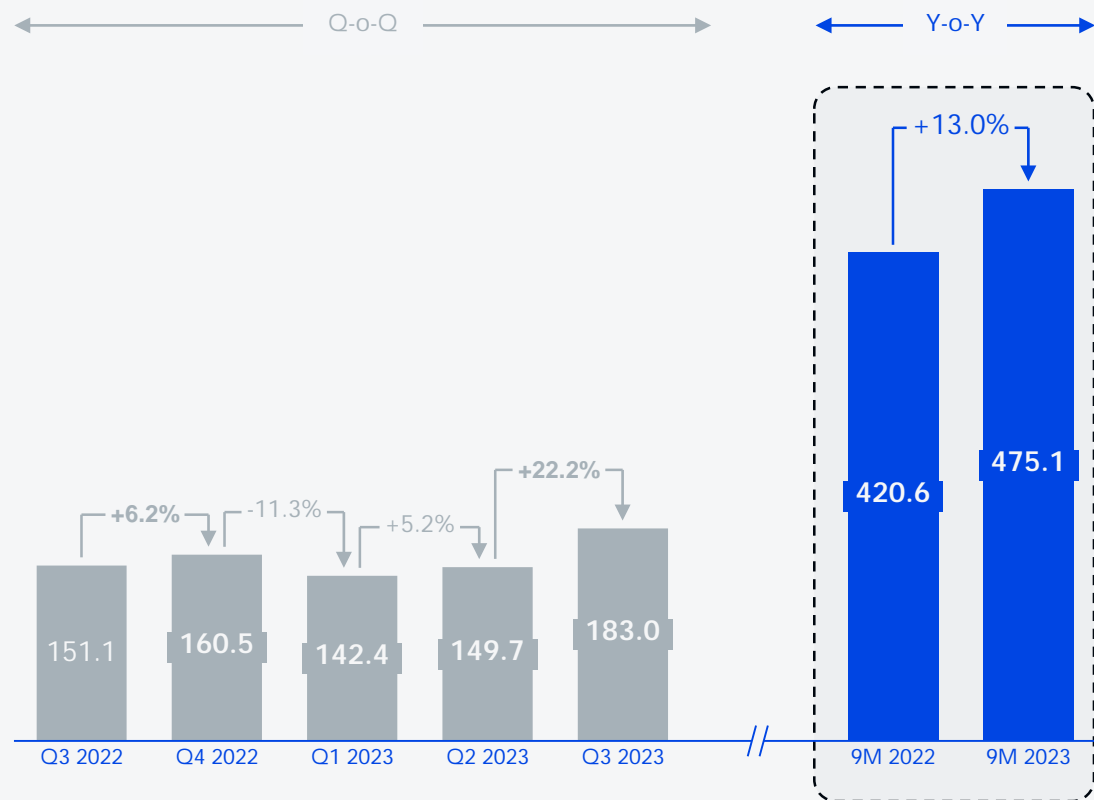
Data & Technology Services
17.1%



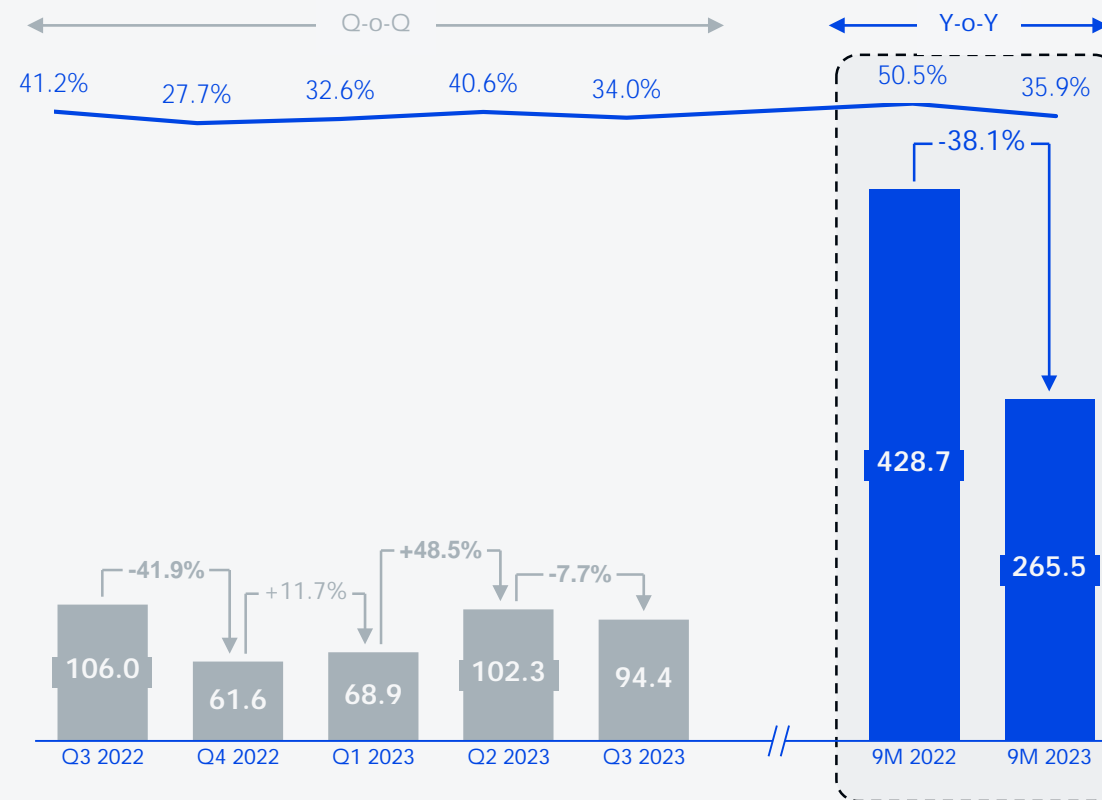
- Capital Markets revenue decreased 25.0% YoY owing to lower trading revenue driven by the decrease in trading values which contracted by 30.1%.
- Data & Technology revenue increased 69.9% YoY driven by the increase in market information services and Wamid's co-location services as well as the revenue contribution of DFN company, which was consolidated effective from May 7th.
- Post-Trade revenue decreased 17.6% YoY mainly driven by the decrease in trading values which contracted by 30.1%.

EBITDA decreased 38.1% YoY reaching SAR 265.5 million in the 9 months of 2023 compared to SAR 428.7 million in the same period of 2022, due to the decrease in the Group's operating revenue against growth in the Group's operating expenditures.

Operating Expenditures excl. D&A
(SAR Million)

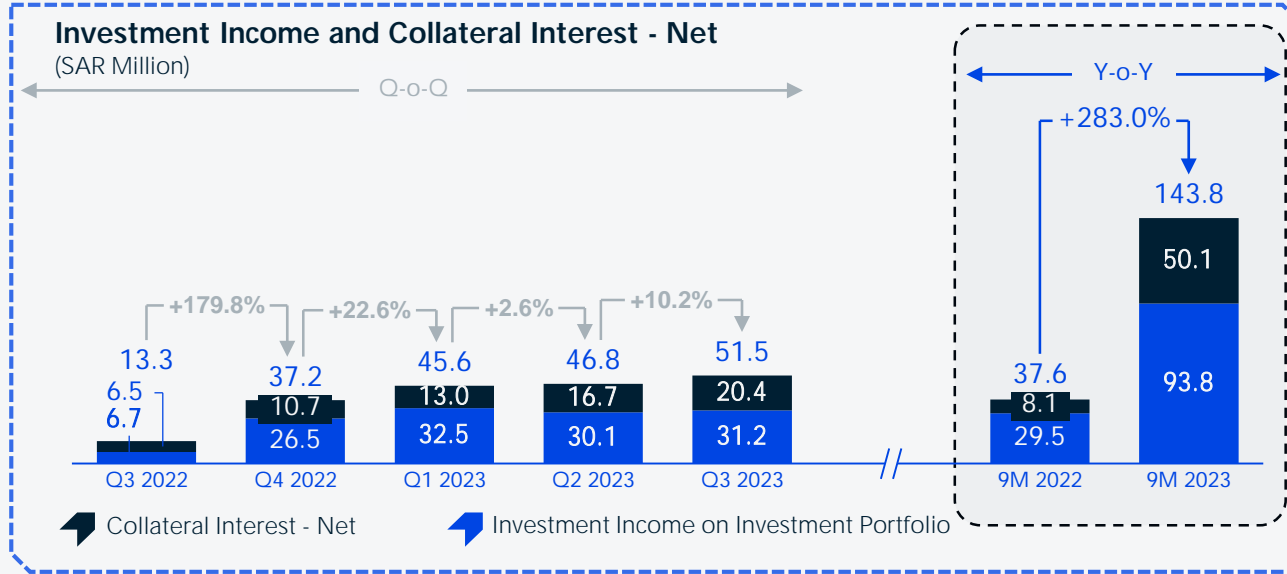


EBITDA & EBITDA Margin
(SAR Million)





283% increase in investment income YoY is attributed to the higher interest rates market levels and collateral margins funds invested at SAMA, the Saudi central bank.



Collateral Interest - Net

50.1
(SAR Million) \$13.4 (USD Million) 519.1% Y-o-Y ▲

Investment Income on Investment Portfolio

93.8
(SAR Million) \$25.0 (USD Million) 218.2% Y-o-Y ▲

Investment Portfolio Size

Money Market Funds

265.9
(SAR Million) \$70.9 (USD Million) 56.1% Y-o-Y ▼

Fixed Income

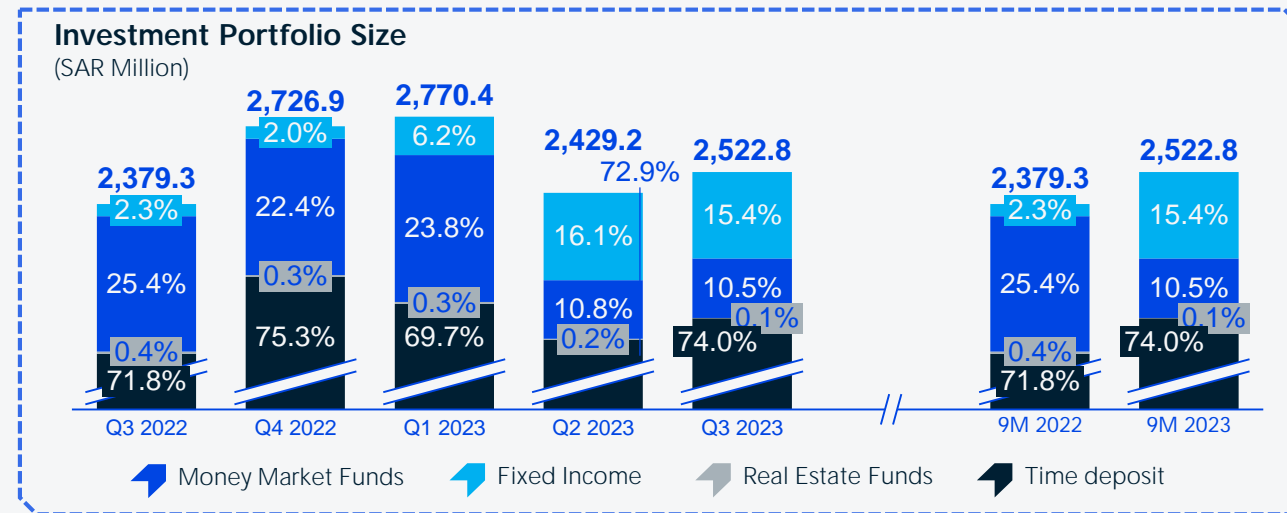
388.0
(SAR Million) \$103.5 (USD Million) 598.4% Y-o-Y ▲

Real Estate Funds

2.0
(SAR Million) \$0.5 (USD Million) 80.3% Y-o-Y ▼

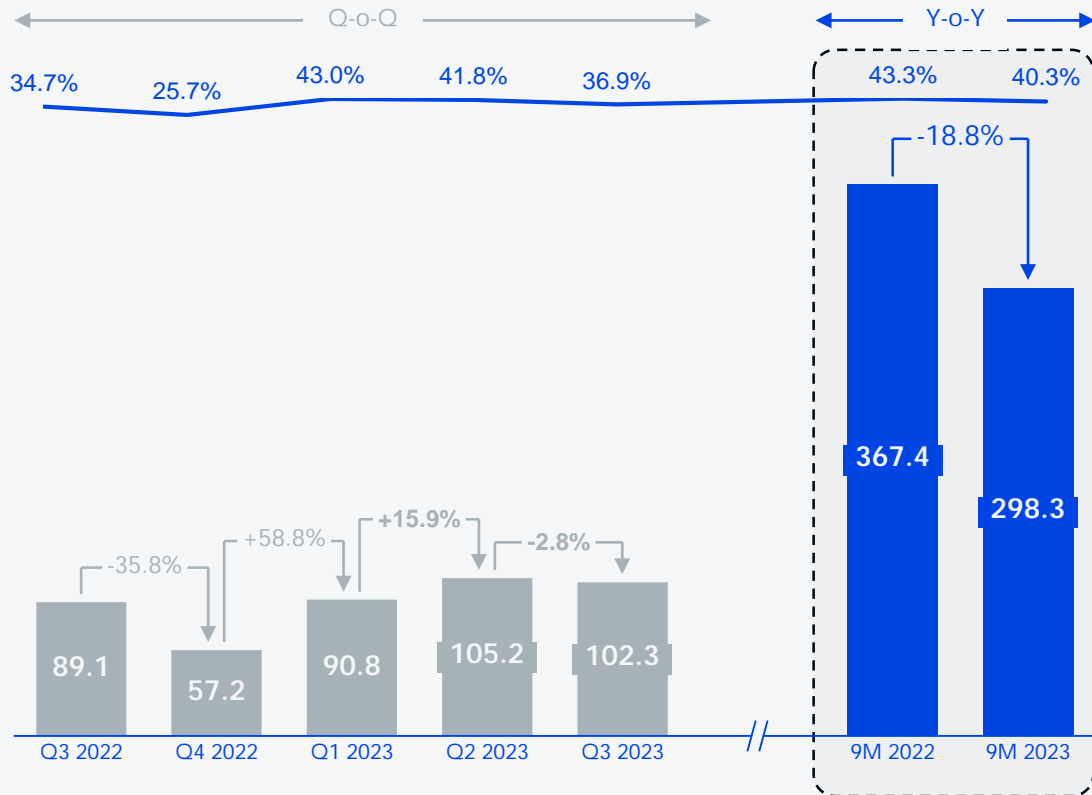
Time deposit

1,867.0
(SAR Million) \$497.9 (USD Million) 9.3% Y-o-Y ▲

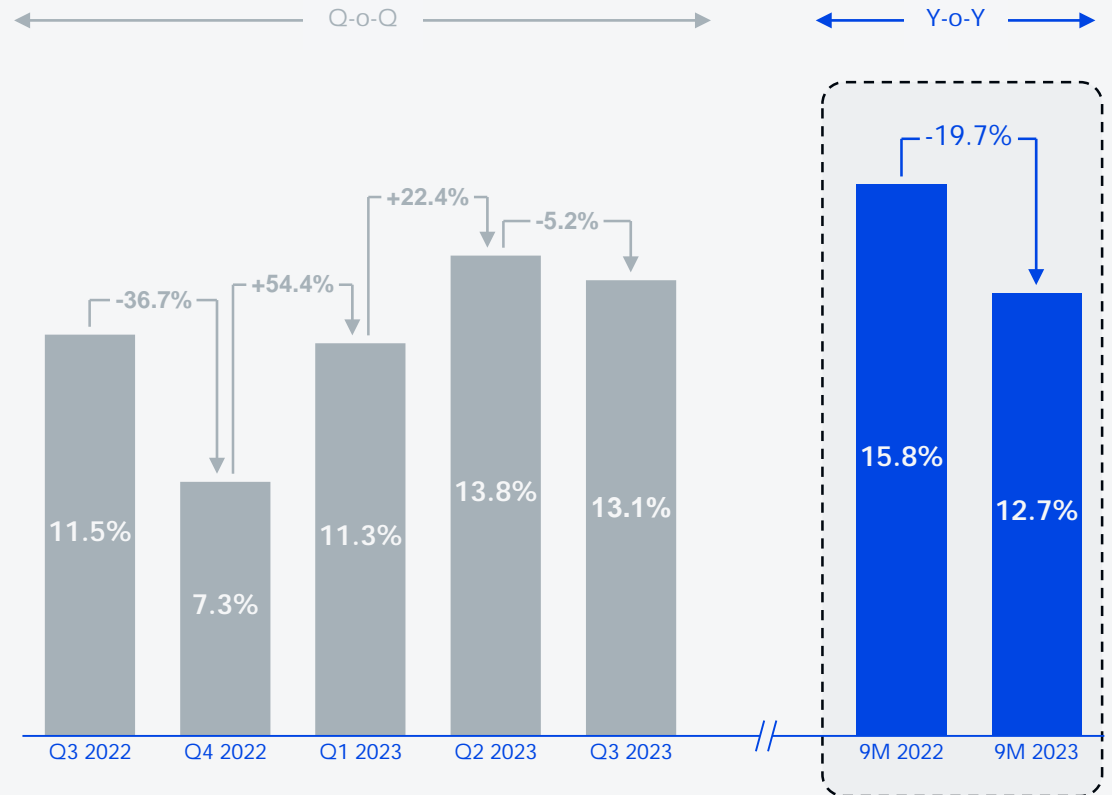


Net Income After Zakat at SAR 298.3m with margin of 40% in the 9 months of 2023 and SAR 367.4m with margin of 43% in the same period of 2022

Net Profit After Zakat & Margin*
(SAR Million)



Return on Average Equity*
(Annualized)



* Attributable to equity holders of the parent.

Net Profit After Zakat Movement

9M 2023 Vs 9M 2022

(SAR Million)



Strong Cash Flow Conversion of 98%

Free Cash Flow Waterfall – 9M 2023 (SAR Million)



Capital Expenditure

54.6 (SAR Million) \$14.5 (USD Million) 23.3% Y-o-Y

Change in Net Working Capital

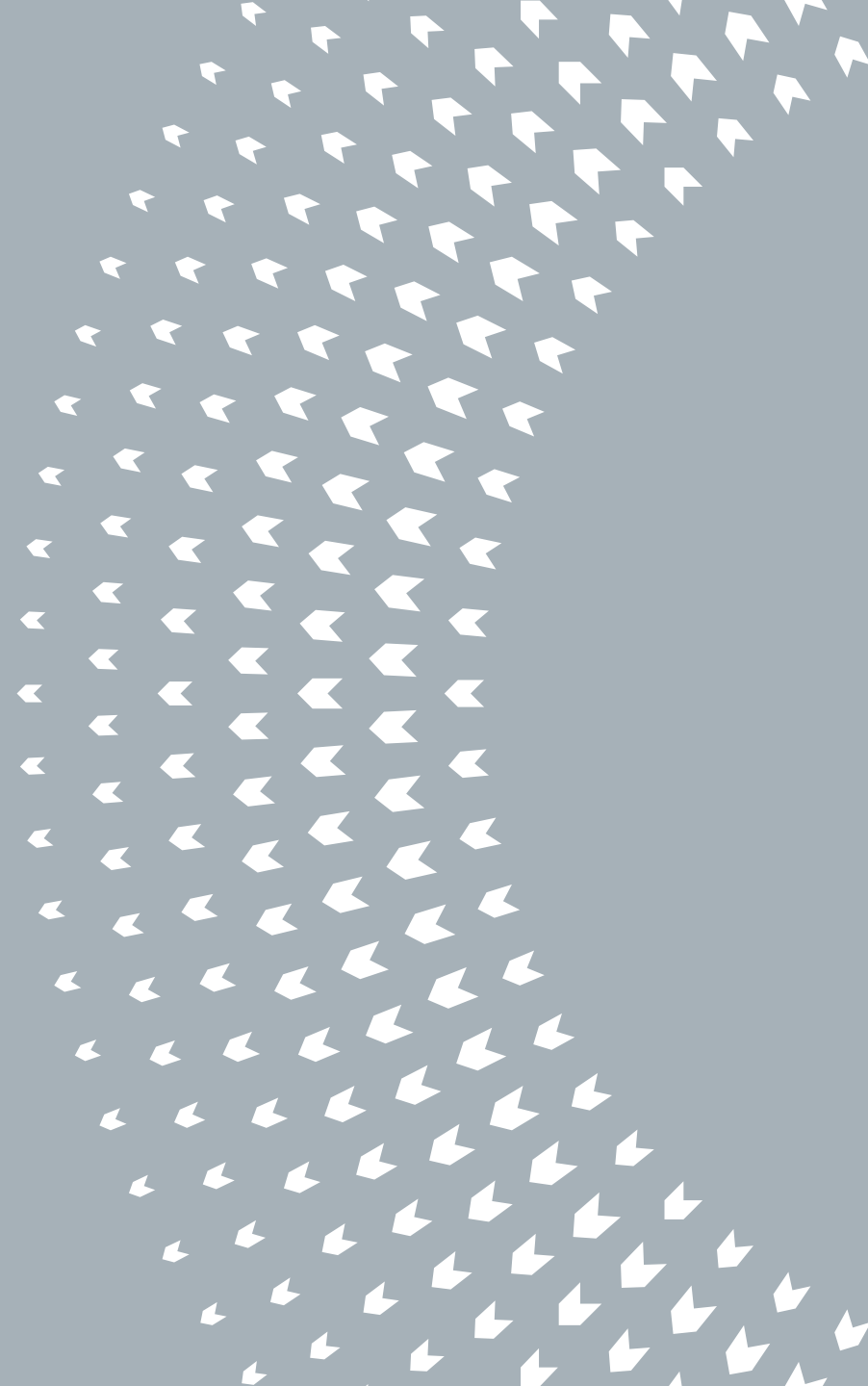
(14.9) (SAR Million) \$(4.0) (USD Million) 2,746.8% Y-o-Y

Return on Average Assets

5.2% (Annualized) 38.2% Y-o-Y

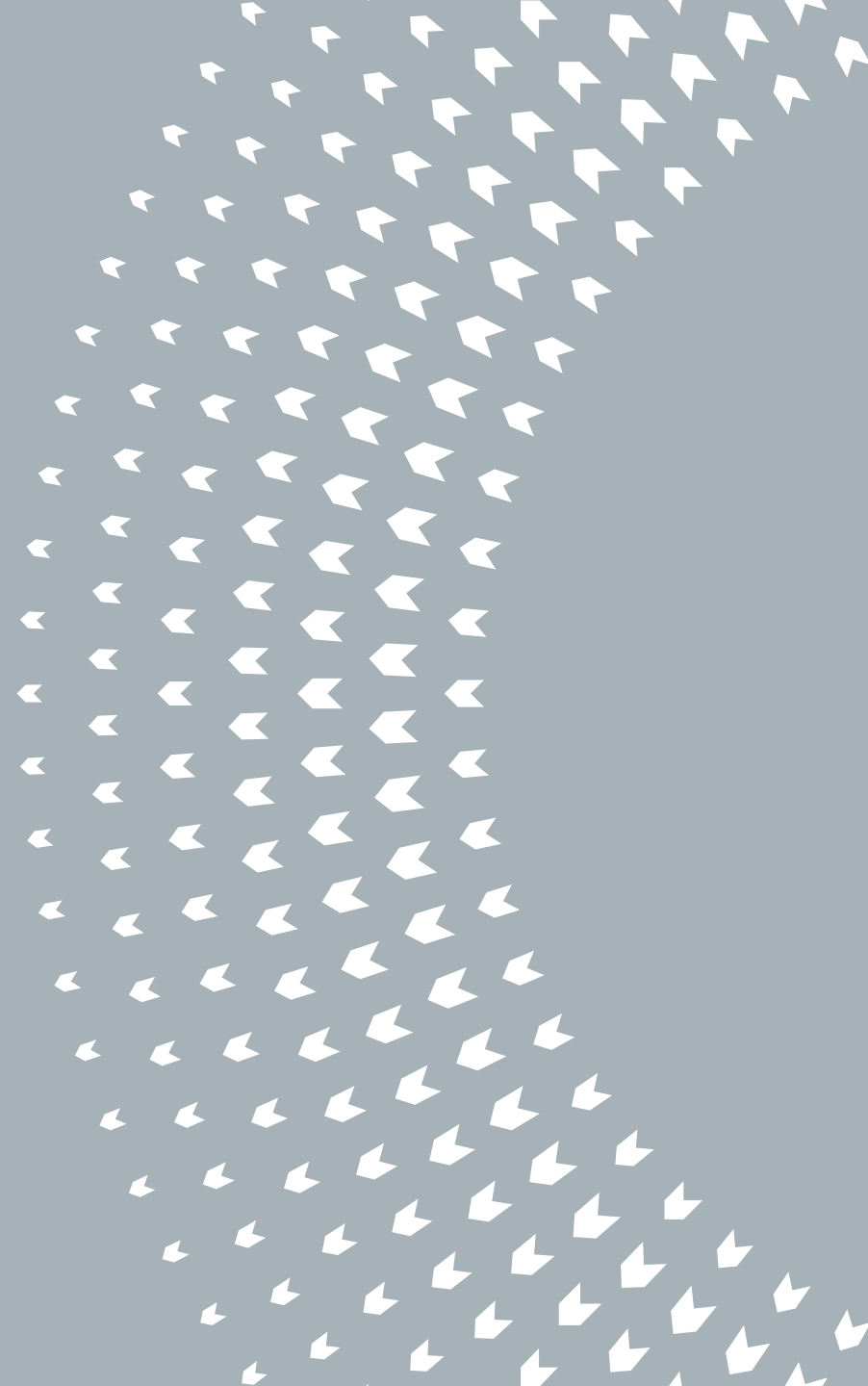


Q&A





Appendix



Key Messages



 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

Sustainability / ESG

As of 2022

21%

of listed companies on the Main Market issuing ESG disclosure

22%

women on the Board of Directors

12.5%

women in senior management position

45h

Average training hours per employee

We aim to accelerate the achievement of our ambition to be among the world's top three exchange groups through a three-tiered approach integrated in our sustainability Framework:

Achieving world-class environmental, social and governance (ESG) performance

Working with our issuers to adopt ESG management

Accelerating the market shift towards sustainability through an expanding range of our ESG/sustainability-related services and products

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



Our Sustainability Framework



Continuously elevate the sophistication of the Saudi capital market

Invest in and develop the infrastructure required for world-class sophisticated market



Lead the market towards ESG adoption and disclosure

Accelerate our efforts to encourage the widespread adoption of sustainability management and ESG disclosures



Promote integrity

Continue to govern the Group with achieving best practices through compliance and governance standards



Address climate change and foster a circular carbon economy

Achieving a Net Zero and creating the market infrastructure for a circular carbon economy



Become a global hub for debt-related sustainable finance

Aim to enhance the Group's debt capital market offering and global attractiveness by advocating and supporting sustainable finance issuance



Support the talent that drives market progress

Be a leading advocate and performer in gender equality in the region and intensify ESG-focused trainings to drive markets towards a more sustainable future

STG Strategy Execution

Dual mission to become a global leader



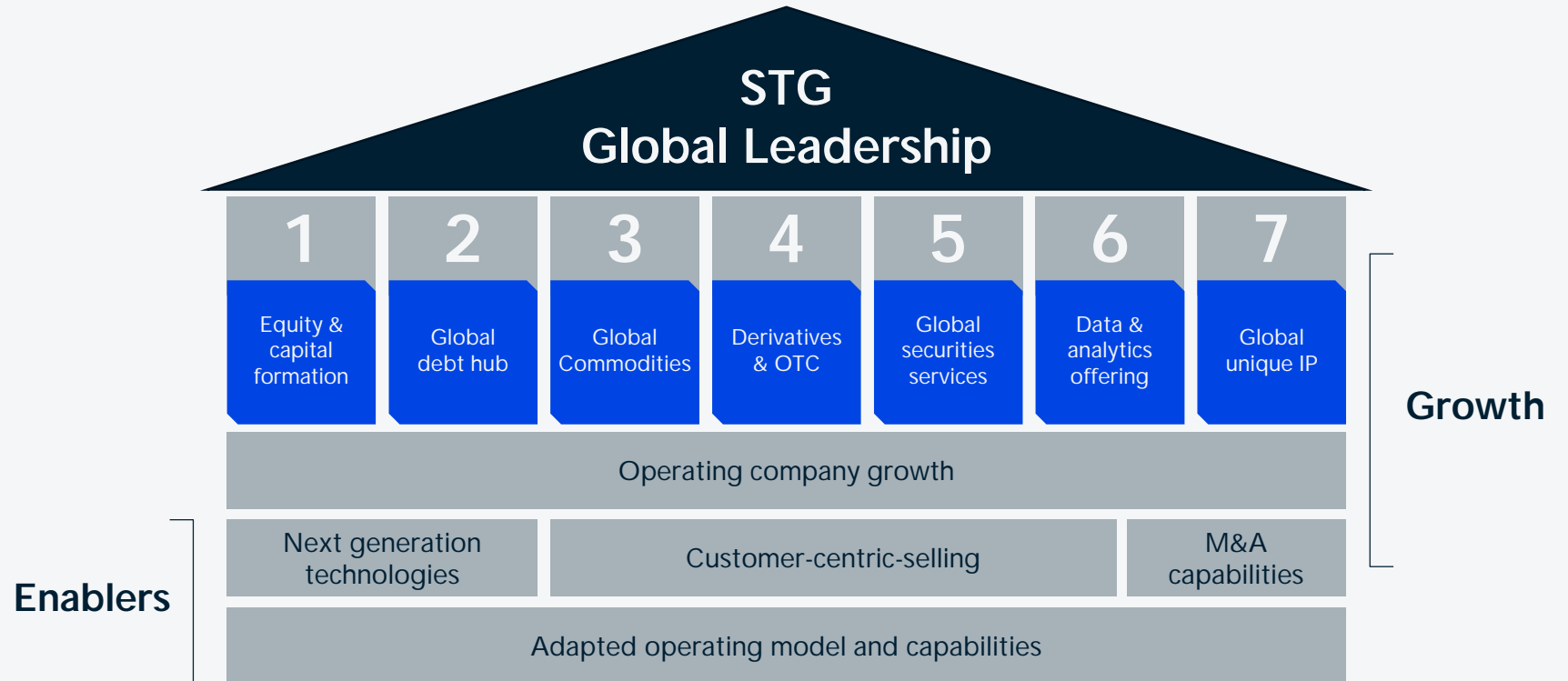
Complete and support core regional market activities



Advance into a central access point to compete globally



STG strategy framework



Balance Sheet Snapshot

(SAR Thousands)	9M 2023	9M 2022	Y-o-Y %
Total Assets	7,541,978	8,049,287	-6.30 ▼
Total Liabilities	4,459,965	4,949,423	-9.89 ▼
Total Shareholders Equity (excluding Minority Interest)	3,082,013	3,099,864	-0.58 ▼
Total Liabilities and Shareholders Equity	7,541,978	8,049,287	-6.30 ▼

Income Statement Snapshot

(SAR Thousands)	9M 2023	9M 2022	Y-o-Y %
Total Revenue (Sales/Operating)	740,653	849,241	-12.79% ▼
Net Profit before Zakat and Tax	341,875	420,814	-18.76% ▼
Zakat	43,596	53,391	-18.35% ▼
Net Profit after Zakat and Tax	298,290	367,423	-18.82% ▼
Total Comprehensive Income	298,290	367,423	-18.82% ▼
Profit per Share	2.49	3.06	

Cash Flows Snapshot

(SAR Thousands)	9m 2023	9m 2022	Y-o-Y %
Net Cash From Operating Activities	226,967	380,216	-40.31% ▼
Net Cash From Investing Activities	(50,740)	2,002,547	-102.53% ▼
Net Cash From Financing Activities	(333,544)	(369,853)	-9.82% ▼
Cash and Cash Equivalents, Beginning of the Year	2,118,826	86,197	2358.11% ▲
Cash and Cash Equivalents, end of the Year	1,961,509	2,099,108	-6.56% ▼

Key Metrics	9m 2023	9m 2022	Y-o-Y %
ROaE (Annualized) attributable to Equity holders of the Parent	12.7%	15.8%	19.7% ▼
ROaA (Annualized) attributable to Equity holders of the Parent	5.2%	8.5%	38.2% ▼

Listings in Q3 2023

#	Issuer Name	Market	Size (shares and units)	CMA Approval Date	Note
1	Lumi Rental Co.	Main Market	16,500,000	29 Mar 2023	Listed on 25 Sep 2023
2	Al Rashid Industrial Co.	Nomu Market	Direct Listing	05 Jun 2023	Listed on 12 Sep 2023
3	Munawla Cargo Co.	Nomu Market	200,000	21 Jun 2023	Listed on 11 Sep 2023
4	Paper Home Co.	Nomu Market	Direct Listing	22 Jun 2023	Listed on 04 Sep 2023
5	Dar Almarkabah for Renting Cars Co.	Nomu Market	500,000	20 Jun 2023	Listed on 29 Aug 2023
6	Marble Design Co.	Nomu Market	600,000	27 Mar 2023	Listed on 08 Aug 2023
7	Professional Medical Expertise Co.	Nomu Market	1,050,000	27 Mar 2023	Listed on 26 Jul 2023



Current IPO Pipeline

#	Issuer Name	Market	Size (shares and units)	Subscription Period	CMA Approval Date
1	Riyal Investment & Development Co.	Nomu Market	720,000	1-5 Oct.	05 Jun 2023
2	Clean Life Company	Nomu Market	300,000	1-5 Oct.	05 Jun 2023
3	Atlas Elevators General Trading & Contracting Co.	Nomu Market	1,200,000	10 -14 Sep.	05 Jun 2023
4	Fad International Company	Nomu Market	240,000	*	05 Jun 2023
5	Tejoury Company	Nomu Market	1,818,182	*	20 Jun 2023
6	Lana Medical Company	Nomu Market	720,000	*	20 Jun 2023
7	United Mining Industries Company	Nomu Market	1,750,000	26 Sep – 2 Oct.	20 Jun 2023
8	Ades Holding Company	Main Market	338,718,754	26 – 28 Sep.	21 Jun 2023
9	Arabian Centres's Debt Instruments Program	Debt Market	-	*	21 Jun 2023



Current IPO Pipeline

#	Issuer Name	Market	Size (shares and units)	Subscription Period	CMA Approval Date
10	SAL Saudi Logistics Company	Main Market	24,000,000	11 – 13 Oct.	21 Jun 2023
11	Intelligent Oud Company For Trading	Nomu Market	325,000	10 -12 Sep.	21 Jun 2023
12	Riyadh Steel Company	Nomu Market	1,000,000	*	21 Jun 2023
13	Al Dyar Al Arabia for Real Estate Development Co.	Nomu Market	2,250,000	*	21 Jun 2023
14	Mulkia Investment Company	Nomu Market	1,300,000	22 -30 Oct.	22 Jun 2023
15	Osool & Bakheet investment Company	Nomu Market	1,500,000	15 -19 Oct.	22 Jun 2023
16	Armah Sports Company	Nomu Market	4,927,958	*	22 Jun 2023
17	WSM for Information Technology Company	Nomu Market	390,000	*	25 Sep 2023
18	Al-Modawat Specialized Medical Company	Nomu Market	475,000	*	28 Sep 2023
19	View United Real Estate Development Company	Nomu Market	600,000	*	28 Sep 2023



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