

مجموعة تداول السعودية
Saudi Tadawul Group

First Half and Q2 2023 Financial Results

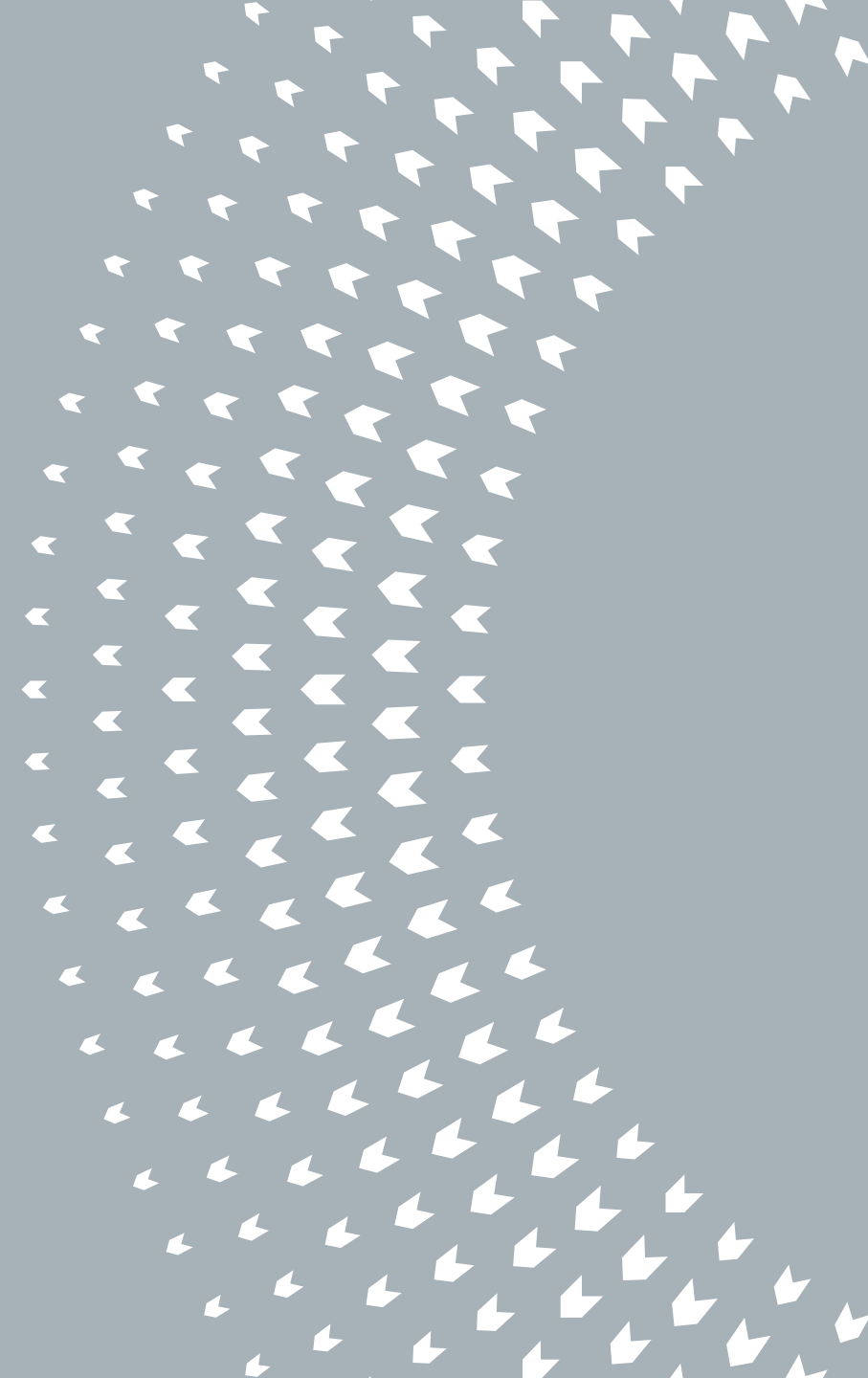
24 July 2023

Speakers





Key Performance Review




Key Market Highlights

(As of 30 June 2023)

Market Capitalization

Main Market & Nomu - Parallel Market

10,967.4 (SAR Billion) \$2,924.6 (USD Billion) 4.5% Y-o-Y 


Listed Securities

(Including REITs)

228 (Main Market) **62** (Nomu Market)

Total Value Traded

Main Market & Nomu - Parallel Market


598.4 (SAR Billion) \$159.6 (USD Billion) 42.8% Y-o-Y 

Listed Bond & Sukuk

65 (Government) **4** (Corporates)

Average Daily Traded Value "ADTV"

Main Market & Nomu - Parallel Market

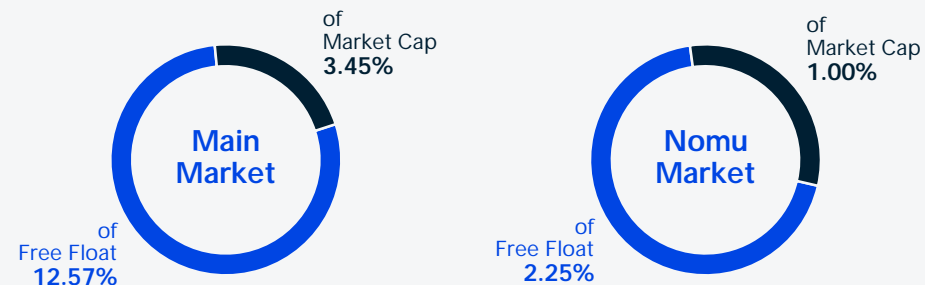
5 (SAR Billion) \$1.3 (USD Billion) 40.4% Y-o-Y 

Listed Funds

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

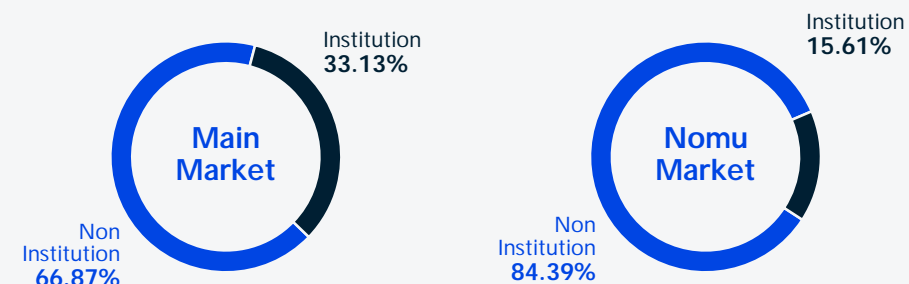
Foreign Ownership

Main Market & Nomu - Parallel Market



Trading Value by Type

Main Market & Nomu - Parallel Market

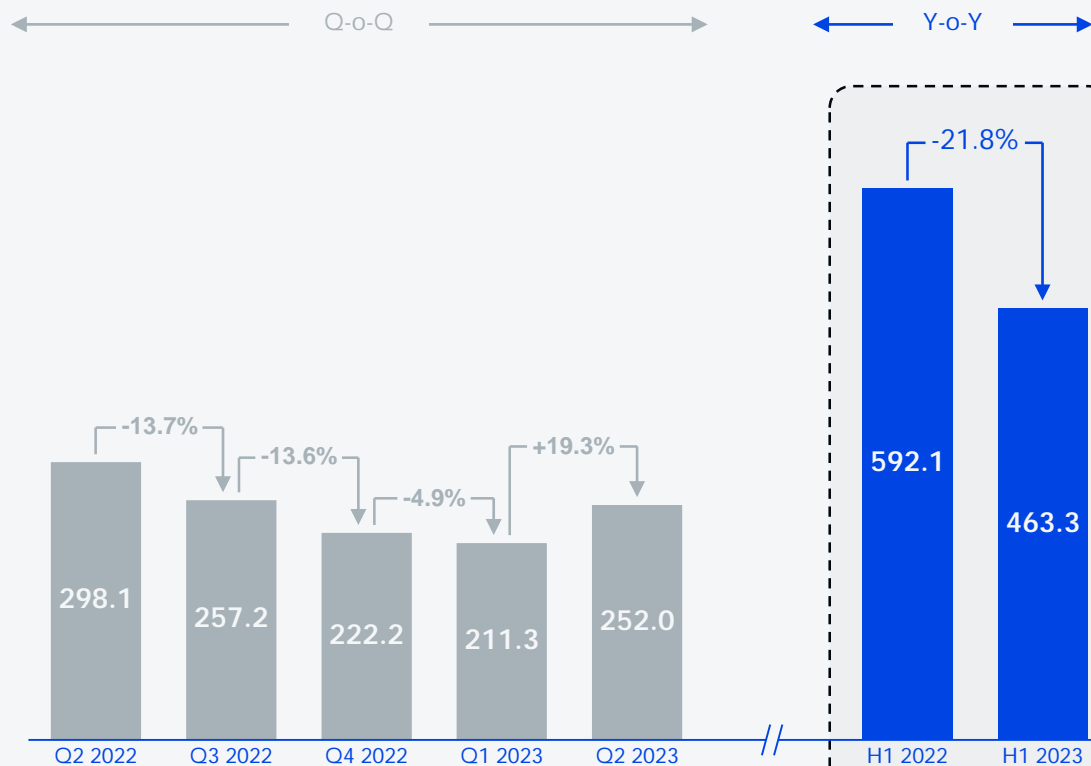


Key Financial Performance Indicators

(As of 30 June 2023)

Operating Revenues Evolution

(SAR Million)



Operating Revenues

463.3 (SAR Million)

123.5\$
(USD Million)

21.8%
Y-o-Y



Investment Income

92.3 (SAR Million)

24.6\$
(USD Million)

280.4%
Y-o-Y



Free Cash Flow

332.0 (SAR Million)

88.5\$
(USD Million)

6.1%
Y-o-Y



Net Income After Zakat*

196.0 (SAR Million)

52.3\$
(USD Million)

29.6%
Y-o-Y



EBITDA

171.2 (SAR Million)

45.6\$
(USD Million)

46.9%
Y-o-Y



Earnings Per Share**

1.63 (SAR)

0.44\$
(USD)

29.6%
Y-o-Y

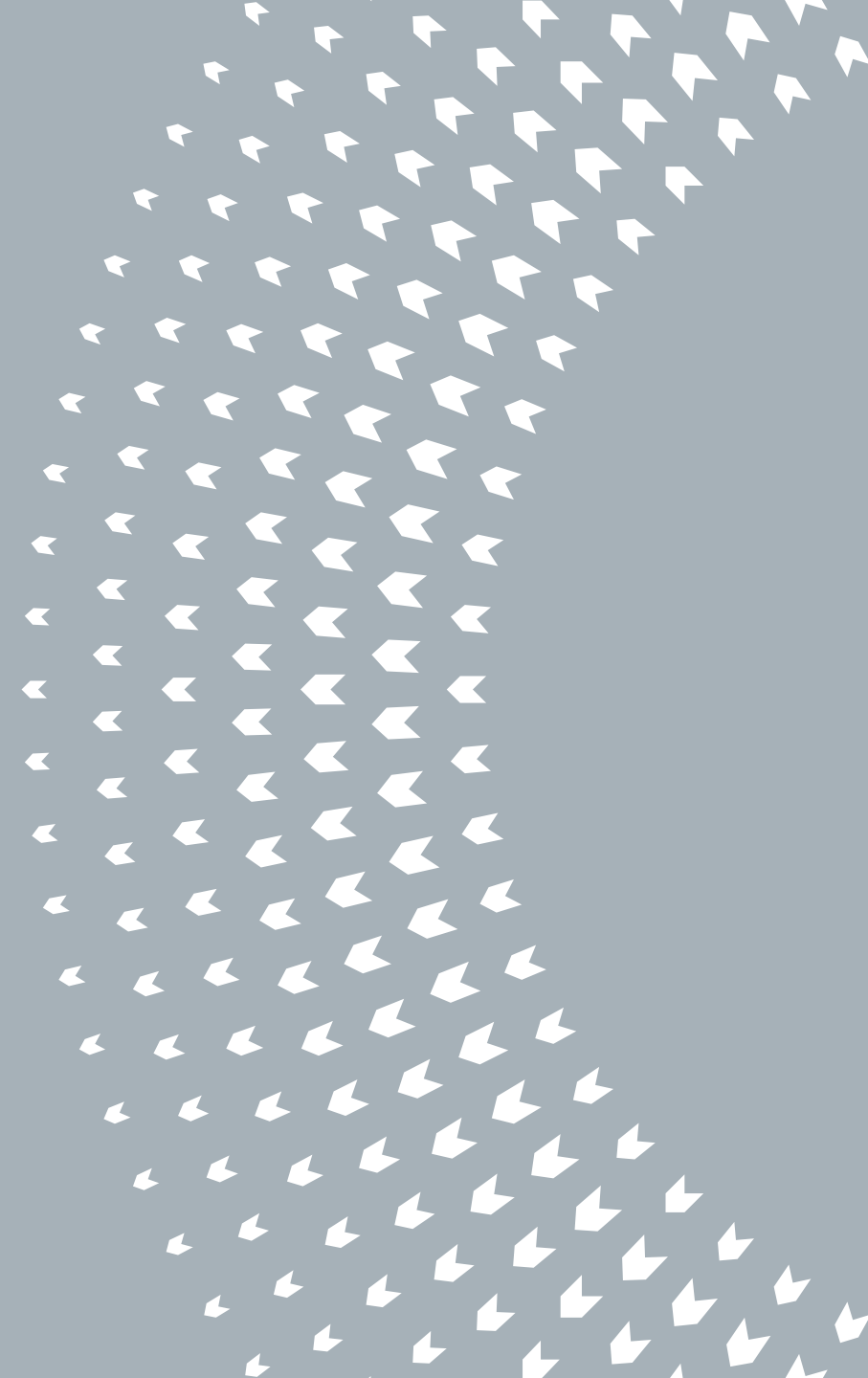


* Net Income after Zakat - Attributable to equity holders of the parent.

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



Business Performance Review



Key Updates on Saudi Capital Market

Saudi Exchange announced the successful implementation of a bundle of market enhancements

تداول
السعودية



Normal Trade Removal
for the Main Market



Changing closing price
calculation to Mid-point for
Debt Instruments and ETFs



Request for Quotes
(RFQ) Service for
Negotiated Deals



Cancel on Disconnect
orders



Debt Market
Microstructural
enhancements

1. Muqassa announced the acceptance of Non-Cash Collateral In Cash Market

2. Muqassa Wins 'Best Clearinghouse In The Region' Award



مقاصة
Muqassa

Saudi Exchange

Key Highlights

Total of Listed Securities

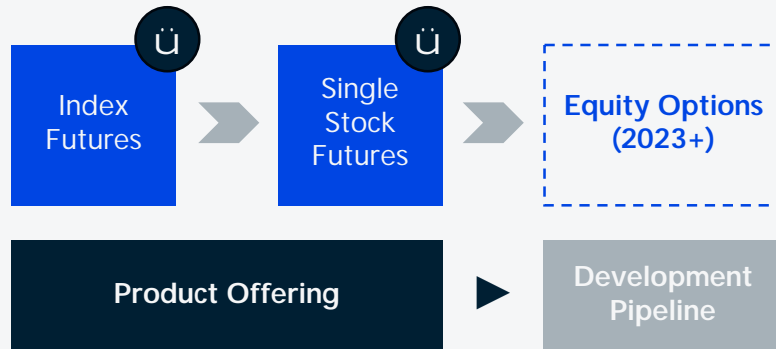
271 (Equities) **19** (REITs) **2** (CEFs) **8** (ETFs)

Capital Raised

(Main Market & Nomu - Parallel Market)

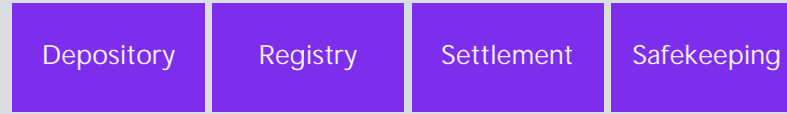
3,283.99 (SAR Million) **\$875.73** (USD Million)

Derivatives Products



EDAA

Key Highlights



Securities Transfers

141,648

New Account Openings

152,337

Pledges

1,354

New Issuances

17

Corporate Actions

147

Assets Under Custody

11+ (SAR Billion)

Muqassa

Key Highlights



Derivatives Clearing Members⁽¹⁾

10

Value of Cleared Products

20+ (SAR Million)

Cash Market Clearing Members

37

Collaterals Under Management⁽²⁾

31+ (SAR Billion)

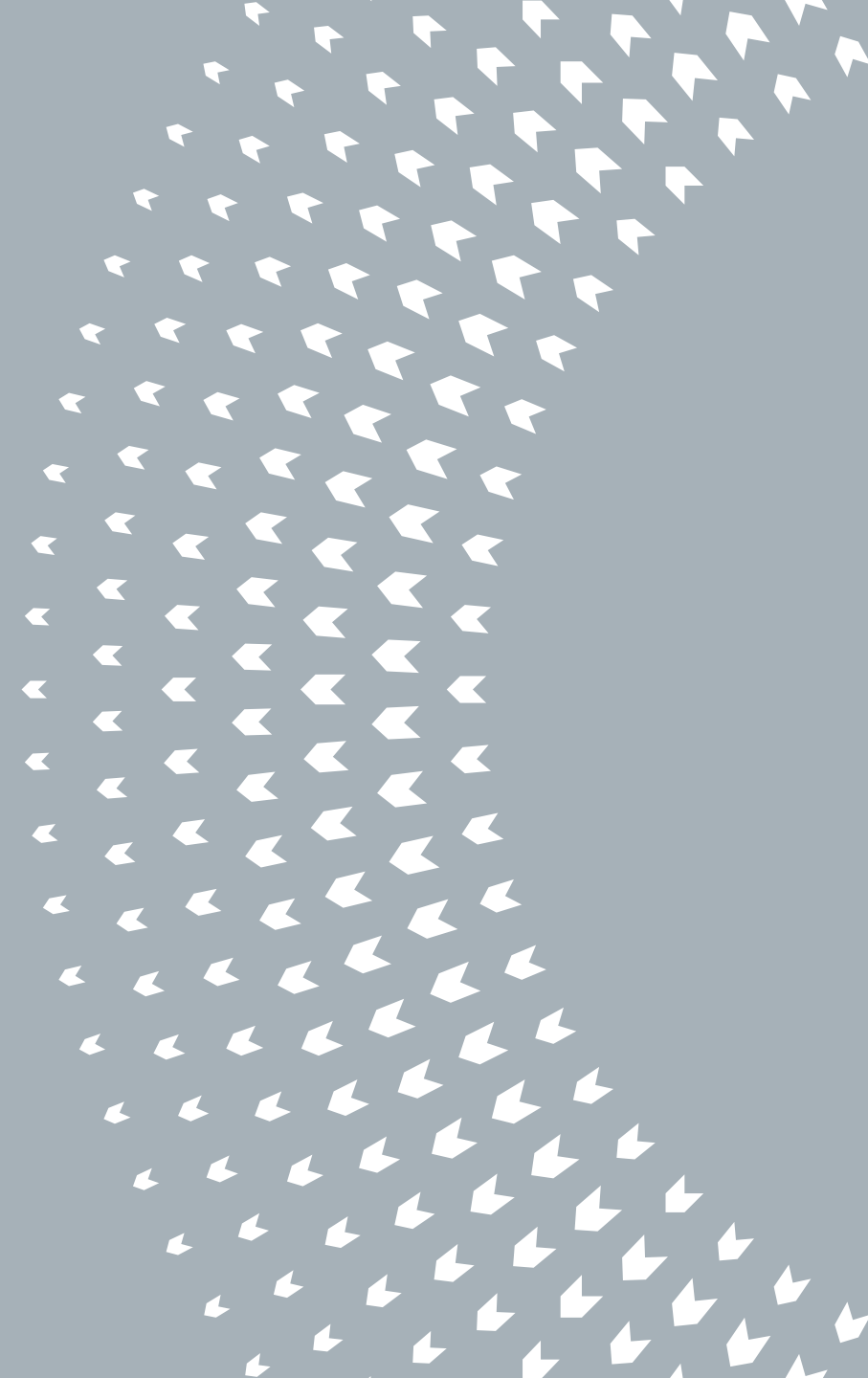
MT30 Index Futures contracts cleared

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.



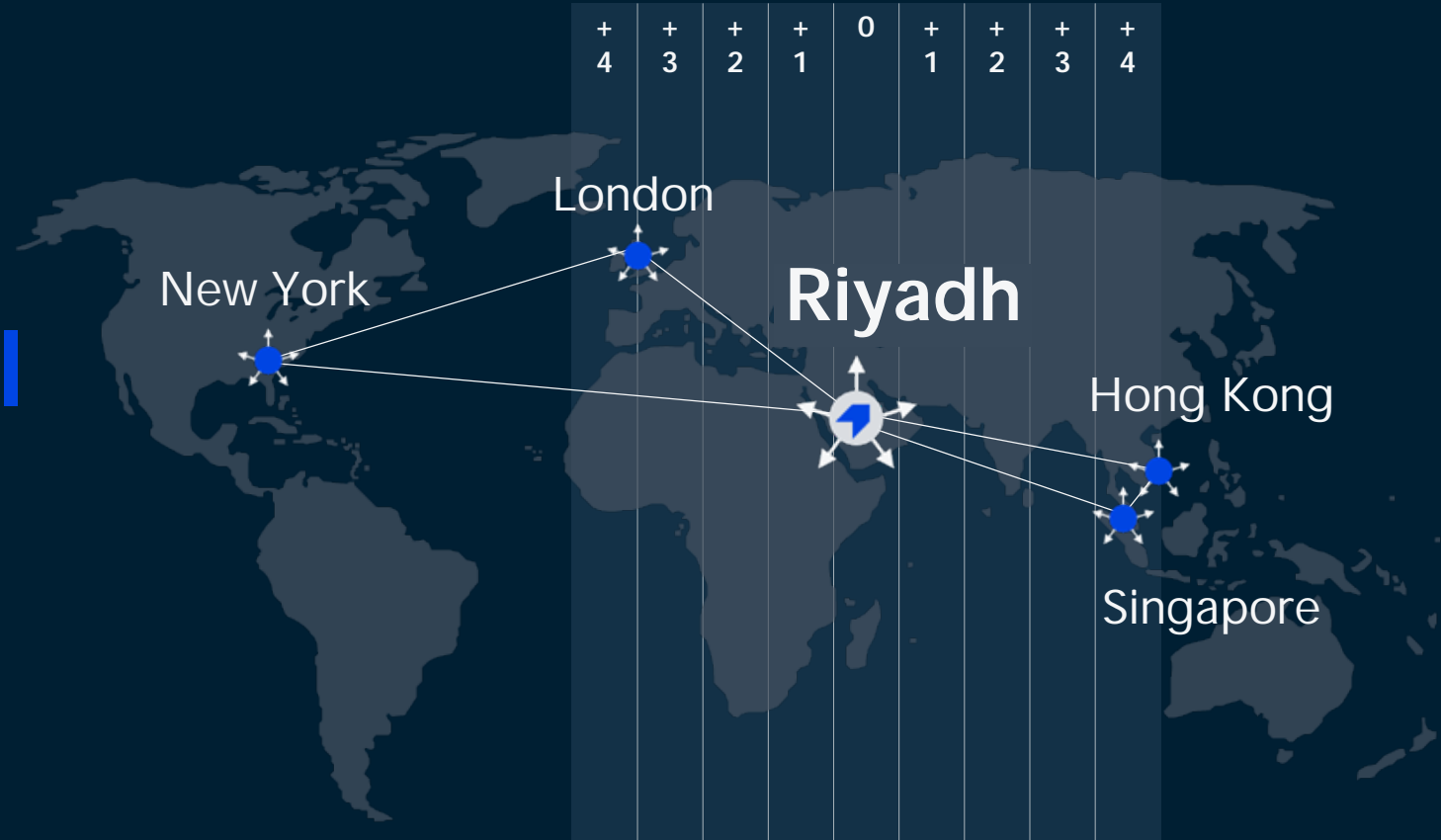
Key Strategy Review



STG to become the engine that drives KSA as a global financial hub

KSA as a Global Financial Hub

The pivot between east and west



● Major financial centers

■ Catchment area for Tadawul (4 hours east and west)

STG Strategy Execution

Dual mission to become a global leader



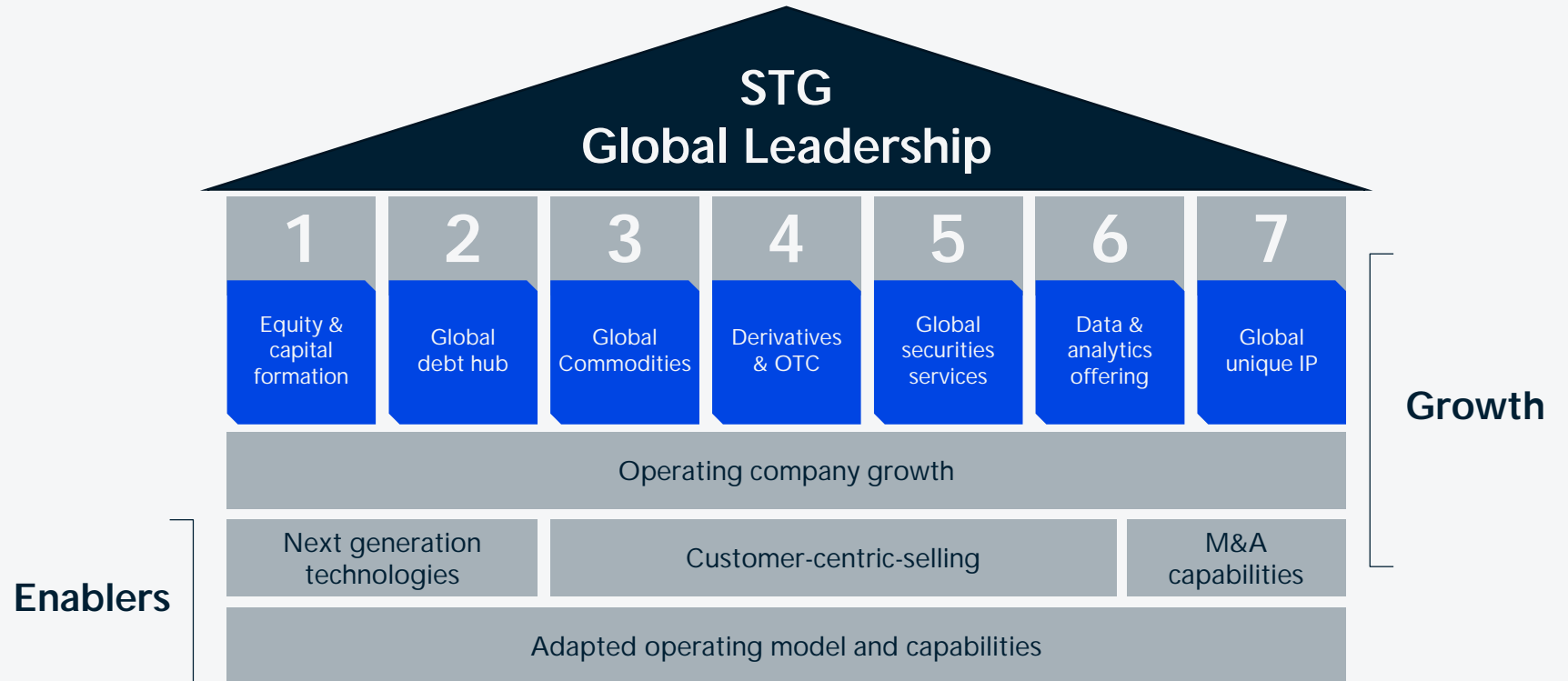
Complete and support core regional market activities



Advance into a central access point to compete globally



STG strategy framework



WAMID

Key Highlights





DirectFN regional operation span multiple geographies

Transaction Development at Glance

In May 08, 2023, Saudi Tadawul Group Holding Co. announced the completion of the acquisition of 51% in (DirectFN Limited) by its subsidiary, Tadawul Advanced Solutions Company ("Wamid")

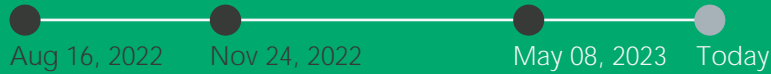
Transaction Value

133.95

(SAR Million)

\$35.67

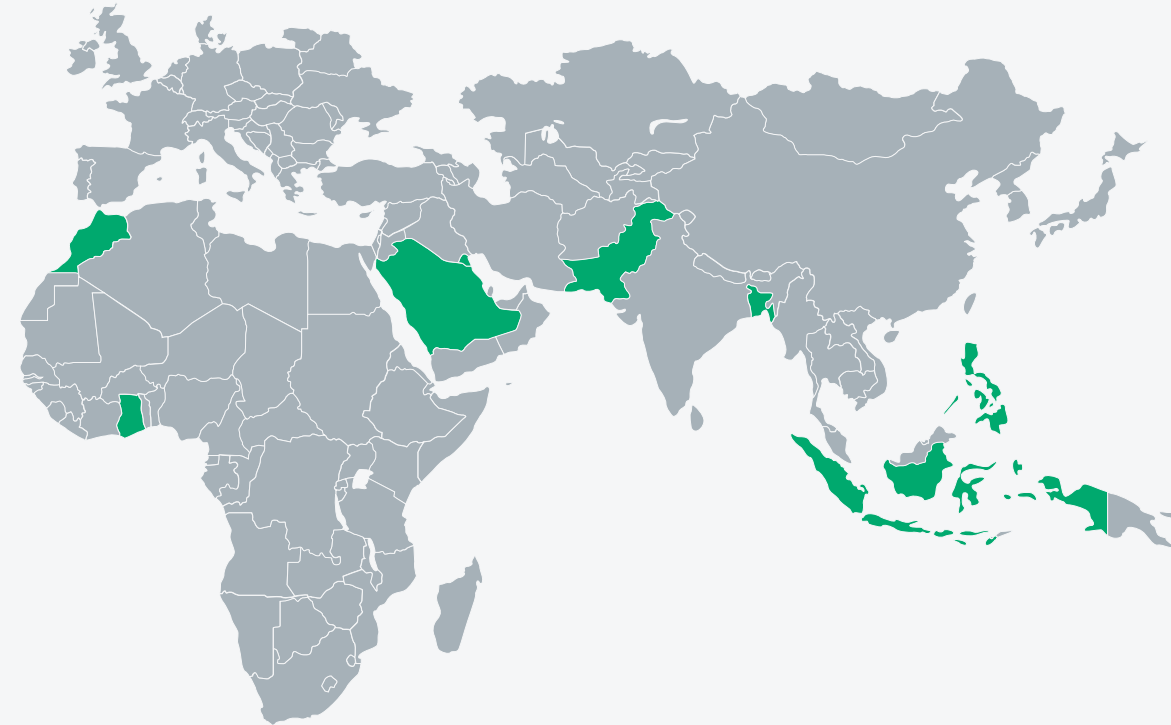
(USD Million)



Entered into a non-binding preliminary agreement

Signed a sale and purchase agreement

Announced the completion of the acquisition of 51% in (DirectFN Limited)



100+
Clients Globally

20
Offices

2
Development Centers

337
Multi-National Professionals

DirectFN Offerings in Countries of Operations

FinTech

70% of the revenue

Technology for Financial Services

Asset Management System (AMS)

General Clearing Member (GCM) System

Brokerage Management System (BMS)

Additional FinTech – [under Dev. / Launch]

Custody Management System (CMS)

Anti-Money Laundry (AML) System

Exchange Link Platform

CMS –Content Management System

CRM

Robo Advisory

Crowd Funding

FinConnect

30% of the revenue

Additional FinCon – Market Data / Content

PRO – Desktop Retail Screens

NET / Mobile – Web / Mobile Screens

Market Data / Content

PRO – Institutional Screens

Market Data (Analyzer)

100+ Globally

Customers in KSA include

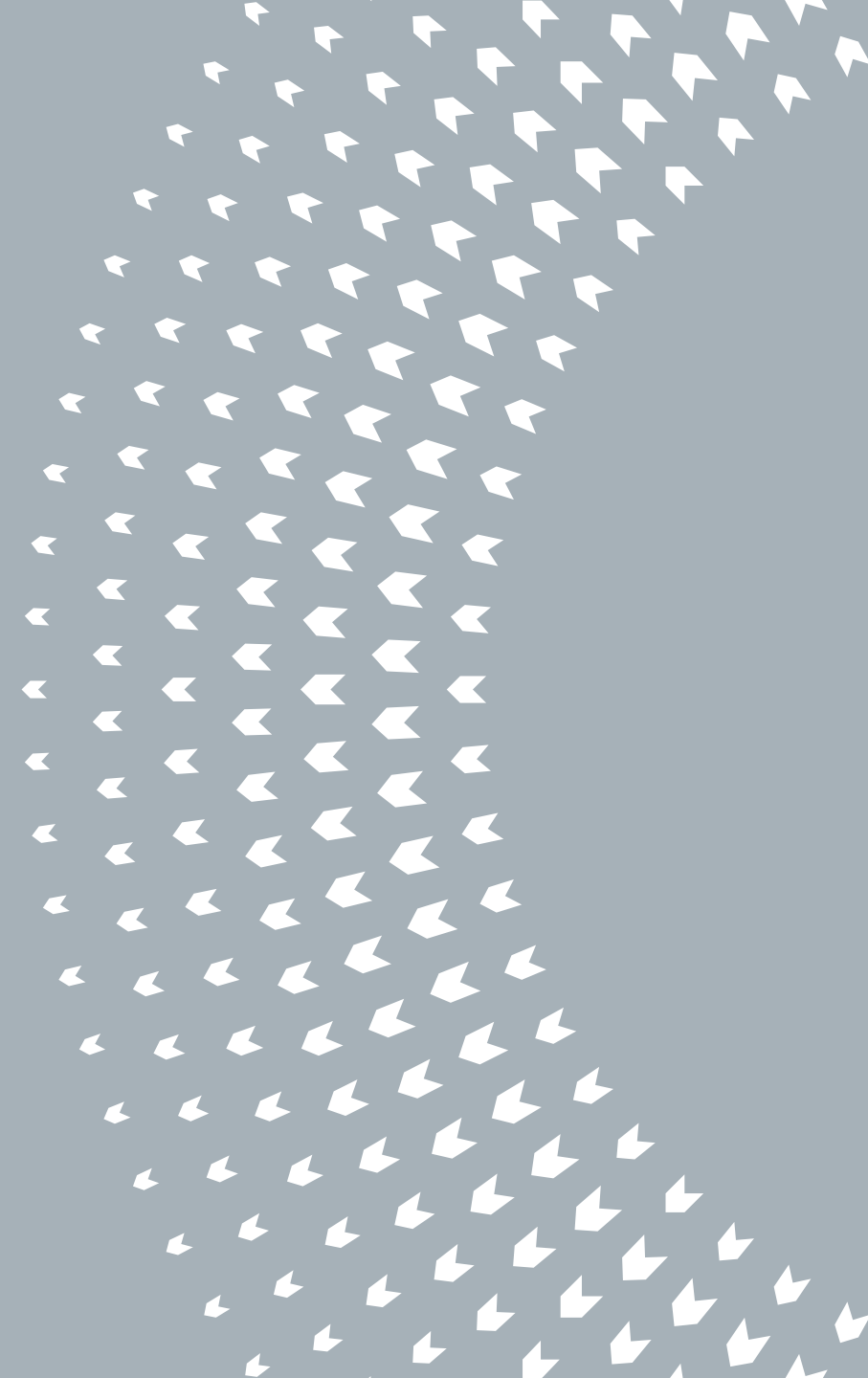


18 of 31 Brokers in KSA

70+ Market feeds



Financial Performance Review

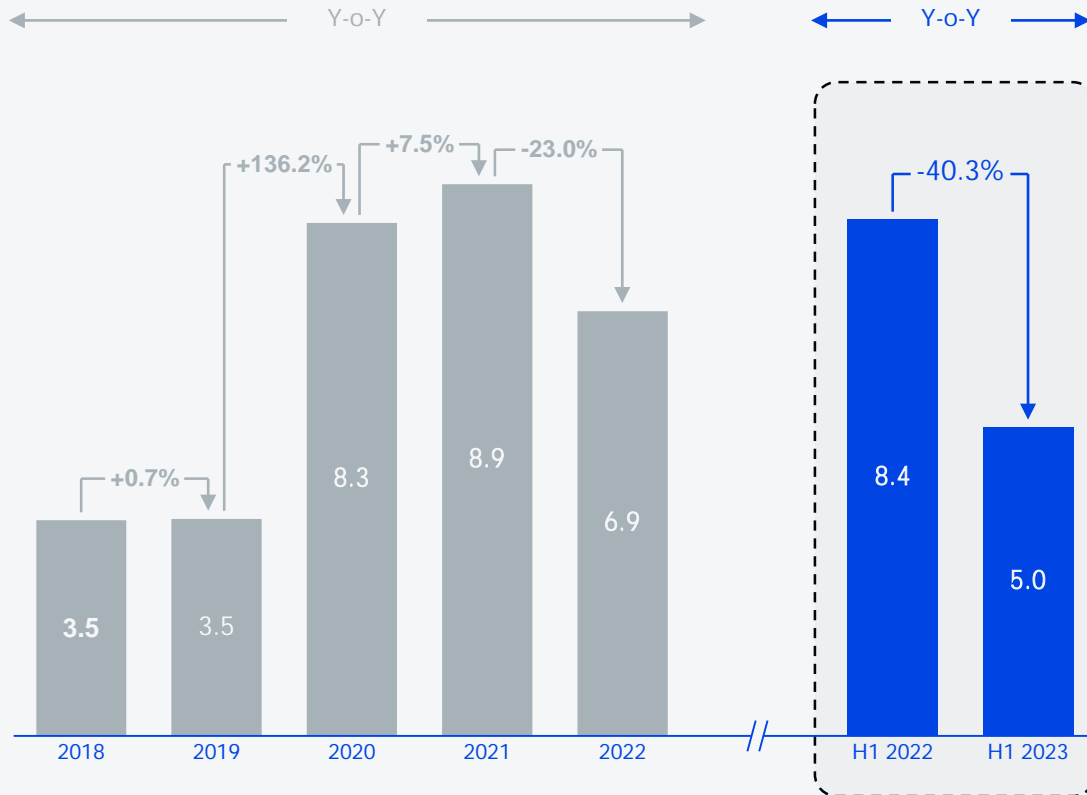


Average Daily Trading Value "ADTV"

(Main Market - SAR Billion)

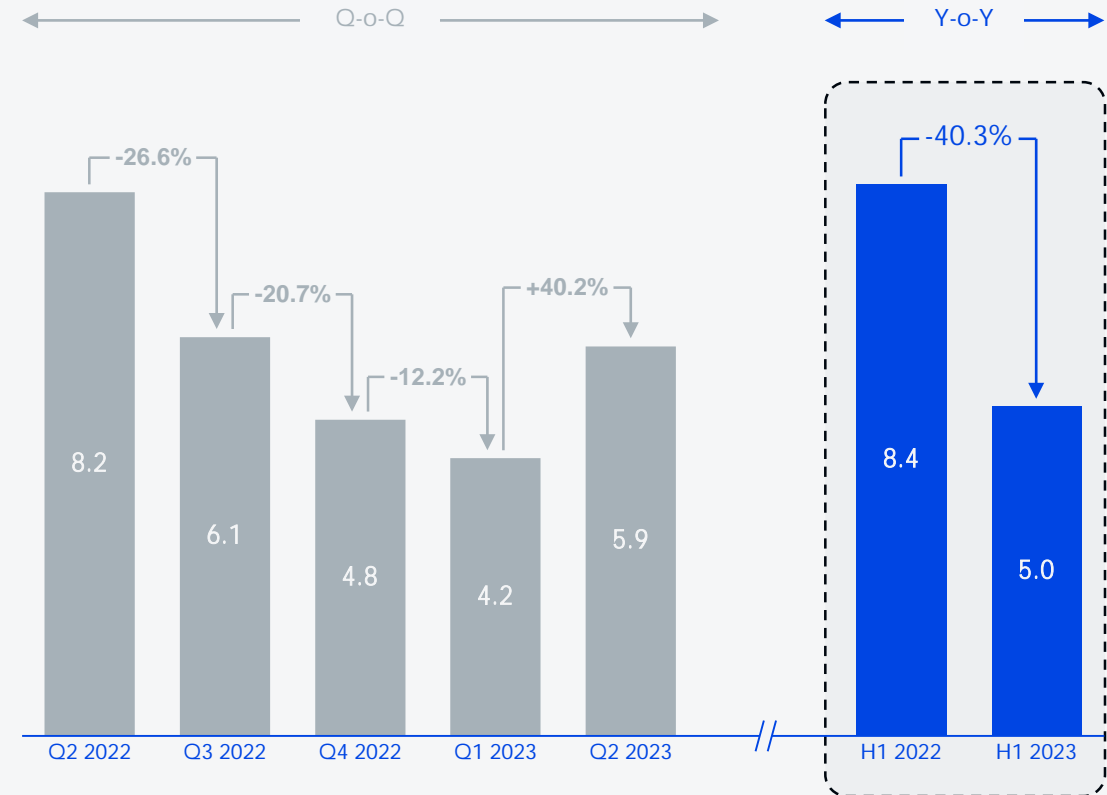
ADTV Yearly Evolution

(Main Market - SAR Billion)



ADTV Quarterly Evolution

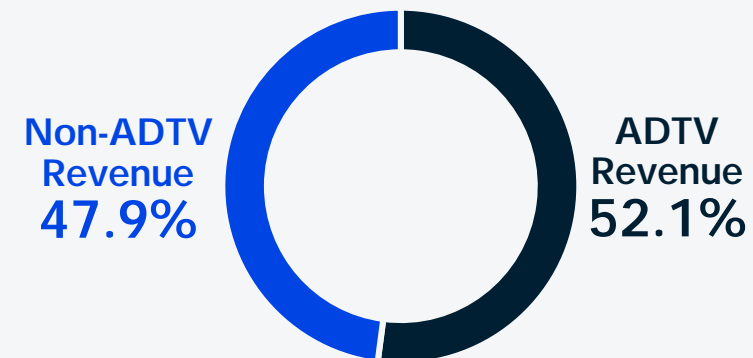
(Main Market - SAR Billion)



View on Operating Revenue

(SAR million)

	H1 23	Y/Y	H1 22
Operating Revenue	463.3	-21.8%	592.1
Trading services	109.3	-41.8%	188.0
Data & technology services	76.3	62.8%	46.9
Post trade services	231.0	-24.6%	306.4
Listing	44.1	-8.3%	48.1
Other (Includes derivatives and membership fees)	2.6	-3.6%	2.7



(SAR million)

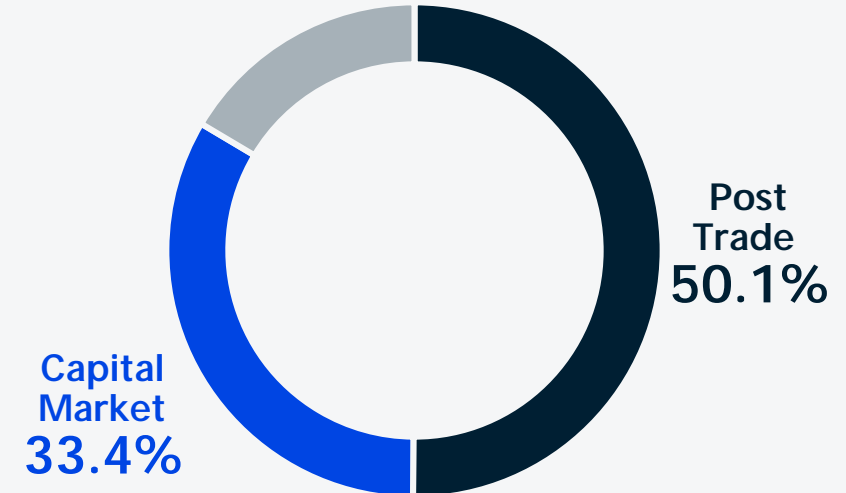
	H1 23	Y/Y	H1 22
Operating Revenue	463.3	-21.8%	592.1
ADTV Revenue	241.3	-38.9%	395.1
Non-ADTV Revenue	222.0	12.7%	196.9

View on Segmental Information

(SAR million)

	H1 23	Y/Y	H1 22
Segmental Revenue	463.3	-21.8%	592.1
Capital Markets	154.9	-34.7%	237.1
Data & technology services	76.3	62.8%	46.9
Post trade services	232.1	-24.7%	308.1

Data & Technology Services
16.5%

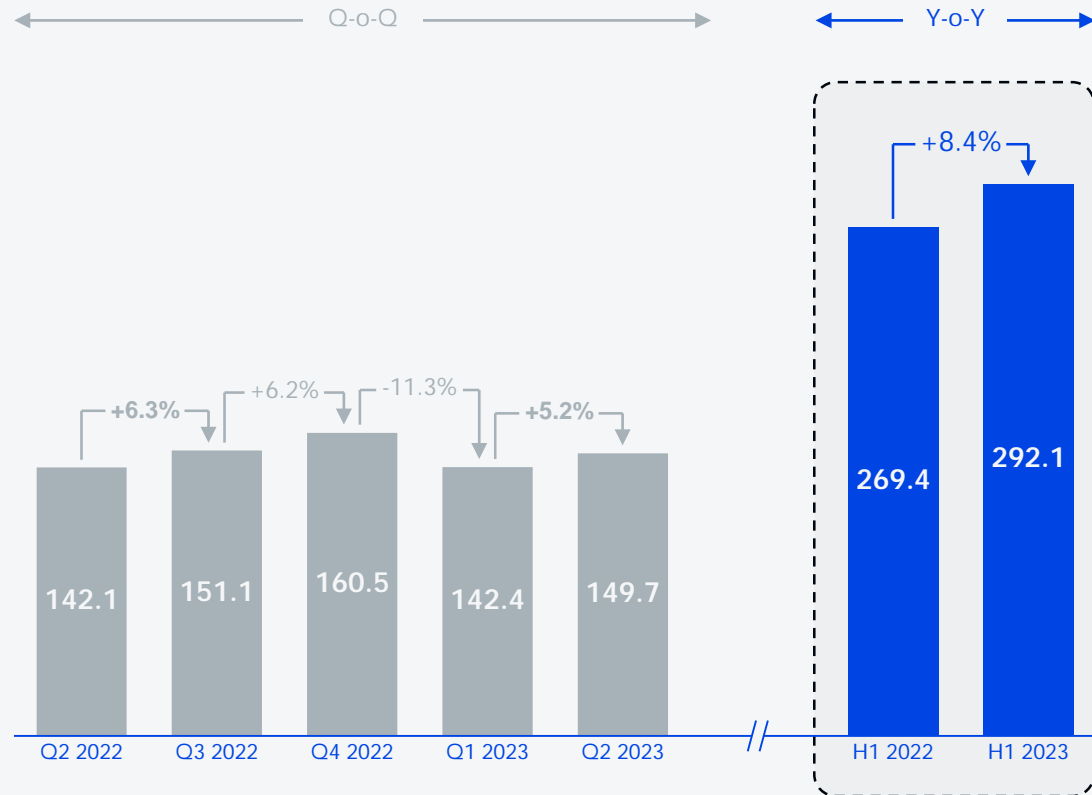


- Capital Markets revenue decreased 34.7% YoY owing to lower trading revenue driven by the decrease in trading values which contracted by 40.3%.
- Data & Technology revenue increased 62.8% YoY driven by the increase in market information services and Wamid's co-location services as well as the revenue contribution of DFN company, which was consolidated effective from May 7th.
- Post-Trade revenue decreased 24.7% YoY mainly driven by the decrease in trading values which contracted by 40.3%.

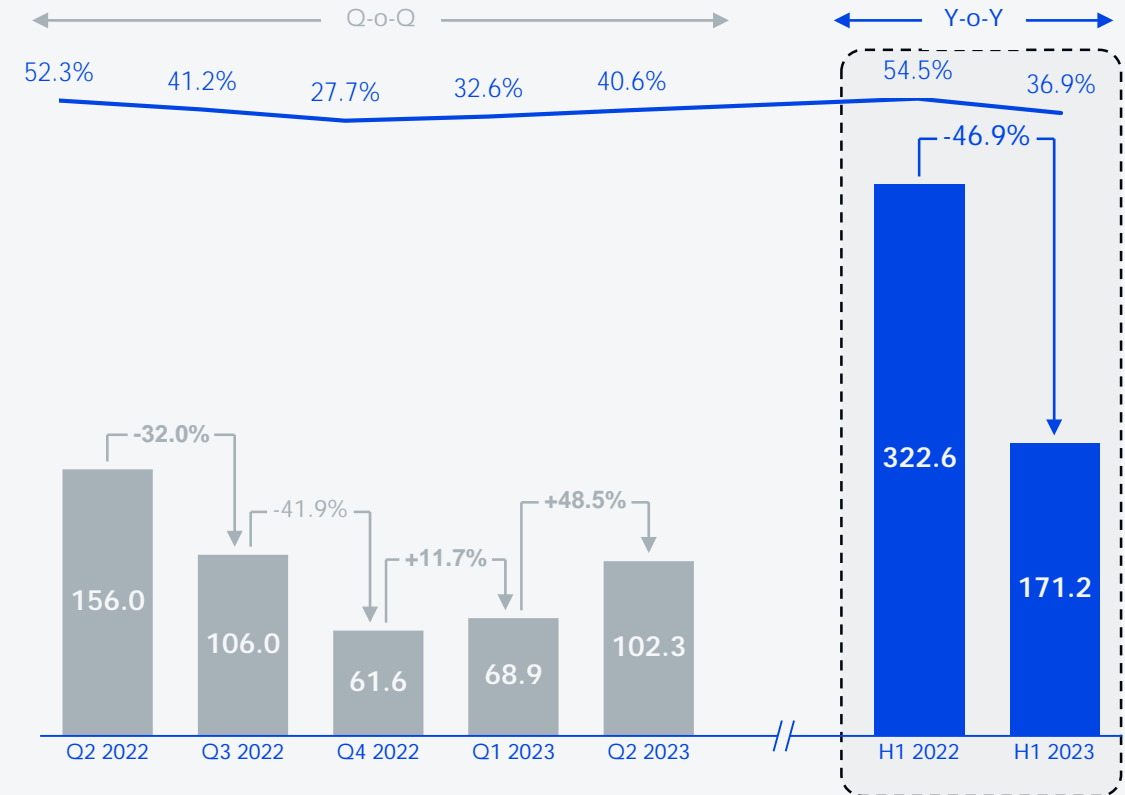


EBITDA decreased 46.9% YoY reaching SAR 171.2 million in H1 2023 compared to SAR 322.6 million in the same period of 2022, due to the decrease in the Group's operating revenue against growth in the Group's operating expenditures.

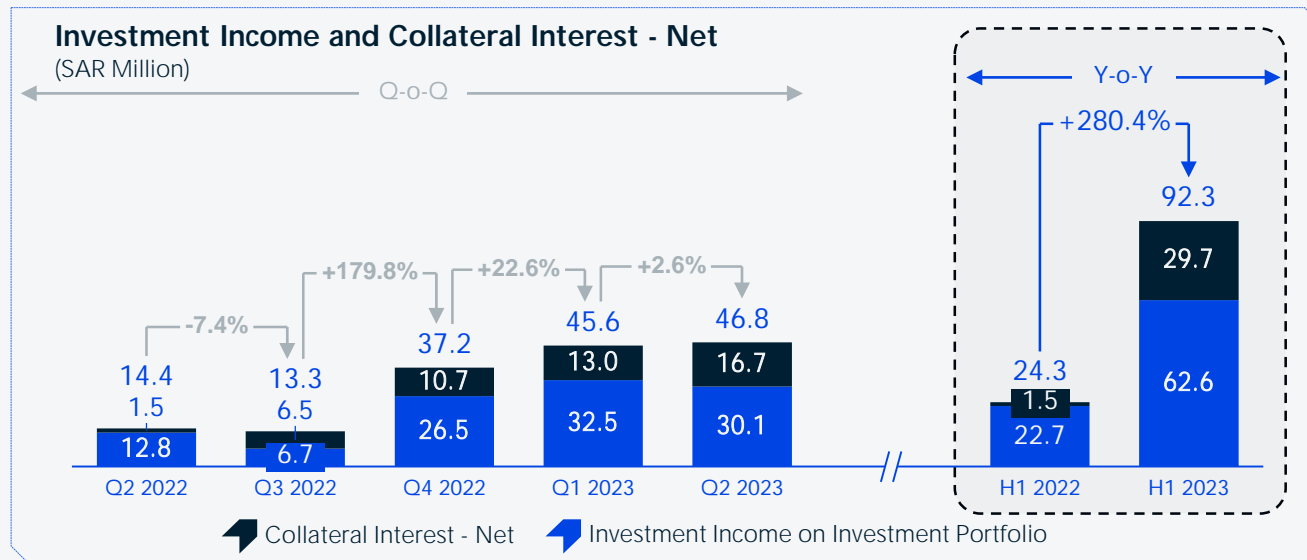
Operating Expenditures excl. D&A
(SAR Million)



EBITDA & EBITDA Margin
(SAR Million)



280.4% 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.

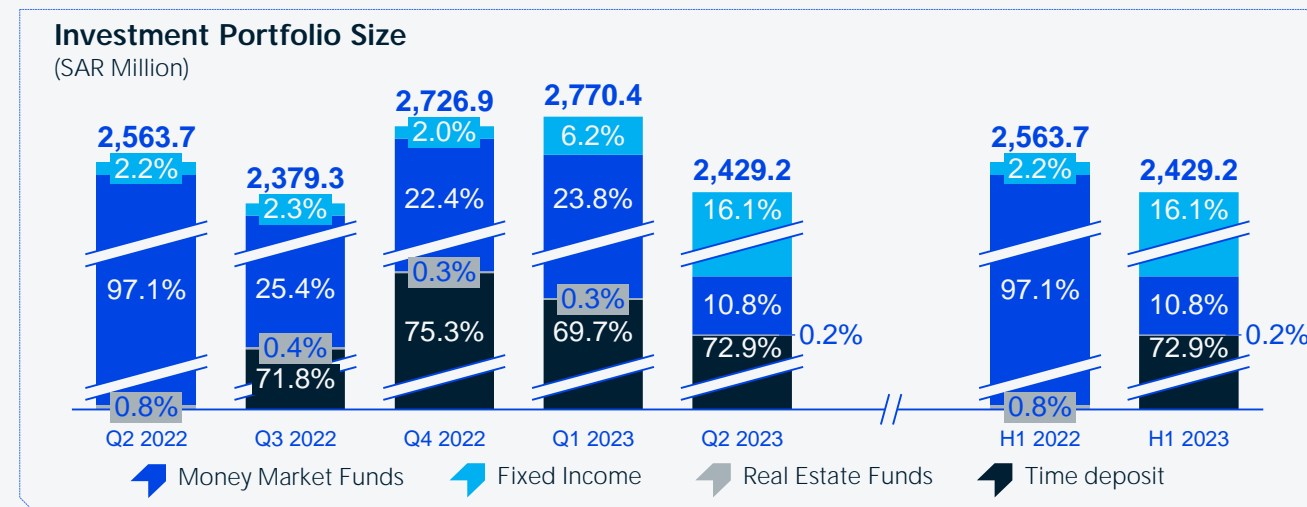


Collateral Interest - Net

29.7
(SAR Million) \$7.9 (USD Million) 1,820.6% Y-o-Y

Investment Income on Investment Portfolio

62.6
(SAR Million) \$16.7 (USD Million) 175.5% Y-o-Y



Investment Portfolio Size

Money Market Funds

262.4
(SAR Million) \$70.0 (USD Million) 89.5% Y-o-Y

Fixed Income

391.5
(SAR Million) \$104.4 (USD Million) 605.5% Y-o-Y

Real Estate Funds

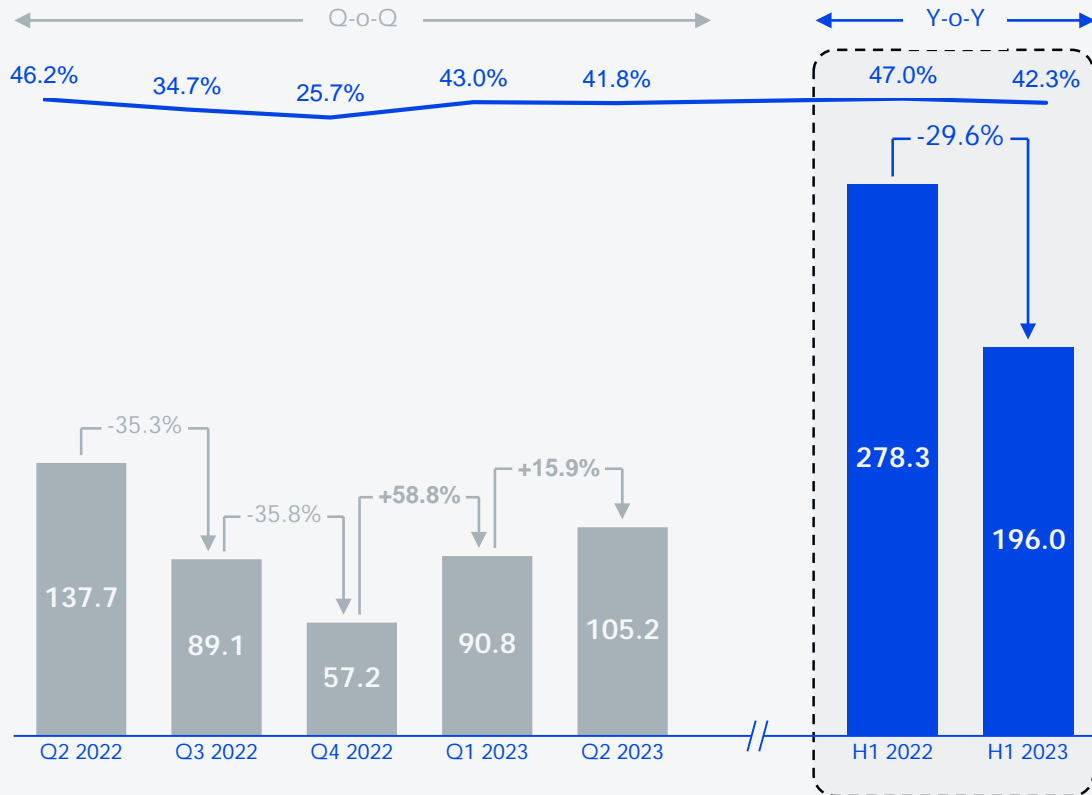
4.4
(SAR Million) \$1.2 (USD Million) 77.0% Y-o-Y

Time deposit

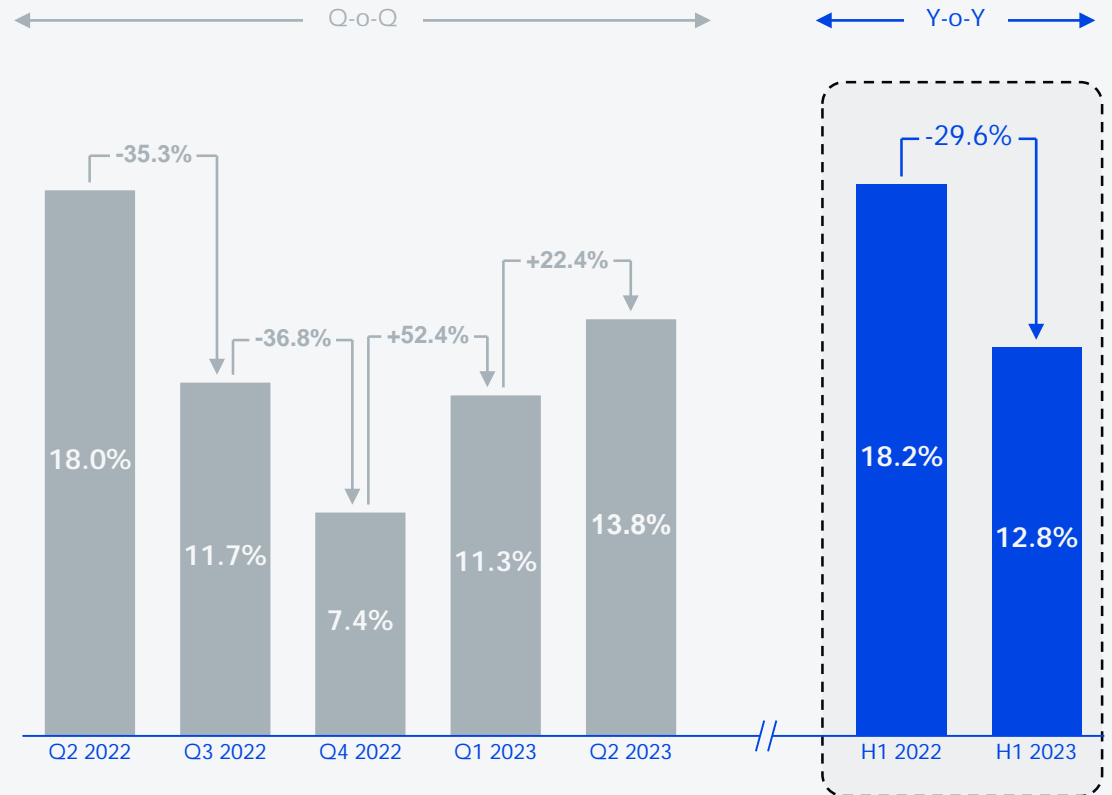
1,770.7
(SAR Million) \$472.2 (USD Million) 100.0% Y-o-Y

Net Income After Zakat at SAR 196.0m with margin of 42% in H1 2023 and SAR 278.3m with margin of 47% in H1 2022

Net Profit After Zakat & Margin*
(SAR Million)



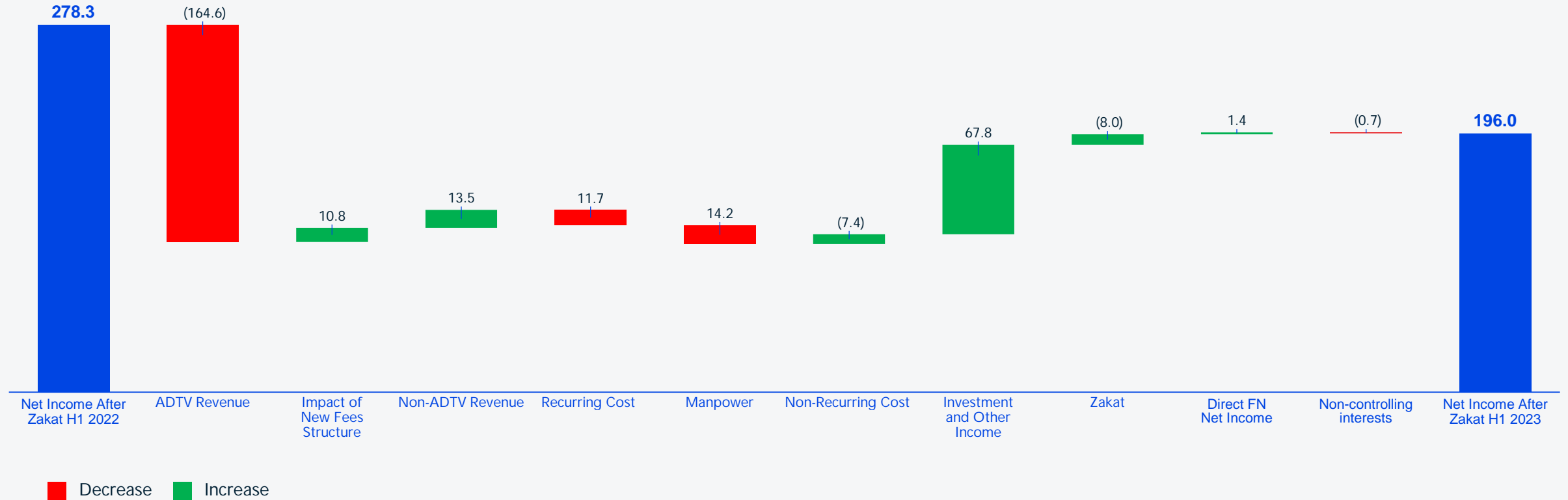
Return on Average Equity*
(Annualized)



* Attributable to equity holders of the parent.

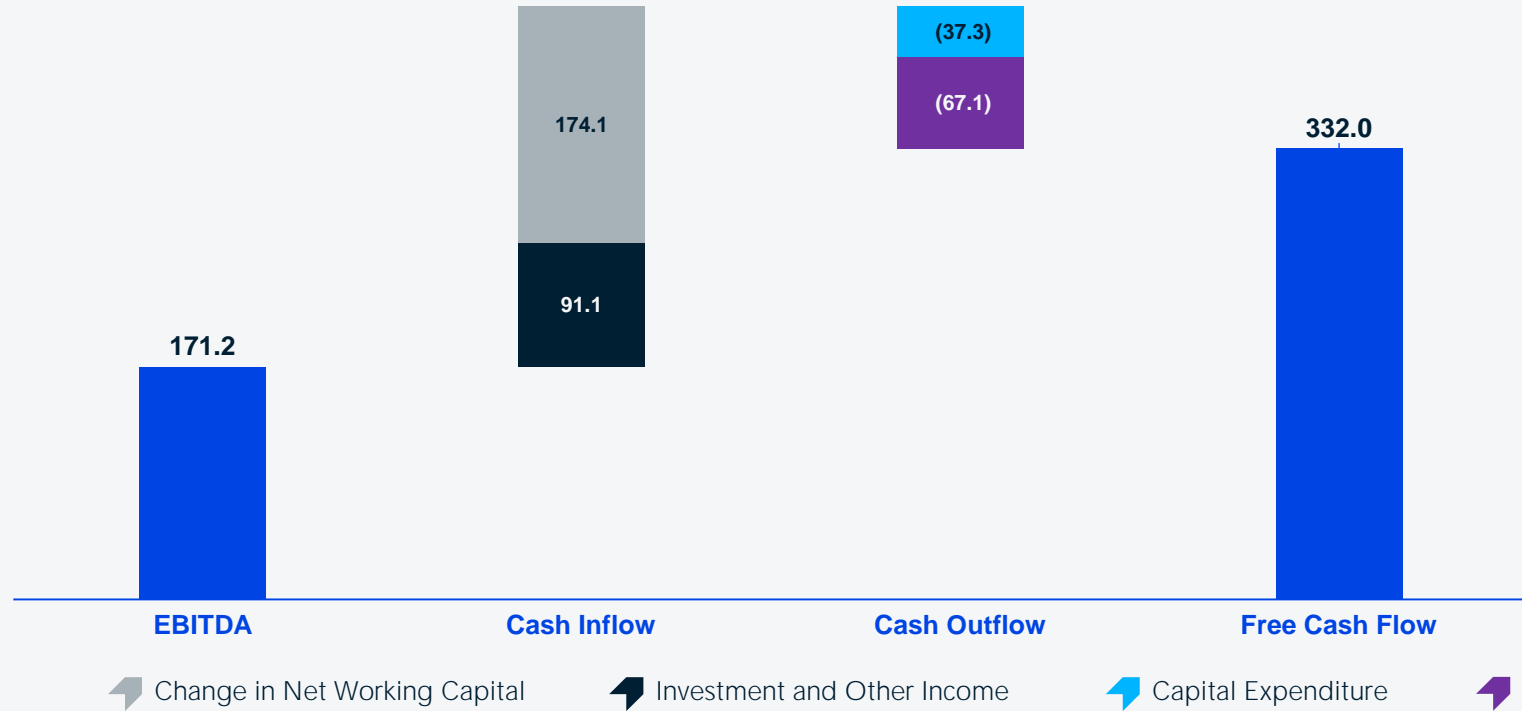
Net Profit After Zakat Movement

H1 2023 Vs. H1 2022
(SAR Million)



Strong Cash Flow Conversion of 194%

Free Cash Flow Waterfall - H1 2023 (SAR Million)



Capital Expenditure

37.3 (SAR Million) \$9.9 (USD Million) 15.1% Y-o-Y

Change in Net Working Capital

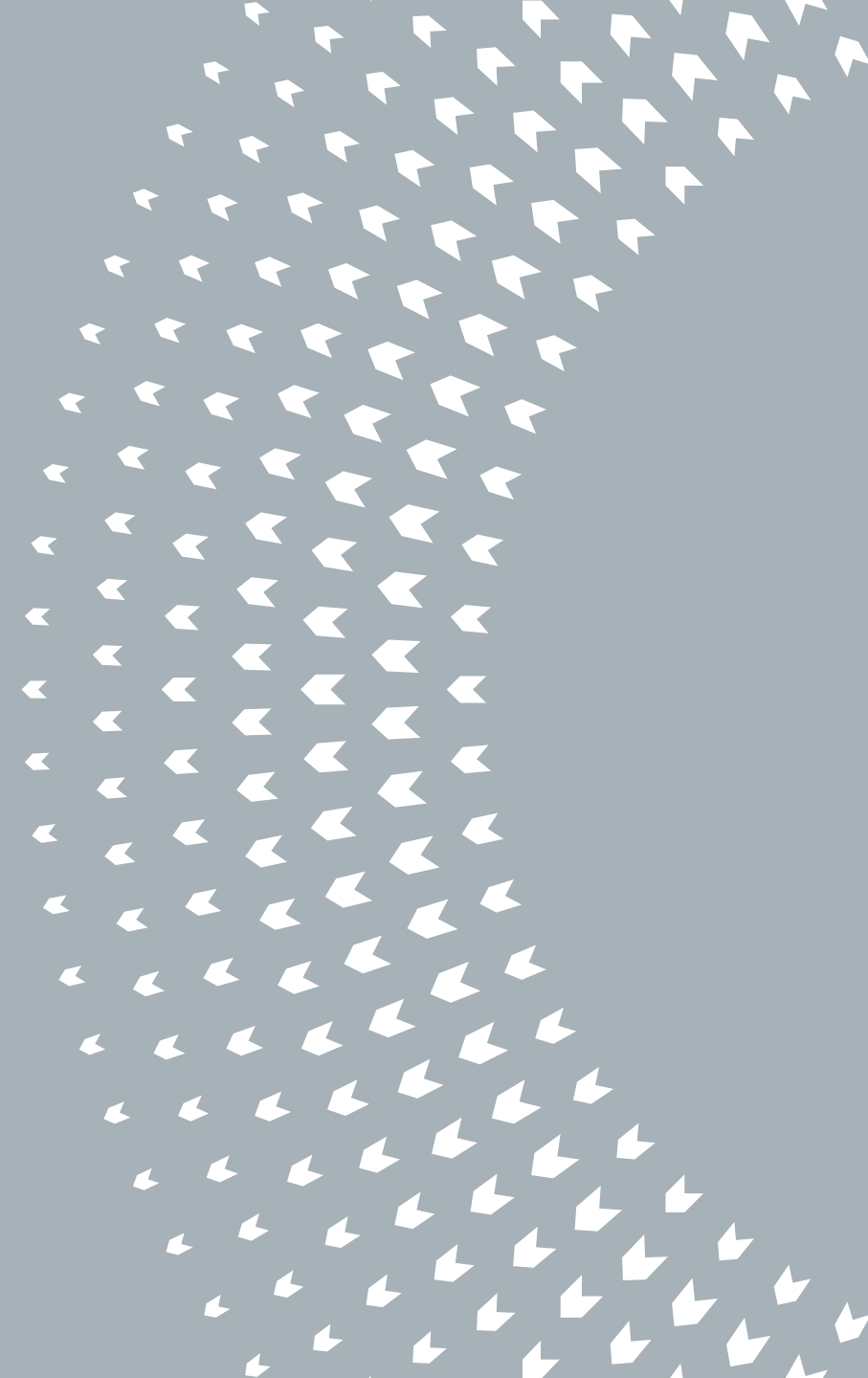
174.1 (SAR Million) \$46.4 (USD Million) 162.1% Y-o-Y

Return on Average Assets

5.1% (Annualized) 49.5% Y-o-Y

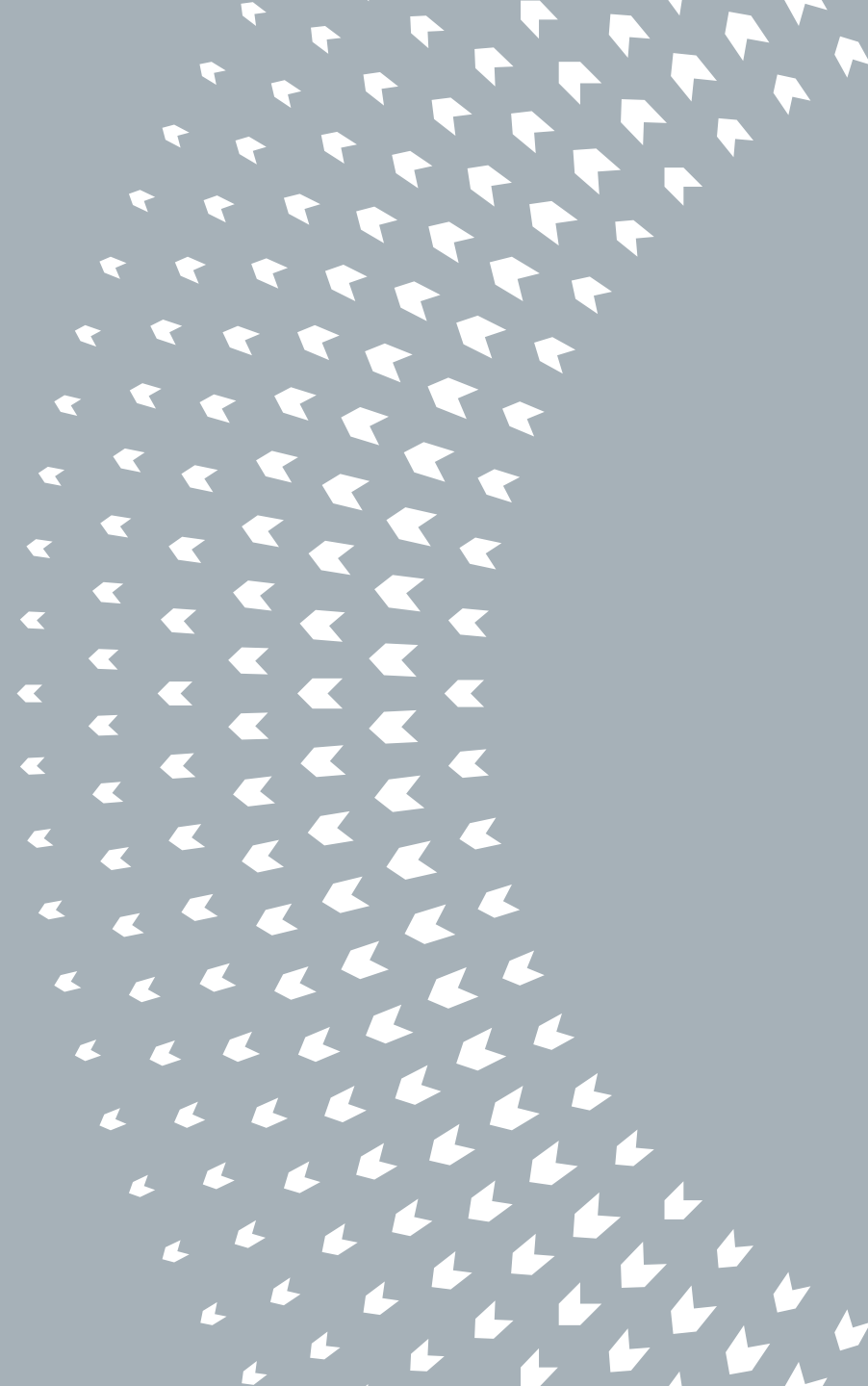


Q&A





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

P&L Snapshot

(SAR million)	H1 2023	H1 2022	Y-o-Y %
Operating revenue	463.3	592.1	21.8% ▼
Operating expenses (Excl. Depreciation & amortization)	292.1	269.4	8.4% ▲
EBITDA	171.2	322.6	46.9% ▼
<i>EBITDA margin</i>	<i>37%</i>	<i>54%</i>	
Depreciation & amortization	36.0	30.3	18.7% ▲
EBIT	135.2	292.3	53.8% ▼
<i>EBIT margin</i>	<i>29%</i>	<i>49%</i>	
Investment income & other income	113.0	25.9	336.9% ▲
Loss from associates	(21.8)	(2.4)	811.4% ▲
Zakat	29.6	37.5	20.9% ▼
Net profit after Zakat	196.7	278.3	29.3% ▼
Less: Net profit after Zakat attributable to Non-controlling interests	(0.7)	-	
Net profit after Zakat attributable to Equity holders of the Parent	196.0	278.3	29.6% ▼
<i>Net profit margin</i>	<i>42%</i>	<i>47%</i>	
EPS (SAR) attributable to Equity holders of the Parent	1.63	2.32	

Financial Position Snapshot

(SAR million)	H1 2023	H1 2022	Y-o-Y %
Cash & cash equivalents	1,995.5	158.9	1155.5% ▲
Investments	1,058.2	2,563.7	58.7% ▼
Other assets	4,699.4	4,814.0	2.4% ▼
Total assets	7,753.1	7,536.7	2.9% ▲
Total liabilities	4,769.7	4,525.9	5.4% ▲
Total equity	2,983.3	3,010.7	0.9% ▼
Total equity attributable to Equity holders of the Parent	2,929.0	3,010.7	2.7% ▼

Key Metrics	H1 2023	H1 2022	Y-o-Y %
ROaE (Annualized) attributable to Equity holders of the Parent	12.8%	18.2%	29.6% ▼
ROaA (Annualized) attributable to Equity holders of the Parent	5.1%	10.0%	49.5% ▼



Listings in Q2 2023

#	Issuer Name	Market	Size (shares and units)	CMA Approval Date	Note
1	Foods Gate Trading Co.	Nomu Market	420,000	14 Nov 2022	Listed on 05 Apr 2023
2	Sukuk Al Kathiri	Debt Market	100,000	28 Sep 2022	Listed on 10 Apr 2023
3	Mayar Holding Co.	Nomu Market	Direct Listing	13 Mar 2023	Listed on 11 Apr 2023
4	Ghida Alsultan for Fast Food Co.	Nomu Market	640,000	15 Dec 2022	Listed on 13 Apr 2023
5	Saudi Lime Industries Co.	Nomu Market	2,000,000	26 Dec 2022	Listed on 27 Apr 2023
6	Meyar Co.	Nomu Market	265,400	05 Dec 2022	Listed on 01 May 2023
7	Al Muneef Co.	Nomu Market	760,000	29 Dec 2022	Listed on 07 Jun 2023
8	Tam Development Co.	Nomu Market	585,600	29 Dec 2022	Listed on 14 Jun 2023
9	Al Mawarid Manpower Co.	Main Market	4,500,000	26 Dec 2022	Listed on 19 Jun 2023
10	Jamjoom Pharmaceuticals Factory Co.	Main Market	21,000,000	28 Dec 2022	Listed on 20 Jun 2023
11	Morabaha Marina Financing Co.	Main Market	21,428,572	26 Dec 2022	Listed on 21 Jun 2023
12	First Milling Co.	Main Market	16,650,000	29 Mar 2023	Listed on 22 Jun 2023
13	Al-Razi Medical Company	Nomu Market	304,000	03 Apr 2023	Listed on 22 Jun 2023



Current IPO Pipeline

#	Issuer Name	Market	Size (shares and units)	Subscription Period	CMA Approval Date
1	Lumi Rental Company	Main Market	16,500,000	*	29 Mar 2023
2	Saudi Equity Growth Traded Fund CEF	Nomu Market	30,000,000	01 May to 06 Jul 2023	17 Jan 2023
3	Marble Design Company	Nomu Market	600,000	23 Jul to 27 Jul 2023	27 Mar 2023
4	Professional Medical Expertise Co.	Nomu Market	1,050,000	09 Jul to 16 Jul 2023	27 Mar 2023
5	Al Rashid Industrial Company	Nomu Market	Direct Listing	*	05 Jun 2023
6	Riyal Investment & Development Co.	Nomu Market	920,000	*	05 Jun 2023
7	Clean Life Company	Nomu Market	300,000	*	05 Jun 2023
8	Atlas Elevators General Trading & Contracting Co.	Nomu Market	1,200,000	*	05 Jun 2023
9	Fad International Company	Nomu Market	240,000	*	05 Jun 2023
10	DAR ALMARKABAH For Renting Cars Co.	Nomu Market	500,000	*	20 Jun 2023
11	Tejoury Company	Nomu Market	1,818,182	*	20 Jun 2023
12	Lana Medical Company	Nomu Market	720,000	*	20 Jun 2023

(*) Prospectus not published yet



Current IPO Pipeline

#	Issuer Name	Market	Size (shares and units)	Subscription Period	CMA Approval Date
13	United Mining Industries Company	Nomu Market	1,750,000	*	20 Jun 2023
14	Ades Holding Company	Main Market	338,718,754	*	21 Jun 2023
15	Arabian Centres's Debt Instruments Program	Debt Market	-	*	21 Jun 2023
16	SAL Saudi Logistics Company	Main Market	24,000,000	*	21 Jun 2023
17	Intelligent Oud Company For Trading	Nomu Market	325,000	*	21 Jun 2023
18	Munawla Cargo Company	Nomu Market	200,000	*	21 Jun 2023
19	Riyadh Steel Company	Nomu Market	1,000,000	*	21 Jun 2023
20	Al Dyar Al Arabia for Real Estate Development Co.	Nomu Market	2,250,000	*	21 Jun 2023
21	Mulkia Investment Company	Nomu Market	1,300,000	*	22 Jun 2023
22	Osool & Bakheet investment Company	Nomu Market	1,500,000	*	22 Jun 2023
23	Paper Home Company	Nomu Market	Direct Listing	*	22 Jun 2023
24	Armah Sports Company	Nomu Market	4,927,958	*	22 Jun 2023

(*) Prospectus not published yet



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مجموعة تداول السعودية
Saudi Tadawul Group

Thank you ...

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