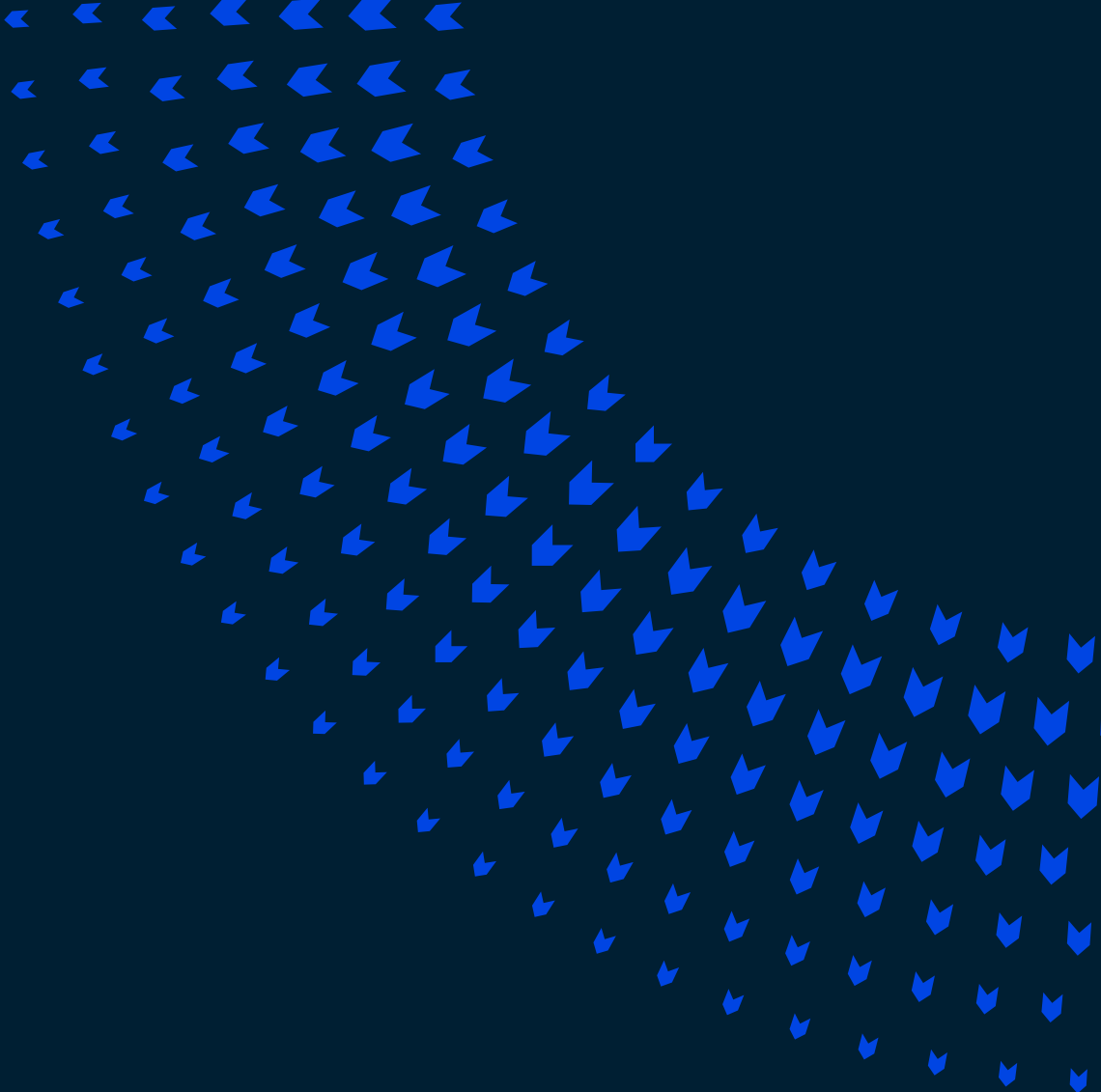


Saudi Tadawul Group Launches a Bundle of Enhancements to Develop Post Trade Infrastructure

Saudi Tadawul Group and three of its subsidiaries, Saudi Exchange, the dedicated stock exchange, Muqassa, the securities clearing house and Edaa the Securities depository center introduce several new post trade infrastructure enhancements to deliver best-in-class services and financial instruments to local and international investors creating an attractive investment environment for all market participants.

Saudi Exchange Enhancements

Enhancements	Benefits	Additional information
Introduction of short selling order flagging for cash markets	<ul style="list-style-type: none"> The introduction of a more efficient handling of order flow by market participants, such as an enhanced mechanism for short selling activities on cash markets listed securities. This includes the introduction of a short selling order flagging mechanism and the ability to short sell without having the securities in an account upfront provided an SBL agreement is in place. 	<ul style="list-style-type: none"> Short Sell Orders need to be flagged when entered as a short selling order. Short selling can only be done when an SBL agreement is in place.
Flexible settlement cycles for Negotiated Deals from T+0 to T+5 for negotiated deals	<ul style="list-style-type: none"> Introduction of flexible settlement cycles for Negotiated Deals, allowing buyer and seller to agree on a settlement cycle from T+0 to T+5 based on their deal requirements. Unless specified by investors, the default settlement cycle will be T+2. 	<ul style="list-style-type: none"> Negotiated Deals occur after both seller and buyer determine the quantity and price of the listed securities involved in the transaction. If both seller and buyer determine the quantity and price of the listed securities involved in the transaction after the trading times, the negotiated deal execution mechanism must be initiated on the following trading day.
Enhanced trading experience for unlisted debt and suspended listed companies with the introduction of flexible over-the-counter boards	<ul style="list-style-type: none"> Additional flexibility in the trading experience and settlement cycles for securities traded over-the-counter, where OTC trades are matched at the Exchange and buyers and sellers may agree on a settlement cycle from T+0 to T+5. OTC boards will include suspended listed companies and unlisted debt. 	<ul style="list-style-type: none"> The transactions on registered unlisted debt and suspended listed companies shall be executed Over the Counter and through Exchange Members in accordance with the provisions of the Exchange Rules and relevant instructions. The introduction of OTC pass-through services by Muqassa will facilitate the efficient execution of OTC trades.
Buy-in trades executed in a separate orderbook settling T+0	<ul style="list-style-type: none"> Buy-in trades executed at the Exchange in a separate orderbook settling T+0. Buy-in is a risk tool for investors to mitigate potential or failed trades. On buy-in, the execution process is auction-based and open to all investors. Mandatory buy-in will be done by Muqassa on behalf of failing Exchange members to minimize settlement risk. 	<ul style="list-style-type: none"> Optional buy-in orders can be used to avoid settlement failures, while mandatory buy-in orders are used as part of the settlement failure process. The settlement cycle of the Mandatory buy-in and Optional Buy-in trades is All Buy-in trades settle on T+0. Buy-in order books is available for all listed securities, except for derivatives. The mandatory buy-in orders will be submitted by Muqassa on behalf of the Exchange Member and the optional buy-in orders will be submitted by the investor. The daily fluctuation limit for the Buy-in Process shall be $\pm 30\%$ for all Securities, except for Debt Instruments.



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