

**2024**  
Annual Report

**Saudi  
Tadawul  
Group**

Towards a  
**Growing  
Future**





**King Salman Bin Abdulaziz Al Saud**

Custodian of the Two Holy Mosques



His Royal Highness  
**Mohammed Bin Salman Bin Abdulaziz Al Saud**

Crown Prince, Prime Minister, Chairman of the Council of  
Economic and Development Affairs

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**In a year of decisive progress, Saudi Tadawul Group achieved transformative milestones, accelerating towards its vision of becoming a world-leading holding group bridging global investors and regional economies. Through strategic expansion, infrastructure enhancement, and financial innovation, the Group reinforced its catalytic role in advancing the Kingdom's capital markets and contributing to the goals of Vision 2030. Forging global partnerships and embracing cutting-edge technologies, Saudi Tadawul Group is propelling the Kingdom towards its ambition to be a premier global financial hub.**

### Reporting Period and Boundary

This Annual Report is focused on the 12-month period from 1 January 2024 to 31 December 2024, which is consistent with the conventional annual reporting cycle. The Report covers the financial and operational aspects of the Saudi Tadawul Group, including its subsidiaries portfolios; The Saudi Exchange Company (Saudi Exchange), the Securities

Depository Center Company (Edaa), the Securities Clearing Center Company (Muqassa) and Tadawul Advanced Solutions Company (WAMID). The Report has been issued in both Arabic and English, and in the event of any discrepancy the Arabic version shall prevail.

### Annual Report Content Channels

The end-to-end interactive online HTML version of the Annual Report is identical to the PDF version, while it includes features for ease of finding, extracting, and sharing information.



The PDF version of the Annual Report, which may be downloaded from the website.

<https://annualreport.tadawulgroup.sa/Resources/AnnualReport2024/>

# Overview

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Saudi Tadawul Group has established itself as a regional leader, driving growth through innovation, strategic expansion and global partnerships. With a clear vision for the future, the Group continues to enhance market infrastructure, unlock new opportunities and solidify Saudi Arabia's position as a leading global financial hub. Aligned with the Kingdom's ambitious Vision 2030, it remains committed to evolving its offerings and shaping the future of the financial sector.

# 01



# Towards a Growing Future

**Saudi Tadawul Group's journey in 2024 was marked by bold expansion, groundbreaking achievements and an unwavering commitment to shaping the future of global capital markets.**

With a clear vision and a relentless drive for progress, the Group deepened its international presence, strengthened market infrastructure and advanced financial innovation, reinforcing its role as a catalyst for economic transformation. By harnessing cutting-edge technology, establishing strategic global partnerships and expanding its market offerings, it propelled towards its ambition of positioning the Kingdom of Saudi Arabia as one of the world's leading financial hubs.

This year marked the Group broadening its horizons across multiple frontiers - bridging capital flows between East and West, enhancing connectivity through landmark acquisitions and strengthening the Saudi capital market's stature on the global stage. The successful launch of new financial instruments, major infrastructure enhancements and increased international investor participation highlighted the

strength of its strategic direction. From driving liquidity and diversification in the debt and equity markets to spearheading sustainability and digital transformation, Saudi Tadawul Group set new benchmarks for excellence, adaptability and resilience.

As the Group accelerates towards the next phase of its vision, it remains committed to fostering a dynamic, transparent and inclusive financial ecosystem. By continuing to innovate, strengthen global partnerships and create value for issuers, investors and Stakeholders, Saudi Tadawul Group is going beyond responding to market trends - it is shaping them. Looking ahead, it is poised to further its ambitions, unlocking new opportunities that will solidify the Kingdom's position as a premier global financial center and a driving force behind the Kingdom's economic future.



# About the Group

Saudi Tadawul Group is working to develop an advanced capital market as part of its commitment towards realizing the objectives of the Financial Sector Development Program (FSDP), and its efforts to create a thriving financial sector that contributes to supporting and achieving the ambitious Kingdom Vision 2030. The Group's transformation in 2021 into a Holding Group represented a key milestone in this initiative.



## 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.



## 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.



## Values

### Look ahead

We keep things moving, staying focused on the future and what it has to offer. We anticipate change and are one step ahead of others.

### Challenge conventions

We are inquisitive, ask questions and challenge the status quo, never afraid to find new ways to create what's different and better.

### Aim high

Raising the bar means improving and adapting as we go. We operate with integrity and commit to progress in every way. We are always striving to advance our thinking and capabilities.

### Make things happen

Our heads are in the sky, but our feet are on the ground. We build high levels of trust and follow through to get things done. We keep our promises.

Following the transformation into a Holding Group structure, Saudi Tadawul Group became the parent company with a portfolio of 4 fully owned subsidiaries including the Saudi Exchange Company (Saudi Exchange), the Securities Depository Center Company (Edaa), the Securities Clearing Center Company (Muqassa) and the Tadawul Advanced Solutions Company (WAMID), an applied technology services business and the innovation arm of Saudi Tadawul Group.

In alignment with the Group's growth strategy and diversification ambitions as outlined in its strategic plan, the Group announced in June 2024 the completion of its acquisition of a 32.6% strategic stake in DME Holdings Limited. Subsequently, DME Holdings Limited has been rebranded as Gulf Mercantile Exchange (GME). This step supports the Group's strategic move towards leveraging the Middle East's geographic proximity to both key commodity production hubs and end-markets. This transaction will unlock further opportunities in the energy, metals and agricultural commodity markets and will support the ongoing transition to a sustainable economy through the launch of next-generation derivative contracts.

As previously announced in May 2023, the Group announced the completion of its first inorganic growth towards achieving

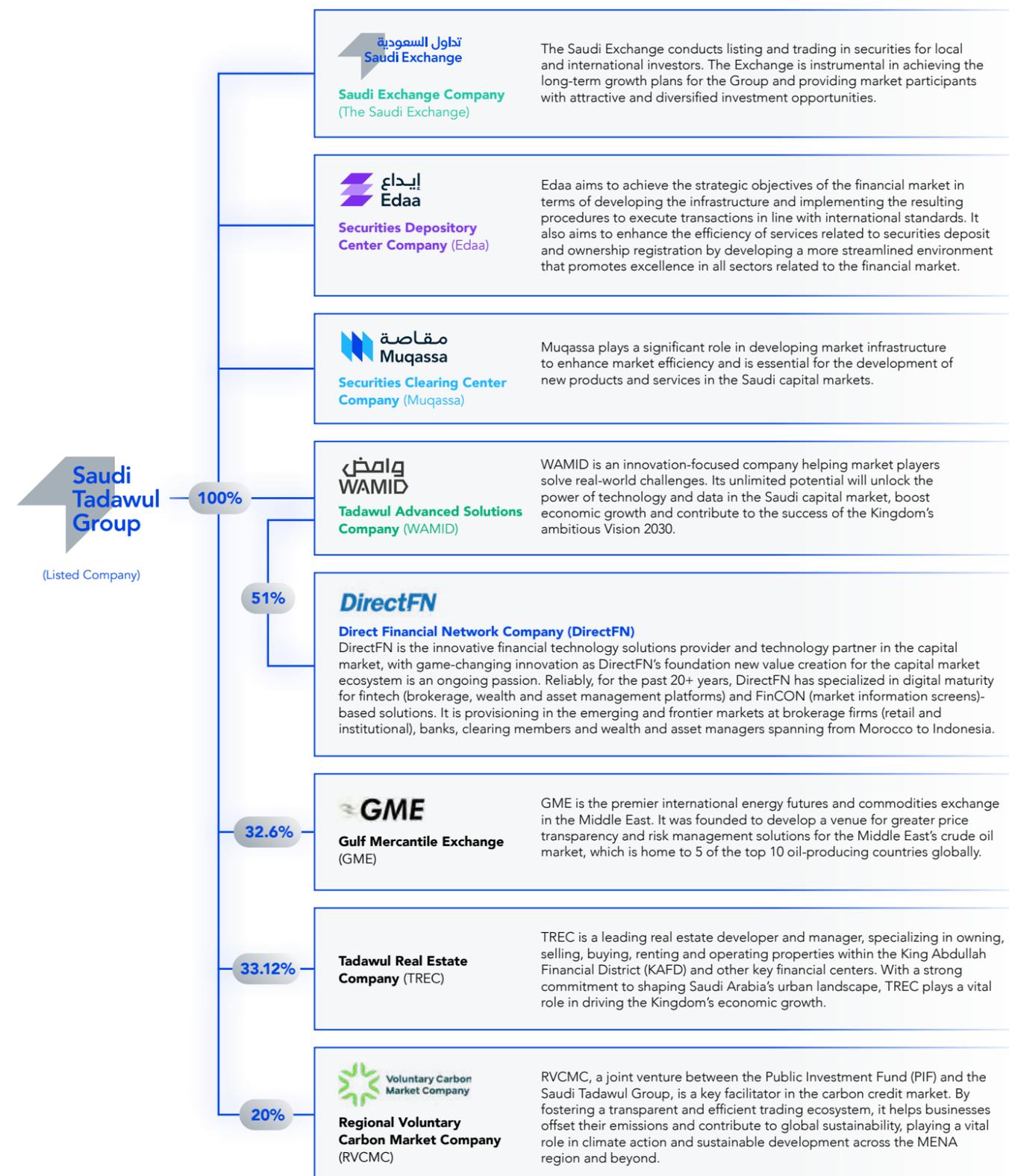
sustainable growth by acquiring a 51% stake in Direct Financial Network Company (DirectFN) by WAMID, which reflects the Group's ambitious strategy to create an opportunity to build new capabilities, elevate innovation in the regional capital markets and diversify revenue.

The Group benefits from its vertically integrated and diversified business model between its subsidiaries, ensuring efficient operations and the independence of each subsidiary. This facilitates the introduction of best-in-class services to all market participants, diversification of investment opportunities and the continued development of the Saudi capital market.

Advancing the Saudi capital market's infrastructure is one of the Group's objectives, in line with global best practices, while solidifying Saudi Arabia's position as an emerging market leader, a technologically advanced and attractive sophisticated global investment destination, and the gateway to the Middle East and North Africa (MENA) region.

The Group will remain one of the enabling forces for the Saudi economy and one of the main pillars for implementing the Financial Sector Development Program (FSDP) objectives to boost economic growth and diversify the economy.

## Our Subsidiaries



# At a Glance

Saudi Tadawul Group continued to set new benchmarks, driving forward with ambition, innovation and a clear vision for the future. Through strategic progress, diversification and growth initiatives, and a steadfast commitment to excellence, we reinforced our position as a leading financial hub. With new milestones, global recognition and accelerated growth, we remain dedicated to shaping the future of capital markets. As we look ahead, we remain focused on unlocking new opportunities, driving progress and redefining what is possible.

## Operational Highlights

Acquired a **32.6% stake** in Dubai Mercantile Exchange (DME), rebranding it as Gulf Mercantile Exchange (GME), to strengthen regional commodities trading and enhance Saudi Arabia's role in global energy markets.

Launched the **TASI 50** Index.



Completed the second phase of the **Post-Trade Transformation Program's (PTTP) enhancements**.

Launched **Omnibus accounts** in the Saudi debt market to enhance market attractiveness and operational efficiency.



**9th**

Largest stock market globally and **1st in the MENA region**, by market capitalization.

Maintained a **100% settlement ratio** with zero clearing-member defaults.



Over

**4,000**

Qualified Foreign Investors (QFI).

Enhanced the **Data Monetization Program**, a cornerstone to transform data into value-added products and services.



## Financial Highlights

Operating revenue (ﷲ million)

**1,446.6** 34.8% YoY

EBITDA (ﷲ million)

**647.2** 60.5% YoY

EBITDA margin (%)

**44.7%** 19.1% YoY

Investment income (ﷲ million)

**151.1** 19% YoY

Net profit after zakat (ﷲ million)

**621.8** 59.4% YoY

Free cash flow (ﷲ million)

**532.1** 46.8% YoY

## Sustainability Highlights



**267**

training programs, with an average of 57 training hours per employee



Established the **Net Zero** 2050 project



**32%**

female workforce



**110**

sustainability-focused events and training sessions



**92%**

Saudization



Launched the **"STG Green Initiative"**

At a Glance continued

## 2024 Awards



### 1<sup>st</sup> Place - Best Digital Annual Report for 2023 - In the Middle East

Saudi Tadawul Group was recognized for excellence in digital reporting, securing first place in the Best Digital Annual Report category at the 2023 MEIRA Conference and Awards, reaffirming the Group's commitment to enhancing transparency.

### 2<sup>nd</sup> Place - Best Printed Annual Report for 2023 - In the Middle East

Saudi Tadawul Group earned second place in the Best Printed Annual Report category at the 2023 MEIRA Conference and Awards, reflecting the Group's dedication to high-quality corporate reporting.

### Silver Excellence Award

Saudi Tadawul Group's Procurement & Facility Management Department received the Silver Excellence Award from the Human Resources Development Fund (HRDF) for the second consecutive time, reaffirming its commitment to operational excellence and talent development.

## 2024 Certificates



### ISO 20000-1:2018 IT Service Management Systems

### ISO 9001:2015 Quality Management Systems

Saudi Tadawul Group's Information Technology Division has successfully passed the annual surveillance audits for ISO 20000-1:2018 (IT Service Management Systems) and ISO 9001:2015 (Quality Management Systems), reaffirming its commitment to operational excellence.



### ISO 9001:2015 Quality Management System

### ISO 41001:2018 Facilities Management System

Saudi Tadawul Group's Procurement & Facility Management Department has reinforced its adherence to global standards by meeting the requirements for ISO 9001:2015 (Quality Management System) and ISO 41001:2018 (Facilities Management System) during the latest annual surveillance audits.



### ISO 9001:2015 Quality Management System

The Securities Clearing Center Company (Muqassa) successfully completed the annual audit and review process for ISO 9001:2015 (Quality Management System), highlighting its dedication to quality management.

# The Group Journey

## 1926

Commenced as an informal financial market.

## 1983

A ministerial committee was formed to regulate and develop the market.

## 2003

Came under the supervision of the Capital Market Authority (CMA) as the sole regulator.

## 2009

Establishment of the fixed-income market.

## 2010

Launch of the Exchange Traded Funds (ETFs) platform.

## 2007

- Incorporation of the Saudi Stock Exchange (Tadawul), as the sole authorized entity for securities exchange in the Kingdom of Saudi Arabia.
- Establishment of the "Main Market".

## 2015

- Qualified Foreign Investors (QFIs) are allowed to invest through the QFI framework.
- Launch of the Independent Custody framework in alignment with the best international practices and listing requirements for international indices.
- The Saudi Exchange deploys "X-Stream" trading platform in cooperation with Nasdaq.

## 2008

CMA approved the entry of foreign investment through swap agreements.

## 2016

- Incorporation of the Securities Depository Center Company (Edaa).
- Launch of the Real Estate Investment Traded Funds' (REITs) platform.

## 2018

- Incorporation of the Securities Clearing Center Company (Muqassa).
- MSCI, S&P and FTSE announce the intention to include the Exchange in their emerging markets indices.
- Listing of government Sukuk and bonds on the debt instruments market.

## 2017

- Establishment of Nomu - Parallel Market for the SME sector.
- Agreement with Nasdaq to revamp the Exchange's post-trade infrastructure.
- Launch of securities borrowing and lending and short selling frameworks.
- Registration of all government bonds and Sukuk in Edaa.

## 2019

- The Exchange became one of the world's 10 largest exchanges in terms of total market capitalization, with the listing of the Saudi Arabian Oil Company (Saudi Aramco).
- Complete inclusion of the Exchange in MSCI and S&P emerging markets indices and partial inclusion in the FTSE Russell Emerging Index.
- Allowing foreign listed companies to list (on a dual listing basis) on the Main Market.

## 2021

- The Saudi Stock Exchange is reorganized, whereby the Company is converted into a holding company and changes its name to Saudi Tadawul Group Holding Co. and established a new company under the name Saudi Exchange to assume all listing and trading services.
- Launch of WAMID, focused on solutions and pioneering technologies.
- Launch of the Close-Ended Funds (CEFs) platform.
- Linking Clearstream with Edaa as the first International Central Securities Depository (ICSD), which allows foreign investors to invest in local listed bonds and Sukuk.

## 2020

- Muqassa obtained the CMA license as a qualified central counterparty (QCCP).
- Activated clearing derivatives with the launch of the derivatives market.
- Funds allowed to be listed on Nomu - Parallel Market.
- Completed the inclusion of the Exchange in the FTSE Emerging Index.
- Edaa launches REPO collateral transfer services.
- Listing, for the first time, Sukuk and Exchange Traded Funds (ETFs).
- Incorporation of Tadawul Advanced Solutions Company (WAMID), a subsidiary focused on technology and innovation.

## 2022

- The Saudi capital market ranked as the 9th largest global exchange in terms of market capitalization, which reached  $\text{A\$} 9.9$  trillion at the end of 2022.
- Completion of the first dual listing on the Saudi Exchange and Abu Dhabi Securities Exchange.
- Saudi Tadawul Group, in collaboration with the Public Investment Fund (PIF), established the Regional Voluntary Carbon Market Company.
- The completion of the enhancements to develop post-trade infrastructure, the largest bundle in the history of the Saudi capital market.

## 2023

- Completion of the 51% acquisition of DirectFN.
- Hosting the second edition of the Saudi Capital Market Forum.

# Year in Review

Saudi Tadawul Group advanced its vision through groundbreaking initiatives, global partnerships and technological innovation throughout the year, driving the Saudi capital market's growth and alignment with the Kingdom's ambitious Vision 2030 while strengthening its position as a leading global financial hub.

## January

- The **Saudi Exchange** launched the TASI 50 Index, offering both local and foreign investors broader access to a wide range of investment opportunities in Saudi Arabia's dynamic capital market.

## March

- Saudi Tadawul Group** signed an MoU with Prince Mohammed bin Salman College of Business & Entrepreneurship (MBSC) to strengthen collaboration in multiple development areas.
- Saudi Tadawul Group** was recognized as one of Saudi Arabia's 50 most socially responsible businesses by Forbes Middle East and the National Center for Responsibility and Studies.
- Edaa** signed an MoU for a strategic partnership with Ebana to develop digital solutions and explore potential collaboration areas to strengthen the capital market.

## June

- Saudi Tadawul Group** completed the acquisition of a 32.6% stake in DME Holdings, the parent company of Dubai Mercantile Exchange (DME), which was then rebranded to become Gulf Mercantile Exchange (GME).

## September

- Saudi Tadawul Group** signed an MoU with the Qatar Stock Exchange to strengthen collaboration and drive growth across key areas of the Saudi financial market.

## November

- Saudi Tadawul Group** launched the "STG Green Initiative", demonstrating its commitment to environmental stewardship and alignment with the Kingdom's ambitious Vision 2030.
- Saudi Tadawul Group** successfully implemented the second bundle of its Post-Trade Transformation Program's enhancements across its subsidiaries, including Saudi Exchange, Edaa and Muqassa.
- Saudi Tadawul Group** strengthened Saudi Arabia's financial prominence by listing Asia's first and the world's largest Saudi-focused ETF on the Hong Kong Stock Exchange, alongside strong debuts of 2 Saudi ETFs in Shanghai and Shenzhen.

## February

- Saudi Tadawul Group** hosted the third edition of the Capital Markets Forum in Riyadh, bringing together financial sector leaders to foster collaboration and advance capital markets in line with the Kingdom's strategic vision.
- Saudi Tadawul Group** and Bahrain Bourse signed a landmark cooperation agreement to strengthen the integration between the 2 financial entities. The agreement focuses on developing infrastructure to enhance connectivity and boost liquidity across both markets.
- Edaa** contributed to the launch of Saudi Arabia's first government-backed Saving Sukuk product for individuals, initiated by the Ministry of Finance and the National Debt Management Center (NDMC).
- WAMID** expanded its co-location service, offering market participants the opportunity to co-locate their servers and equipment within the Group's Tier IV Data Center. This expansion provides the fastest access to the Saudi Exchange, ensuring the lowest latency route possible and enhancing the infrastructure of the Saudi capital market.

## April

- The **Saudi Exchange** celebrated its 400<sup>th</sup> listed security, a significant milestone in its mission to diversify and strengthen the Saudi capital market.
- Muqassa** became the first Saudi Arabian member of the International Swaps and Derivatives Association (ISDA), demonstrating its ongoing commitment to aligning risk management processes and settlements with international best practices.

## May

- Saudi Tadawul Group** signed an MoU with the Johannesburg Stock Exchange aimed at driving growth and connecting global capital markets.
- Saudi Tadawul Group** launched the first international edition of the Capital Markets Forum in Hong Kong, in collaboration with Hong Kong Exchanges.
- Saudi Tadawul Group** and Sahn Capital launched the "Invest Wisely" Program, providing participants with a virtual platform to experience realistic stock market stimulations.
- Muqassa** achieved compliance with the Principles for Financial Market Infrastructures, as assessed by Thomas Murray in the CPMI-IOSCO self-assessment, reflecting its adherence to global best practices across cash and derivatives markets, as well as the Repurchase Agreement (Repo) market.

## August

- Saudi Tadawul Group** signed an MoU with the Children with Disability Association to support the association in its work to empower children with disabilities in the Kingdom.

## October

- Edaa** signed an MoU with The General Authority of Awqaf to foster collaboration, combining efforts to drive innovation and achieve shared objectives.

## December

- Saudi Tadawul Group** received 1<sup>st</sup> and 2<sup>nd</sup> place for its 2023 Annual Report in the digital and print categories respectively at the MEIRA IR Awards.
- Saudi Tadawul Group** won the Human Resources Development Fund 'Silver Excellence Award' for the second time, underscoring its commitment to developing a highly skilled Saudi workforce.

# Investment Case

Saudi Tadawul Group stands as a pioneering paradigm of transformative financial capital markets, embodying a bold vision that is innovative yet deeply rooted in the rich cultural and economic heritage of Saudi Arabia.

This unique investment proposition is spearheaded by an experienced Saudi leadership team and supported by a dedicated workforce, each of whom are committed to creating robust and sustainable value for its Shareholders and key Stakeholders.

## National Champion Integral to the Kingdom's Ambitious Vision 2030 Delivery



- The Group plays a crucial role in realizing the objectives of the Kingdom's ambitious Vision 2030 and developing an advanced capital market, which is foundational for the delivery of the Financial and Sector Development Program (FSDP).
- Through advanced technology and seamless infrastructure, the Group fosters the development of a diverse Saudi capital market that acts as a bridge between global investors and regional economies.
- The Privatization Program supports strong levels of trading activity on the Saudi Exchange by creating a robust listing pipeline and encouraging further foreign direct investment (FDI) into the Kingdom.
- The inclusion in international indices like MSCI, S&P and FTSE Emerging Markets underscores the Exchange's growing international significance and attractiveness.
- The QFI ownership journey since 2018 not only reflects heightened international investor confidence, but also positions the Group as a key player in the global investment landscape.

## Robust and Rapidly Modernizing Core Market



- A diversified capital markets group - offering a complete suite of services covering listing, trading, post-trade and data and technology services - ranked 9th globally and 1st among GCC countries by market capitalization.
- Strong IPO pipeline through continuous enhancements to build a diversified and resilient capital market, as evidenced by the record number of listings and the sectors now represented across the Main Market and Nomu - Parallel Market.
- Continuous technological investments and development to create an advanced capital market, introducing new products and services and implementing best practices to drive market efficiencies.

## Resilient Superior Financial Performance and Strategic Progress



- New growth strategy oriented towards propelling the Kingdom's emergence as a global financial hub, accelerating the Group's transition from a position of regional leadership towards global significance.
- Successful delivery of the diversification strategic plan through expansion into financial derivatives with the launch of index futures, enhancement of debt markets trading infrastructure and delivery of large-scale post-trade capabilities, strengthening the Group's position as an emerging integrated market with high liquidity and market capitalization opportunities.
- Proven track record of collaborating with numerous important regional and international partners.

## Seasoned Leadership Team with a Track Record of Delivery



- Experienced and visionary Management team with strong capital markets expertise and proven record of delivery.
- Strong performance-driven culture of shared responsibility and accountability.
- Driving the transformation of the Group to achieve global leadership and deliver sustainable value creation for all Stakeholders.

## Accelerating International Growth and Diversification



- Continuous focus to significantly expand the Group's footprint and diversify its revenue streams to further capture material Shareholder value and create sustainable value for all Stakeholders.
- Steady development of the region's largest capital market through the Group's existing regionally focused franchises, fueled by economic transformation in the Kingdom and its associated market expansion.
- Pursuit of self-deterministic global development initiatives and mutually beneficial partnerships to deliver breakthrough growth and expansion on the international stage.
- Relentless efforts to lead the market's strategic development to make it more diverse, attractive and sophisticated.



# Investor Relations and Shareholders' Information

## Leading the Way in Shareholder Communications

At Saudi Tadawul Group, our Investor Relations play a pivotal role in driving Shareholder value through a strategic, transparent and globally aligned approach. By adhering to best practices and the highest governance standards, we reinforce trust in the Group, enhance market confidence and solidify our leadership position both regionally and globally.

**Engagements and meetings**  
**473**  
meetings held with the investment community's Stakeholders

**Sell-side reports**  
**50**  
reports published by global and local sell-side analysts

**Sell-side coverage**  
**8**  
global and local sell-side analysts covering the Group

**Site visits**  
**17**  
meetings held at the Group's headquarters with the investment community's Stakeholders

**Global and local conferences**  
Participated in **9** global and local conferences

Learn more about our commitment to investor engagement in our Global Reach and Partnerships chapter [page 42]

Since our landmark IPO in 2021, we have continuously expanded our capabilities to ensure seamless engagement with local, regional and global investors. Our priority remains providing timely, transparent and accurate insights into the Group's strategic direction, financial performance and operational progress. In addition, we have enhanced the clarity and impact of our financial communications to deepen investor understanding and appreciation of our market innovations and strengths.

As part of our strategic priorities, we have strengthened our participation in high-profile international investor events, reinforcing the Group's market visibility and deepening engagement with global investors. These initiatives complement our ongoing Investor Relations efforts, ensuring a robust presence in the global financial landscape. By leveraging

our platform at international forums, we continue to enhance our position as a gateway to one of the world's most dynamic and evolving markets.

In line with our commitment to Shareholder value creation, we have intensified our investor outreach efforts by strengthening relationships with current and potential investors, enhancing our market presence and reinforcing the Group's investment case. Throughout the year, we hosted quarterly earnings calls and participated in numerous global investor conferences, ensuring direct and open dialogue with the investment community. By upholding the highest standards of communication and disclosure, we continue to position Saudi Tadawul Group as a trusted and globally recognized financial hub that drives long-term and sustainable value for our Shareholders.

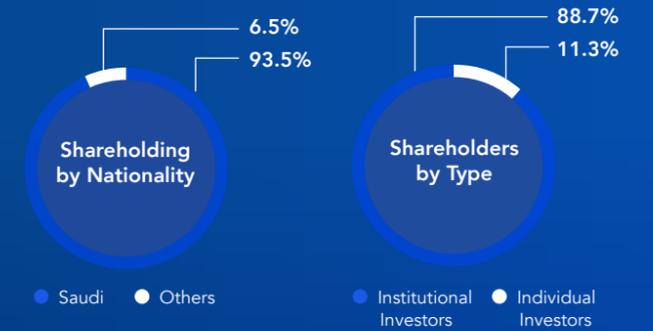
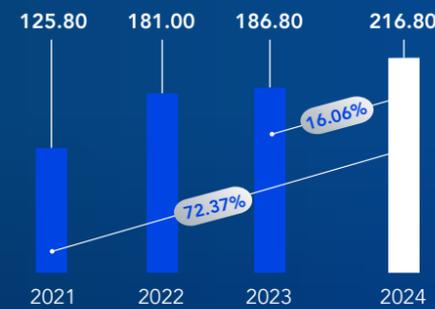
### Share Price Performance vs. Tadawul All Share Index (TASI)



### Shareholder Information

Listing date	Exchange	Symbol	Industry	ISIN	
08 December 2021	Saudi Exchange	1111	Financial Services	SA15DHKGHBH4	
Number of shares issued	Par value	Closing price as of 31 December 2024	Market cap as of 31 December 2024	Foreign ownership as of 31 December 2024	Free float
120 mn	ﷲ 10.00	ﷲ 216.80	ﷲ 26.02 bn	10.16%	40%

### Share Price (ﷲ)



### Substantial Shareholders

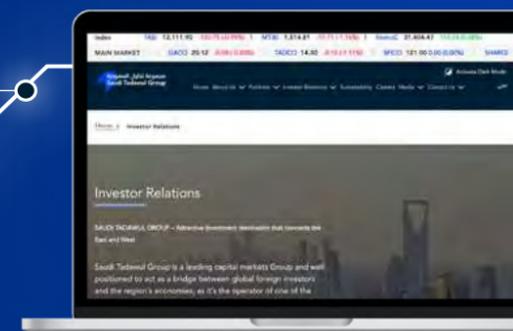
Ownership of 5% or More of the Issued Shares	Number of shares	Ownership (%)
Public Investment Fund (PIF)	72,000,000	60%
Public	48,000,000	40%
<b>Total</b>	<b>120,000,000</b>	<b>100%</b>

### Investor Relations Financial Calendar 2024-2025

	2024	2025
Q1 Interim Consolidated Financial Results	05 May 2024	27 April 2025
Q2 Interim Consolidated Financial Results	21 July 2024	27 July 2025
Q3 Interim Consolidated Financial Results	20 October 2024	26 October 2025
Annual Annual Consolidated Financial Results	02 March 2025	01 March 2026



Investor Relations Website



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# Strategic Review

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With a clear vision and ambitious growth strategy, Saudi Tadawul Group is accelerating growth, expanding its global presence and enhancing market efficiency. Our strategic initiatives drive long-term value creation, positioning the Group as a key enabler of financial transformation.

# 02



# Chairperson's Statement

## Towards a Growing Future

**As one of the world's most influential and dynamic capital market organizations, Saudi Tadawul Group is playing a central role in achieving some of the objectives of the Financial Sector Development Program (FSDP) and the broader national economic diversification goals of the Kingdom's ambitious Vision 2030. Our purposeful direction and strategic initiatives are creating a vibrant capital market ecosystem that catalyzes the Kingdom's economic transformation and sustainable development.**

2024 marked a transformative year for Saudi Tadawul Group as we accelerated our diversification agenda following the launch of our new growth strategy in 2023. We remained focused on expanding our market presence, forging strategic partnerships, enhancing our product offerings and cultivating a culture of innovation and excellence. The pace at which we moved is indicative of our commitment to delivering sustainable growth and creating value.

### Unlocking Potential through Strategic Diversification

Our acquisition of 32.6% strategic stake in the Gulf Mercantile Exchange (GME), was a defining moment in the execution of our strategy and gave us a firm foothold in one of the most important asset classes globally, in addition to support the ongoing transition to a sustainable economy through the launch of next-generation derivative contracts.

Similarly, the announcement made by our technology arm WAMID to acquire the 49% of the entire remaining shares move in Direct Financial Network Company (DirectFN) underscores our belief in the tremendous potential of the information and data sectors.

Meanwhile, we have intensified our efforts to accelerate the growth of the debt capital market in collaboration with the Capital Market Authority (CMA), the National Debt Management Center (NDMC) and other ecosystem partners. In November 2024, the Capital Market Authority (CMA) announced its approval to the largest set of regulatory enhancements since the launch of the sukuk and debt instruments Market to create greater depth and liquidity in the

market. We are paving the way for a more robust, diversified and globally competitive financial sector.

### Delivering Success through Ambition

This year marked a significant milestone in the growth and diversification of the Saudi capital market, with a robust pipeline of IPOs driving economic expansion, unlocking new investment opportunities, and enhancing market liquidity. The sustained momentum in listings reflects the strong confidence of both domestic and international investors in the market's long-term potential and reinforces its role in achieving the Kingdom's ambitious Vision 2030 objectives of economic diversification, increased private sector participation and positioning Saudi Arabia as a leading global financial hub.

As part of our ongoing efforts to enhance market accessibility and efficiency, we have implemented significant regulatory and technological advancements that support both issuers and investors. These include simplified listing processes for international companies, more efficient mechanisms to boost market liquidity and continued enhancements to market infrastructure, ensuring alignment with global best practices.

The rapid growth in investor activity, particularly from foreign institutional investors, highlights the expanding global appeal of the Saudi capital market. These developments further solidify Saudi Tadawul Group's role as a leading financial hub, facilitating greater international capital flows and reinforcing our contribution to the Kingdom's economic transformation.

### A Global Financial Center on the Rise

Saudi Arabia's transformation into a global financial center has continued to accelerate, with strategic milestones reinforcing our position as a bridge between global capital markets. Through targeted international engagements and cross-border partnerships, we are deepening Saudi Arabia's integration into the global financial ecosystem, fostering new investment flows, and enhancing market accessibility.

A key highlight of this progress has been the expansion of the Capital Markets Forum (CMF) into a truly international platform. The third edition in Riyadh demonstrated its growing impact, and we successfully extended its reach with the inaugural CMF Hong Kong and the CMF London. These events served as pivotal opportunities to engage with global investors, issuers and policymakers, further strengthening the Kingdom's role as a premier investment destination.

Additionally, our expanding suite of investment products, including exchange-traded funds (ETFs), has provided greater international market connectivity. By enabling access to Hong Kong-listed stocks and facilitating cross-border investment opportunities, we continue to enhance the depth and competitiveness of the Saudi capital market. These achievements reflect our commitment to driving global collaboration and supporting the Kingdom's vision of becoming a leading financial hub, attracting investors and capital from around the world.

### Leading Practices in Women's Empowerment and Sustainability

This year, we marked a significant milestone in our commitment to inclusion and gender diversity with the appointment of Hanan Al Shehri as CEO of Edaa, making her the first female CEO of the Group subsidiary. Her leadership reflects our dedication to empowering women in the workplace, demonstrated by the fact that 11% of our senior leadership positions are now held by women; an achievement we take pride in and remain committed to further advancing.

In parallel, sustainability remains a core priority in our corporate strategy, as we continue to integrate environmental, social and governance (ESG) principles across all aspects of our operations, reinforcing Saudi Arabia's position as a globally competitive capital market. In this regard, we have taken significant steps to embed sustainability at both the Group and market level, culminating in the publication of our first Sustainability Report in 2023.

As part of our commitment to environmental responsibility and alignment with national sustainability objectives, we are integrating our efforts with the Saudi Green Initiative by developing sustainable financial solutions, promoting enhanced environmental disclosures for listed companies and

supporting investments that accelerate the transition to a low-carbon economy. This commitment is further reflected in our ongoing efforts to equip issuers and investors with the tools, frameworks and reporting standards needed to adopt responsible investment practices, ensuring adherence to the highest levels of transparency and disclosure.

With the guidance and support of our Board of Directors, we will continue implementing our sustainability strategy, which is anchored in best-in-class ESG practices, market integrity, and promoting sustainable investment, in alignment with the "Saudi Green Initiative".

### Looking Forward with Ambition and Confidence

In 2025, we will drive continued growth across all our markets and introduce innovative products and services that cement our reputation as one of the world's most influential and dynamic capital market groups.

I extend my deepest gratitude to The Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al-Saud, and His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al-Saud, Crown Prince and Prime Minister, for their

steadfast belief in our vision and their unwavering support of the Kingdom's Vision 2030. I also express my sincere appreciation to our Board of Directors for their leadership and guidance throughout a year filled with opportunity and achievement.

My heartfelt thanks go to our Executive Management team and the talented individuals across the Group and its subsidiaries. Their exceptional efforts and innovative spirit have been pivotal to our growth and value creation. Lastly, to our Shareholders, issuers, investors, brokers, custodians and partners, your continued support and trust are foundational to our success and inspire us as we advance toward our ambitions.

**Mrs. Sarah Jammaz Al-Suhaimi**  
Chairperson

“  
**Our acquisition of 32.6% strategic stake in the Gulf Mercantile Exchange (GME), was a defining moment in the execution of our strategy, giving us a firm foothold in one of the most important asset classes globally.**”



 **₹ 402.0 million**  
2024 Total Declared Dividends

 **₹ 3.35 per share**  
2024 Declared Dividend

# GCEO's Message

## Pioneering Progress and Global Impact

**Saudi Tadawul Group continues its pioneering journey to advance, develop, and reshaping the Saudi capital market into a globally recognized financial hub through strategic diversification, innovation and international collaboration. By expanding product offerings, advancing sustainability initiatives and fostering global partnerships, we are driving economic growth and unlocking new opportunities that align with the Kingdom's ambitious Vision 2030.**

### Driving Growth, Expanding Connectivity

Our evolution into a global financial center is no longer an aspiration but a reality. Today, we are one of the world's most dynamic and rapidly growing markets, marked by an expanding base of issuers, a broader suite of instruments and heightened investor demand. By investing in advanced trading technologies and infrastructure upgrades, we have created a more efficient, secure and resilient trading environment.

International participation is at unprecedented levels. The appeal lies not only in the variety of financial instruments - ranging from fixed income products and ETFs to derivatives - but also in the increasing number of listed securities, surpassing 400 and more than 100 on Nomu - Parallel Market.

### Strong Financial Momentum

The Group delivered robust financial results in 2024, reflecting the success of our strategic initiatives and diversification efforts. Operating revenue reached  $\text{SAR } 1,446.6$  million, a substantial growth of 34.8% year-over-year, driven by strong contributions from the Group's all segments, that's include Capital Market, Post-Trade Services, and data and technology services. Net income after zakat soared by 59.4% to  $\text{SAR } 621.8$  million.

Our strategic focus on diversification and innovation drove growth, expanded our range of financial products, and significantly enhanced our post-trade infrastructure. These initiatives, including the deployment of new technologies, were instrumental in enhancing market efficiency and security, ultimately attracting unprecedented international participation.

### Delivering Strategic Progress and Diversification

This year marked significant progress in executing our strategy across the 7 identified pillars, as we continued to innovate, diversify and strengthen our position in global markets.

Total market capitalization across the Main Market and Nomu - Parallel Market reached  $\text{SAR } 10.2$  trillion (USD 2.7 trillion) by the end of 2024, supported by a 39.91% year-over-year increase in total value traded, which stood at  $\text{SAR } 1,876$  billion. The average daily traded value grew by nearly 39.4%, highlighting the sustained dynamism of the Saudi capital market. Capital raised through IPOs reached  $\text{SAR } 15.5$  trillion, driven by 19 new listings on the Main Market, 30 on Nomu - Parallel Market and 6 new debt instruments.

The Group's portfolio of products and services, including derivatives, ETFs, REITs and Sukuk, attracted both domestic and international investors, with foreign ownership increasing to 11.01% of free float shares in main market. Institutional investors remained dominant, accounting for 95.54% of issued shares in main market, underscoring strong confidence in the market. The total number of investor portfolios reached 13.16 million, reflecting growing participation and engagement.

The Saudi Exchange also introduced the "TASI 50" Index, providing a benchmark to track the performance of the top 50 companies listed on the Saudi stock market. Additionally, we launched a new Capital Management System, designed to streamline the subscription process and facilitate investor participation in new issuances, further enhancing market accessibility.

### Collaborating for Global Scale

Strategic partnerships and international collaborations have significantly strengthened our global position and connectivity. These partnerships have facilitated knowledge sharing, the adoption of best practices, reinforcing Saudi Arabia's role as a premier investment destination and a hub for global capital flows.

Our international editions of the Capital Markets Forum in Hong Kong and London exemplified our ability to connect global markets. These initiatives, combined with our efforts to attract foreign participation, led to a milestone achievement as the number of Qualified Foreign Investors (QFIs) reached 4,181 by 2024 year-end.

We have witnessed a significant expansion in our global partnership network, extending our activities to promising markets through unique initiatives. In Asian markets, we have successfully launched innovative ETFs tracking Saudi stocks in China and Chinese stocks in Saudi Arabia, providing investors tracking indices in both markets with mutual investment opportunities. Alongside formalized agreements at the institutional level, with exchanges such as the Johannesburg Stock Exchange and Qatar Stock Exchange.

These efforts were complemented by the introduction of a new ETF tracking Hong Kong-listed stocks on the Saudi Exchange, following the success of Saudi Arabia's first ETF tracking the Hong Kong equity market last year and two ETFs launched in China in July.

### Championing Sustainability and Financial Literacy

We are committed to embedding sustainability into the fabric of our operations as well as the broader Saudi capital market. We are advising company

leaders on how to enhance ESG reporting and overall ESG profiles by adopting best practices that promote sustainable business operations.

Significant progress is evident. Today, 40% of companies listed on the Saudi Exchange's Main Market issue ESG disclosures, up from just 8% in 2021 when we introduced ESG disclosure guidelines. This growth reflects the effectiveness of our initiatives in fostering a culture of accountability and transparency across the market.

Additionally, we are championing financial literacy and early education for Stakeholders through our Invest Wisely platform, which has expanded its reach, delivering sustainability-focused training and financial education to meet the growing demand for knowledge and skills in these areas. To date, more than 180,000 participants have benefited from the program.

Lastly, we are not just advocating for sustainable practices and disclosures; we are actively embedding sustainability into our operations and commitments. As part of the STG Green Initiative, we are taking tangible steps toward environmental stewardship by expanding green spaces across the Kingdom, ensuring we are fostering a greener future.

### Leadership and Recognition

We at the Saudi Tadawul Group, and our subsidiaries, are committed to excellence, innovation and impactful contributions across the financial sector. The Group also received the 'Silver Excellence Award' from the Human Resources Development Fund, acknowledging our efforts in supporting SMEs through the FORSAH platform, as well as being honored at the Middle East Investor Relations Association (MEIRA) Awards, achieving first place for the 'Best Digital 2023 Annual Report - Mid-Cap' and second place for the 'Best Printed 2023 Annual Report - Mid-Cap'.

### Leading Growth in 2025

As we look forward to a new year that holds promising prospects for growth and prosperity, we continue our ambitious journey to grow our business and diversify our revenue. Developing, strengthening, and deepening the Saudi capital market remains a key focus of our strategy, contributing to enhancing its efficiency, strengthening its position, and expanding opportunities for participation.

Reflecting on our journey of success, I would like to take this opportunity to express my sincere gratitude to all those who have contributed to our achievements over 2024. I extend my deepest appreciation to our Board of Directors for their wise leadership and

strategic guidance, which has paved the way for continued progress amid an evolving market landscape. I also wish to recognize the dedication, expertise and unwavering commitment of our employees, whose efforts have been a fundamental pillar of our success.

We extend our gratitude to the market's members and issuers for their unwavering trust and valuable partnership, to our esteemed shareholders for their continued support and valuable confidence, and to the entire Saudi capital market eco-system for their fruitful cooperation and commitment to innovation and development.

As we move forward, we remain steadfast in our mission to enhance the Saudi capital market's position as a globally competitive financial hub, delivering long-term value for all Stakeholders.

**Eng. Khalid Abdullah Al-Hussan**  
Group Chief Executive Officer,  
Member of the Board of Directors

“  
**Today, we are one of the world's most dynamic and rapidly growing markets, marked by an expanding base of issuers, a broader suite of instruments and heightened investor demand. By investing in advanced trading technologies and infrastructure upgrades, we have created a more efficient, secure and resilient trading environment.**  
”



# The Kingdom's Ambitious Vision 2030

**The Kingdom's Vision 2030 is a transformative framework aimed at diversifying the Kingdom's economy by reducing its reliance on oil and enhancing the private sector's contribution. It emphasizes the role of the Public Investment Fund while advancing key strategic sectors such as health, education, infrastructure, recreation, tourism and more. Built on the pillars of a vibrant society, thriving economy and an ambitious nation, Vision 2030 charts a course for a prosperous future for Saudi Arabia.**

To support the realization of the Kingdom's ambitious Vision 2030, the Financial Sector Development Program (FSDP) was established to build a diversified and effective financial sector. This program aims to stimulate savings, finance and investment by enhancing financial institutions and services while transforming the Saudi Exchange into an advanced capital market. The FSDP outlines key objectives, including expanding and deepening Saudi Arabia's capital markets, positioning the Kingdom as the leading capital market in the Middle East, achieving global recognition as one of the top 10 financial markets and creating a world-class investment environment that attracts participation. Additionally, its emphasis is on developing financial institutions and fostering private sector growth.

At the heart of these efforts is Saudi Tadawul Group, whose strategic initiatives drive the development of a technologically advanced and integrated capital market. The Group's transformation into a holding structure in 2021 marked a pivotal milestone, underlining its commitment to modernizing the Saudi capital market, enhancing competitiveness and aligning with international standards. By fostering economic diversification and growth, the Group aligns seamlessly with Vision 2030's objectives, positioning Saudi Arabia as a global financial hub and a leader among emerging markets.

Saudi Tadawul Group's strategic objectives include enhancing market infrastructure, introducing cutting-edge services, facilitating investment diversification and creating a dynamic environment responsive to global and regional trends. Initiatives such as the development of Nomu - Parallel Market for SMEs and facilitating foreign investments across all listed securities underscore the Group's comprehensive approach to capital market development. These efforts are supported by the Group's subsidiaries, driving innovation, offering value added solutions and leveraging technology to address market challenges.

The Group's leadership in promoting and handling the largest number of IPOs in the Kingdom's history - including Saudi Tadawul Group Holding Company in December 2021 - highlights its role as a national champion in advancing the FSDP's goals. Continued growth in Qualified Foreign Investors further illustrates its impact on expanding the Saudi capital market. By driving innovation, fostering investment and building infrastructure, Saudi Tadawul Group plays an essential role in supporting the Kingdom's economic transformation while elevating its stature in the global financial community.



## Financial Sector Development Program (FSDP)

The FSDP serves as a pivotal enabler of Vision 2030, driving economic transformation through diversification, empowering the private sector and fostering global integration. At its core, the program aligns with Level 1 objectives of Vision 2030 by focusing on growing and diversifying the economy, increasing employment opportunities and fostering a culture of social responsibility.

Within the capital markets, the FSDP supports Vision 2030's Level 2 objectives by amplifying the role of the private sector, unlocking the potential of the non-oil economy and deepening Saudi Arabia's regional and global economic ties. This initiative underpins efforts to attract foreign investment, enhance market sophistication and strengthen the Kingdom's economic competitiveness on the world stage.

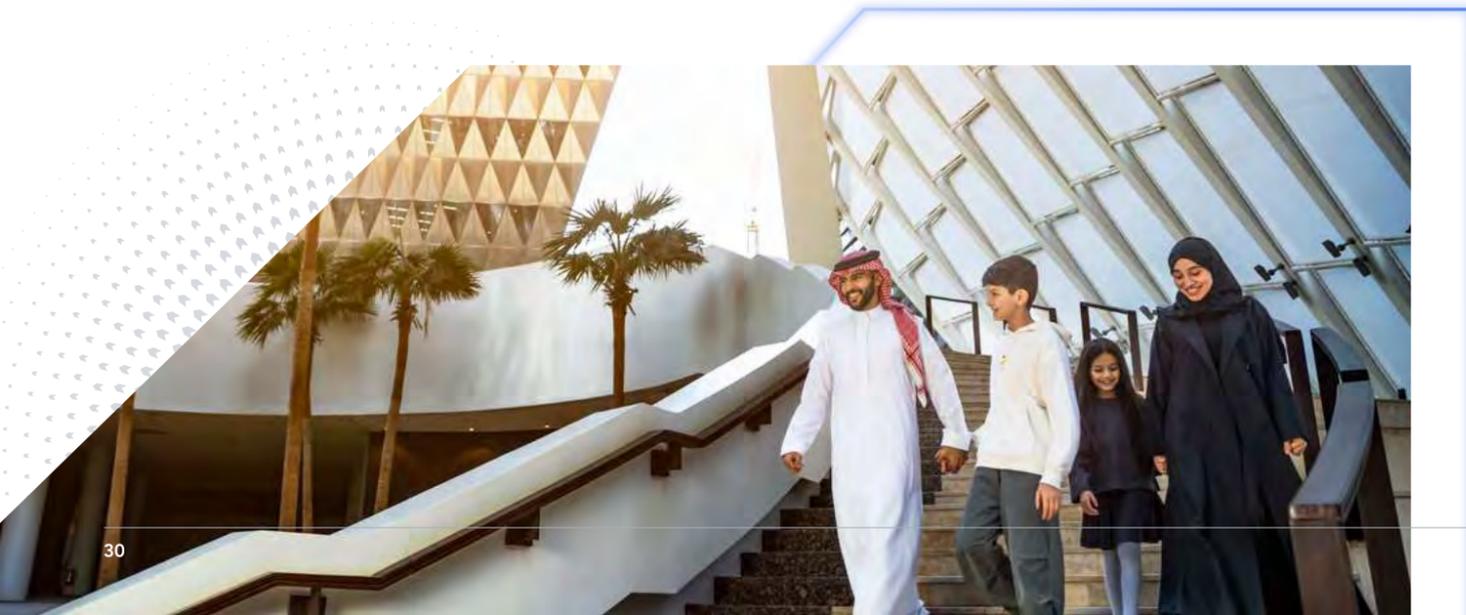
At a more granular level, the FSDP is directly tied to Vision 2030 Level 3 objectives, emphasizing reforms to enhance the ease of doing business, privatize state-owned assets and develop an advanced capital market. These measures aim to elevate Saudi Arabia's financial sector into a globally connected, investor-friendly hub that accelerates national growth and ensures long-term economic resilience.

Built on 4 strategic pillars, the FSDP provides a robust framework to strengthen financial institutions, develop advanced capital markets, enhance financial planning and position Saudi Arabia as a global fintech hub.

Efforts to **Enable Financial Institutions to Support Private Sector Growth**, the first pillar, have focused on broadening financial services, building innovative infrastructure and enhancing talent capabilities. This approach has bolstered the Kingdom's ability to manage risks while driving financial inclusivity and sectoral expansion. The second pillar, **Ensure the Formation of an Advanced Capital Market**, emphasizes expanding financing sources for the national economy, fostering investment through diversified products and ensuring a safe and transparent infrastructure for the Saudi market participants.

**Promote and Enable Financial Planning**, the third pillar, aims to strengthen demand for savings products, expand financial literacy and enhance the savings ecosystem. Finally, the **Fintech Strategy** underscores Saudi Arabia's ambition to establish itself as a global fintech hub by developing a supportive regulatory environment, enhancing infrastructure, and fostering partnerships to catalyze innovation.

Complementing the FSDP, the Saudi Central Bank (SAMA) and the Capital Market Authority (CMA) have set ambitious 2024 targets. These include advancing digital supervision solutions, launching licensed digital banks and amending key governance frameworks. Additionally, the CMA has facilitated financing in the capital market, and enhanced its contribution to the national economy by increasing the pace of listings in the capital market and listing 24 companies in 2024, increasing micro and small enterprise representation to 45% of total listings, and increasing the market's attractiveness to foreign investors and raising their ownership share of the total market value of free-float shares to 17% by the end of 2024. These initiatives collectively underscore Saudi Arabia's commitment to economic transformation and its emergence as a global financial powerhouse.



## The Kingdom's Ambitious Vision 2030 continued

### Saudi Tadawul Group's Progress and Impact in 2024

During 2024, Saudi Tadawul Group played a central role in driving the realization of Vision 2030 and the objectives of the FSDP. Key initiatives focused on expanding market diversity and efficiency through a broad and wide range of new listings, enhanced trading infrastructure, an expanded product portfolio, colocation services, the Data Monetization Program, advancements in the Post-Trade Transformation Program and innovative offerings like Omnibus accounts in the Saudi debt market. These served to strengthen the Kingdom's financial sector, support economic growth, enhance the Group's position as a global financial hub and modernize market infrastructure, solidifying the Group's status as a transformative leader in regional markets and showcasing its capacity to compete on a global scale.

Launch of Single Stock Options on

10

Saudi companies, paving the way for market expansion

WAMID launched a Data Monetization Program accelerating innovation in market data services and analysis

55

New listings in 2024 including 54% on Nomu, the Group exceeded CMA targets for the year

Nomu's market capitalization rose to

58.86 billion

#### Develop the Financial Sector

Saudi Tadawul Group continued to strengthen its efforts to advance and transform Saudi Arabia's financial market by fostering derivative markets and diversifying financial products. The Group's subsidiaries - Saudi Exchange, the Saudi Exchange Company, Muqassa, the Group's clearing subsidiary and Edaa, the securities depository center - established a task force to further propel the Saudi market's derivatives activity through the launch of Single Stock Options on 10 underlying Saudi companies, paving the way for market expansion.

Complementing this, the advancement of the Post-Trade Transformation Program (PTTP 2.0) and enhanced Muqassa risk management frameworks provided a foundation for sustainable growth. The Saudi Tadawul Group promoted investment diversification by broadening its range of services related not only to equities but also funds and debt securities, and actively worked to internationalize and institutionalize the derivatives market to attract domestic and global participants. These initiatives reflected the Group's commitment to creating a resilient and dynamic financial ecosystem.

#### Drive Economic Growth

The Group contributed significantly to regional economic growth by enhancing market depth, liquidity and efficiency. Muqassa secured approvals from CMA and SAMA for its Recovery Plan and participated in global cyber resilience simulations, ensuring operational excellence. Additionally, it facilitated the formation of the Risk Working Group, aligning with global guidelines and best practices to strengthen risk management frameworks. It also introduced a full list of government Sukuk and bonds as acceptable collateral to expand financial flexibility, ensuring broader risk management options for members.

The Saudi Exchange expanded its network of market makers, upgraded trading mechanisms and actively engaged with investors. With 55 new listings in 2024, including 54% on Nomu, the Group exceeded the targets set by the FSDP for the year. It boosted global and domestic engagement through over 1,300 visits, 45 workshops and roadshows in major financial hubs, educating Stakeholders about the listing process and creating pathways for greater participation in the Saudi capital market. It also strengthened

investor relationships and facilitated international participation with its Foreign Companies Listing Guide.

These proactive initiatives led to increased trading volumes and a more vibrant market environment, as Qualified Foreign Investors (QFIs) surpassed 4,000 for the first time, contributing to 25% of the average daily trading value (ADTV). Liquidity was further bolstered by enhanced trading mechanisms, 3 new market makers and optimized market-making frameworks. Nomu's market capitalization rose by 22% to 58.86 billion, while total traded value increased by 41.7% to 9.01 billion. High-frequency traders accounted for 25% of the ADTV, reaching up to 40% on peak days. Additionally, derivatives trading saw remarkable growth, with volumes up by 593% and value increasing by 76%.

#### Position Saudi Arabia as a Global Financial Hub

The Group strengthened Saudi Arabia's position as a global financial hub through strategic global engagement and partnerships. The Capital Market Forum attracted over 4,200 participants in 2024, including 640 investors and 41



corporates, showcasing investment opportunities and strengthening international ties. The international edition of the forum in Hong Kong facilitated collaborations with HKEX to enhance connectivity with Asian markets, while the London Forum drove awareness and connectivity in the UK and beyond.

Additional partnerships were formalized through MoUs with exchanges in Bahrain, Qatar and Johannesburg, emphasizing the Group's role in bridging global capital flows. The acquisition of a 32.6% stake in DME Holdings Limited, the parent company of Dubai Mercantile Exchange (DME), which was subsequently rebranded as Gulf Mercantile Exchange (GME) aligns with the Group's growth strategy and Vision 2030 objectives, enabling diversification through commodities trading and unlocking new opportunities in energy, metals and agricultural markets. The partnership also supports the transition to a sustainable economy with the introduction of innovative derivative contracts. Furthermore, strengthened ties with foreign depository centers underscored the Group's commitment to expanding its global footprint and creating cross-border opportunities.

#### Enhance Capital Markets Infrastructure

Modernizing the infrastructure of Saudi Arabia's capital markets remained a

cornerstone of the Group's strategy in 2024, WAMID enhanced the Data Monetization Program based on a Google Cloud solution, accelerating innovation in market data services and analysis.

Edaa, another key subsidiary, launched a Savings Sukuk Program in partnership with NDMC, fostering financial inclusion and encouraging responsible investment. Edaa's approval for its fund platform marked a major step forward in creating a robust and diversified investment landscape.

The Group also played a pivotal role in facilitating the introduction of Aramco's secondary offering transaction, a significant milestone in the company's financial journey, as well as the accelerated bookbuild offering of stc shares worth 3.8 billion to local and international institutional investors. These initiatives highlight the Group's commitment to enhancing market efficiency and demonstrates its expertise in navigating complex financial landscapes. Additionally, infrastructure upgrades further enhanced market accessibility and operational efficiency, positioning the Saudi capital market to meet the evolving needs of local and international participants.

Through its achievements across these pillars, Saudi Tadawul Group demonstrated its unwavering commitment to advancing Vision 2030.

By driving innovation, expanding market connectivity and fostering sustainable growth, the Group laid a solid foundation for continued success in transforming Saudi Arabia's financial sector into a global powerhouse.

#### Promoting Sustainable Finance and ESG Integration

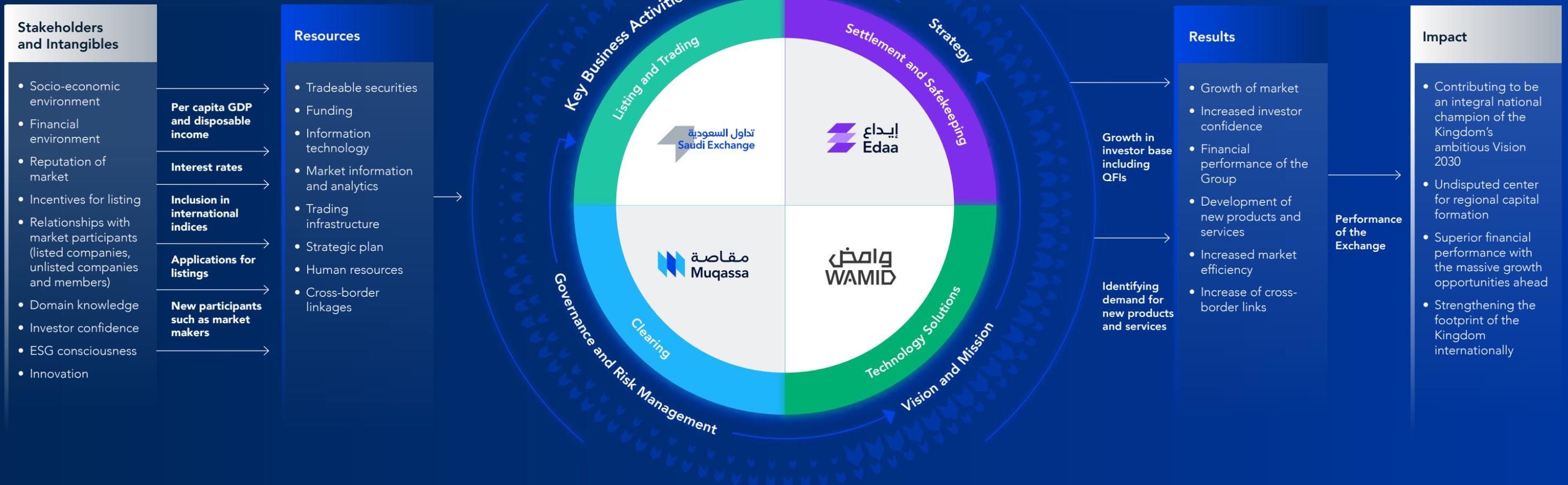
Saudi Arabia is making significant strides in integrating ESG principles into its financial sector. These efforts are part of the Kingdom's broader strategy to promote sustainable development and diversify its economy. By embedding ESG criteria, Saudi Arabia is paving the way for a more accountable and transparent financial landscape, aligned with global sustainability goals.

The continued growth, accelerating innovation and enhanced sustainability in 2024 highlight Saudi Arabia's commitment to shaping a forward-thinking, globally competitive financial sector. Saudi Tadawul Group continues to play a pivotal role in driving economic growth and transforming the Kingdom's capital markets. By championing fintech innovation, fostering sustainable finance and attracting global investment, the Group is shaping a resilient, diversified and globally competitive financial ecosystem, ensuring the Kingdom's financial sector remains a cornerstone of its ambitious Vision 2030 transformation.

# Business Model

Saudi Tadawul Group creates sustainable value for its Stakeholders through its robust and proven business model that leverages its unique strengths and proposition across its growing portfolio of subsidiaries, services and solutions

## Operating Environment



### Listing

- Evaluating and processing applications for IPOs
- Allocating shares to investors following an IPO
- Updating data, information and analytics
- Transferring cash and securities
- Updating depository
- Updating registry

### Trading

- Buy and sell orders placed through members
- Match, buy and sell orders
- Generate trades
- Work out obligations of both parties
- Minimize counterpart risk
- Netting of transactions

# Strategic Aspiration with Ambitious Vision

## Driving Global Ambitions

Saudi Tadawul Group is dedicated to realizing its mission of becoming a global financial hub by further solidifying its core market activities in the region and advancing as a central access point for global competition. As a world-leading holding group, it is committed to fostering a diverse and robust Saudi capital market while serving as a vital bridge between global investors and regional economies.

Aligned with the objectives of the Financial Sector Development Program (FSDP), part of the Kingdom's ambitious Vision 2030, the Group aims to develop an advanced capital market that supports economic growth and diversification. Its transformation into a holding group marked a pivotal milestone in its journey, enabling it to

enhance its market infrastructure, diversify its offerings and position Saudi Arabia as a global investment destination.

The Group continues to drive strategic initiatives that strengthen its regional leadership and global connectivity. Through innovation, collaboration and a relentless focus on excellence, Saudi Tadawul Group is shaping the future of capital markets and contributing to the Kingdom's broader vision of economic transformation.

The strategic pillars and their key enablers are all directed towards driving growth and diversification and achieving operational efficiency across the Group.

## Aspiration



**We have big aims to get Saudi Arabia among the top 3 largest stock markets globally, fostering the development of a diverse Saudi capital market, and a bridge between global investors and regional economies.**

## Strategic Goals



**Growth and diversification**



**Integrated and connected**



**Capable and agile**



## Strategic Aspiration with Ambitious Vision continued

### Strategic Pillars

#### 1 Equity and capital formation

##### Strategic Multiyear Goals

- Facilitate listings and issuer services to domestic and international issuers.
- Enhance market liquidity.
- Nurture SMEs by facilitating capital markets access.

##### 2024 Achievements

- Listings **+425**.
- Derivative products **3**.
- Foreign investors **ﷲ 1** trillion value traded market share in the ADTV **24%**.
- 54%** turnover velocity.
- +100** Nomu listings.
- 50%** increase in #ETFs.
- 70%** annual ADTV growth since 2021.
- Increase in number of listed companies since 2021 is **#1** globally among World Federation of Exchanges (WFE).
- Continued institutionalization of the Saudi Exchange, as per FSDP targets.
- Diversified with non-ADTV-driven revenue.

#### 2 Global debt hub

##### Strategic Multiyear Goals

- The venue of choice for domestic issuers.
- A global Sukuk/ Islamic finance center.
- Attract international financial institution issuers.

##### 2024 Achievements

- Added Zakat Treatment Disclosure for listed corporate debt on the Saudi Exchange website.
- Enhanced the level of data through financial information providers, such as Bloomberg and Refinitiv, and addressed any efficiency challenges in data access.
- Encouraged Exchange members to enable electronic trading through Order Management Systems (OMS) and enabled seamless online trading, especially for retail investors.
- Listed first Sukuk from the healthcare sector, offered by Saudi German Hospital with an amount of **ﷲ 1** billion.
- Conducted awareness sessions for broader investor engagement.
- Enhanced closing price calculation with mid-point price, in line with global best practices.
- Contributed to the launch of the first government backed saving Sukuk product.
- Launched Omnibus account for debt market.

#### 3 Global commodities

##### Strategic Multiyear Goals

- A global source of MENA commodities valuation.
- Globally relevant venue for commodities trading.
- Globally relevant venue in sustainability communication and carbon markets.

##### 2024 Achievements

- 32.6%** strategic acquisition of Dubai Mercantile Exchange (DME), renamed Gulf Mercantile Exchange (GME).

#### 4 Derivatives and OTC

##### Strategic Multiyear Goals

- MENA's leading listed derivatives market.
- Capture domestic over-the-counter (OTC) derivatives flows.
- MENA's service provider of choice for OTC clearing

##### 2024 Achievements

- Launch of the initial phase of SSO project with 10 SSO listed.

#### 5 Global securities services

##### Strategic Multiyear Goals

- Expand domestic post-trade offerings.
- A global custodian of choice for geographically relevant investors.

#### 6 Data and analytics offering

##### Strategic Multiyear Goals

- MENA's data hub for local and global market participants.
- Unlock the full potential of information, data and analytics.

##### 2024 Achievements

- Launched level 2 end of day tick data to clients.
- Completed internal activities and initiated client testing for real time full order data feed (ITCH).
- Launched the Group's Data Program; a multi-year transformation program to create and launch new market data products for participants in the Saudi capital markets.

#### 7 Global unique IP

##### Strategic Multiyear Goals

- MENA's leading and globally relevant index brand.
- Develop unique IP to solidify leadership across MENA.

##### 2024 Achievements

- Launched TASI 50 Index.
- Introduces index benchmark licensing.

### Strategic Enablers

#### Next generation technologies

- Enhance operational efficiency and customer experience through best-in-class technological connectivity and infrastructure.
- Invest in emerging technologies and incubate select use cases to capture "white space" business opportunities.

#### Customer-centric selling

- Widen client base to regional and global participants (e.g. members, investors, issuers and service users).
- Achieve high customer satisfaction with best-in-class services (e.g. commodities specialized team).

##### 2024 Achievements

- Group-wide commercial organization established to support transformation and enhance client-centric engagement.

#### M&A capabilities

- Invest in or acquire relevant businesses to enable the delivery of the strategy pillars.
- Support the Group's publicly stated financial objectives on revenue growth.

##### 2024 Achievements

- Acquired DME (now named GME).

Success Story

# GME Stake Acquisition

## Unlocking Regional Potential through Commodities Leadership



Saudi Tadawul Group undertook a strategically significant step by acquiring a 32.6% strategic equity stake in Dubai Mercantile Exchange (DME) Holdings Limited, the premier energy-focused commodities exchange east of the Suez, creating Gulf Mercantile Exchange. This investment, completed in June 2024, was part of the Group's broader vision to diversify its operations and align with the Kingdom's ambitious Vision 2030 by creating a resilient regional commodity marketplace. By addressing the historical reliance on external markets for pricing regional commodities, the move aimed to position Saudi Arabia as a globally preeminent leader in energy, metals and agricultural commodities trading.



### Establishing Gulf Mercantile Exchange

The investment marked a pivotal step for DME, which was rebranded as Gulf Mercantile Exchange (GME) in September 2024. GME is home to the Oman Crude Oil Futures Contract (OOD), the world's third-most important crude oil benchmark and the largest source of physically delivered crude oil globally.

The investment brings together world-class strategic partners and expertise to accelerate GME's growth potential, including CME Group, the Oman Investment Authority and Dubai Holding alongside global financial and commercial Shareholders.

In 2024 total traded volume increased 12% reaching 1,318 million contracts with average daily volumes increasing by 8%. Physical delivery volumes amounted to 205 million barrels of oil. These achievements cemented GME's standing as a critical player in pricing over 5 million barrels of crude oil daily for Asian markets.



### Accelerating Growth and Global Connectivity

This investment substantially enhanced GME's capabilities and growth trajectory, supported by its world-class trading and clearing infrastructure in partnership with CME Group. With regulatory recognition and a proven physical market delivery framework, GME expanded its trading ecosystem while benefiting from Saudi Tadawul Group's strategic leadership. The partnership reinforced regional competitiveness in commodities markets and will unlock further opportunities in energy, metals and agricultural commodity markets; supporting the transition towards a sustainable economy with next-generation derivative contracts.



**Our investment in GME is a pivotal milestone that will unlock further opportunities in the energy, metals and agricultural commodity markets, solidifying its position as the key regional commodities exchange in the Middle East with global relevance. It demonstrates our commitment to positioning Saudi Arabia as a leader in global commodities markets and reflects our strategy to align with the Kingdom's ambitious Vision 2030 goals through innovation, diversification and substantial growth.**



# Global Reach and Partnerships

## Strategic Partnerships Driving Market Integration

A landmark achievement was Saudi Tadawul Group's acquisition of a 32.6% stake in **Dubai Mercantile Exchange (DME) Holdings Limited**, now rebranded as **Gulf Mercantile Exchange (GME)**. This strategic move extended the Group's presence into the commodities sector and further diversified its revenue streams. The partnership is a significant opportunity to leverage world-class capabilities and expertise to accelerate GME's growth and position the exchange to capture global commodities demand.

Collaboration with **Hong Kong Exchanges and Clearing Limited (HKEX)** marked another milestone in advancing cross-border investment opportunities. The partnership strengthened connectivity between Saudi Arabian and Asian capital markets, leading to the launch of Saudi Arabia's first ETF designed to track the MSCI China Hong Kong Index, which raised over USD 1.2 billion. This collaboration fostered knowledge exchange and innovation, ensuring both markets benefitted from shared best practices and technological advancements.

Saudi Tadawul Group and **Bahrain Bourse** signed a landmark cooperation agreement focused on strengthening connectivity and integration between the 2 markets. A cross-listing agreement was subsequently signed by Saudi Exchange and Bahrain Bourse, reinforcing the strength of the strategic ties between both exchanges.

In Africa, Saudi Tadawul Group signed an MoU with **Johannesburg Stock Exchange** to bolster economic ties and enhance financial market collaboration. The agreement is designed to serve as a catalyst for growth, innovation and technological advancement in both markets. Specifically, the collaboration has opened up new opportunities for both exchanges and their clients in key areas such as cross-listings and ESG investments.



Collaborated with Hong Kong Exchanges and Clearing Limited (HKEX)



Hosted the Capital Markets Forum (CMF) Hong Kong

Throughout 2024, Saudi Tadawul Group expanded its global presence and strengthened its role as a bridge between emerging ambition and global potential. Through high-impact partnerships, groundbreaking events and active participation in global forums, the Group enhanced its connectivity, diversified its market offerings and reinforced Saudi Arabia's position as a dynamic global financial hub.

## Key Events Showcasing Global Leadership

Saudi Tadawul Group hosted several flagship events that demonstrated its leadership in global financial markets. The **Capital Markets Forum (CMF) Saudi** was held in Riyadh under the patronage of His Excellency Mohammed Al-Jadaan, Minister of Finance and Chairman of the Financial Sector Development Program Committee. The forum attracted over 4,000 participants, including more than 640 investors and 41 corporates. Over the course of 2 days, the forum spotlighted the Saudi capital market's growth and innovation, offering a platform for regional and international investors to explore new opportunities.

Saudi Tadawul Group took CMF beyond Saudi borders for the first time when it hosted CMF Hong Kong to further strengthen ties with Asian markets. It facilitated the signing of pivotal MoUs and partnerships, including those with HKEX, enhancing cross-border collaboration and promoting Saudi Arabia as a premier investment destination. The event attracted over 600 participants, highlighting its significance and international appeal.

Later in the year, the **CMF Saudi-UK Dialogue** in London fostered bilateral relationships with the UK financial market, deepening collaboration and increasing market integration between the 2 nations. The event brought together over 350 participants, underscoring its role as a platform for strengthening ties and enhancing cooperation.



The CMF Saudi-UK Dialogue in London



The HSBC GCC Conference in London

## Global Reach and Partnerships continued

“ Saudi Tadawul Group plays a pivotal role in engaging with international investors, highlighting the region’s investment opportunities, and positioning the GCC as a thriving global financial hub. ”

### Engaging at Global Forums

Saudi Tadawul Group’s active participation in leading global forums amplified its international presence and influence.

Through the Group’s leadership and support, the **HSBC GCC Conference** has become a premier annual flagship capital markets event in London, bringing together all GCC exchanges to showcase the region’s dynamic market developments. As a driving force behind this initiative, Saudi Tadawul Group plays a pivotal role in engaging with international investors, highlighting the region’s investment opportunities, and positioning the GCC as a thriving global financial hub.

At the **JP Morgan Saudi Arabia Investment Forum** in New York, the Group reinforced its positioning as a global financial hub and engaged with key Stakeholders on emerging opportunities in the Middle East. Participation in the **Global CSR Forum** aligned Saudi Tadawul Group with international best practices in sustainability, strengthening its competitiveness in the evolving global financial landscape. The **S&P Indices Thought Leadership Seminar** further supported diversification efforts, exploring opportunities in the Asia-Middle East corridor and multi-asset investment strategies.

Through these strategic initiatives, the Group succeeded in strengthening its international partnership network this year, while also showcasing its ability to connect capital markets, foster cross-border collaboration and drive innovation in alignment with the Kingdom’s ambitious Vision 2030.



Participation in the Global CSR Forum



The S&P Indices Thought Leadership Seminar



Success Story

# Capital Markets Forum Hong Kong



## Saudi Tadawul Group's Inaugural International Capital Markets Forum in Hong Kong

Saudi Tadawul Group's inaugural international edition of the Capital Markets Forum (CMF) took place in Hong Kong, underscoring its commitment to deepening ties with key markets such as Asia. With Saudi Arabia emerging as an important global hub, the event aimed to highlight strategic opportunities within the Saudi capital market, cultivate regulatory collaboration and position the Group as a leader in the emerging markets. Hong Kong was chosen as the venue to strengthen the connection between 2 thriving economic hubs and promote substantive dialogue on capital market growth.

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nectivity in Expanding  
ond Borders

Eng. Khalid AlHussan  
Chief Executive Officer  
Saudi Tadawul Group

Tom Morrow  
Chairman of FICC & Equities in Asia Pacific  
Goldman Sachs  
MODERATOR



“ This landmark event attracted over 650 participants and facilitated more than 1,000 strategic meetings, highlighting the growing appeal of Saudi Arabia’s capital market and setting the stage for deeper collaboration and cross-border investment between 2 dynamic markets. ”

### Powering Connections

Held on 9 May 2024, the forum, in partnership with Hong Kong Exchanges and Clearing Limited (HKEX), attracted over 650 financial experts from across the globe. The event featured a corporate access roadshow, facilitating more than 1,000 meetings between investors and issuers.

The forum effectively showcased a wide range of investment opportunities across Saudi Arabia, Hong Kong and Mainland China.

### Enhancing Integration

The forum focused on several key developments, including the strengthening partnership between Saudi Tadawul Group and HKEX through joint initiatives in fintech, sustainability and cross-listings. The forum also spotlighted the success of Asia's first ETF tracking Saudi shares and delved into plans for a Saudi ETF tracking Hong Kong shares. Meanwhile, the Group announced a collaboration with Sahn Capital to sponsor "Invest Wisely", a new program to promote financial literacy.

### Global Reach

Following the success of the Hong Kong Forum and subsequent CMF Saudi-UK Dialogue in London, Saudi Tadawul Group is preparing to host further international editions of CMF to complement the flagship CMF Riyadh. Through these international events, the Group is aiming to expand its global reach and build deeper connections with Stakeholders around the world. Upcoming forums will focus on promoting cross-listings, supporting the growth of ETFs and advancing fintech and ESG innovation. These efforts align with the Group's mission to build a globally connected, resilient and innovative capital market in Saudi Arabia.

# Technology and Innovation

## Technology Applied with Strategy Purpose

Saudi Tadawul Group's technology and innovation strategy is anchored in driving operational excellence, fostering continuous improvement and delivering forward-looking solutions that strengthen the financial market ecosystem. This strategy is purposefully aligned with the Group's vision to enhance Saudi Arabia's capital markets, promote economic diversification and establish global competitiveness.

In 2024, Saudi Tadawul Group's approach demonstrated tangible success by:



### 1 Ensuring uninterrupted operations

By achieving 99.99% systems availability, the Group delivered uninterrupted service delivery, significantly enhancing user satisfaction and fostering trust among Stakeholders. This reliability drove user engagement and strengthened investor confidence, critical to the Group's corporate objectives.



### 2 Building resilient and scalable infrastructure

Comprehensive infrastructure upgrades and adherence to international standards positioned Saudi Tadawul Group as a trusted and resilient marketplace. These enhancements improved scalability and operational efficiency, enabling the Group to meet the evolving needs of its clients and support long-term growth strategies.



### 3 Adhering to global standards

Successfully renewing ISO certifications in 2024, including ISO 9001, ISO 20000-1 and ISO 14644, underscored the Group's commitment to adopting industry best practices. These certifications highlighted its dedication to quality, service excellence and operational integrity, reinforcing its reputation among investors and Stakeholders.

Through these initiatives, Saudi Tadawul Group reinforced its commitment to innovation, operational resilience and Stakeholder trust. By integrating technology with strategic intent, the Group not only optimized market infrastructure but also strengthened Saudi Arabia's position as a globally competitive financial hub.

### Measurable Performance and Progress

Saudi Tadawul Group has demonstrated exceptional alignment between measurable performance and strategic objectives, underpinned by targets that focus on systems availability, scalability and service quality. In 2024, the Group exceeded its targets in systems uptime, met its infrastructure scalability benchmarks and maintained high levels of customer satisfaction.

Strategic milestones this year included the successful completion of annual certifications, adherence to international standards and the launch of the Post-Trade Transformation Program Phase 2 (PTTP 2.0). This transformative platform enhanced market efficiency, scalability and competitiveness, aligning with the Group's vision of supporting a resilient and advanced financial ecosystem.

The Group's resilience was notably evident during global disruptions, as it maintained seamless operations amidst external challenges, underscoring its leadership in ensuring market stability and reliability. These accomplishments further cement Saudi Tadawul Group's reputation as a technology-driven leader, playing a pivotal role in driving innovation, fostering growth and powering the Kingdom's ambitious Vision 2030 transformation.

## Demonstrating Unyielding Resilience

**In 2024, Saudi Tadawul Group achieved a landmark in technology and innovation by delivering unmatched operational excellence and resilience. The IT Division maintained an unprecedented 99.99% systems availability for all of its services, even during massive and critical deployments such as the Post-Trade Transformation Program Phase 2 and major infrastructure upgrades. This achievement underscores the Group's unwavering commitment to excellence, adaptability and robust governance.**

The strength of its systems and processes was put to the ultimate test on 19 July 2024, when the world experienced one of the largest global IT outages in history. This outage disrupted critical sectors, including hospitals, airports and banks worldwide. Despite this global crisis, Saudi Tadawul Group operated efficiently, with no disruption to services. This resilience highlights the Group's investment in cutting-edge technologies, thorough planning and a culture of innovation.

These accomplishments align with Saudi Tadawul Group's strategic objectives of enhancing market stability, ensuring operational reliability and fostering trust among investors and Stakeholders. By achieving such remarkable outcomes, we continue to position Saudi Arabia as a leader in the global financial markets while supporting the Kingdom's ambitious Vision 2030's goals of economic diversification and technological advances.



## Technology and Innovation continued

### Accelerating Innovation in 2025

In the year ahead, the IT Division will reinforce its commitment to supporting the Group’s ambitious plans and initiatives with a focus on innovation and transformative value creation. It will expand the adoption of advanced technologies to develop resilient and scalable systems capable of meeting future market demands. By leveraging data-driven insights and digital transformation capabilities, the Group aims to enhance decision-making, operational efficiency and customer engagement across the financial market ecosystem.

Saudi Tadawul Group will also strengthen partnerships and collaborations to introduce groundbreaking products and services that align with evolving market needs and strategic objectives. Its unwavering focus on operational excellence and continuous improvement will ensure adaptability and readiness to seize emerging opportunities. Through these initiatives, the Group will drive innovation, foster trust and solidify its position as a global leader in financial markets, playing a pivotal role in realizing the Kingdom’s Vision 2030 aspirations.



## Pioneering Innovation and Data Monetization

**WAMID plays a pivotal role in transforming the capital market experience by unlocking the power of technology and data solutions tailored to the needs of market participants. As the innovation arm of Saudi Tadawul Group, WAMID develops dynamic solutions that address real-world challenges while supporting revenue diversification and financial stability.**

In 2024, WAMID made substantial progress with its Data Monetization Program, leveraging Saudi Tadawul Group’s extensive data resources to develop impactful products. By adopting advanced technologies and integrating artificial intelligence (AI), the program streamlined the development and monetization of data assets, meeting the evolving needs of the market and unlocking new growth opportunities.

Looking forward, AI remains central to WAMID’s strategy, with a focus on implementing high-impact solutions that enhance efficiency and user experiences. It will seek to advance its AI capabilities and accelerate its Data Monetization Program, ensuring its continued contributions to a resilient, efficient and future-ready capital market ecosystem.



**By leveraging data-driven insights and digital transformation capabilities, the Group aims to enhance decision-making, operational efficiency and customer engagement across the financial market ecosystem.**



Success Story

# Post-Trade Enhancements

## Advancing Market Sophistication with Post-Trade Enhancements

Saudi Tadawul Group successfully implemented its second bundle of Post-Trade Transformation Program enhancements, marking a significant milestone in the modernization of the Saudi capital market. This initiative supports the Kingdom's ambitious Vision 2030 and aims to position Saudi Arabia as a premier global financial hub. Building on the achievements of the first phase launched in 2022, this comprehensive package introduced critical infrastructure improvements across the Group's subsidiaries to align with global best practices and enhance operational efficiency.

“

With remarkable advancements in market infrastructure and alignment with international standards, we have **enhanced the market's efficiency, strengthened its global appeal and created unrivaled opportunities for investors and Stakeholders**, underscoring our commitment to driving innovation and building a resilient, competitive financial ecosystem.

”

### Comprehensive Upgrades across the Ecosystem

With significant updates across the Saudi Exchange, Edaa and Muqassa, the enhancements are the most extensive post-trade enhancements in the history of the Saudi capital market:

#### Saudi Exchange

implemented an **order flagging mechanism** to ensure trading continuity during disconnections, while market makers benefited from the automation and synchronization of bid-ask quotes, fostering tighter spreads and improved liquidity.

#### Edaa

adopted the **ISO 20022 messaging standard**, facilitating better communication and aligning with international standards, while also upgrading reporting capabilities for securities depository operations.

#### Muqassa

advanced its **multi-asset clearing engine to support seamless clearing** for equities, bonds, Sukuk, Repo, exchange-traded derivatives and OTC derivatives, further strengthening risk management frameworks and enabling better margining capabilities.

### Driving Market Growth and Investor Confidence

These enhancements yielded significant benefits, including a reduction in systemic risk, streamlined market operations and diversified investment opportunities. By improving market stability and transparency, the program increased participation from domestic and international investors,

helping the Saudi capital market achieve global prominence. The advancements facilitated better liquidity provision, supported higher trading volumes and strengthened investor confidence in the reliability and resilience of the market infrastructure, fortifying the Saudi capital market's role as a driving force for economic growth and a hub for global investment.

# Financial Review

**Saudi Tadawul Group delivered a robust financial performance leveraging its ambitious expansion strategy and growing investor confidence in the Saudi capital market. The market demonstrated high resilience in navigating rising interest rate challenges, resulting in increased trading volumes and stronger investor participation.**

The year 2024 marked a significant milestone in the Group's journey, where the synergy between our strategic investments, financial strength and the expansion in listings reinforced the Group's position as a key driver of financial sector growth. Our business model offers unique investment advantages that further enhance our leadership position and support our strategic objectives.

Moreover, we continued to strengthen the Saudi capital market's position as a regional and global financial hub, contributing to the Kingdom of Saudi Arabia's economic growth in alignment with Vision 2030 objectives.

The Group's strategy has resulted in diversified revenue growth across 3 core pillars: expanding listings and enhancing market efficiency and liquidity, diversifying revenue streams, and developing data and technology services.

Additionally, our commitment to advanced technologies and customer-focused strategies has improved operational efficiency, optimized costs and reinforced sustainable profitability.

### Diversified and Sustained Market Growth

In 2024, the Saudi capital market witnessed strong momentum in new listings across both the Main Market and Nomu - Parallel Market, reaching 55 new listings and recording an 11% increase in the number of listed securities. This expansion played a key role in diversifying listed sectors and making the market more attractive to investors. The Group also ended the year with a strong pipeline of upcoming IPOs that will further drive the growth of the Saudi capital market.

Additionally, the fixed-income market expanded significantly, with the number of listed sukuk and bonds reaching 65 debt instruments, with issuance volumes exceeding ₪ 630 billion, a 15.3% year-over-year increase. Trading in debt instruments also surged by 14%, reflecting growing investor demand for fixed-income products.

This growth momentum has made the Saudi capital market more appealing to international investors. The number of Qualified Foreign Investors (QFIs) reached 4,181 investors by the end of the year, reflecting 12% year-over-year growth. Additionally, their ownership in the Main Market amounted to approximately ₪ 340 billion (USD 90 billion) by the end of 2024.



### Strategic Investment in Diversification

As part of its strategy to diversify its business operations and strengthen its position in global markets, the Group acquired a strategic 32.6% stake in the Gulf Mercantile Exchange (GME, formerly Dubai Mercantile Exchange) in June 2024. This acquisition reinforces the Group's presence in regional and global commodities markets while supporting long-term revenue diversification objectives.

Further advancing its commitment to technological innovation, the Group's innovation arm, WAMID, acquired the remaining stake in DirectFN, a strategic

move to enhance its technological and data capabilities. These investments form part of a broader strategy aimed at enhancing operational and technological capabilities, enabling long-term expansion across local and international markets.

### Robust Financial Performance Driven by Growth

The Group's net profit after zakat soared by 59% to ₪ 621.8 million (USD 165.8 million), compared to ₪ 390.1 million (USD 104.0 million) the previous year. Revenue demonstrated a dramatic improvement of 35% from ₪ 1,072.8 million (USD 286.1 million) in 2023 to ₪ 1,446.6 million (USD 385.7 million).



This growth was based on the expansion of trading revenue by 40% and non-trading revenue by 29%, reflecting progress in our diversification strategy and the market's robust expansion. It was also supported by our strong cash flow conversion rate of 82%, as well as higher market interest rates, raising our investment income by 19%.

The post-trade segment represented 52.9% of Group revenue, while capital markets represented 31.9%, and data and technology services represented 15.2%. All 3 segments registered impressive improvements with post-trade revenue increasing by 33.7% and capital markets and data and technology services, increasing by 37.5% and 33.5%, respectively.

EBITDA also increased significantly by 60.5% from ₪ 403.1 million (USD 107.5 million) to ₪ 647.2 million (USD 172.6 million). The EBITDA margin reached 44.7% compared to 37.6% the previous year.

The net profit margin reached 43% in 2024 compared to 36.4% in 2023. Gross profit improved to ₪ 911.8 million (USD 243.1

million) compared to ₪ 606.8 million (USD 161.8 million), representing a 50% change.

Total assets stood at ₪ 9,141.2 million (USD 2,437.7 million) at the end of 2024 compared to ₪ 7,665.4 million (USD 2,044.1 million), a 19% improvement. Total liabilities increased by 25% from ₪ 4,507.9 million (USD 1,202.1 million) to ₪ 5,649.4 million (USD 1,506.5 million). Total equity

reached ₪ 3,491.7 million (USD 931.1 million) compared to ₪ 3,157.5 million (USD 842.0 million) the previous year, representing an 11% increase.

“  
**Our commitment to advanced technologies and customer-focused strategies has improved operational efficiency, optimized costs and reinforced sustainable profitability.**  
”

**Mr. Shahrukh Qureshi**  
Group Chief Financial Officer



## Financial Review continued

### Profit and Loss and Key Ratios Snapshot

₹ million Year ended 31 December	2022	2023	2024	YoY %
Trading revenues	666.5	537.9	754.2	40.2%
Non-trading revenues	423.7	534.9	692.3	29.4%
Operating revenues	1,090.2	1,072.8	1,446.6	34.8%
Operating expenses (excluding depreciation and amortization)	581.1	669.7	799.4	19.4%
EBITDA	509.1	403.1	647.2	60.5%
EBITDA margin (%)	47	38	45	19.1%
Depreciation and amortization	63.2	74.8	81.0	8.4%
EBIT	445.9	328.3	566.1	72.4%
EBIT margin (%)	41	31	39	27.9%
Investment income and other income / (expenses), net	56.3	125.8	144.3	14.7%
Share of results of associates and reversal of impairment	(9.9)	(17.2)	(29.7)	73.2%
Zakat	67.7	55.5	59.8	7.8%
Net profit after zakat*	424.6	390.1	621.8	59.4%
Net profit margin (%)	39	36	43	18.2%
Earnings per share (₹)	3.54	3.25	5.18	59.4%

\* Attributable to the Ordinary Shareholders of the parent company

### Financial Position Snapshot

₹ million Year ended 31 December	2022	2023	2024	YoY %
Cash equivalents and time deposits	2,118.8	2,050.6	1,586.4	-22.6%
Investments	674.4	660.3	1,374.7	108.2%
Other assets	4,896.8	4,954.4	6,180.1	24.7%
Total assets	7,690.0	7,665.4	9,141.2	19.3%
Total liabilities	4,510.4	4,507.9	5,649.5	25.3%
Total equity	3,179.7	3,157.5	3,491.7	10.6%

### Positioned for Further Growth in 2025

Looking ahead, the Group is well-positioned for growth, building on a strong strategic foundation of the financial and operational achievements of 2024. The Group will continue to focus on implementing strategic initiatives that drive sustainable value creation, while expanding its offering of innovative products and services that support revenue diversification and higher trading volumes. Additionally,

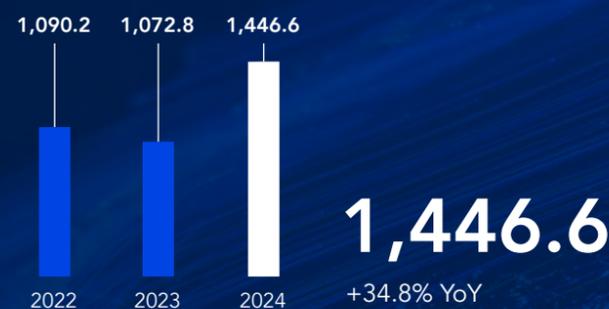
the Group remains committed to investing in advanced technologies to enhance operational efficiency, allowing it to provide cutting-edge market data solutions that meet the evolving needs of market participants.

As part of its commitment to sustained growth, the Group continues to strengthen its competitive position, driven by a solid operational performance and an ambitious expansion strategy.

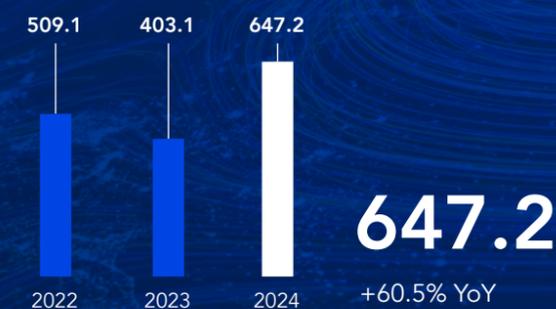
We take this opportunity to express our deep appreciation to our Shareholders, issuers, investors and all market participants, for their continued trust and support, both of which remain fundamental pillars of our ongoing success.

**Mr. Shahrukh Qureshi**  
Group Chief Financial Officer

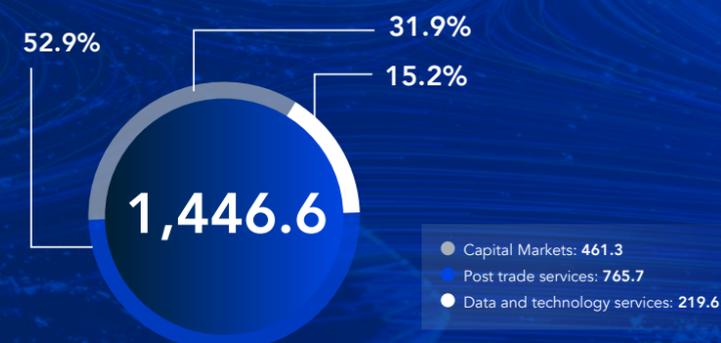
### Operating revenues (₹ million)



### EBITDA (₹ million)



### Operating revenue segmental snapshot (₹ million)



### Net profit margin



# Risk Management

The Group's Risk and Security Division plays a pivotal role in governing and managing processes that identify, evaluate and prioritize key risks and cybersecurity threats that could impact the Group's operational resilience and strategic objectives. With its strong governance model and deeply embedded culture of risk and cybersecurity awareness, the division ensures a coordinated approach across its 3 departments: Enterprise Risk Management, Cybersecurity and Business Continuity and Environmental Security.

By proactively addressing both existing and emerging challenges, the division enables the Group to mitigate threats, enhance adaptability in a dynamic environment and protect its assets. Whether through strengthening cybersecurity defenses, ensuring business continuity during disruptions or integrating environmental security considerations, the division's work underpins the Group's ability to execute its corporate strategy and maintain Stakeholder confidence.

Through a holistic and collaborative approach, the Risk and Security Division ensures that risk management and cybersecurity considerations are embedded into decision-making. This not only fortifies operational resilience but also supports sustainable growth, positioning the Group to create long-term value for its Stakeholders while achieving its strategic vision.

## Enterprise Risk Management

The Enterprise Risk Management (ERM) Department ensures the Group is prepared to navigate a complex environment by proactively identifying, evaluating and mitigating risks across the Group, including operational, technology, strategy, compliance, financial, business continuity, cybersecurity and business environment risks.

### Core activities include:

- Developing and maintaining the ERM policy and framework, which outlines principles, responsibilities and methodologies for managing risks across the Group.
- Collaborating with Senior Management and the Board of Directors to establish risk appetite and tolerance levels that align with the Group's strategic objectives.
- Conducting qualitative and quantitative risk assessments to evaluate key risks, prioritize them and allocate resources effectively.
- Establishing measurable metrics to monitor emerging risks and enable timely responses.
- Collaborating with project managers to assess risks associated with projects and initiatives, providing guidance on mitigation strategies.
- Promoting a risk-aware culture by delivering training programs that integrate risk considerations into decision-making processes.
- Preparing regular risk reports for Senior Management and the Board, summarizing the risk landscape, key risks and mitigation effectiveness.

## ERM Framework

The Group's ERM framework provides a systematic process for identifying, assessing, treating, monitoring and reporting risks. It includes:

### Risk Strategy and Culture

The ERM strategy aligns risk management with the Group's objectives to enhance decision-making and foster sustainable success. A strong risk culture ensures shared values and practices that prioritize risk awareness at all levels of the organization.

### Risk Governance (Three Lines Model)

The Three Lines Model aims to outline the structures, processes and responsibilities to facilitate strong governance of risk management:

- 1<sup>st</sup> Line  
**Business and operational units manage risks and controls directly**
- 2<sup>nd</sup> Line  
**The ERM Department supports risk management efforts**
- 3<sup>rd</sup> Line  
**Internal Audit provides independent assurance of risk management effectiveness**



### ERM Policy and Procedure

The ERM policies and procedures provide a structured framework for identifying, assessing, monitoring and controlling risks across the Group.

### Risk Appetite and Tolerance

The risk appetite and tolerance levels help the Group make decisions that contribute to achieving its strategic objectives. Risk appetite and risk tolerance levels are determined on the basis of the Group's direction, objectives, culture and external environment.

### Risk Management Process

A structured process encompassing risk identification, measurement, treatment and continuous monitoring and reporting. The output is a risk register that logs all identified risks and their treatments.

### Principal Risks and Categories

The Group's Risk Universe encompasses 7 principal risk categories: operational risks, technology risks, corporate risks, financial risks, cybersecurity risks, business continuity risks and business environment risks.



## Risk Management continued



### Cybersecurity

The Cybersecurity Department ensures the confidentiality, integrity and availability of the Group's data, systems and networks, enabling business objectives while mitigating security risks. Comprising Cybersecurity Governance and Cybersecurity Operations, the department safeguards assets without disrupting business operations through proactive threat management and regulatory compliance.

#### Core activities include:

- Deploying robust security measures to protect the Group from potential threats and vulnerabilities.
- Continuously monitoring for vulnerabilities and promptly responding to incidents.
- Ensuring alignment with all relevant cybersecurity regulations and standards.

#### Compliance with NCA Frameworks

The department adheres to the National Cybersecurity Authority (NCA) frameworks, ensuring high standards of cybersecurity across the Group. These include:

- Essential Cybersecurity Controls (ECC)
- Critical Systems Cybersecurity Controls (CSCC)
- Cloud Cybersecurity Controls (CCC)
- Telework Cybersecurity Controls (TCC)
- Organization Social Media Accounts Cybersecurity Controls (OSMACC)
- Data Cybersecurity Controls (DCC)

**Through proactive threat management and regulatory compliance, we are committed to safeguarding assets without disrupting the Group's business operations.**

### Business Continuity and Environmental Security

The Business Continuity and Environmental Security Department ensures the Group maintains critical functions during and after disruptive events while promoting sustainability and resilience against environmental challenges.

#### Core activities include:

#### Policy and Framework Development

- Establishing the Business Continuity Management framework and strategy for approval by the relevant committee.
- Developing and implementing strategies, sub-policies and standards required for policy execution.
- Maintaining and communicating the latest versions of the Business Continuity policy and framework to all relevant parties.

#### Business Continuity Management Plan

- Coordinating with Business Continuity Champions to implement the policy and framework.
- Ensuring regular testing and exercising of continuity plans, incorporating lessons learned to enhance effectiveness.
- Conducting exhaustive assessments of new initiatives or major service/system changes to ensure proper continuity plans are developed.

#### Risk and Impact Assessments

- Collaborating with the ERM Department to identify potential threats and assess their operational impacts.
- Analyzing business impact and risk data to develop resilient strategies, including alternative operating methods, relocation plans and dependency solutions.

#### Incident Review and Continuous Improvement

- Reviewing post-incident and management reports, applying lessons learned to strengthen continuity measures.
- Evaluating business continuity capabilities of members, suppliers and service providers based on the nature of their businesses.

### Stakeholder Collaboration

- Planning, scheduling and developing exercise objectives, scope and scenarios in partnership with Stakeholders.
- Ensuring alignment with organizational priorities, reducing risks to acceptable levels for unmitigated disruptions.

### Business Continuity Strategy

The Group's Business Continuity strategy ensures prioritized activities and services continue following disruptions. It leverages insights from business impact analyses, risk assessments and Stakeholder evaluations to develop robust, scalable and resilient continuity measures.

### Risk and Security Highlights and Achievements

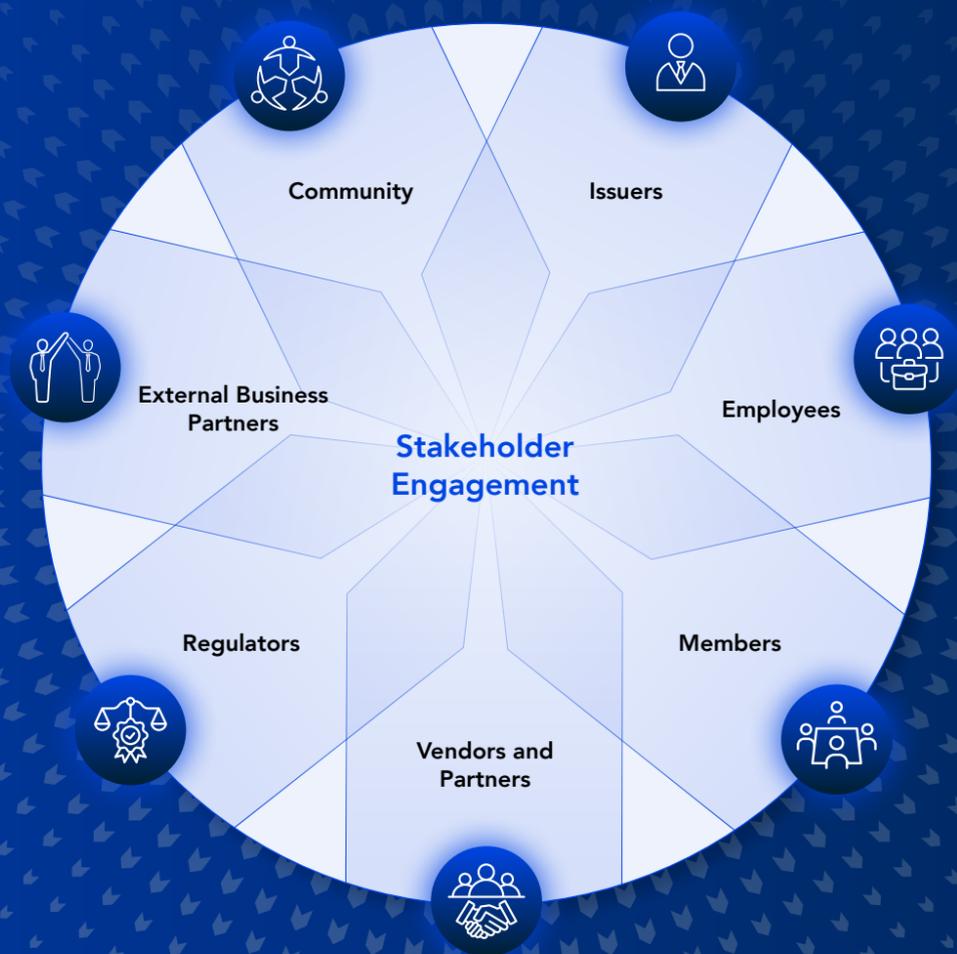
The Risk and Security Division achieved significant milestones this year, reflecting its comprehensive approach to safeguarding the Group's resilience and strategic goals. Key highlights and achievements include:

- Reviewed and updated Enterprise Risk Management, Cybersecurity and Businesses Continuity Management policies, methodologies and processes to align with evolving industry standards and strategic objectives of the Group.
- Ensured continuous evaluation of the Key Risk Indicators (KRIs) to reflect the strategic changes and ensuring proactive risk monitoring and identification of emerging risks.
- Ensured continuous support and evaluation of the Group's projects and initiatives through identifying, assessing and mitigating risks throughout their lifecycle.
- Achieved ISO 27001 certification and maintained high compliance with all national cybersecurity regulations, including NCA controls across applicable frameworks.
- The cybersecurity program excelled in monitoring assessments, increasing awareness and enhancing overall effectiveness. These efforts resulted in no critical or high cybersecurity incidents.
- Enhanced the Business Continuity framework to ensure the continuous maintenance of a robust, enterprise-wide framework that supports all aspects of the Group's core operations and projects.

# Stakeholder Engagement

## Creating Lasting Value through Strategic Engagement

Saudi Tadawul Group takes a proactive and holistic approach to engaging with all Stakeholders, ensuring that each interaction fosters growth, trust and market development. By maintaining open communication, delivering tailored solutions and continuously evolving its offerings, the Group strengthens the capital market ecosystem while advancing the Kingdom's ambitious Vision 2030. Whether through issuers, business partners, employees, regulators or the broader financial community, Saudi Tadawul Group's commitment to collaboration drives innovation, enhances market resilience and unlocks new opportunities for sustainable economic growth.



Issuers 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>We manage our relationships with issuers with one-on-one meetings, phone calls, conferences, workshops, regular check-ins and email exchanges.</p>	<ul style="list-style-type: none"> <li>Continuous and dynamic engagement.</li> <li>Regular meetings, workshops and feedback sessions.</li> </ul>	<ul style="list-style-type: none"> <li>Disclosures and compliance with listing rules.</li> <li>Adhering to restriction (blackout) periods.</li> <li>New incentives for issuers.</li> <li>Market developments and upcoming events.</li> <li>Changes in fees, processes and products related to market development.</li> </ul>	<ul style="list-style-type: none"> <li>Conducting workshops to enhance issuers' understanding of products and services.</li> <li>Regularly engaging with issuers through surveys and meetings in collaboration with the CMA.</li> <li>Addressing feedback on fees, processes and product offerings.</li> <li>Implementing educational initiatives to improve market understanding and compliance.</li> </ul>	<ul style="list-style-type: none"> <li>Supported issuers in governance, continuity and succession planning.</li> <li>Ensured issuers remained agile and prepared for market changes.</li> <li>Provided clarity on compliance and regulatory requirements.</li> <li>Enhanced issuers' experience and success within the Group's ecosystem.</li> </ul>



## Stakeholder Engagement continued

Employees 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>We prioritize effective and continuous engagement with our employees to foster a culture of collaboration, innovation and professional growth. Our engagement approach includes structured programs, feedback mechanisms, training initiatives and direct communication channels that ensure employees are actively involved in shaping the organization's future. We engage through social events, training programs, surveys and internal communication activities across the Group's divisions and its subsidiaries.</p>	<ul style="list-style-type: none"> <li>Daily, weekly or monthly basis based on the activity.</li> <li>Annual Organizational Health Index (OHI) Assessment to measure employee satisfaction and workplace effectiveness.</li> <li>Regular and effective town halls and leadership Q&amp;A sessions to provide transparency and address employee concerns.</li> <li>Facilitate quarterly performance feedback for hires from the Graduate Development Program, and regular surveys for the new employees to support continuous enhancement and professional growth.</li> <li>Align the Training and Leadership Development Programs with the organization's strategy and needs, also offering group learning experience to promote engagement, upskill employees against actual needs and enhance career growth.</li> </ul>	<ul style="list-style-type: none"> <li>Female empowerment: Strengthening female representation among our workforce and supporting their career progression.</li> <li>Talent development and retention: Enhancing training and development programs, internal mobility and leadership development.</li> <li>Workplace culture and employee well-being: Improving engagement, satisfaction and mental health support.</li> <li>Performance management: Transitioning to a dynamic, feedback-driven performance management system.</li> <li>Strategic workforce planning: Aligning HR policies with business growth and market demands.</li> <li>Work-life balance and employee benefits: Expanding support for employees and their families.</li> </ul>	<ul style="list-style-type: none"> <li>Female representation now stands at 32% of our workforce, with 51% of new graduate hires being women under the Graduate Development Program.</li> <li>Launched the second edition of the Future Leaders Program and the High-Potential Development Program with highly recognized training institutes globally.</li> <li>Optimized reporting lines and streamlined decision-making for better collaboration.</li> <li>Shifted to a continuous feedback model aligned with strategic goals.</li> <li>Implemented an AI-driven recruitment platform to enhance hiring and candidate experience.</li> <li>Signed MoU with Prince Mohammed Bin Salman College offering tuition fee discounts of higher education programs to the employees and their families.</li> <li>Partnering with local and international schools and kindergartens offering benefits and tuition discounts to employees' families.</li> <li>Launched the Summer Internship Program for 20 students (56% female), equipping them with market-ready skills.</li> </ul>	<ul style="list-style-type: none"> <li>Career growth and learning: Provided structured leadership, technical and soft skills training, empowering employees at all levels to advance in their careers.</li> <li>Workforce agility and internal mobility: Encouraged cross-functional movement and job rotation to foster a dynamic, growth-oriented environment.</li> <li>Recognition and retention strategies: Strengthened employee motivation through enhanced performance rewards and engagement activities.</li> <li>Support for work-life balance: Extended well-being programs and expanded flexible work arrangements where applicable.</li> <li>Fostering a collaborative culture: Through strategic HR initiatives, STG continues to create a thriving, inclusive and forward-thinking workplace where employees are empowered to contribute to the organization's long-term success.</li> </ul>

Members 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>Regular meetings, email updates, calls and in-person visits to their offices. We also host workshops and forums to address specific topics and maintain open communication. The introduction of the new Members Committee that will engage the high-level individuals and decision makers in the capital market.</p>	<ul style="list-style-type: none"> <li>Daily contact with members through calls to ensure ongoing support.</li> <li>Monthly reviews, quarterly performance meetings.</li> <li>Visits as needed.</li> </ul>	<ul style="list-style-type: none"> <li>Feedback on market changes and initiatives.</li> <li>Market-making performance and obligations.</li> <li>Operational challenges or specific concerns.</li> <li>System readiness and integration.</li> <li>Onboarding new members.</li> <li>Business growth opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Developing new business, or consulting on new initiatives and providing feedback to the Market Development teams.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened relationships through direct support and regular visits.</li> <li>Provided tailored solutions to improve efficiency and performance.</li> <li>Enhanced liquidity and member satisfaction by addressing feedback promptly.</li> </ul>

Vendors and Partners 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>We manage existing relationships to address various types of requests, queries and issues that cover over 350 clients, including issuers, fund managers and members of the Exchange.</p> <p>We also communicate with potential clients to promote our offerings in addition to obtain feedback which helps in enhancing/introducing solutions that respond to their demands.</p>	<ul style="list-style-type: none"> <li>Interactions on a daily basis.</li> </ul>	<ul style="list-style-type: none"> <li>Available data and products' specifications as well as negotiating licenses' terms.</li> <li>Key account management and support activities.</li> </ul>	<ul style="list-style-type: none"> <li>Anticipate customers' demands and develop products and solutions to meet future client requirements.</li> <li>Enhancing existing solutions based on client feedback.</li> <li>Strengthening key account management to improve service efficiency.</li> </ul>	<ul style="list-style-type: none"> <li>Providing products and solutions that add value and help clients to effectively and efficiently access and trade the Saudi markets.</li> <li>Ensuring products and services meet evolving client needs.</li> <li>Strengthening relationships through responsive engagement and tailored support.</li> </ul>

## Stakeholder Engagement continued

Regulators 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>We uphold strong compliance practices through ongoing legal consultations, continuous governance enhancements and active participation in specialized committees, public discussions and regulatory reform initiatives.</p> <p>We maintain open communication with regulatory authorities, including regular audits and reviews, timely written responses, proactive legal support and meeting any additional regulatory requirements.</p>	<ul style="list-style-type: none"> <li>Ongoing communication with regulators, with a tailored approach to shifts in the regulatory environment. The engagement intensifies when new rules come into effect or when governance documents require updating, as well as during audits and inspections. This outreach can include providing clarification on current projects, addressing market concerns or submitting necessary data.</li> <li>The Legal Department, through its Compliance Division, serves as the key intermediary with regulatory bodies to ensure that all guidelines and requirements are effectively met when needed.</li> </ul>	<ul style="list-style-type: none"> <li>Alignment with the new Companies Law.</li> <li>Updates to governance documents and foundational regulations of subsidiaries.</li> <li>Amendments to listing, trading, settlement, investor definitions and market maker regulations.</li> <li>Development and regulation of the debt instruments market, including refining rules for Sukuk, bonds and other debt instruments.</li> <li>Legal consultations, audits and responses to regulatory authorities.</li> <li>Secondary offering amendments to increase free-floating shares, improve market liquidity and expand investment opportunities.</li> </ul>	<ul style="list-style-type: none"> <li>Ensured subsidiaries' compliance with the Companies Law by redefining Board roles, improving reporting, strengthening accountability and enhancing transparency.</li> <li>Improved post-trade infrastructure by refining settlement, investor definitions and market maker rules, aligning with global standards.</li> <li>Strengthened debt market regulations by reducing issuance sizes, exempting government funds and clarifying aggregated account mechanisms.</li> <li>Implemented compliance training, including the Code of Professional Conduct, to reinforce best practices.</li> </ul>	<ul style="list-style-type: none"> <li>Strengthened market integrity through enhanced regulatory compliance.</li> <li>Increased market liquidity by refining listing, settlement and market-making rules.</li> <li>Expanded investment opportunities, supporting the growth and diversification of the Saudi capital market.</li> <li>Strengthened investor protection through governance updates and regulatory adherence.</li> <li>Reduced costs while maintaining quality through efficient legal handling and risk mitigation.</li> <li>Built a knowledgeable, compliant workforce with strong ethical standards.</li> </ul>



External Business Partners 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>Regular meetings, strategic forums, collaborative partnerships, industry conferences, media engagement and educational programs, fostering knowledge exchange, innovation and market development.</p>	<ul style="list-style-type: none"> <li>Frequently.</li> </ul>	<ul style="list-style-type: none"> <li>Market trends, regulatory updates, investment opportunities, technological advancements and capital markets transformation.</li> <li>Joint ventures, cross-border trading, digital transformation and market integration.</li> <li>Global economic issues, investment strategies, capital market development, ESG integration and sustainability.</li> <li>Financial literacy, market structure updates, ESG frameworks and evolving regulatory changes.</li> </ul>	<ul style="list-style-type: none"> <li>Implementing new trading technologies, regulatory enhancements, launching innovative financial products and strengthening Saudi Arabia's position as a global capital markets hub.</li> <li>Forming strategic alliances with global exchanges and financial institutions.</li> <li>Hosting and participating in major industry events such as the Capital Markets Forum, roadshows and investor roundtables to share insights and best practices.</li> <li>Developing and delivering training programs and workshops for partners.</li> <li>Interviews, special articles, press releases and digital engagement.</li> </ul>	<ul style="list-style-type: none"> <li>Enhanced market efficiency, ensured regulatory compliance, strengthened Saudi Arabia's positioning as a global capital market hub and provided diverse opportunities.</li> <li>Increased market access facilitated cross-border investments and promoted market integration.</li> <li>Strengthened industry relationships, increased global investor interest, enhanced knowledge exchange and promoted sustainable investment practices.</li> <li>Enhanced partner knowledge, increased market participation and ensured compliance with regulatory standards.</li> <li>Increased global investor interest and increased understanding of the Group's role in the global financial ecosystem.</li> </ul>

Community 				
How we engage	How often we engage	Key topics discussed	Key actions	Value created
<p>We amplify our impact through media coverage, community support initiatives, financial contributions to social causes, educational workshops and strategic partnerships with academic institutions and charitable foundations.</p>	<ul style="list-style-type: none"> <li>Ongoing through media channels.</li> <li>Regular community initiatives and campaigns.</li> <li>Regular workshops and programs.</li> <li>Continuous collaboration with institutions and foundations.</li> </ul>	<ul style="list-style-type: none"> <li>Financial literacy and investment awareness.</li> <li>Education and skills development.</li> <li>Sustainable local procurement.</li> <li>Employment for Saudi nationals (particularly youth).</li> <li>Health and well-being support.</li> <li>Investment awareness and financial literacy.</li> <li>Career development in capital markets.</li> <li>Women and youth participation in industry.</li> </ul>	<ul style="list-style-type: none"> <li>Public awareness campaigns on diverse investment topics.</li> <li>Supporting local small and medium enterprises.</li> <li>Virtual workshops on investment topics.</li> </ul>	<ul style="list-style-type: none"> <li>Increased public awareness and financial literacy.</li> <li>Enhanced educational and employment opportunities for Saudi nationals.</li> <li>Stronger local businesses through SME support.</li> <li>Greater investor confidence and knowledge.</li> <li>Improved health and well-being through community initiatives.</li> <li>Contribution to the Kingdom's ambitious Vision 2030 goals.</li> </ul>

# Operational Review

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As the region's premier capital market enabler, Saudi Tadawul Group set new benchmarks for excellence, resilience and investor confidence in 2024. By driving liquidity, expanding investment opportunities and enhancing market infrastructure, the Group continues to strengthen Saudi Arabia's financial ecosystem while fostering innovation and growth.

# 03



## تداول السعودية Saudi Exchange

Saudi Exchange Company "Saudi Exchange"

### A New Standard of Market Diversity and Dynamism

**"Saudi Exchange" as one of the top capital markets globally, contributes to laying the foundations for the growth and development of the Saudi capital market, offering a world-class infrastructure that protects market participants and meets the expectations of various local and international Stakeholders through its tailored services.**

Saudi Exchange Company (the Exchange) achieved remarkable progress and growth in 2024, with liquidity rising significantly from the previous year, game-changing new partnerships, and 55 new listings introduced. The expansion of market makers, improved trading mechanisms and increased participation from domestic and international investors drove higher trading volumes and reinforced the Exchange's role as a leading regional financial hub".

**Mr. Mohammed Sulaiman Al-Rumaih**  
CEO, Saudi Exchange



Scan the QR code to view the website



#### Ownership

**100%**

Owned by the Saudi Tadawul Group

#### Headquarters

Riyadh, Kingdom of Saudi Arabia

#### Paid up share capital

**600 million**

#### Number of shares

**60 million**

(SAR 10 each)

#### Key activities and services

Providing listing services

Providing order matching and trading services

Providing market information and indices services

This year saw the number of Qualified Foreign Investors (QFIs) surpass 4,000 for the first time, highlighting strong global interest in the Saudi market. International investors contributed 25% of daily liquidity on average, accompanied by a record number of trades and a 39.70% increase in overall traded value for the year. Enhanced infrastructure supported a further improvement in efficiency, while the Exchange also welcomed new members catering to diverse investor needs, facilitating better market access for local and international participants.

By driving innovation and broadening market access, the Exchange set the stage for sustained growth and global recognition. With a focus on enhancing infrastructure, attracting diverse investors and fostering a more efficient trading environment, the Exchange continues to play a pivotal role in shaping the future of Saudi Arabia's capital markets and solidifying its position as a gateway for regional and international investment.



#### Vision

Shaping what comes next in capital market development in Saudi Arabia, by providing best-in-class financial instruments across all asset classes - supported by a strong, innovative and technologically advanced market infrastructure.

#### Mission

Providing markets that are reliable, resilient, transparent and efficient. Protecting market participants and offering tailored services that are attractive to domestic and international stakeholders.

#### Strategy

The Exchange's strategic objectives focus on building:

- Trusted markets that consistently deliver for international and regional companies and investors, as well as Saudi Arabia's economy.
- A dynamic business with pioneering product and service innovation, information and analytics.
- An agile, digitized and collaborative culture driven by excellence.

## Saudi Exchange continued

### Strategic Priorities

Saudi Exchange plays a pivotal role in shaping the growth and evolution of Saudi Arabia's financial market. With a robust, world-class infrastructure, it ensures a secure and efficient trading environment while delivering tailored services that align with the expectations of local and global Stakeholders, reinforcing its position as a key driver of market development.

### Creating Value for the Group and the Kingdom

In 2024, the Exchange reinforced its role at the core of the "Create an Advanced Capital Market" objective within the Financial Sector Development Program (FSDP) under the Kingdom's ambitious Vision 2030. Through strategic initiatives, the Exchange played a key part in advancing the Kingdom's financial sector and fostering a globally competitive investment environment.

A major focus was and continues to be on enhancing market infrastructure to improve accessibility and efficiency. Upgrades to trading systems and operational frameworks aligned with the FSDP's goal of building a robust financial sector that supports sustainable economic growth. In addition, successful onboarding of further market makers during the year directly contributed to enhanced liquidity. These efforts also facilitated smoother participation for local and international investors, ensuring a more seamless and efficient trading experience.

The Exchange also emphasized the diversification of financial instruments to broaden investment opportunities. By expanding its offering to include more debt instruments and other innovative products, the Exchange has encouraged greater investment diversification. This diversification aligns with the Kingdom's Vision 2030's goal of creating a more dynamic and resilient economy, making Saudi Arabia's capital markets increasingly attractive to global investors.

The Exchange expanded its international presence through global index inclusions such as MSCI Emerging Markets Index, and partnerships with 1 major exchange, further solidifying its position as a gateway to regional and global capital markets. With over 400 listed securities, including more than 100 on Nomu - Parallel Market, the Exchange surpassed significant milestones in market development. The completion of 42 IPOs facilitated by Capital Market Institutions using the Tadawul Capital Management System underscores the Exchange's ability to deliver innovative solutions that meet the growing needs of issuers and investors alike.

Through these targeted initiatives, the Exchange continues to position itself as a catalyst for the Kingdom's economic transformation, supporting both the growth of the financial sector and the broader ambitions of Vision 2030.

### Growing Volumes and Market Capitalization

Overall, the Exchange delivered a strong performance in 2024, underpinned by a strategic focus on diversification and the development of the debt market. These efforts have significantly boosted participation and broadened investment opportunities, fostering a more balanced and resilient capital market.

Compared to the previous year, the Exchange's intensified focus on the debt market stands out as a defining achievement. By promoting and developing debt instruments, the Exchange successfully attracted a wider range of investors, enhancing liquidity across multiple asset classes. This diversification strategy has not only improved market stability but also positioned the Exchange for long-term growth, further cementing its role as a cornerstone of the regional financial ecosystem.

In addition, the Exchange has prioritized the enhancement of the derivatives market by actively collaborating with market participants, including through the implementation of SSO, to identify and implement key improvements. These initiatives aim to strengthen the derivatives market's efficiency and attractiveness, ensuring its alignment with the evolving needs of investors and supporting the Exchange's broader strategic objectives.

Overcoming market challenges, TASI increased in 2024 by 0.58% compared to year-end 2023, driven by the Utilities industry, which impacted TASI by 263.91 points or 2.21%, Capital Goods with 84.45 points or 0.71% and Real Estate Management and Development with 78.97 points or 0.66%.

Traded value increased by 39.70% during 2024 while overall market capitalization decreased by 9.41%. Meanwhile, the number of trades showed positive growth, rising 36.76% for the year.

In 2024, the Saudi Exchange onboarded 2 market makers for 12 different securities, to close the year of 2024 with 5 market makers for 25 different securities.

### Saudi Exchange in 2024

**55**  
New listings

**72%**  
of total GCC market value

**2**  
New indices launched

**₹ 10,259.10 billion**  
Market capitalization (Main Market and Nomu - Parallel Market)

**-45.65%**  
in derivatives volume

**-75.60%**  
in derivatives value

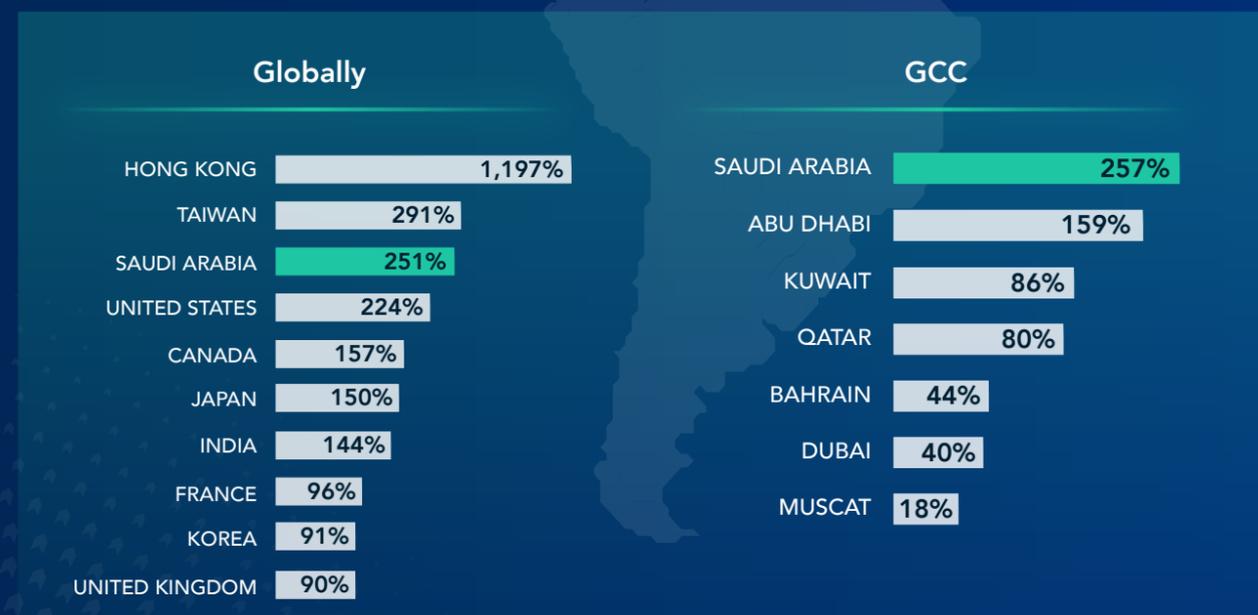
**40%**  
ESG reporting by issuers



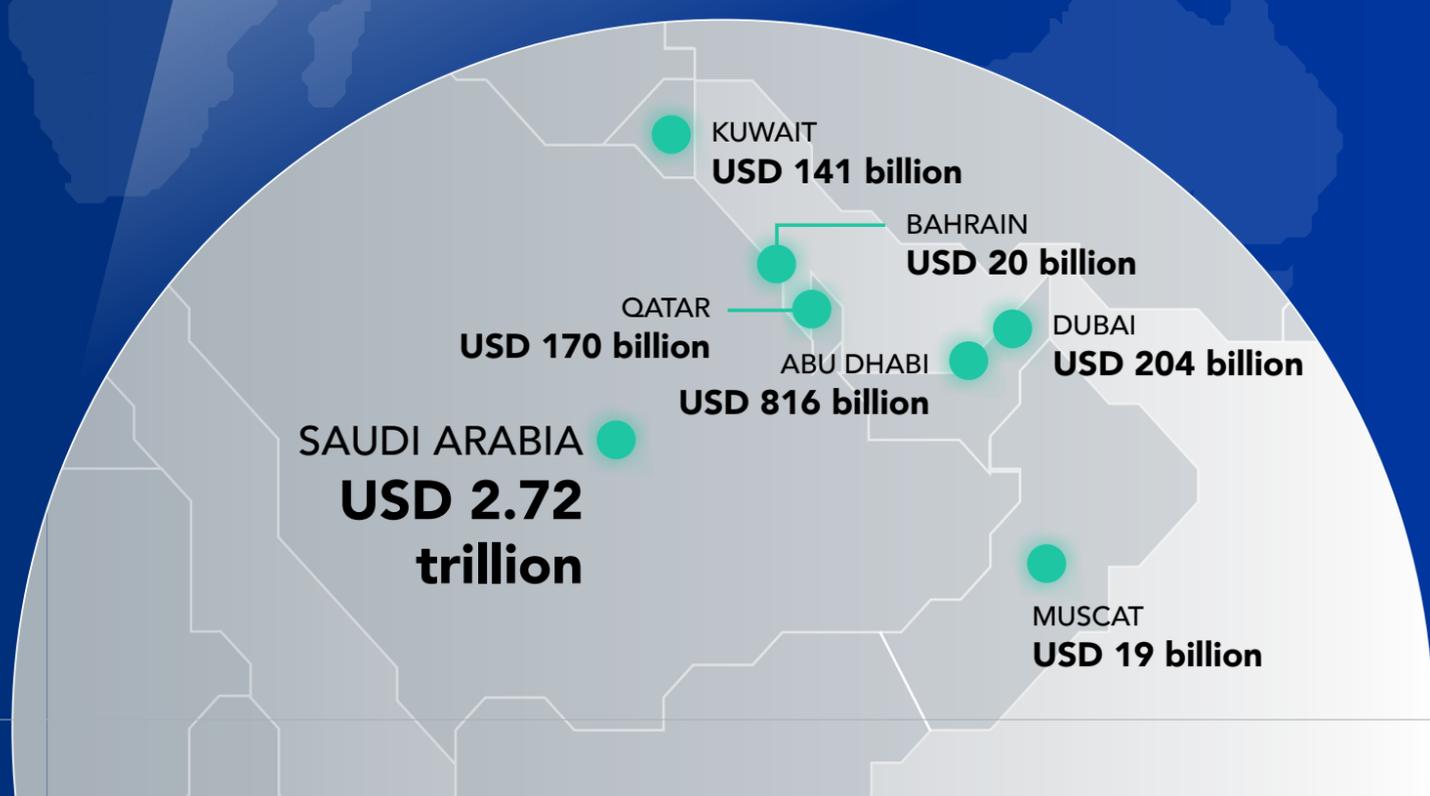
Saudi Exchange continued



# The Saudi capital market ranks 9<sup>th</sup> globally by Market Cap

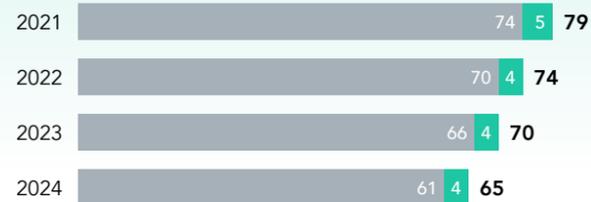


The Exchange sees strong expansion in market capitalization to GDP ratio across emerging markets.



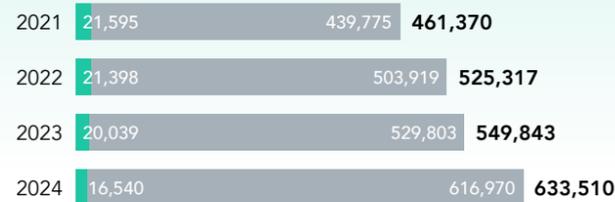
## Saudi Exchange continued

### Number of Listed Corporate and Government Sukuk and Bonds



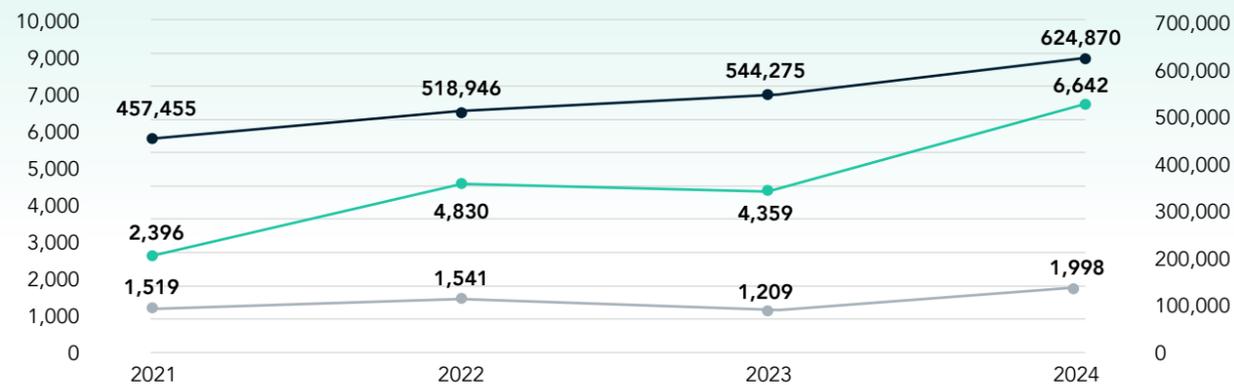
● Listed Government Sukuk and Bonds  
● Listed Corporate Sukuk and Bonds

### Total Listed Issuance for Corporate and Government Sukuk and Bonds (ﷲ million)



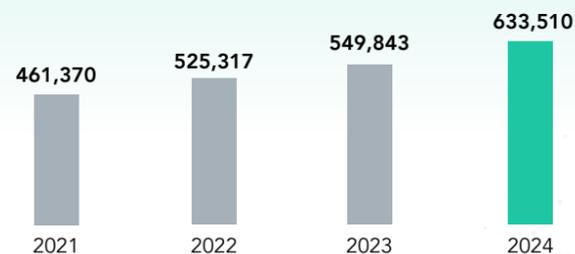
● Listed Government Sukuk and Bonds  
● Listed Corporate Sukuk and Bonds

### Amount of Holding per Nationality for Listed Corporate and Government Sukuk and Bonds (ﷲ million)



● GCC ● Foreign ● Saudi

### Total Amount of Holding per Nationality for Listed Corporate and Government Sukuk and Bonds (ﷲ million)



### New Listings and Innovative Propositions

In another landmark year for the Exchange, there was a total of 55 new listings, including 19 listings in the Main Market (includes Funds: 1 REIT listing, 2 CEF listings and 3 ETF listings), 30 new listings in Nomu - Parallel Market, and in terms of debt we had 1 corporate and 5 government Sukuk and bonds listings.

The biggest listings of the Main Market in 2024 were Dr. Soliman Abdel Kader Fakeeh Hospital Co., with a market cap of ﷲ 13.34 billion, and MBC Group Co. with a market cap of ﷲ 8.3 billion. While on Nomu Market, First Avenue for Real Estate Development Co. was the largest listing with a market cap of ﷲ 1.23 billion, and Arabian United Float Glass Co. with a market cap of ﷲ 0.91 billion.

In 2024, the Exchange achieved several key milestones that reinforced its position as a dynamic and innovative capital market operator. The launch of the TASI 50 Index on 7 January marked a significant development in the Exchange's offering. This new index, tracking the top 50 companies ranked by total market capitalization, provides investors with a focused benchmark to navigate the Saudi capital market effectively.

The Exchange also advanced its technological capabilities by developing the new Capital Management System, a centralized platform for subscription and offer management. This platform, launched in 2024, strengthens the Exchange's role in the capital market, providing issuers and investors with a streamlined and efficient tool to manage their subscription process.

To enhance market liquidity and operational efficiency, the Exchange introduced a major enhancement to the market-making framework. This initiative optimized incentives and

operations for market makers, creating a more dynamic and efficient trading environment and further supporting the development of Saudi Arabia's capital markets.

From the investor perspective, the Exchange has been actively engaging with the investment community to gather feedback, raise awareness of the Saudi growth story and position itself as the first point of contact for investors. Through roadshows and events conducted across various geographic regions, the Exchange has strengthened its relationships with investors while broadening its reach and showcasing the opportunities within the Saudi capital market. These efforts continue to reinforce the Exchange's role as a trusted gateway for global investors.

As part of its strategy to expand international reach, the Exchange strengthened its position as a global financial hub through inclusion in international indices, enhanced market infrastructure and partnerships with 2 global exchanges. This year also saw the publication of the Foreign Companies Listing Guide, providing clear guidance for international issuers, further highlighting global confidence in the Saudi capital market.

The Exchange reached a new milestone with over 400 listed securities, including more than 100 on Nomu, on the market with more flexible listing requirements. Offering value across all platforms exceeded ﷲ 23.37 billion, excluding government Sukuk, with 13 listings hosted on the Main Market, 30 on Nomu (including 3 direct listings), 6 funds (2 CEFs, 3 ETFs, 1 REIT) and 6 debt securities (1 corporate, 5 government). To promote listing activity, the Exchange publishes a periodical report detailing IPOs, listings and secondary capital raising activities, highlighting the achievements of listed securities using one of the most liquid emerging market platforms to fuel their growth.

### Building Strength, Driving Innovation & Pursuing Excellence Across Markets

#### Number of Listed Securities

##### Main Market

**247**  
(including 19 REITs)

##### Nomu – Parallel Market

**106**  
(including 1 REIT)

##### REITs

**20**  
(19 in Main Market, 1 in Nomu Market)

##### CEFs

**4**

##### ETFs

**11**

##### Sukuk and Bonds

**65**  
(4 Corporate Sukuk and 61 Government Sukuk)

## Saudi Exchange continued

Nomu experienced remarkable growth, with market capitalization rising by 21.86% year-over-year to  $\text{S}58.86$  billion by Q4 2024. Total traded value increased by 75.03% year-over-year, reaching  $\text{S}14.12$  billion over the same period. The rise in IPOs and direct listings on Nomu has been driven by continuous efforts to support SMEs and provide flexible listing opportunities tailored to their needs.

The Exchange actively incentivized both the debt and equity capital markets. For the debt market, the minimum issuance size was reduced to encourage issuers, including SMEs, to raise funds publicly and enhance

flexibility in structuring securities. The launch of the Capital Management System (CMS) marked a historical change in offerings management, streamlining the process for issuers and investors alike. The CMS reduced time-to-market for IPOs from 20 days to 14 days, increased trading activity by 32% during the first 3 trading days, and improved coverage ratios for IPOs by 217% compared to traditional methods.

A robust outreach program, conducted over 1,300 visits and 44 workshops, to educate private companies and family businesses in the listing process, further strengthened the pipeline of potential issuers. This initiative, combined with

sector-specific listing incentives aligned with the Financial Sector Development Program (FSDP), supported the growth of family businesses and SMEs, showcasing the benefits of access to capital markets and strong governance frameworks.

To support continued innovation, the Exchange introduced enhancements across its offerings. These included improved listing mechanisms, the introduction of SPACs and preferred shares, and refined processes for tradable rights. Additionally, the Exchange is preparing to expand into new instruments and share classes to further diversify its market offerings.

### Capital Raised

Year	2021	2022	2023	2024	Comments
Main Market	17,179,160,744	37,512,544,092	11,896,810,330	14,399,307,455	Including funds
Nomu – Parallel Market	1,893,469,550	1,289,992,376	1,094,356,424	1,113,001,788	
Tradable Rights	2,384,500,000	11,995,284,640	2,885,000,000	7,981,499,990*	

\*including 1 Right Issue with Suspension of Rights Issue Shares.

### Market Cap (S)

Year	2021	2022	2023	2024	Comments
Main Market	10,009,151,361,041	9,878,101,398,976	11,259,319,837,837	10,200,236,084,247	Including 19 REITs
Nomu - Parallel Market	19,025,273,000	35,085,565,047	48,297,238,173	58,860,015,410	Including 1 REIT
CEFs	409,930,345	850,324,747	1,220,698,437	1,316,958,071	
ETFs	1,597,731,800	1,503,387,900	644,772,260	6,686,516,196	
Sukuk/Bonds	461,370,215,860	525,316,925,120	549,843,238,000	633,509,699,000	Issuance size

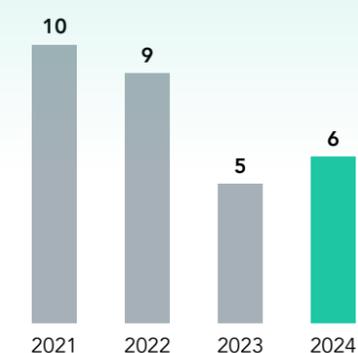
Number of New Listings in Main Market



Number of New Listings in Nomu – Parallel Market



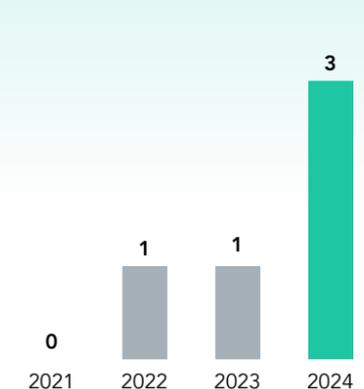
Number of New Sukuk/ Bonds Listings



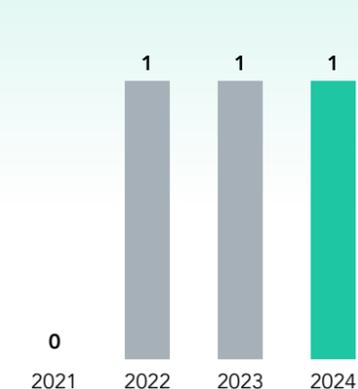
CEFs



ETFs



REITs



### Strengthening Ties with Global Exchanges

Throughout the year, the Exchange signed 3 new agreements and partnerships with regional and international entities to support the Group's strategic goals and ambitions.

**Dubai Mercantile Exchange** – The Group acquired a 32.6% stake in DME Holdings Limited, rebranding it as Gulf Mercantile Exchange (GME), to drive growth as a regional commodities leader and expand into energy, metals and agricultural markets, while supporting sustainability through innovative derivatives.

**Johannesburg Stock Exchange** – The Group signed an MoU - its 18th MoU spanning partnerships across GCC countries and global markets - focused on fostering dual listing opportunities, further strengthening the Exchange's

global presence and creating new pathways for international collaboration.

**Bahrain Bourse** – The Group signed a cooperation agreement aimed at enhancing market integration, developing new investment products and streamlining trading mechanisms to create more opportunities for investors and issuers in both countries.

### Expanding the Cash Market

In 2024, the Exchange's cash market demonstrated significant progress, contributing to the strategic success of the Group through a series of impactful initiatives. These efforts centered on launching innovative products, enhancing existing services and implementing key microstructural enhancements to boost liquidity, foster investor confidence and improve market efficiency.

The Exchange introduced a range of innovative offerings designed to align with market demands and uplift direct revenue streams. These initiatives expanded revenue opportunities while addressing the evolving needs of market participants. Simultaneously, existing products and services were refined to increase liquidity, with enhancements shaped by user feedback and market trends. A revamped market-making framework for equities served as a cornerstone of these improvements, optimizing liquidity provision strategies and market maker incentives. This framework bolstered price discovery, tightened spreads and elevated overall market liquidity, creating a more robust and efficient equity market.

## Saudi Exchange continued

High-frequency traders (HFTs) also played a significant role, contributing approximately 25% of the average daily trading value (ADTV) and up to 46% on peak trading days.

The expansion of market makers across listed equities was a defining milestone. By enabling a more efficient trading environment, market makers facilitated tighter spreads and improved liquidity. Securities with active market makers experienced increased trading volumes and greater market depth, benefiting both issuers and investors. These advancements were instrumental in fostering investor confidence and cultivating a more dynamic and accessible equity market.

The cash market also saw transformative participation from algorithmic traders, who now contribute up to 40% of daily liquidity. This marked increase underscores the success of targeted enhancements designed to accommodate high-frequency trading (HFT) strategies. The result has been a significant improvement in market depth, tighter spreads and enhanced price discovery, which collectively strengthen the overall market ecosystem.

Several new initiatives were launched to streamline operations and improve market functionality:

- Enhanced trading system access via streamlined FIX connection fees
- Murabaha product enhancements
- Market-making obligation and incentives enhancements for equities

The debt market delivered a strong performance in 2024, with the total size of issuances reaching approximately  $\text{SAR}$  633.5 billion, reflecting robust activity and investor confidence. Trading activity was equally notable, with a total value traded of  $\text{SAR}$  21.59 billion across 44,624 trades. These figures underscore the debt market's resilience and its critical role in Saudi Arabia's financial ecosystem.

Trading velocity showed sustained momentum, with year-to-date (YTD) and year-over-year (YoY) velocity reaching 18.26%, up from 11.84% in 2023. Although slightly above 2022's 17.29%, these figures, inclusive of Aramco, highlight the Exchange's continued efforts to promote market efficiency and enhance liquidity.

Through these achievements, the Exchange continued to build strong momentum, creating value for a diverse range of market participants while reinforcing its role as a dynamic and resilient capital market operator in the region.

### Strengthening the Derivatives Market

In 2024, the Exchange made significant strides in advancing its derivatives market by enhancing liquidity, offering competitive pricing and deepening the order book, reinforcing its strategic role in the broader development of the Saudi capital market. These efforts were complemented by enabling and supporting market makers and driving the internationalization of the derivatives market to attract a broader range of participants, both domestic and international.

Derivatives play a pivotal role in enabling both local and international investors to effectively hedge portfolio risks and diversify their trading strategies, thereby enhancing the overall market's resilience and attractiveness. The Exchange delivered on its commitment to providing sophisticated and innovative derivatives products and services tailored to meet the needs of both local and global investors. By expanding diversified offerings and introducing advanced hedging tools, the derivatives market further supported the advancement of the Saudi capital market, empowering investors to manage risks and limit losses during adverse market conditions.

Several critical initiatives were introduced to improve market functionality and efficiency, ensuring a seamless experience for participants. An automated process was implemented to cancel orders in the event of the Exchange's members being disconnected from the trading engine, reducing operational risks. A drop copy service was introduced, allowing the Exchange's members to track and manage trade and order activities with greater precision. Market makers benefited from automated synchronization of bid/ask quotes, increasing liquidity and operational efficiency while streamlining quoting activities. Members were also enabled to use their own order management systems to place and accept bilateral trades, fostering greater flexibility and accessibility.

The derivatives market continued to gain traction, with Qualified Foreign Investors (QFIs) expressing a growing interest in trading derivatives products. This interest is underpinned by the requirement of active retail participation to support a vibrant derivatives market. The availability of standardized derivatives contracts has contributed significantly to market development, equipping participants with sophisticated tools to hedge risks and elevate the level of trading expertise in the market.

Looking ahead, the Exchange is focused on enhancing the existing derivatives offering by expanding the range of underlyings and providing services that support liquidity and pricing, such as market making for Single Stock Options. Plans to drive the internationalization and institutionalization of the derivatives market will aim to attract a broader range of domestic and global participants, further strengthening the Saudi capital market's global competitiveness.

These developments position the derivatives market as a critical component of the Exchange's growth strategy, enabling it to deliver innovative solutions that align with the needs of modern investors and reinforce its status as a regional and global financial leader.

The Exchange also continued to play a pivotal role in fostering global engagement this year by actively participating in and organizing corporate access events.

These events facilitated meaningful interactions between investors and issuers, showcasing the diverse

investment opportunities available through the Exchange both locally and globally. These engagements were key to strengthening investor confidence and generating increased interest in the Saudi market.

To further advance ESG awareness, the Exchange hosted multiple webinars throughout the year, covering a wide range of sustainability topics. Featuring insights from industry experts, these sessions provided valuable guidance on ESG principles, equipping issuers and investors with the tools to adopt and implement best practices in sustainability.

The Exchange's strategic efforts in 2024 underscored a commitment to diversifying market participants, driving global engagement and promoting ESG practices.

### Enhancing Experience for Investors and Issuers

In 2024, the Exchange made significant progress in improving the experience for both investors and issuers, focusing on growth, engagement and sustainability. A key highlight was the onboarding of 4 new members across the cash and derivatives markets, strengthening market capacity and

### Saudi Exchange's Investor Roadshows in 2024

- The Sustainability Forum Middle East (SFME), Bahrain
- GCC BDI. Topic: Saudi Exchange ESG Guidelines (part 1), Riyadh
- Fixed Income Roadshow in collaboration with JP Morgan, London/NY
- Saudi Capital Market Forum, Riyadh
- UAE Investors Roadshow, Dubai, Abu Dhabi
- e& enterprise and Saudi Exchange Sustainability Workshop, Riyadh
- HSBC MENAT Future Forum, Dubai
- GCC BDI. Topic: Saudi Exchange ESG Guidelines (part 2), Riyadh
- Citi Fixed Income Webinar, Virtual
- Trade Tech Buy-Side Equity Conference, Paris
- Saudi Exchange in collaboration with HSBC Debt Committee Roadshow, London/ NY
- Goldman Sachs - Saudi Exchange Day, Singapore
- Goldman Sachs Debt Committee Roadshow, Singapore
- Capital Market Forum, Hong Kong
- Green Bonds Round Table Discussion – Ministry of Finance, Riyadh
- JP Morgan Frontier Markets Conference, London
- HSBC GCC London Exchanges Conference, London
- Saudi Exchange in collaboration with Bloomberg Fixed Income Roadshow, London
- Saudi Exchange x MSCI: Building your Sustainability Journey Workshop, Riyadh
- Saudi Sustainability Club – Bank AlJazira. Sustainability Dialog, Riyadh
- EFG Hermes 10th Annual London Conference, London
- Saudi Exchange UAE Roadshow with Morgan Stanley, Dubai, Abu Dhabi
- JPM Saudi Conference, New York
- GCC BDI. Topic: Saudi Exchange ESG Guidelines (part 2)
- HFM Middle East Symposium: London edition
- Mizuho Bank: Japan Corporate Day, Tokyo
- Saudi Exchange x S&P Global Sustainable Finance Workshop, Riyadh
- STG Ring the Bell for Climate, Riyadh
- Post Listing Support Workshop – ESG Introduction, Virtual
- Sustainability Excellence GHG workshop, Virtual

## Saudi Exchange continued

diversity. This was complemented by an expansion in international participation, with high-frequency traders (HFTs) and quantitative firms playing a more prominent role in the ecosystem. The Exchange also facilitated access for international retail and institutional investors through partnerships, including interactive brokers joining the Saudi market.

The Exchange deepened its outreach efforts, partnering with members to attract QFI assets under management from global financial hubs such as London, New York, Singapore, Tokyo and Hong Kong. Fixed-income roadshows held in London, New York and Hong Kong were instrumental in promoting the Saudi market, boosting both investor engagement and liquidity. These efforts contributed to rising foreign direct investment inflows, reflected in increased daily liquidity and greater ownership by international investors.

In May, the Exchange reached a significant milestone with the publication of the Foreign Companies Listing Guide. This comprehensive resource is designed to assist foreign companies in understanding the criteria for offering and listing on the Main Market, reflecting the Exchange's commitment to facilitating international participation and expanding its market base.

Sustainability remained a priority, with the Exchange leading initiatives to enhance ESG reporting and disclosure practices. ESG-focused consultations and educational efforts reinforced the Exchange's commitment to promoting responsible investment and sustainable growth.

To further improve market functionality and accessibility, the Exchange introduced the IPO Participation Management (IPM) system, simplifying retail investor access to IPOs and enhancing overall participation. Other advancements included streamlined

support for electronic traders, improvements in trading systems and expanded product offerings tailored to market needs.

The Saudi capital market's growing international reputation was further solidified by the inclusion of additional companies in the MSCI Emerging Markets Index. Performance metrics demonstrated strong liquidity and investor inflows, positioning the Exchange among the top emerging markets. With 2 new members added to the cash market and 2 in the derivatives market, the Exchange strengthened its ability to cater to diverse investor needs.

### Creating Value through Market Data

The Exchange made significant advancements this year in leveraging analytics and data to deliver value across the Group and its Stakeholders. With a strategic focus on diversifying revenue streams and enhancing transparency, the Exchange continues to strengthen its position as a data-driven, innovative market leader.

As part of the Group's Pillar 6 strategy to reduce reliance on trading activity, the Exchange is actively developing a data analytics and distribution platform. This cutting-edge initiative will consolidate, analyze and deploy multiple data products, enabling the Group to quickly identify and launch offerings that align with evolving market requirements.

The Exchange demonstrated its commitment to transparency by progressing the launch of the Historical Order Book feed. Designed to enhance market data services, this initiative will provide participants with valuable insights and greater visibility into market activity. Currently in the testing phase, the feed is scheduled for launch in early 2025. Additionally, the introduction of Tick Data products, tailored for institutional clients analyzing level 2 order book data, reflects the

Exchange's focus on meeting the sophisticated needs of global investors. Client engagement is ongoing, pending regulatory approval from the Capital Market Authority (CMA).

The Exchange continued to refine and expand its indices offerings, launching the TASI 50 Index in January 2024. Tracking the top 50 companies by total market capitalization, the index provides investors with a focused benchmark for navigating the Saudi capital market. Further advancements included enhancements to index calculation methodologies to address diverse needs and deliver deeper market insights. A new Index Use License under the Index Creation Agreement framework was also introduced, enabling greater flexibility for benchmarking and analytics.

The Exchange achieved a 26% year-over-year increase in clients subscribing to its Market Information services, bringing the total to 335 clients. This growth reflects the Exchange's commitment to providing high-quality data and analytics services that meet the diverse needs of issuers, fund managers and institutional clients.

By integrating analytics and data into its strategic initiatives, the Exchange is creating significant value for the Group and its Stakeholders. These efforts not only enhance transparency and market functionality but also position the Exchange as a forward-thinking, data-driven leader in the global capital markets landscape. As these initiatives progress into 2025, the Exchange is set to unlock new opportunities, driving sustainable growth and innovation across its ecosystem.

### Saudi Exchange in 2025

In 2025, the Exchange will focus on building upon its successes to enhance its offerings and deepen its engagement with Stakeholders across all facets of the market. A primary objective is to advance liquidity and efficiency in cash markets,

implementing key initiatives that improve market dynamics and encourage greater participation.

The Exchange plans to extend trading hours for negotiated deals, allowing transactions to occur beyond current timings. This change is expected to provide greater flexibility for market participants, boosting transaction volumes and enhancing overall market efficiency. Additionally, revising fluctuation limits and price tick sizes will promote more efficient price formation, driving increased trading activity and improving market dynamics. Efforts to onboard market makers in the debt market will further bolster liquidity, creating a more competitive and vibrant trading environment.

In market data, the Exchange aims to develop and launch innovative data products through its Data Link platform, providing Stakeholders with advanced tools to analyze and utilize market insights effectively. Strengthening its index franchise remains a priority, with plans to introduce more indices tailored to meet diverse investor needs, enhancing transparency and accessibility in the market.

Global engagement will remain central to the Exchange's strategy, with a continued focus on fostering partnerships and attracting international participants. These efforts will ensure the Exchange's role as a gateway for global capital, positioning it as a leader in the regional and international financial ecosystem. Signing the Net Zero commitment further underscores the Exchange's dedication to sustainability, aligning its operations and goals with the global shift toward a greener economy.

By driving innovation, advancing liquidity and fostering sustainable growth, the Exchange is poised to solidify its standing as a dynamic and forward-thinking financial hub, creating value for all Stakeholders while pursuing long-term excellence.





The Securities Depository Center Company "Edaa"

**"Edaa" is committed to achieving the strategic objectives of the financial market by developing the infrastructure and implementing the necessary procedures to execute transactions in accordance with international standards. It also strives to enhance the efficiency of services related to securities deposit and ownership registration by developing a more streamlined environment that promotes excellence in all sectors related to the financial market.**

"The Securities Depository Center Company (Edaa) continued its transformation journey in 2024, building on the previous year's foundation by diversifying revenue streams and reducing reliance on exchange trading flows. It significantly expanded its product offerings, launching initiatives in the funds and bonds sectors while enhancing services in securities financing, including collateral management and securities lending, positioning it for greater diversification and value creation moving forward".

**Mrs. Hanan Mohammad Alshehri**  
CEO, Edaa



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**Ownership**

**100%**

Owned by the Saudi Tadawul Group

**Headquarters**

**Riyadh, Kingdom of Saudi Arabia**

**Paid up share capital**

**₹ 400 million**

**Number of shares**

**40 million**

(₹ 10 each)

**Key activities and services**

Operating and maintaining the Depository and Settlement System (DSS).

Other value-added services such as management of issuers' general assemblies (AGM) including remote voting services (e-voting), reporting, notifications and maintenance of critical core data.

During a year of progress and achievements, Edaa achieved significant milestones as part of its alignment with the Group's refreshed strategy, undertaking a comprehensive re-evaluation of its medium- and long-term goals. This re-assessment paved the way for the expansion of its domestic product portfolio, while also enabling Edaa to identify and target new geographical regions and asset classes, reinforcing its position as a key player in the evolving capital markets landscape.

From a financial perspective, Edaa demonstrated remarkable progress in diversifying its revenue base. Although its revenues remained influenced by market trends and its connection to the Saudi Exchange, Edaa successfully reduced its dependence on trading activities by broadening its income streams. This diversification was achieved through the execution of strategic initiatives and a strong focus on enhancing its range of products and services. These efforts not only drove substantial revenue growth but also bolstered Edaa's financial stability, ensuring a more resilient and adaptable business model for the future.



**Vision**

Post-trade service provider of choice, building bridges between issuers and investors domestically and internationally.

**Mission**

Offer trusted and innovative post-trade products and services in line with highest international standards that create value for clients.

## Edaa continued

### Driving Accessibility, Innovation and Growth in Saudi Capital Markets

Edaa serves as a cornerstone of the Group's efforts to enhance access to the Saudi capital market, providing seamless opportunities for existing and potential investors as well as other market participants. Edaa has taken significant steps to improve access to the Saudi market by establishing linkages with foreign depository centers and investing in cutting-edge infrastructure, making the market more accessible and efficient.

Aligned with the Kingdom's ambitious Vision 2030, Edaa's strategic objectives focus on strengthening domestic financial infrastructure, positioning the Saudi capital market as a regional liquidity hub across multiple asset classes, and driving the growth of the Saudi Exchange. A key achievement in 2024 was the successful implementation of the second bundle of the Post-Trade Transformation Program enhancements, the launch of the second phase of these enhancements comes as a continuation of the first phase launched in 2022, marking the largest enhancement of its kind in the history of the Saudi capital market, aiming to increase investment opportunities, enhance access to a variety of financial instruments and introduce new products. Edaa has upgraded its post-trade infrastructure, bolstering market efficiency and stability through improved governance, creating a seamless and secure post-trade environment that attracts both domestic and international investors by aligning with global best practices. Key enhancements include support for the new ISO 20022 messaging standard, expanded functionality for Transfer of Title Pledge and enhanced reporting capabilities. These improvements, elevate the experience for capital market institutions, custodians, settlement agents and investors.

Other achievements include Edaa's partnership with the National Debt Management Center (NDMC) in launching their innovative Savings Sukuk Program. This initiative supports the Financial Sector Development Program (FSDP) by promoting financial inclusion and offering individuals a responsible savings option that encourages investment and fosters economic growth. The program empowers participants to build their savings while contributing to sustainable development projects, further advancing community progress.

Moreover, Edaa has launched Omnibus accounts in the Saudi debt market to enhance market attractiveness and operational efficiency. Through this initiative, Edaa is pioneering a new custody model, offering a more efficient and flexible way for Capital Market Institutions (CMI) to manage multiple investors' assets.

Edaa also played a critical role in facilitating Aramco's secondary offering transaction, a landmark achievement that underscored its expertise in executing complex financial transactions and its commitment to enhancing market efficiency. This milestone demonstrated Edaa's ability to support high-profile transactions that strengthen the Saudi capital market's global standing.

Furthermore, Edaa secured approval from the Capital Market Authority (CMA) for "Edaa Connect". This platform represents a transformative step toward broadening investment opportunities, and it is in line with the strategic objective of the FSDP to stimulate saving, finances and investments. Introducing a distribution mechanism will bridge a gap in the accessibility of the fund's market and it will foster a more diversified and resilient financial ecosystem.

### Strengthening Partnerships and Driving Strategic Innovation

In 2024, Edaa made noteworthy progress in advancing its strategic priorities through key investments, partnerships and collaborative agreements, further solidifying its position as a cornerstone of Saudi Arabia's capital market infrastructure.

A major focus was on strengthening connections with international central securities depositories (CSDs), including an indirect link with Clearstream and a direct connection with Euroclear. Edaa worked diligently to enhance these connections, actively incorporating feedback from Stakeholders to implement improvements. One notable achievement was the upgrade to the Tadawulaty system, allowing international CSDs to seamlessly upload holding and transaction reports. This innovation streamlined processes and enhanced operational efficiency, reinforcing Edaa's commitment to improving market accessibility and aligning with the Group's objective of establishing Saudi Arabia as a premier global investment hub.

Edaa also entered into several key agreements. A partnership agreement with Ebana was signed to develop shared solutions and explore collaborative opportunities in support of the mutual ambitions of both organizations. Additionally, an MoU was signed with the General Authority for Awqaf to foster cooperation in knowledge sharing and experience exchange. This partnership focused on raising awareness and providing educational resources for beneficiaries, further demonstrating Edaa's commitment to supporting broader community and financial education initiatives.

### Edaa in 2025

In 2025, Edaa will embark on a transformational journey as it continues to evolve into a commercially oriented depository capable of competing with international market players. The year will be marked by the implementation of key long-term projects aimed at enhancing its product offerings, geographical reach and market competitiveness.

Edaa will focus on expanding its portfolio of products and services by enhancing "Edaa Connect" and enhancing other existing services such as the paying agent. Additionally, Edaa will roll out Collateral Management (CM) and Securities Borrowing and Lending (SBL) solutions to enhance market liquidity. Edaa's CM and SBL platform will work as a catalyst in increasing the bilateral SBL transactions and will also facilitate clients in their management of collateral. In addition, Edaa is working on the introduction of Omnibus Account Structure in the equity market, designed to streamline operations and provide greater flexibility for market participants.

Geographically, Edaa will intensify its collaboration with peer depository centers to accelerate cross-listings and broaden its reach. It aims to offer its services on international assets owned by local and regional investors, further strengthening its position as a global enabler in the capital markets. These initiatives will solidify Edaa's role in driving innovation and growth within the Saudi capital market while reinforcing its international presence.

### Key Operational Highlights

**1,575,229**  
New Account Openings

**430**  
Corporate Action

**3,460**  
Pledges

**753,227**  
Securities Transfer

**105**  
New Issuance

**12,345 billion**  
Assets under Custody





The Securities Clearing Center Company "Muqassa"

**"Muqassa" is one of the key pillars of Saudi Arabia's Financial Sector Development Program (FSDP), where it plays a significant role in developing market infrastructure to enhance market efficiency and is essential for the development of new products and services in the Saudi capital markets.**

"During a year of growth and achievements, Muqassa demonstrated its ability to innovate, adapt and strengthen its role within Saudi Arabia's capital market infrastructure, delivering impactful results that solidified its reputation as a trusted and forward-thinking clearinghouse. This commitment to excellence and strategic growth set the stage for continued success and expanded influence both locally and regionally".

**Mr. Wael Abdullah Al-Hazzani**  
CEO, Muqassa



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**Ownership**

**100%**

Owned by the Saudi Tadawul Group

**Headquarters**

Riyadh, Kingdom of Saudi Arabia

**Paid up share capital**

**600 million**

**Number of shares**

**60 million**

(SAR 10 each)

**Key activities and services**

Central counterparty clearing services for all cash market securities traded on the Saudi Exchange (equities, Sukuk and bonds, ETFs, REITs).

Central counterparty clearing services for all derivatives and securities traded on derivatives market (Index Futures, Single Stock Futures and Single Stock Option).

Repo clearing services.

In 2024, the Securities Clearing Center Company (Muqassa) demonstrated its strength as an innovative and purpose-driven organization, achieving significant milestones that reinforced its role as a cornerstone of Saudi Arabia's capital market infrastructure. The Go-Live of the second phase of the Post-Trade Transformation Program (PTTP) was a defining achievement, delivering numerous enhancements to the post-trade structure, emphasizing efficiency, market integrity and adherence to best practices. This ambitious upgrade boosted Muqassa's ability to support a well-balanced, high-performance market environment while meeting regulatory standards.

A major success was Muqassa's pivotal role in the smooth execution of the Saudi Aramco fully marketed offer (FMO), clearing transactions valued at SAR 42.1 billion. Muqassa also successfully cleared transactions valued at SAR 3.8 billion related to Saudi Telecom Company's Accelerated Bookbuild Offering. This showcased its capabilities in handling large-scale, high-stake transactions seamlessly. Further cementing its commitment to market resilience, Muqassa successfully participated in the Cyber Resilience Exercise (CRE), enhancing its readiness to address potential cyber threats, while also completing a compliance assessment with the Committee on Payments and Market Infrastructures (CPMI) and the International Organization of Securities Commissions (IOSCO).

**Vision**

To be a leading clearing house that fosters stability in Saudi and regional financial markets.

**Mission**

To provide reliable, efficient and innovative clearing services.



## Muqassa continued

Strategically, Muqassa took steps to expand its market offerings, including the approval from the Capital Market Authority (CMA) to amend its rules and procedures, paving the way for new functionalities and greater operational efficiency. The introduction of the full list of government Sukuk and bonds as acceptable collateral expanded financial flexibility, ensuring broader risk management options for members. In addition, Muqassa received SAMA and CMA approvals for its recovery plan, a critical component for market stability, ensuring the organization can maintain operations during times of crisis and thereby uphold confidence in the financial system.

Muqassa also demonstrated its proactive approach to risk management by establishing a Risk Working Group to support its Risk Management Committee with strategic advisory inputs, ensuring alignment with international best practices. Throughout 2024, Muqassa maintained a perfect track record with zero clearing member defaults and consistent, smooth operations, further underscoring its commitment to reliability. These accomplishments, paired with Muqassa's adherence to international standards and continuous operational enhancements, underline its mission of driving innovation, ensuring stability and contributing meaningfully to the growth of Saudi Arabia's capital markets.

### Derivatives Market

13

**Derivatives Clearing Members<sup>1</sup>**

DCMs: 4 | NCMs: 4 | GCMs: 5

121

**MT30 Index Futures Contracts Cleared**

3,501

**Single Stock Futures (SSFs) Contracts Cleared**

59

**Single Stock Options (SSOs) Contracts Cleared**

SR 39.21

**million**

**Value of Cleared Products**

69.24 million

**Collateral under Management<sup>2</sup>**

### Cash Market

40

**Cash Market Clearing Members<sup>1</sup>**

DCMs: 10 | NCMs: 23 | GCMs: 7

SR 1,574.2 billion

**Value of Cleared Products**

4.56 billion

**Collateral under Management**

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

2. Considering collaterals relating to the derivatives market only

Muqassa maintained stability and consistency across its organizational, structural and strategic frameworks. Muqassa chose to focus on refining its existing service structure and ensuring the continued delivery of high-quality clearing services. This approach enabled Muqassa to build upon its established operational strengths and deliver seamless, reliable support to market participants.

Muqassa maintained a 100% settlement ratio, ensuring no trades required in the cash substitution process, which highlights the efficiency and reliability of their clearing services. The average settlement ratio on the intended settlement day (ISD) stood at 99.93%, with only a minimal 0.07% of transactions settling within ISD+1 to ISD+8. Through strategic initiatives, strict regulatory compliance and a dedication to maintaining robust clearing processes, Muqassa continues to uphold its reputation and actively supports the stability and growth of Saudi Arabia's capital markets. Muqassa also successfully passed the annual audit and review processes for its ISO certification for the year 2024 - ISO 9001:2015 Quality Management System.

This exceptional performance significantly contributed to Saudi Tadawul Group's strategic progress, underscoring its robust financial contributions and the effectiveness of its operational improvements. Muqassa's impact was further amplified through strategic initiatives such as the launch of PTTTP Phase 2.0, the expansion of accepted collateral options and enhanced clearing services. These efforts not only strengthened Muqassa's role within the Group but also strengthened the overall market position of the Group, reflecting a solid alignment with the Group's growth and performance objectives.

Muqassa also played a vital role in supporting the Kingdom's ambitious Vision 2030 and the Financial Sector Development Program (FSDP) by aligning closely with the Group's strategic objectives. As a key contributor to the financial markets' growth and stability, Muqassa ensured the efficiency of its clearing and settlement processes while effectively managing risks. These efforts are instrumental in creating a robust infrastructure that underpins the broader development goals of the Saudi Financial Sector Development Program, contributing to a more resilient and diversified economy.

### Expanding Services for Greater Impact

This year Muqassa expanded its portfolio with a range of new offerings, each designed to enhance its value proposition for clients and strengthen its role within the Group. Building on the successful launch of the Single Stock Options (SSO) in 2023, Muqassa extended its clearing services to cover 6 additional SSOs for listed companies. This move reinforced Muqassa's leadership in providing diverse derivative products tailored to market needs.

Another notable launch was PTTTP 2.0, introduced in November, which brought numerous new features to meet both local and international market requirements, further solidifying Muqassa's role in facilitating efficient market operations.

Muqassa also made significant developments in expanding collateral options. The acceptance of non-SAR cash collateral, along with extending non-cash collateral to all listed government bonds and Sukuks - while doubling the accepted percentage per security from 5% to 10% - increased overall market participation and usage of these options.

Additionally, Muqassa joined the International Swaps and Derivatives Association (ISDA) as part of its ongoing commitment to service excellence and strategic alliances. Muqassa also successfully maintained the ISO 9001:2015 certification, underscoring its ongoing commitment to high-quality operational standards. These initiatives collectively reflect Muqassa's drive to innovate and add tangible value for its clients and the Group as a whole.

### Muqassa in 2025

Looking ahead to 2025, Muqassa aims to achieve international recognition, reinforcing its commitment to excellence and establishing a global presence. Muqassa plans to evolve from a national champion to a MENA regional hub for clearing, expanding its capabilities to clear non-domestic products across various asset classes.

Muqassa will also pursue new MoUs and partnerships, both regionally and globally, to enhance its collaborative footprint and strengthen its position in the international financial landscape. Strategic initiatives for the coming year include the introduction of new products and services, such as Tri-Party Repo and the launch of the Derivatives Program, which aims to establish Muqassa as the venue of choice for trading MENA derivatives. This program will focus on building a liquid and resilient market with transparent price discovery, backed by a robust and trusted central counterparty clearing house (CCP).

These strategic moves are expected to contribute significantly to diversifying the Saudi Tadawul Group's offerings, fostering financial growth and driving innovation. Muqassa's vision for 2025 emphasizes its ongoing transformation into a key regional player, continuously enhancing services, expanding market reach and contributing to the broader goals of the Saudi financial ecosystem.





Tadawul Advanced Solutions Company (WAMID)

**WAMID was established to support the Saudi financial market through innovation, in line with the Kingdom's ambitious Vision 2030. It is a leading company in creating new products and services, developing the latest technologies to provide value-added solutions to market participants and businesses, and helping them deal with real-world challenges by optimizing the use of modern technology and data capabilities. WAMID is also committed to grow the Saudi financial market, increasing acquisition operations and supporting initiatives to digitize products and services available in the market.**

"Tadawul Advanced Solutions Company (WAMID) reaffirmed its role as a transformative force in the Saudi and regional capital markets, blending innovation with strategic vision to address evolving market demands. With a relentless focus on leveraging emerging technologies and delivering impactful solutions, WAMID advanced its mission to reimagine the market experience for participants, while contributing to the growth and resilience of the broader financial ecosystem"

**Mr. Mohammed Talal Al-Nory**  
CEO, WAMID



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**Ownership**

**100%**

Owned by the Saudi Tadawul Group

**Headquarters**

Riyadh, Kingdom of Saudi Arabia

**Paid up share capital**

**₹ 75 million**

**Number of shares**

**30 million**

(₹ 10 each)

**Key activities and services**

Enhance the experience for investors in the Saudi capital market.

Create the technology infrastructure required for new products and services.

Build partnerships to drive innovation in Saudi Arabia and the region.

**Delivering Growth while Laying a Solid Foundation for the Future**

In 2024, WAMID achieved notable progress in advancing the capital market experience for all market participants by leveraging data and technology. Its efforts were integral to the Group's strategy and supported the Kingdom's ambitious Vision 2030, focusing on creating a modern, efficient and globally competitive financial ecosystem.

WAMID played a key role in enhancing market infrastructure for both local and international participants. The introduction of colocation services improved the capabilities of authorized persons, increased liquidity in the market and provided advanced infrastructure to support trading efficiency. Additionally, DirectFN's extensive market reach enabled WAMID to expand its offerings and strengthen support for international market players, further solidifying its position as a vital driver of market innovation.



**Vision**

WAMID is Saudi Tadawul Group's technology innovation subsidiary targeting Saudi and regional capital markets, providing innovative services focusing on data and AI, market infrastructure and disruptive technologies.

**Mission**

To partner with capital market participants, and the wider business community, to build ambitious and dynamic solutions that leverage emerging technologies to address real-world challenges.

## WAMID continued

WAMID's contributions extended to the financial stability of Saudi Tadawul Group, with recurring revenues from non-trading activities bolstering the Group's performance.

The announcement of the acquisition of the remaining 49% stake in DirectFN marked a pivotal moment in WAMID's growth strategy. This strategic move enhanced innovation in regional capital markets, diversified revenue streams and laid the groundwork for the development of new capabilities to drive the advancement of the capital market.

### WAMID in 2025

In the year ahead, WAMID will focus on implementing strategic initiatives to drive growth, diversify revenue streams and align with the Group's broader strategy. It will continue to leverage DirectFN to accelerate expansion while scaling the Liqaa platform to enhance engagement and market impact.

WAMID will also activate its Data Monetization Program, a cornerstone of its strategy, to consolidate, analyze and deploy innovative data products that create significant value for the Group. The program's first products are set to launch, with enhanced AI capabilities playing a pivotal role in this effort. These advancements will enable more sophisticated data analysis and deliver actionable insights, empowering market participants and fostering informed decision-making.

WAMID plans to also explore cutting-edge technologies like artificial intelligence, blockchain, data analytics and tokenization to unlock new opportunities for transforming and evolving the financial market. Additionally, the Company aims to enhance its hosting solutions for sales, reaffirming its commitment to driving innovation and achieving transformative growth across its operations.

Through these initiatives, WAMID aims to solidify its position as a leader in market innovation, technology and data-driven solutions, contributing to the Group's mission of building a resilient, efficient and globally competitive capital market.



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Sustainability is a strategic imperative at Saudi Tadawul Group, driving long-term value and competitive distinction. We are building a leading global exchange by embedding sustainability into our core operations, aligning with the highest international standards.

# 04



# Sustainability Approach in Saudi Tadawul Group

## Driving Sustainable Growth and Impact

**Saudi Tadawul Group recognizes that embedding sustainability into its operations is not just a responsibility and commitment but a key driver of long-term value creation and competitive differentiation. Its sustainability approach is fully aligned with its strategic vision, reinforcing the Group's ambition to rank among the world's leading exchange groups. By integrating sustainability principles across its ecosystem, the Group enhances resilience, fosters market confidence and strengthens Saudi Arabia's position as a global financial hub.**

The Group is continuously refining its internal sustainability framework to align with the highest international standards, making sustainability a core pillar of its corporate strategy rather than just a compliance requirement. Beyond its own practices, it plays a key role in driving the broader market's transition toward sustainable financial practices. By expanding its range of sustainability-focused products, the Group enables investors to access opportunities that align with their sustainability goals, reinforcing market stability and long-term attractiveness.

Collaborating closely with issuers, it promotes stronger sustainability management, greater transparency and enhanced disclosures. Additionally, by integrating sustainability into investment decision-making, the Group helps direct capital toward responsible and forward-looking businesses. Through these efforts, Saudi Tadawul Group strengthens its position as a sustainability leader while shaping the future of financial markets.



# Sustainability Framework

## A Structured Approach to Sustainability

Saudi Tadawul Group integrates 3 core opportunity areas across 6 key thematic pillars of responsibility, forming the foundation of its sustainability framework. This structured approach ensures that the Group's most significant sustainability opportunities and impacts are captured and addressed effectively.

By embedding these focus areas into its operations, the Group reinforces its commitment to driving sustainable growth, fostering resilience within the financial ecosystem and aligning with evolving market expectations. This framework provides a clear roadmap for advancing sustainability practices across the Group and the broader capital market.

**Pillar 6**  
Support the talent that drives market progress



**Pillar 1**  
Continuously elevate the sophistication of the Saudi capital market



**Pillar 5**  
Address climate change and foster a circular carbon economy



**Pillar 2**  
Promote integrity



**Pillar 4**  
Lead the market towards ESG adoption and disclosure



**Pillar 3**  
Become a global hub for debt-related sustainable finance



**Our Sustainability strategic framework aligns with global best practices and Vision 2030, driving ESG integration and sustainable finance to build a more resilient and inclusive economy.**

# Material Topics

## Identifying Key Sustainability Priorities

Saudi Tadawul Group conducted a comprehensive assessment to define the sustainability issues most critical to its business and Stakeholders, shaping the foundation of its sustainability strategy. This process was guided by extensive consultations and a thorough review of national, regional and global sustainability priorities.

As a result of this rigorous assessment, the Group identified 15 sustainability-related issues that are most relevant to its business and Stakeholders. These priorities are directly linked to its sustainability framework and ongoing strategy development. The Group remains committed to regularly reviewing and updating its materiality matrix to ensure alignment with market developments and evolving Stakeholder expectations.



## Materiality Matrix



- 1 Corporate governance
  - 2 Market transparency, stability and performance
  - 3 Data privacy and cybersecurity
  - 4 Talent development, attraction and retention
  - 5 Ethical business operations
  - 6 Promotion of ESG practices among listed companies
  - 7 Sustainable products and services
  - 8 Diversity, equity and inclusion
  - 9 Digitalization and innovation
  - 10 Climate action
  - 11 Risk management
  - 12 Stakeholder engagement
  - 13 Employee health and well-being
  - 14 Environmental impact management
  - 15 Financial literacy and local community development
- Environmental ● Social ● Governance

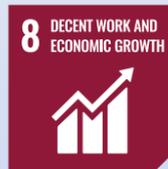
# Sustainability Pillars

## Pillar 1

### Continuously elevate the sophistication of the Saudi Capital Market



Saudi Tadawul Group is committed to advancing Saudi Arabia’s capital market in alignment with Vision 2030 and the Financial Sector Development Program (FSDP). By strengthening its world-class infrastructure, the Group ensures the efficient operation of both equity and debt capital markets, fostering greater market depth and resilience. A key priority is expanding access for small and medium-sized enterprises (SMEs), enabling their participation in the capital markets as a vital driver of economic diversification. The Group also continues to enhance Saudi Arabia’s appeal as a global investment destination, attracting increased foreign capital and reinforcing the Kingdom’s position as a leading financial hub.



#### UN SDG Contribution

Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of micro-, small-, and medium-sized enterprises, including through access to financial services.

#### Progress and Achievements

Saudi Tadawul Group advanced its market-wide product and service offerings by introducing a capital management system in Nomu, with plans to expand it to the Main Market. It also published proposed amendments to the Saudi depositary receipts framework, aiming to diversify investment options and enhance market accessibility. To support foreign issuers, the Group launched an initial validation application service, ensuring companies are prepared before assigning a financial adviser.

Strengthening its global reach, the Group published the Foreign Companies Listing Guide, outlining criteria for international issuers to access the Saudi Exchange. It also facilitated Central Securities Depository (CSD) connectivity, ensuring the infrastructure is ready to support cross-listings and enhance market integration.

In the debt market, Saudi Tadawul Group introduced exempt offers for select instruments in compliance with IOSCO regulations, contributing to record capital raised – the highest in the Middle East. Additional initiatives in securitization, multi-currency settlements and collateral

management solutions are set to further enhance market liquidity and expand Saudi Arabia’s position as a global financial hub.

#### Expanding the Participation of Companies on the Saudi Exchange

Saudi Tadawul Group is a cornerstone of Saudi Arabia’s financial sector, powering economic expansion and market development as the operator of the region’s largest and most liquid stock exchange. A driving force behind Vision 2030 and the FSDP, the Group plays a key role in privatization efforts, SME capital access and attracting foreign investment.

Its comprehensive platform enables businesses to raise capital, investors to trade and diversify, and market participants to leverage a broad range of financial instruments, including equities, debt securities, derivatives and real estate investment traded funds. By continuously enhancing transparency, strengthening regulatory frameworks and providing robust market data services, the Group fosters confidence, liquidity and long-term growth in Saudi Arabia’s capital markets.

Key Performance Indicators (KPIs) <sup>1</sup>	2024	2023	2022	2021	2020
<b>Market Performance: Main Market</b>					
Total market capitalization (₹ billion)	10,200.24	11,259.32	9,878.10	10,009.15	9,101.81
Total number of listed companies	247	231	223	210	203
Number of new listings	19	9	19	9	6
<b>Customer Satisfaction</b>					
Customer satisfaction rate	90%	82%	84%	90%	N/A

#### Enhancing Market Transparency, Stability and Performance

By integrating sustainability into investment decisions and promoting responsible corporate behavior, Saudi Tadawul Group is strengthening the attractiveness and financial performance of the Saudi capital market, in alignment with the objectives of the FSDP.

Market integrity and stability remain a priority, with ongoing efforts to enhance transparency and reduce post-trade risk. The Group continuously implements regulatory reforms to reinforce investor confidence and protection. Encouraging employees and Stakeholders to report concerns through confidential channels further supports these objectives, ensuring accountability and trust in the market.

#### 2025 Focus

The Group will continue to enhance market infrastructure, expand liquidity solutions and embed ESG principles to strengthen transparency and investor confidence. By attracting new listings, deepening market participation and enhancing data insights, the Group aims to drive market growth while advancing post-trade infrastructure and risk management. With a strong focus on global connectivity, the Group will introduce new data solutions, indices and investment tools, further solidifying the Kingdom’s position as a competitive and internationally integrated financial hub.

## Sustainability Pillars continued

### Pillar 2

#### Promote integrity



Integrity and trust are the foundation of a thriving financial market, and Saudi Tadawul Group upholds these values through strict governance standards that ensure transparency, strong oversight and market credibility. By balancing regulatory compliance with innovation, the Group adapts to evolving market needs while maintaining stability. Its commitment to safeguarding market integrity fosters investor confidence, attracts investment and drives sustainable economic growth, reinforcing a resilient and high-performing financial ecosystem.



#### UN SDG Contribution

Improve the regulation and monitoring of global financial markets and institutions and strengthen the implementation of such regulations.

#### Progress and Achievements

##### Corporate Governance

Saudi Tadawul Group prioritizes diversity across its Board of Directors and Sustainability Committee, ensuring a broad range of perspectives that enhance strategic decision-making and drive sustainable growth. The Sustainability Committee plays a key role in integrating ESG principles into the Group's strategy, reinforcing its commitment to responsible governance and long-term value creation.

For further details, please visit the [Corporate Governance](#) section of this Annual Report.

##### Strengthening Market Integrity and Regulatory Excellence

Saudi Tadawul Group maintained the integrity of the Saudi capital market through rigorous oversight, regulatory enforcement and ongoing engagement with market participants. The Group implemented a risk-based on-site inspection program to assess operational practices, compliance and risk management frameworks, prioritizing resources to address potential issues before they impacted

market stability. Clear communication with market members, including compliance teams and Senior Management, ensured a shared understanding of regulatory expectations. Inspection findings were documented in detailed reports, with necessary improvements closely monitored. Additionally, workshops were organized to raise awareness of regulatory obligations, further enhancing transparency and trust within the market.

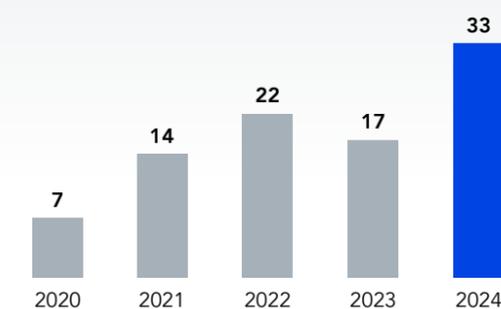
Through its Regulatory Oversight & Authorization Division (ROAD), the Group works closely with the Capital Market Authority (CMA) to uphold compliance with listing rules and maintain efficiency. Nomu, while a distinct market segment, adheres to the same rigorous standards as the Main Market, ensuring consistency in governance and oversight.

##### Data Protection and Regulatory Independence

Maintaining the highest standards of cybersecurity, Saudi Tadawul Group continued to safeguard sensitive data in full compliance with internal security policies. Since 2020, the Group has successfully prevented any data breaches, demonstrating its commitment to protecting market participants and investors from cyber risks.

Regulatory oversight remained a priority, with ROAD conducting 2 regulatory inspections across the Group and subsidiaries, reviewing 135 obligations, and participating in the CMA's "Regulatory Obligations Assessment Model" to evaluate 437 obligations. In 2024, the division efficiently processed over 320 listing applications, approving 183 across the Main Market, Nomu and direct listings, while facilitating the transfer of 5 companies from Nomu to the Main Market. Efforts to enhance disclosure mechanisms included workshops that improved issuer communication and reduced corrective announcements.

Total Members Inspected for Compliance



#### Advancing Sustainability Risk Management

Saudi Tadawul Group reinforced its commitment to sustainability by integrating sustainability considerations into its risk management framework, aligning with ISSB guidelines and Saudi Vision 2030's sustainability goals. Through comprehensive sustainability risk assessments, the Group engaged Stakeholders to identify climate-related risks and develop mitigation strategies while leveraging

opportunities in operational efficiency. By maintaining a strong regulatory framework, fostering transparency and adopting sustainability best practices, the Group strengthened market trust and positioned itself as a leader in financial market sustainability, governance and investor protection.

For further details, please visit the [Risk Management](#) chapter of this Annual Report.

#### 2025 Focus

Looking ahead, the Group is set to enhance its role in maintaining market integrity and efficiency. It will focus on ensuring the timely and seamless processing of all listing and membership requests, adhering strictly to the timelines outlined in the listing, trading and membership rules.

Additionally, the Group will further strengthen its monitoring efforts to uphold fairness, efficiency and transparency in the implementation of the Group's regulatory mandates. By reinforcing these principles, the division will continue to safeguard trust in the Saudi capital market while supporting its long-term growth and global competitiveness.

## Sustainability Pillars continued

### Pillar 3

## Become a global hub for debt-related sustainable finance



Saudi Tadawul Group is committed to advancing and expanding its debt capital market capabilities while strengthening its global appeal. By advocating for and facilitating sustainable finance issuances, the Group aims to accelerate market development, attract international investment and reinforce Saudi Arabia's position as a leading financial hub.



#### UN SDG Contribution

Strengthen the means of implementation and revitalize the global partnership for sustainable development.



### Sustainable Products and Services

Saudi Arabia's investment momentum, aligned with Vision 2030, is driving a growing demand for sustainability-related financing. With increasing interest in issuing green and sustainability-linked Sukuk, Saudi Tadawul Group is focused on creating an enabling environment to support and capture this expanding market.

In collaboration with the CMA, the Group is finalizing the Saudi Exchange Sustainable Finance Issuance Guidelines. These guidelines aim to promote the issuance of green, social and sustainability-focused financial debt instruments, ensuring greater alignment with sustainability objectives and strengthening the market's role in driving sustainable economic growth. The guidelines are expected to be published in 2025, marking a significant step toward integrating sustainability into the Kingdom's capital markets.

The Group took strategic steps during the year to help companies capitalize on sustainability-related opportunities and drive the evolution of the debt capital market. In July, the Listing team proposed amendments to the listing rules

for public consultation, including reducing the minimum listing size for Sukuk and bonds and excluding offered debt instruments through exempt offers in accordance with IOSCO standards. These changes aim to stimulate Sukuk and bond issuances, enhance market activity and expand financing opportunities while maintaining investor protection.

To further raise awareness and promote sustainable finance, the Group engaged directly with investors and clients through one-on-one meetings and industry collaborations. In partnership with S&P Global, it hosted a workshop focused on sustainable finance principles and best practices, equipping market participants with the knowledge needed to navigate and leverage sustainability-driven investment opportunities.

In addition, the Saudi Exchange proposed listing rule amendments to lower the minimum listing size for Sukuk and bonds, stimulating debt capital market expansion while maintaining investor protection, to further embed sustainability principles across market segments.

### 2025 Focus

Saudi Tadawul Group is committed to rapidly expanding the sustainability-themed debt market to become a significant part of the overall landscape. By accelerating the adoption of sustainable finance instruments, the Group enables forward-thinking companies to secure financial and strategic advantages while empowering investors to drive long-term environmental and social impact. These initiatives not only promote market stability but also integrate sustainability into everyday investment decisions, reinforcing the Kingdom's transition to a greener economy.

With ambitions to make its capital markets a global destination for sustainability-linked debt, the Group is finalizing new frameworks for sustainable bonds and Sukuk to build a liquid and transparent market. Leveraging its leadership in climate innovation and Shariah-compliant green finance, Saudi Tadawul Group is poised to become one of the world's largest hubs for sustainable finance, setting a new global benchmark for ethical and responsible investing.

## Sustainability Pillars continued

### Pillar 4

#### Lead the market towards sustainability adoption and disclosure



Saudi Tadawul Group is advancing sustainability in Saudi capital markets, linking strong sustainability performance to resilience and market appeal. By enhancing transparency, expanding sustainability guidance and setting a benchmark with its own disclosures, it strengthens investor confidence and drives adoption of sustainability management. Improved access to sustainability data empowers investors and fosters a competitive market, ensuring Saudi Arabia remains a leading global investment hub aligned with its economic and sustainability goals.



#### UN SDG Contribution

Encourage companies, especially large and trans-national companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.

### Progress and Achievements

Saudi Tadawul Group advanced its commitment to sustainability in 2024, reinforcing its leadership in sustainability integration and sustainable finance.

The Group conducted around 110 dedicated events since launch in late 2022 – including one-on-one advisory sessions, webinars and specialized training for issuers – focused on raising awareness among participants/issuers about relevant rules and procedures.

The **Saudi Exchange** joined the Net Zero Financial Service Providers Alliance (NZFSPA) at COP29, underscoring its commitment to driving a global net zero transition. Sustainability disclosure adoption among Saudi-listed companies gained momentum, with 40% of issuers on the Main Market now reporting their sustainability performance, exceeding the 2024 target of 35%. It also expanded its sustainability advisory services, conducting 75 one-on-one sessions since 2022, and hosted 15 sustainability-focused events and workshops to enhance market awareness and adaptability.

The Saudi Exchange conducted over 35 sustainability awareness webinars and training sessions, helping issuers adopt best practices. In May, it published the Foreign

Companies Listing Guide, setting clear criteria for international issuers seeking to access the Saudi Exchange. It also aligned sustainability disclosure requirements with global standards, including the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations, ensuring transparency and consistency for investors.

Strategic partnerships and infrastructure enhancements have further strengthened the Group's sustainability impact. The Group signed MoUs with multiple international exchanges and financial institutions, enhancing sustainability standards and facilitating cross-listings. Edaa introduced Omnibus accounts in the Saudi debt market, improving operational efficiency and increasing market attractiveness.

Edaa supported the National Debt Management Center (NDMC) in launching a Savings Sukuk Program, broadening financial inclusion and providing responsible investment options aligned with global sustainability goals. In collaboration with the Saudi Exchange and Muqassa, it also implemented the second bundle of Post-Trade Transformation enhancements, improving efficiency and aligning with global best practices. Additionally, partnerships with Clearstream and Euroclear are facilitating cross-border sustainability investments, positioning Saudi Arabia as a regional leader in sustainable finance.

“ The Saudi Exchange expanded its sustainability advisory services, conducting 75 one-on-one sessions since 2022, and hosted 15 sustainability-focused events and workshops to enhance market awareness and adaptability. ”

WAMID's Data Monetization Program is transforming sustainability data accessibility by integrating sustainability-related financial data into the market ecosystem. This initiative, along with strategic partnerships in sustainability data monetization, ensures that sustainability considerations remain central to investment decision-making.

Meanwhile, **Muqassa** continued to uphold global financial infrastructure standards by maintaining full compliance with CPMI-IOSCO principles, while expanding acceptable collateral options to strengthen liquidity and market

participation and introduced the Muqassa Risk Work Group to enhance collaboration with its clearing members and to be aligned with global standards.

These collective efforts mark a decisive step toward embedding sustainability principles across Saudi Arabia's capital markets. By enhancing sustainability disclosures, expanding product offerings and fostering global partnerships, Saudi Tadawul Group is positioning the Kingdom as a premier hub for sustainable investment and responsible market development.

### 2025 Focus

Saudi Tadawul Group will accelerate its sustainability agenda, reinforcing its leadership in sustainable finance and integration. The Saudi Exchange aims to increase sustainability disclosure among listed companies, targeting 45% of Main Market issuers by year-end, while developing a new sustainability reporting platform to streamline disclosures. Additionally, sustainability data monetization initiatives will expand, offering deeper insights for investors. WAMID will drive these efforts by leveraging partnerships to enhance sustainability reporting and market accessibility.

Muqassa will focus on market resilience, conducting its first Recovery Plan testing and participating in the CCP Default Simulation to strengthen risk preparedness. Muqassa is also set to launch a new suite of products aimed at further enhancing its offerings and services, with a particular focus on the derivatives and repo markets. Edaa will enhance market liquidity through expanded Collateral Management (CM) and Securities Borrowing and Lending (SBL) solutions, while launching Edaa Connect to improve market accessibility and investment transparency. Strengthening cross-border collaboration with global depository centers will remain a priority to align with best practices in sustainable finance.

Through these strategic initiatives, Saudi Tadawul Group will continue shaping a capital market ecosystem that promotes sustainability excellence, fosters sustainable investment and aligns with Vision 2030's long-term economic and environmental goals.

## Sustainability Pillars continued

### Pillar 5

## Address climate change and foster a circular carbon economy



Saudi Tadawul Group is committed to creating the market infrastructure for a net zero, circular carbon economy, positioning Saudi Arabia as a global hub for carbon trading. In 2022, it launched the Regional Voluntary Carbon Market Company (RVCMC) in partnership with PIF (20% ownership) to drive liquidity and transparency in carbon credit markets. By expanding sustainable finance solutions and developing carbon trading frameworks, the Group is accelerating the Kingdom's climate transition and strengthening its role in global sustainability efforts.



#### UN SDG Contribution

Improve education, awareness raising, human, and institutional capacity on climate change mitigation, adaptation, impact reduction and early warning.

### Progress and Achievements

#### Advancing Climate Action and Sustainable Operations

Saudi Tadawul Group is embedding sustainability into its operations, advancing climate action, energy efficiency and responsible procurement. The Net Zero 2050 project was initiated to align with long-term climate transition goals, with emissions and energy-related data now tracked annually to measure progress toward decarbonization.

Saudi Tadawul Group reinforced its commitment to sustainability with the launch of the STG Green Initiative, aligning with Saudi Vision 2030's environmental goals. As part of this initiative, the Group signed an MoU with Morooj, a non-profit governmental foundation under the Ministry of Environment, Water and Agriculture, to drive awareness, expand green spaces and enhance vegetation cover across the Kingdom. Through this collaboration, Saudi Tadawul Group is actively supporting national sustainability efforts, demonstrating leadership in environmental responsibility and contributing to the Kingdom's broader green transformation.

Furthermore, the transition to KAFD is expected to generate significant energy savings, with precise reductions to be reported in 2025. Energy-efficient systems, including motion-sensor lighting in all offices and corridors, were implemented at the new King Abdullah Financial District (KAFD) premises, aiming to reduce electricity consumption.

Additionally, the Group monitors its energy use via electricity meters and tracking rent bills while exploring further optimization opportunities in data centers and infrastructure. The LEED certification process was also launched to ensure office buildings meet international sustainability standards.

Saudi Tadawul Group is enhancing sustainable procurement by requiring all new suppliers to sign the Supplier Code of Conduct and obtaining ISO 20400 certification. It integrates sustainability due diligence into supplier audits, focusing on local content and responsible sourcing. Through operational efficiency, emission reductions and responsible procurement, the Group supports Saudi Arabia's transition to a circular carbon economy and aligns with the Vision 2030 sustainability goals.

#### Developing a Regional Voluntary Carbon Market

Saudi Tadawul Group reinforced its role as a leader in sustainable finance through its strategic involvement in the Regional Voluntary Carbon Market Company (RVCM), established in partnership with PIF in 2022. With a capital investment of 500 million (USD 133 million), RVCM played a pivotal role in facilitating carbon credit auctions that align with Saudi Arabia's ambitious climate objectives. The Group's 20% stake underscores its commitment to supporting PIF's mission to develop 70% of the nation's green energy capacity – an essential component of Vision 2030 and the Kingdom's path to achieving net zero emissions by 2060.

In 2024, RVCM advanced its vision of spearheading high-integrity climate action from the Global South, channeling investment into critical carbon reduction initiatives across the Middle East, Africa and beyond. With a focus on harnessing blue carbon opportunities and integrating carbon credits into financial instruments, RVCM is not only driving emission reductions but also paving the way for Islamic finance to play a greater role in the climate transition.

#### Strengthening Waste and Water Management

Saudi Tadawul Group is advancing its waste and water management practices to align with sustainability goals and reduce environmental impact. Efforts to enhance water consumption tracking are underway, improving monitoring capabilities to ensure more efficient use of resources. The Group is utilizing KAFD's greywater recycling system to manage water discharge sustainably, supporting conservation efforts within its operations.

Waste management strategies have also been refined, resulting in a notable reduction in total waste generated. While recycling initiatives remain limited, the Group is exploring opportunities to expand waste recycling efforts and implement third-party verification to enhance transparency and accountability in its waste metrics.

By focusing on resource efficiency, conservation and responsible waste management, Saudi Tadawul Group is laying the groundwork for more sustainable operational practices, reinforcing its role in driving environmental responsibility within Saudi Arabia's financial sector.

### 2025 Focus

Saudi Tadawul Group is advancing its sustainability efforts with a comprehensive Net Zero 2050 roadmap, incorporating Scope 3 emissions tracking, targeted reduction strategies, and feasibility assessments for on-site renewable energy solutions. To enhance resource efficiency, the Group is strengthening waste and water data collection while implementing measures to reduce electricity consumption and improve energy efficiency. As part of its commitment to global best practices, it continues to elevate building sustainability through its LEED Certification journey. These initiatives reinforce Saudi Tadawul Group's environmental leadership, supporting Saudi Arabia's Vision 2030 and the global transition to a low-carbon economy.

## Sustainability Pillars continued

### Pillar 6

## Support the talent that drives market progress

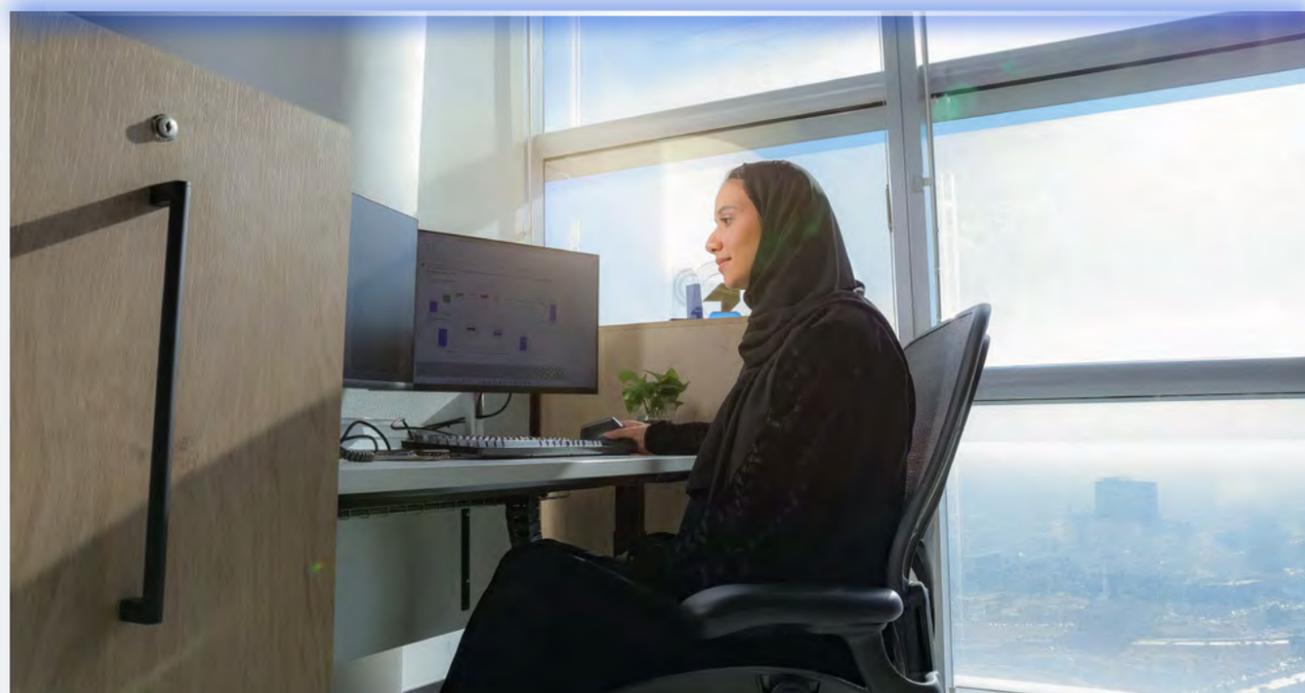


Saudi Tadawul Group is committed to developing national talent, advancing gender balance and promoting financial literacy to sustain Saudi Arabia's transformation. Through significant investments in training, the Group equips its workforce with knowledge, skills and expertise to drive market growth and global integration. To foster an inclusive financial ecosystem, the Group is intensifying efforts to empower women and expand financial education programs. With sustainability principles shaping investment decisions, it is also scaling up sustainability-focused training to equip Stakeholders with the knowledge needed to drive a more resilient and sustainable market.



#### UN SDG Contribution

Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision making in political, economic, and public life.



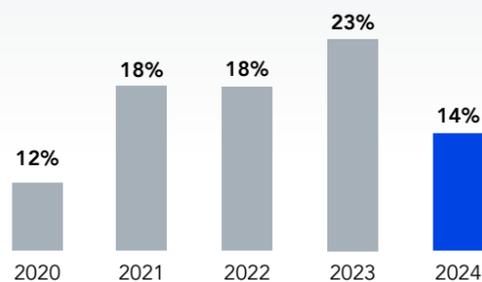
### Workforce

Saudi Tadawul Group's workforce has been instrumental in driving its success. As the Group expands, it continues to attract diverse talent, strengthening its capabilities and advancing its strategic priorities. This growth enhances expertise in key areas such as innovation and sustainability, ensuring the Group remains agile, forward-thinking and well-positioned to achieve its ambitious goals.

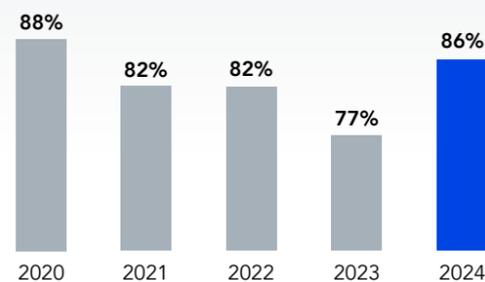
	2024	2023	2022	2021	2020
<b>Workforce Size</b>	<b>549</b>	<b>494</b>	<b>480</b>	<b>412</b>	<b>397</b>
Outsourced employees	26	18	18	16	22
Full-time employees	523	476	462	396	375
Part-time employees	0	0	0	0	0
<b>Employees by Age</b>					
18-30 years old	243	226	218	178	147
31-40 years old	162	137	146	133	147
41-50 years old	94	89	75	67	64
Over 51 years old	24	24	23	18	17
<b>Employees by Service Period</b>					
0-5 years	389	352	340	264	253
6-10 years	59	51	48	57	37
11-15 years	17	10	26	30	66
16+ years	58	63	48	45	19
<b>Employees by Gender</b>					
Females	168	142	123	102	91
Males	355	352	357	310	306
<b>Employees by Nationality</b>					
Saudi nationals	482	433	423	360	339
Non-Saudi nationals	41	43	39	36	36
Saudi nationals (%)	92%	91%	92%	91%	91%

## Sustainability Pillars continued

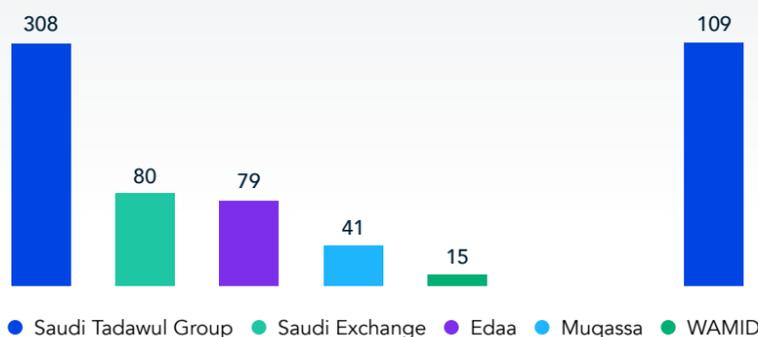
Employee turnover percentage



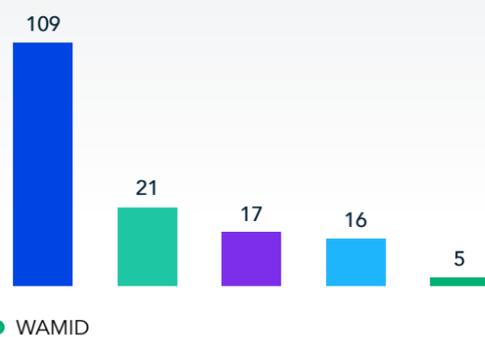
Employee retention rate



Total employees



Female employees



### Progress and Achievements

#### Enhancing Diversity and Inclusion and Building Corporate Culture

Saudi Tadawul Group remains committed to fostering an inclusive and dynamic workplace where employees can grow and succeed. Women now represent 32% of the workforce, reflecting the Group's dedication to gender equality and professional advancement through targeted development programs and equal opportunities.

Investing in the next generation of financial leaders, the Group's Graduate Development Program welcomed 70 fresh graduates, with women making up 51% of participants. A structured curriculum of 10 training modules, developed in collaboration with leading institutions, equips young

professionals with essential technical, soft and industry-specific skills, ensuring they are well-prepared for long-term success in capital markets.

To enhance employee satisfaction and workplace well-being, Saudi Tadawul Group introduced the Organizational Health Index (OHI) assessment, enabling data-driven refinements to HR strategies and Group culture. Additionally, the Group continues to prioritize talent mobility, fostering collaboration, innovation and agility through internal rotations and knowledge-sharing initiatives.

Reinforcing its commitment to education and professional growth, the Group has partnered with leading academic institutions, including Prince Mohammed Bin Salman College and New York University Abu Dhabi, to offer

employees access to advanced degrees and real-world project experiences. Collaboration with local and international schools also provide tuition discounts for employees' children, underscoring the Group's dedication to lifelong learning and family support.

Beyond professional development, Saudi Tadawul Group nurtures a culture of inclusivity and engagement through diverse social initiatives and cultural celebrations. These events strengthen employee connections, recognize achievements and promote well-being, ensuring a sense of belonging and unity across the organization.

#### Strengthening Human Capital for Future Growth

In 2024, Saudi Tadawul Group introduced transformative HR initiatives to enhance employee experience, attract top talent and build a future-ready workforce. These efforts aligned with the Group's strategic growth ambitions, ensuring a high-performing team equipped for long-term success.

A comprehensive organizational review optimized reporting lines, streamlined decision-making and improved cross-

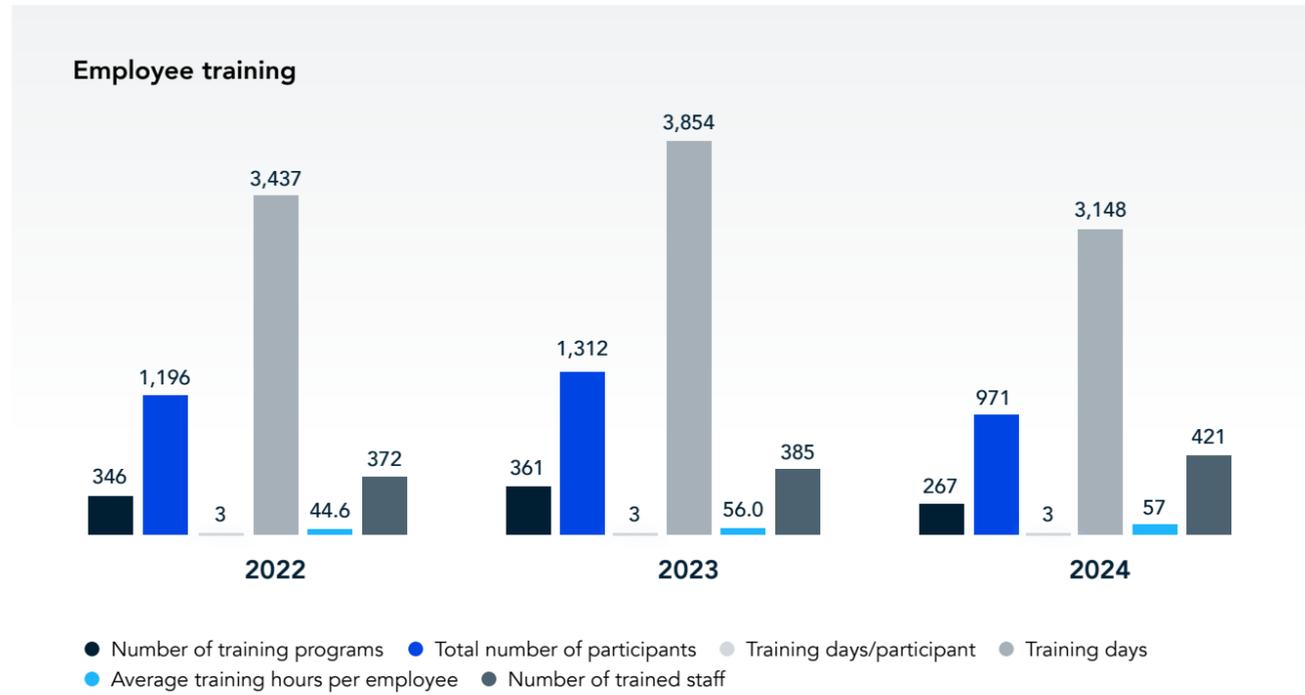
functional collaboration. These refinements enhanced resource allocation, strengthened internal mobility and created a resilient structure that supports adaptability and growth in an evolving market.

To foster continuous development, the Group redefined its Performance Management System into a dynamic, feedback-driven model, ensuring closer alignment between employee growth and organizational goals. Additionally, a new recruitment platform streamlined hiring processes, enhancing efficiency, candidate experience and strategic talent acquisition.

Investing in leadership and talent development remained a priority, with the expansion of the High-Potential Development Program and the launch of the second edition of the Future Leaders Program. Over 15 specialized learning programs were introduced in partnership with global institutes, while a Summer Internship Program provided 20 young students - 56% of them female - with valuable job market skills, reinforcing the Group's commitment to workforce empowerment and human capital excellence.



Sustainability Pillars continued



**Empowering Talent through Strategic Development**

Saudi Tadawul Group remained dedicated to building a world-class workforce, aligning employee development with its vision of becoming a leading financial hub. By fostering a culture of continuous learning, innovation and collaboration, the Group ensured that employees grew in line with its strategic ambitions.

To support employees at all career stages, the Group implemented tailored training programs focused on leadership development, technical expertise and interpersonal skills. These initiatives, delivered through structured training, hands-on learning and specialized workshops, were guided by thorough training needs assessments to ensure alignment with business objectives.

For middle Management, the emphasis was on leadership growth through immersive group retreats, while Senior Executives received tailored executive education based on in-depth assessments. The effectiveness of these programs was continuously measured through post-training evaluations, ensuring meaningful and lasting impact.

Beyond structured training, the Group actively supported higher education and professional certifications, enabling

employees to pursue Master’s degrees and industry-recognized qualifications. A comprehensive talent identification process placed high-potential employees on development paths aligned with succession planning, reinforcing the Group’s commitment to long-term workforce excellence.

**Financial Literacy and Local Community Development**

Aligned with Vision 2030 and the Financial Sector Development Program (FSDP), the Group actively enhances financial literacy in Saudi Arabia through initiatives like the “Ring the Bell for Financial Literacy” event with the World Federation of Exchanges. At the core of these efforts is the “Invest Wisely” program, an online platform and mobile app designed to educate individuals on prudent investment in the Saudi capital market, covering fundamentals, financial instruments and risk management. The program has delivered 7 expert-led workshops on topics such as derivatives, financial planning and market analysis. Additionally, the Saudi Exchange facilitates learning through seminars, workshops and a trading simulator that provides hands-on market experience. ESG knowledge development is also a key focus, supporting a smooth transition to sustainable investing in line with Vision 2030.



**2025 Focus**

Saudi Tadawul Group's HR function will continue driving the Group’s strategic vision by enhancing employee experience and organizational effectiveness. The focus will be on expanding learning and development programs, strengthening engagement and advancing people development initiatives to equip employees with the skills needed to thrive in a dynamic market. A key priority is securing multiple ISO certifications within the HR Division, underscoring a commitment to excellence, operational efficiency and global best practices. By elevating HR practices and fostering a high-performance culture, the Group aims to solidify its position as an employer of choice, ensuring its workforce remains empowered, engaged and ready for long-term success.

# Corporate Governance

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Saudi Tadawul Group upholds the highest standards of corporate governance, ensuring transparency, accountability and sustainable growth. Through robust policies and strong leadership, we reinforce investor confidence and drive long-term value creation.

# 05



### Governance at Saudi Tadawul Group

The Saudi Tadawul Group Holding Company prioritizes good governance as a core value and practice. This drives it to actively support the implementation of best-in-class corporate governance practices across its subsidiaries while fostering a culture of transparency and integrity guided by the following:

- Companies Law.
- Capital Market Law.
- Corporate Governance Regulations.
- Implementing Regulation of the Companies Law for Listed Joint Stock Companies issued by CMA.
- Company Bylaws.

Therefore, the Group updated the governance manual, which was endorsed by the Board of Directors on 29 Rabi Al Thani corresponding to 13 November 2023 and complying with the relevant regulations and rules.

The internal governance of the Group is designed to outline the essential functions necessary for execution, promoting effective decision-making, increasing transparency, ensuring equity and safeguarding the rights of Shareholders and all Stakeholders. The governance manual includes, but is not limited to, provisions on:

- Shareholders’ rights.
- Rights related to the General Assembly Meeting.
- The Board of Directors, its structure, duties and capabilities.
- Provisions relating to the Committees of the Group, including Committee membership and meetings.

### Implemented and Non-implemented Provisions of the Corporate Governance Regulations

The Group applies all the provisions contained in the Corporate Governance Regulations issued by the Capital Market Authority (CMA), except the guiding provision quoted below:

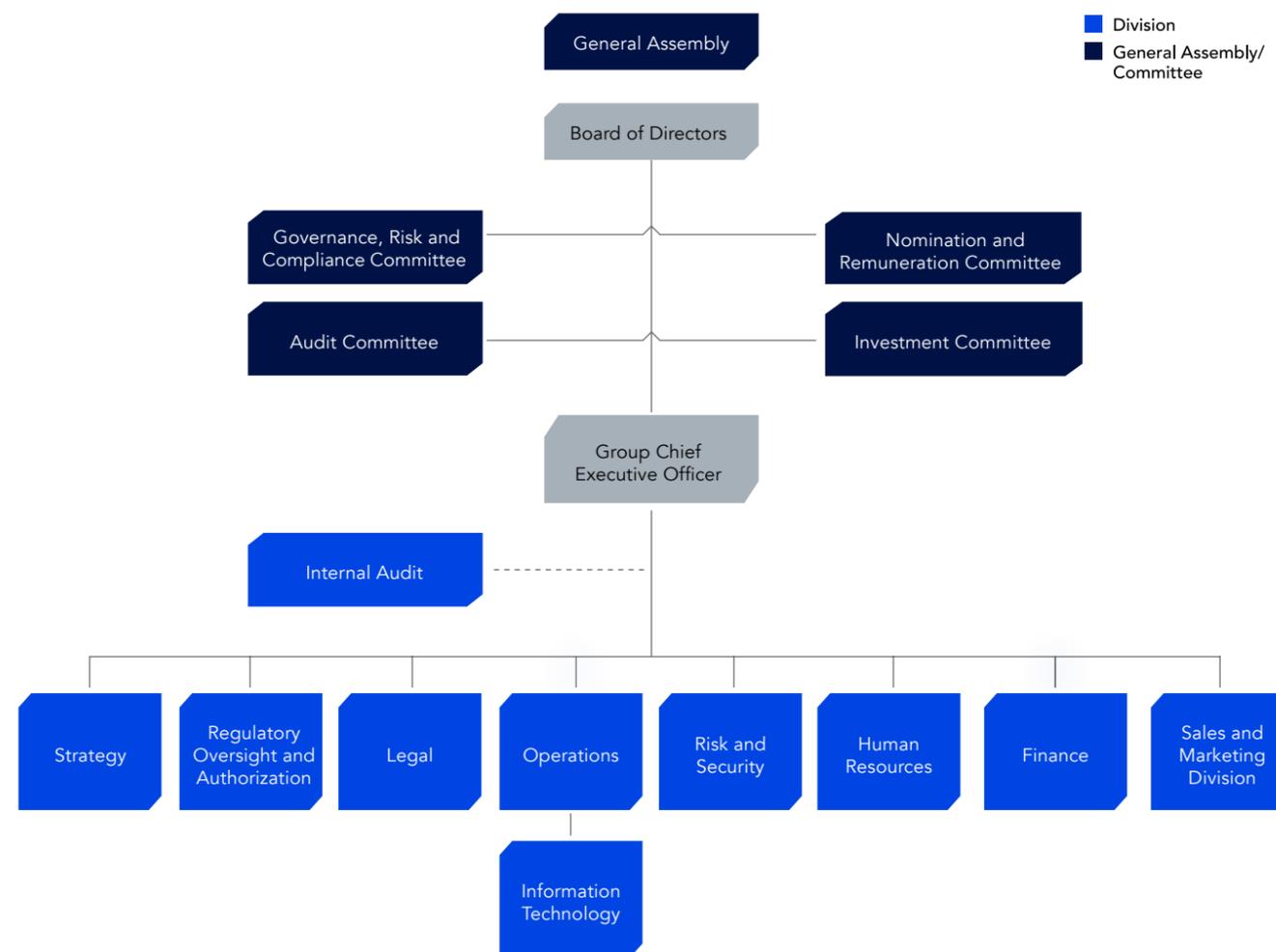
Article No.	Article Provision	Reason
Article 67	The Company's Board shall, by resolution therefrom, form a committee to be named the Risk Management Committee. The Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.	This is a guiding article.  Referring to Article 47 clause (1) from the Corporate Governance Regulations, which stipulates that “the Board shall form specialized committees as follows; (1) as may be needed depending on the Company's circumstances in order to enable it to effectively perform its duties”. Also, it is worth mentioning that the Board of Directors of Saudi Tadawul Group Holding Company has formed a committee named the Governance, Risk and Compliance Committee.
Article 92	If the Board forms a Corporate Governance Committee, it shall assign to it the competences stipulated in Article (91) of these regulations. Such committee shall oversee any matters relating to the implementation of governance, and shall provide the Board with its reports and recommendations at least annually.	This is a guiding article.  Referring to Article 47 clause (1) from the Corporate Governance Regulations, which stipulates that “the Board shall form specialized committees as follows; (1) as may be needed depending on the Company's circumstances in order to enable it to effectively perform its duties”. Also, it is worth mentioning that the Board of Directors of Saudi Tadawul Group Holding Company has formed a committee named the Governance, Risk and Compliance Committee.

### Group’s Organizational Structure

The Group has an organizational structure headed by the Board of Directors and supported by the Executive Management. The Board assumes the ultimate responsibility for the general direction, supervision and control of the Group and the Executive Management.

The following chart sets out the organizational structure of the Group:

The Group’s Organizational Structure



### The Group’s Divisions/Departments

- Strategy Division
- Finance Division
- Internal Audit Division
- Regulatory Oversight and Authorization Division
- Risk and Security Division
- Human Resources Division
- Operations Division
- Information Technology Division
- Legal Division
- Sales and Marketing Division

## Rights of Shareholders

### Fair treatment of Shareholders

- The Board is obliged to seek Shareholders' rights protection to ensure fairness and equality among them.
- The Board and the Executive Management of the Holding Company is obliged not to discriminate among Shareholders who own the same type or class of shares nor prevent them from accessing any of their rights.
- The Holding Company shall specify in its internal policies the procedures that are necessary to guarantee that all Shareholders exercise their rights.

### Rights related to shares

All rights related to shares shall be guaranteed to the Shareholder, and particularly the following:

1. To obtain his/her portion of the net profits, which are to be distributed in cash or through the issuance of shares.
2. To obtain his/her share of the Holding Company's assets upon liquidation.
3. To attend the General or Special Shareholders Assemblies, take part in their deliberations and vote on their decisions.
4. To dispose of his/her shares in accordance with the provisions of the Companies Law and the CML and their implementing regulations.
5. To enquire and request viewing of the books and documents of the Holding Company, including the data and information related to the activities of the Holding Company and its operational and investment strategy without prejudice to the interests of the Holding Company or breach of the Companies Law and the CML and their implementing regulations.
6. To monitor the performance of the Holding Company and the activities of the Board.
7. To hold Board members accountable to file liability lawsuits against them and appeal for nullification of the resolutions of the General and Special Shareholders Assemblies in accordance with the conditions and restrictions provided in the Companies Law and the Bylaws of the Holding Company.
8. Preemptive rights to subscribe for new shares issued in exchange for cash unless otherwise specified in the Holding Company's Bylaws or when the Extraordinary General Assembly suspends the preemptive rights as per Article (129) of the Companies Law.

9. To request to view a copy of the Holding Company's Articles of Association and Bylaws unless the Holding Company publishes them on its website.
10. To record his/her shares in the Holding Company's Shareholders register.
11. To nominate and elect the Board of Directors members.

### Shareholder access to information

- The Board shall make available to the Shareholder complete, clear, accurate and no misleading information to enable him/her to properly exercise his/her rights. Such information shall be provided at the proper times and shall be updated regularly.
- The method used to provide information to the Shareholders shall be clear and detailed and shall include a list of the Holding Company's information that the Shareholders may obtain. This information shall be made available to all Shareholders of the same type or class.
- Most effective methods in communicating with Shareholders must be used and shall not discriminate among Shareholders in respect of providing information.

### Communicating with Shareholders

- The Board shall ensure communication between the Company and the Shareholders based on the common understanding of the strategic objectives and interests of the Company.
- The Chairperson of the Board and the Chief Executive Officer shall inform the remaining Board members of the opinions of the Shareholders and discuss these opinions with them.
- No Shareholder may intervene in the operations of the Board or the work of the Executive Management of the Company unless he/she is a member of its Board or its Management team; or unless his/her intervention is through the General Assembly according to its powers.

## Disclosure Policy

### Disclosures

1. The Holding Company is obliged to disclose any substantial developments that fall within its activity and whose knowledge is not available to the general public and may affect its assets and liabilities, financial position or the general course of its business or subsidiaries and may lead to a change in the price of its listed securities or significantly affect its ability to meet its debt obligations.
2. The Holding Company is obliged to disclose the Annual Report of the Board in accordance with the statutory requirements to which the Holding Company is subject.
3. The Holding Company is obliged to disclose the report of the Audit Committee in accordance with statutory requirements to which the Holding Company is subject.
4. The Holding Company is obliged to disclose the Holding Company's financial information in accordance with relevant statutory requirements.
5. The Holding Company is committed to developing policies and procedures related to the disclosure of conflicts of interest to all other Stakeholders in the Holding Company.
6. The Holding Company is committed to maintaining and protecting the confidentiality of information, in addition to taking all necessary steps to prevent the leakage of any information and material developments before disclosing them.

### Means of disclosure

The Holding Company is committed to making disclosure to Shareholders and Stakeholders without discrimination, in a timely, regular and accurate manner, and through appropriate disclosure means to the Holding Company's Shareholders and Stakeholders, including but not limited to:

1. Holding Company's website.
2. Reports issued by the Board of Directors of the Holding Company.

The Holding Company must comply with any time limits or other disclosure means specified by the relevant regulators.

### Clarity and validity of disclosures

- The disclosure must be clear, true, not misleading or incomplete, and for all Shareholders and Stakeholders

alike without any distinction between one group and another.

- The Holding Company is obliged not to ignore any statement to which it is bound by regulations.

## Distribution of Dividends Policy

1. After deduction of all overheads and other costs, the annual net profits of the Holding Company shall be distributed as follows:
  - The Ordinary General Assembly may, based on a proposal by the Board, retain a percentage of the net profits to form an additional reserve to be allocated for a certain purpose(s).
  - The Ordinary General Assembly may resolve to retain other reserves to the extent that serves the Holding Company's interest or ensures, as far as possible, consistent distribution of dividends to Shareholders. The Assembly may also deduct from the net profits amounts to attain social purposes for the Holding Company's employees.
  - The Board may recommend distribution of a certain percentage of the remaining profits to Shareholders. The Holding Company may distribute interim dividends on a semi-annual or quarterly basis following satisfaction of liabilities of related bodies.
2. The Board must include in its Annual Report submitted to the General Assembly the portion of dividends distributed to Shareholders during different periods of the financial years in addition to the portion of dividends proposed for distribution at the end of the financial year, and the aggregate dividend amounts.
3. The Holding Company must, upon resolving to distribute interim dividends, disclose and announce such resolution immediately, and provide the CMA with a copy thereof immediately.

### Entitlement to dividends

1. A Shareholder will be entitled to their share of dividends in accordance with the resolution adopted by the General Assembly in this regard. The resolution must indicate the date of entitlement and the date of distribution.
2. The Board must implement the General Assembly resolution with respect to dividend distribution to the registered Shareholders within 15 days from the date they become entitled to such dividends as determined in such resolution, or the Board's resolution for the distribution of interim dividends.

### Dividends Distribution

The following are the details of the dividends distributed for the years 2022, 2023 and the declared proposal of dividends for 2024:

	2024 (Recommended)	2023	2022
Distribution date	Will be determined following AGM Approval	06 April 2024	21 May 2023
Dividend per share (ﷻ)	3.35	2.30	2.31
Total amount distributed (ﷻ million)	402.0	276.0	277.2

### Procedure Taken by the Board to Inform its Members, Non-Executive Directors in Particular, of the Shareholders' Suggestions and Remarks on the Company and its Performance

Where applicable, the Board members are informed through the Chairperson, of the Shareholders' suggestions and remarks on the Company and its performance.

### General Assembly Meetings

General Assembly Meetings		
Name	Position	OGM 16 Shawwal 1445 25 April 2024
Mrs. Sarah Jammaz Al-Suhaimi	Chairperson of the Board	✓
Mr. Yazeed Abdulrahman Al-Humaid	Vice-Chairperson of the Board	✓
Eng. Khalid Abdullah Al-Hussan	Member	✓
Ms. Rania Mahmoud Nashar	Member	✓
Mr. Sabti Sulaiman Al-Sabti	Member	X
Mr. Mark Stephen Makepeace	Member	X
Mr. Xavier Robert Rolet	Member	X
Mr. Hashem Othman Al-Hekail	Member	✓
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	Member	✓
Eng. Olayan Mohammed Al-Wetaid**	Member	N/A

\* Eng. Sultan Abdulaziz Al-Dughaither's (may Allah have mercy on him) membership ended on 6 August 2024.

\*\* Eng. Olayan Mohammed Al-Wetaid's membership started on 29 August 2024.

### Shareholder Record Requests

Number of Shareholders Record Requests	Date of Request	Reason of Request
1.	07/01/2024	Periodic reports
2.	04/03/2024	Periodic reports
3.	04/03/2024	Periodic reports
4.	02/04/2024	Periodic reports
5.	02/05/2024	Periodic reports
6.	03/06/2024	Periodic reports
7.	02/07/2024	Periodic reports
8.	05/08/2024	Periodic reports
9.	02/09/2024	Periodic reports
10.	02/10/2024	Periodic reports
11.	04/11/2024	Periodic reports
12.	02/12/2024	Periodic reports

### Board of Directors

#### Composition of the Board of Directors

The Board of Directors is composed of 9 members elected by the Ordinary General Assembly for a period of 4 years, renewable for 1 or more terms. The Ordinary General Assembly at its meeting dated 28 December 2023 elected the Board members for the new term for a period of 3 years commencing on 2 January 2023 until 1 January 2026.

#### Members of the Board of Directors

Member Name	Position	Membership Type	Nationality
Mrs. Sarah Jammaz Al-Suhaimi	Chairperson of the Board	Independent	Saudi
Mr. Yazeed Abdulrahman Al-Humaid	Vice-Chairperson of the Board	Non-Executive	Saudi
Eng. Khalid Abdullah Al-Hussan	Member	Executive	Saudi
Ms. Rania Mahmoud Nashar	Member	Non-Executive	Saudi
Mr. Sabti Sulaiman Al-Sabti	Member	Non-Executive	Saudi
Mr. Mark Stephen Makepeace	Member	Non-Executive	British
Mr. Xavier Robert Rolet	Member	Non-Executive	French
Mr. Hashem Othman Al-Hekail	Member	Independent	Saudi
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	Member	Independent	Saudi
Eng. Olayan Mohammed Al-Wetaid**	Member	Independent	Saudi

\* Eng. Sultan Abdulaziz Al-Dughaither's (may Allah have mercy on him) membership ended on 6 August 2024.

**Board of Directors biographies**



**Mrs. Sarah Jammaz Al-Suhaimi**  
 Position: Chairperson of the Board  
 Nationality: Saudi  
 Appointment Date: 2 January 2023  
 Membership Type: Independent

Mrs. Sarah Al-Suhaimi is the Chairperson of the Saudi Tadawul Holding Group Company Board of Directors, which is considered the largest exchange in the Middle East. In her capacity, Mrs. Al-Suhaimi spearheads Tadawul's efforts to integrate the Saudi Capital Market with global peers by way of aligning the platforms operations and governing regulations.

Mrs. Al-Suhaimi is also the Chairperson of Lazard in Saudi Arabia, the Middle East and North Africa, a Board member at the General Authority of Statistics, a Board member at the Saudi Telecom Company, the Saudi Arabian Airlines Public Agency and the Cultural Development Fund. In addition, Mrs. Al-Suhaimi is a trustee of the International Financial Reporting Standards Foundation and a member of the Regional Voluntary Carbon Market Company.

Mrs. Al-Suhaimi served as the CEO of Saudi National Bank Capital (SNB Capital) from 2014 to 2021 and was a member of the Board of Directors.

\*\* Eng. Olayan Mohammed Al-Wetaid's membership started on 29 August 2024.

During her tenure, AUMs grew by over 4 times, NCBC's brokerage market share increased by more than 10% and the bank executed multiple large investment banking mandates earning league table status in DCM and M&A.

Mrs. Al-Suhaimi served a 2-year term as Vice-Chairperson of the Advisory Committee for the Capital Market Authority's (CMA) Board of Directors from 2013 to 2015.

Prior to that, Mrs. Al-Suhaimi led the Asset and Wealth Management Division at Jadwa Investment Company, where she was also the Chief Investment Officer from 2007 to 2014, and a member of the firms' Management Committee. Mrs. Al-Suhaimi started her career within asset management at Samba Capital.

Mrs. Al-Suhaimi holds a Bachelor's degree in Accounting with Honors from King Saud University and completed the General Management program at Harvard Business School.

**Positions and Memberships**

**Current memberships and positions:**

- Independent Director, Saudi Telecom Company (STC), a Saudi listed joint stock company.
- Investment Committee and Nomination and Remuneration Committee member, Saudi Telecom Company (STC), a Saudi listed joint stock company.
- Independent Director, SAUDIA, a Saudi public institution.
- Audit Committee member, SAUDIA, a Saudi public institution.

- Independent Director, Cultural Development Fund, a Saudi Governmental Fund.
- Chairperson of the Nominations and Remuneration Committee, Cultural Development Fund, a Saudi Governmental Fund.
- Director, Child Care Association, a Saudi private organization.
- Board of Trustees member, IFRS Foundation, a non-profit organization in the UK.
- Director and Chairperson of the Nomination and Remuneration Committee, Regional Voluntary Carbon Market Company.
- Chairperson, Lazard Saudi Arabia, a Saudi closed joint stock company.
- Director, General Authority for Statistics, a Saudi Governmental Entity.
- Chairperson of the Audit Committee, General Authority for Statistics, a Saudi Governmental Entity.

**Previous memberships and positions:**

- Executive Director, SNB Capital Company, a Saudi closed joint stock company.
- CEO, SNB Capital Company, a Saudi closed joint stock company.
- Vice-Chairperson of the Advisory Committee, Capital Markets Authority (CMA), a Saudi Government Authority.
- Head of Asset and Wealth Management and Chief Investment Officer, Jadwa Investment, a Saudi closed joint stock company.

**Committee Memberships**

- Chairperson of the Investment Committee.



**Mr. Yazeed Abdulrahman AlHumaid**  
 Position: Vice-Chairperson of the Board  
 Nationality: Saudi  
 Appointment Date: 2 January 2023  
 Membership Type: Non-Executive

Mr. Yazeed AlHumied is the Deputy Governor and the Head of MENA Investments at the Public Investment Fund (PIF). In addition to his responsibilities as a Deputy Governor, as the Head of MENA Investments he is responsible for managing two key investment pools: Saudi Equity Holdings and Saudi Sector Development. Both these pools have the highest concentration of assets under management. In addition, he also looks after attracting international strategic partners to invest in Saudi to localize cutting edge technologies, as well as enable effective execution of PIF's role as a driver of the Kingdom's economy.

Mr. AlHumied joined PIF in 2015 - post PIF's reallocation to Council of Economic and Development Affairs - as an Advisor to H.E. the Governor of PIF to contribute to the restructuring of the Fund and to drive development of its strategy. In 2016, he was appointed as the Chief of Staff in addition to maintaining his advisory position. During this time, Mr. AlHumied's achievements were outstanding and included approval and delivery of PIF updated strategy and business plan, managing several PIF

investment projects involving establishing of new companies, developing a comprehensive governance model for PIF portfolio companies; establishing the foundations and mechanisms for nominating and appointing PIF representatives in the Boards and Committees of PIF portfolio companies, developing several international strategic partnerships, and enhancing PIF relations to become an enabler for other local entities.

Overall, during 20 plus years of career, Mr. AlHumied has had extensive experience and exposure in both financial and management domains. Starting with his career in Price Waterhouse Coopers in 2004, and then leaving them in 2008 to join the Capital Market Authority (CMA) where he worked until 2015. At CMA, he headed the Mergers and Acquisitions team, and was fully exposed to international practices as he was also seconded to work at the Malaysian Securities Commission and the regulatory body of mergers and acquisitions in the United Kingdom. He also served as advisor to H.E. the Chairman of CMA, enabling him to develop a comprehensive understanding of the CMA and its practices.

Mr. AlHumied's contributions extend beyond his executive roles – into the domains of corporate and supervisory governance of PIF – through his roles as a chairman of Management Risk Committee, VRP Steering Committee and Digital and Technology Steering Committee. In addition, he enjoys memberships in several committees such as the Management Investment Committee, Management Liquidity Committee, Annual Report Steering Committee, Management Committee,

and the Portfolio Companies Nomination Committee. He also holds memberships in the Boards of several leading public and private sector organizations. His Board assignments include Chairman of the National Security Services Company (SAFE); as well as the Vice Chairman of: Saudi National Bank (SNB), Saudi Telecom Company (STC), Saudi Egyptian Investments Company, Saudi Arabian Airlines, and Desert Resorts Development Company. In addition to his board memberships in: Saudi Electronic Gaming Holding Company (SAVVY), King Abdulaziz Royal Reserve Development Authority, Board of Trustees of Prince Sultan University, Red Sea Cruise Company, Saudi Information Technology Company (SITE), Matarat Holdings, Riyadh Investment and Development Company, Richard Attias & Associates and Flyadeal. In addition to being a member in the Executive Committee of Ceer and ALAT Companies and other several sub-committees of the boards of directors.

Mr. AlHumied holds a bachelor's degree in accounting from King Saud University, along with being certified by several top tier international academic institutes such as Harvard University and London Business School in executive management programs.

**Positions and Memberships**

**Current memberships and positions:**

- Deputy Governor and Head of MENA Investments, Public Investment Fund (PIF), The Saudi Government Sovereign Wealth Fund.
- Vice Chairman of the Saudi Egyptian Investments Company, a closed joint stock company in Egypt.

- Chairman of the Board and Chairman of the NRC Committee of National Security Services Company (SAFE), a Saudi closed joint stock company.
- Vice-Chairman and Member of the NRC Committee, Saudi National Bank (SNB), a Saudi listed joint stock company.
- Vice-Chairman and Member of the Executive Committee of Saudi Telecom Company (STC), a Saudi listed joint stock company.
- Vice Chairman and Member of the Executive Committee and Audit, Risk and Compliance Committee of Saudi Airlines (SAUDIA), a Saudi public institution.
- Vice Chairman of Desert Resorts Development Company, a Saudi closed joint stock company.
- Member of the Board of Directors and the Executive Committee of the Saudi Electronic Gaming Holding Company (Savvy), a Saudi closed joint stock company.
- Board member of the Red Sea Cruise Company, a Saudi closed joint stock company.

- Member of the Board of Directors and the Executive Committee of the Saudi Information Technology Company (SITE), a Saudi closed joint stock company.
- Board Member and Member of the Executive Committee, Civil Aviation Holding Company (Matarat), a Saudi closed joint stock company.
- Board Member Richard Attias & Associates Company, a limited liability company in the UAE.
- Board Member and Chairman of the Audit, Risk & Compliance Committee, Flyadeal Company, a Saudi closed joint stock company.
- Member of the Executive Committee of Ceer National Automotive Company (Ceer), a Saudi closed joint stock company.
- Member of the Executive Committee of Industrial Company for Electronics "Alaat", a Saudi closed joint stock company.
- Member of the Board of Directors of King Abdulaziz Royal Reserve Development Authority.

- Member of the Board of Directors of Prince Sultan University's Board of Trustees.
- Member of the Board of Directors of Riyadh Investment and Development Company.

**Previous memberships and positions:**

- Head of Local Holding Investments, Public Investment Fund (PIF), a Saudi Government fund.
- Chief of Staff, Public Investment Fund (PIF), a Saudi Government fund.
- Advisor, Public Investment Fund (PIF), a Saudi Government fund.
- Manager of M&A Department, Capital Markets Authority (CMA), a Saudi Government Authority.
- Chairman Advisor, Capital Markets Authority (CMA), a Saudi Government Authority.
- M&A Senior Specialist, Capital Markets Authority (CMA), a Saudi Government Authority.

**Committee Memberships**

- Investment Committee member.



**Eng. Khalid Abdullah Al-Hussan**

Position: Member  
 Nationality: Saudi  
 Appointment Date: 2 January 2023  
 Membership Type: Executive

Eng. Khalid Al-Hussan is a Board member and the Group Chief Executive Officer of Saudi Tadawul Group. He also serves as the Chairman of the Saudi Exchange, the Securities Depository Center Company (Edaa), the Securities Clearing Center Company (Muqassa), Wamid, an applied technology services business and the innovation arm of Saudi Tadawul Group, and Tadawul Investment Holding, Limited Liability Company. Additionally, Eng. Al-Hussan is a Board member for the World Federation of Exchanges (WFE), Tadawul Real Estate Company, E-Finance for Digital and Financial Investments and Gulf Mercantile Exchange.

Eng. Al-Hussan has more than 18 years of capital market and financial sector experience and possesses a wide range of expertise from business development and corporate planning to strategy and operations. Preceding his appointment as CEO of the Group, Eng. Al-Hussan was the CEO of the Saudi Stock Exchange (Tadawul)—now known as the Saudi Exchange—for more than 5 years.

Throughout his tenure at the Exchange, Eng. Al-Hussan has overseen the introduction and implementation of

several key development programs, including the Qualified Foreign Investor (QFI) Framework, the inclusion of Tadawul in the emerging markets' indices, the launch of Nomu and the derivative markets, the development of the fixed income market and the record-setting IPO of Saudi Aramco. Notably and most recently, led the transformation into the Saudi Tadawul Group.

Prior to joining the Exchange, Eng. Al-Hussan worked in the insurance sector, managing areas of business product development and strategy.

Eng. Al-Hussan is an engineer and holds an MBA from the University of Colorado, where he is also a certified entrepreneur.

**Positions and Memberships**

**Current memberships and positions:**

- Non-Executive Chairperson, Securities Clearing Center Company "Muqassa", a Saudi closed joint stock company.
- Regulatory Policy and Oversight Committee member, Securities Clearing Center Company "Muqassa", a closed joint stock company.
- Chairperson of the Compliance Committee, Securities Clearing Center Company "Muqassa", a Saudi closed joint stock company.
- Chairperson of the Information Technology Committee, Securities Clearing Center Company "Muqassa", a Saudi closed joint stock company.
- Non-Executive Chairperson, Saudi Exchange Company, a Saudi closed joint stock company.
- Regulatory Policy and Oversight Committee member, Saudi Exchange Company, a Saudi closed joint stock company.

- Chairperson of the Compliance Committee, Saudi Exchange Company, a Saudi closed joint stock company.
- Chairperson of the Information Technology Committee, Saudi Exchange Company, a Saudi Closed Joint Stock company.
- Non-Executive Chairperson, Securities Depository Center Company "Edaa", a Saudi closed joint stock company.
- Regulatory Policy and Oversight Committee member, Securities Depository Center Company "Edaa", a Saudi closed joint stock company.
- Chairperson of the Compliance Committee, Securities Depository Center Company "Edaa", a Saudi closed joint stock company.
- Chairperson of the Information Technology Committee, Securities Depository Center Company "Edaa", a Saudi closed joint stock company.
- Non-Executive Chairperson, Tadawul Advanced Solutions Company "WAMID", a Saudi closed joint stock company.
- Non-Executive Board member, World Federation of Exchanges, a non-profit global federation of capital markets in the UK.
- Non-Executive Board member, Tadawul Real Estate Company, a Saudi limited liability company.
- Investment Committee member, E-finance for Digital & Financial Investments Company.
- Non-Executive Director, E-finance for Digital & Financial Investments Company.
- Nomination and Remuneration Committee member, E-finance for Digital & Financial Investments Company.

- Chairperson of the Board of Managers, Tadawul Investment Holding Company, Limited Liability Company.
- Board of Directors member, Gulf Mercantile Exchange, an authorised Market Institution from DFSA

#### Previous memberships and positions:

- Director, Arab Federation of Exchanges, a non-profit Arab federation of capital markets in Lebanon.
- Audit Committee member, Tadawul Real Estate Company, a Saudi limited liability company.
- Regulatory Policy and Oversight Committee member, Saudi Tadawul Group (formerly known as Saudi Stock Exchange "Tadawul"), a Saudi listed joint stock company.
- Advisory Committee member, Capital Markets Authority (CMA), a Saudi Government entity.
- Acting Executive Director, Saudi Tadawul Group (formerly known as Saudi Stock Exchange "Tadawul"), a Saudi listed joint stock company.

- Chief of Markets, Saudi Tadawul Group (formerly known as Saudi Stock Exchange "Tadawul"), a Saudi listed joint stock company.
- Chief of Assets and Deposits, Saudi Tadawul Group (formerly known as Saudi Stock Exchange "Tadawul"), a Saudi listed joint stock company.
- Chief of Strategy, Saudi Tadawul Group (formerly known as Saudi Stock Exchange "Tadawul"), a Saudi listed joint stock company.
- General Manager of Strategy, Company for Cooperative Insurance (Tawuniya), a Saudi listed joint stock company.
- National Investment Coordination and Attraction Committee member, General Authority for Investment.
- Chairperson, Arab Federation of Exchanges, a non-profit Arab federation of capital markets in Lebanon.

#### Committee Memberships

- Investment Committee member.
- Governance, Risk and Compliance Committee member.



**Ms. Rania Mahmoud Nashar**

Position: Member  
Nationality: Saudi  
Appointment Date: 2 January 2023  
Membership Type: Non-Executive

Ms. Rania Nashar joined the Public Investment Fund (PIF) as a Senior Advisor to the Governor in February 2021, where she advises His Excellency Mr. Yasir Al-Rumayyan, Governor of the PIF, in areas of business and governance, drawing on more than 20 years of professional experience in the banking industry. In addition, she is the Head of Compliance and Governance at the Public Investment Fund.

Prior to joining the PIF, Ms. Nashar served as the CEO of Samba Financial Group (SFG), making her the first Saudi woman to lead a major banking group in the Kingdom of Saudi Arabia. She first joined SFG in 1997 at the start of her banking career, where she served in various positions across different divisions of the Group and played a pivotal role in bringing vital changes and developments to SFG's business sectors.

Ms. Nashar also holds various other leadership and advisory positions. During her time at SFG, she served as Vice-Chair of the Samba Capital Board

and as a Board member of Samba Bank Limited in Pakistan, and Samba Global Markets Limited. She also served as a Board member at the Institute of International Finance "IIF" in the USA and the Saudi Space Commission.

In March 2019, the Board of the Capital Market Authority of Saudi Arabia (CMA) appointed Ms. Nashar as Vice-Chair of the CMA Advisory Committee. Ms. Nashar also serves as a Board member of STC, the Saudi Tadawul Group, the SME Bank, the National Center for Performance Measurement, Almabani General Contractors, Saudi Water Solutions Company, Muwakaba Investments Company and Saudi Polo Federation. She also chairs the Audit Committee at FII and the Chairperson of The Regional Voluntary Carbon Market Company.

Some of Ms. Nashar's other major achievements throughout her career include becoming the first Saudi woman to lead the audit and risk review functions for all business and operations areas at SFG, including investment business, corporate and individual banking and risk management. She is also the first woman in the GCC financial sector to lead a compliance group and first Saudi woman to be named a certified anti-money laundering specialist by the Association of Certified Anti-Money Laundering Specialists (ACAMS) in the USA. During KSA G20 Presidency Ms. Nashar chaired the B20 Women in Business Action Council and G20 EMPOWER Alliance. In addition, she served as a Co-Chair in the Action Council for B20 Women in Business.

Ms. Nashar holds a Bachelor's degree with Honors in Computer Science and Technology from Kind Saud University. She has been recognized by Forbes on multiple occasions for her professional achievements, being named among the Top 100 Powerful Women in the World in 2018, 2019 and 2020.

#### Positions and Memberships

##### Current memberships and positions:

- Non-Executive Director, Saudi Telecom Company (STC) a Saudi listed joint stock company.
- Chairperson of the Risk Committee, Saudi Telecom Company (STC), a Saudi listed joint stock company.
- Head of Compliance and Governance, Public Investment Fund (PIF), a Saudi Government fund.
- Director, Small & Medium Enterprises Bank.
- Director, Almabani General Contractors.
- Director, Water Solutions Company.
- Director, Muakibat Investment.
- Chairperson of the Audit Committee, Future Investment Initiative Institution, a Saudi non-profit institution.
- Director, National Center for Performance Measurement (Aadaa), a Saudi Government entity.
- Director, Saudi Polo Federation, a Saudi sport federation.
- Audit Committee Member, National Center for Performance Measurement (Aadaa), a Saudi Government entity.
- Governor Advisor, Public Investment Fund (PIF), a Saudi Government fund.
- Chairperson, Regional Voluntary Carbon Market Company.

**Previous memberships and positions:**

- Non-Executive Vice-Chairperson, Samba Capital and Investment Management Company, a closed joint stock company.
- CEO, Samba Financial Group (currently known as Saudi National Bank), a Saudi listed joint stock company.
- Audit Committee member, Samba Bank Limited, a listed joint stock company in Pakistan.
- Remuneration and Nomination Committee member, Samba Bank Limited, a Saudi listed joint stock company in Pakistan.
- Chief of Audit and Executive Review, Samba Financial Group (currently known as Saudi National Bank), a Saudi listed joint stock company.
- Chief of Compliance, Samba Financial Group (currently known as Saudi National Bank), a Saudi listed joint stock company.
- Director, Samba Global Markets Limited, a limited liability company in the Cayman Islands.

- Non-Executive Director, Samba Bank Limited, a listed joint stock company in Pakistan.
- Director, Saudi Space Commission, a Saudi Government entity.
- Audit Committee Chairperson, Future Investment Initiative Institute, a Saudi non-profit civil institution.
- Executive Committee member, Saudi Space Commission, a Saudi Government entity.
- Remuneration and Nomination Committee member, Saudi Space Commission, a Saudi Government entity.
- Audit Committee member, Saudi Space Commission, a Saudi Government entity.
- Chairperson of the Audit Committee, National Center for Performance Measurement (Aadaa), a Saudi Government entity.
- Remuneration and Nomination Committee member, Saudi Telecom Company (STC), a Saudi listed joint stock company.

**Committee Memberships**

- Chairperson of the Governance, Risk and Compliance Committee.

**Mr. Sabti Sulaiman Al-Sabti**

Position: Member

Nationality: Saudi

Appointment Date: 2 January 2023

Membership Type: Non-Executive

Mr. Sabti Al-Sabti is the previous CEO of Riyadh Capital from 2018-2023, an investment bank that works in all areas and activities of financial markets. Mr. Al-Sabti is also a Board member of the Zakat, Tax and Customs Authority, Fund of Funds Company "Jada", Saudi Venture Capital Company SVC, General Authority of Awqaf and SNB Capital.

He started his career with PricewaterhouseCoopers (PwC), and previously worked as Head of the Listed Companies and Investment Products Deputy at the Capital Market Authority, where he assumed responsibility for overseeing 6 different departments in the Authority, performing many organizational and development tasks in the following areas: public and private securities offering, mergers and acquisitions, investment product development, asset management, disclosure and corporate governance of listed companies.

Mr. Al-Sabti obtained a Bachelor's degree in Accounting from King Saud University and a Master's degree in Business Administration from Colorado Technical University. He also obtained a Certified Public Accountant's Certificate from the Saudi Organization for Certified Public Accountants (SOCPA) and American Institute of Certified Public Accountants Certificate (CPA).

**Positions and Memberships****Current memberships and positions:**

- Independent Board member, Zakat Tax and Customs Authority, a Saudi Government entity.
- Board member, Fund of Funds Company "JADA".
- Board member, Saudi Venture Capital Company SVC, an Investment Company.
- Board member, General Authority of Awqaf, a Saudi General Authority.
- Board member, SNB Capital, a Saudi closed joint stock company.

**Previous memberships and positions:**

- Head of the Listed Companies and Deputy of Investment Products, the Capital Market Authority (CMA), a Saudi Government Authority.
- CEO, Riyadh Capital, a Saudi closed joint stock company.

**Committee Memberships**

- Investment Committee member.



**Mr. Mark Stephen Makepeace**

Position: Member  
Nationality: British  
Appointment Date: 2 January 2023  
Membership Type: Non-Executive

Mr. Mark Makepeace is the CEO of Wilshire Indexes and Co-Chairman of Wilshire Advisors and, as a result, a Director in a number of Wilshire subsidiaries. He is also a Board member at the Tadawul Advanced Solutions Company (WAMID) and was a Director of the Singapore Stock Exchange (SGX) until March 2024. Previously he was the Founder of FTSE Russell and its CEO until January 2019 and the Executive Director of Information Services at the London Stock Exchanges Group (LSEG). He has been a UNICEF Vice-President in the UK since 2011.

Mr. Makepeace started his career in the financial services field in 1985 after joining the London Stock Exchange and worked during this period to develop the stock market's business in the field of information technology and services.

He also led the equities regulation in the United Kingdom and participated in establishing the first international stock market across borders in Europe.

He was the founder and CEO of FTSE Russell from 1995 until 2019 and Executive Director of Information Services at the London Stock Exchange Group from 2012 to 2019.

He has experience of more than 20 years in developing successful joint ventures, and has succeeded in establishing alliances with stock exchanges, academics and leading industrial groups all over the world. He has founded successful businesses in Asia, Europe, the Middle East, Africa and the Americas, and was also the first Chairman and founding member of the Index Industry Association.

#### Positions and Memberships

##### Current memberships and positions:

- Vice-Chairman and CEO, Monica Top GP (Cayman) (Wilshire Global Advisors), a limited liability company.
- CEO, Wilshire Global Advisors, a limited liability company in the US and Europe.
- Non-Executive Vice-Chairman, Tadawul Advanced Solutions Company (WAMID), Saudi closed joint stock company.
- Chairman and Owner, M8R Limited, a limited liability company (outside the Kingdom).

##### Previous memberships and positions:

- Executive Information Services Director, London Stock Exchange Group, a British security company in the UK.
- CEO, FTSE Russell, a limited liability company in the UK.
- Independent Director, Singapore Exchange, the Capital Market of Singapore.

#### Committee Memberships

- Nomination and Remuneration Committee member.



**Mr. Xavier Robert Rolet**

Position: Member  
Nationality: French  
Appointment Date: 2 January 2023  
Membership Type: Non-Executive

Mr. Xavier Rolet is currently Chairman of the Board of Shore Capital Markets, a Board member of Tadawul Advanced Solutions Company (WAMID) and Columbia Business School, of the Yale University Center for Business and the Environment, and a Harvard University Advanced Leadership Fellow.

He is also a Director and Board member of various private US and EU Agricultural and Conservation organizations and an External Director for Portfolio Companies at the Public Investment Fund (PIF).

He was previously Chairman of the Board of World Quantum Growth Acquisition Corporation, Board member of Seplat Energy Plc, Chairman of Phosagro PJSC, CEO of CQS (UK) LLP and CEO of the London Stock Exchange Group (LSEG) from 2009 until 2017, during which time its market capitalization increased from USD 1.2 billion to USD 24 billion. Prior to that, he worked for Lehman Brothers in New York as Co-head of Global Equities and Derivatives Trading, Head of European and Asian Equities in London and CEO

of Banque Lehman Brothers in Paris. Prior to Lehman Brothers, he was Global Head of European Equities at Credit Suisse First Boston and a Vice-President and Executive Director at Goldman, Sachs & Co. in New York and London, in addition he was Senior Advisor to Towerbrook Capital Partners LLP.

After graduating from Kedge Business School with an MSc in Management Studies in 1981, Mr. Rolet served as a Second Lieutenant and Instructor at the French Air Force Academy. He received a Master's degree in Business Administration from Columbia Business School in 1984 and a Postgraduate degree from the Paris-based Institute of Advanced Studies in National Defense (IHEDN) in 2008. Mr. Rolet was appointed a Knight Commander of the British Empire (Hon) in 2015, a Knight of the Order of the French Legion of Honor, an Officer of the Royal Sharifian Order of Al-Alawi in 2016 and is a recipient of the Order of Friendship of the Russian Federation in 2017. He featured in the 2017 Harvard Business Review list of the Best 100 CEOs in the world.

#### Positions and Memberships

##### Current memberships and positions:

- Non-Executive Director, Tadawul Advanced Solutions Company, a Saudi closed joint stock company.
- Corporate Portfolio External Director, Public Investment Fund (PIF), a Saudi Government entity.
- Managing Partner, Grayling Centennial LLC, a limited liability company in the USA.
- Chairperson, Shore Financial Markets, a limited liability company.
- Member, Centennial Valley Association, a non-profit organization in the USA.

- Director, SAS La Verriere Company, a simple joint stock company (outside the Kingdom).
- Board of Advisors member, Ranchlands in the USA.
- Director, Columbia Business School, a business college in the USA.
- Partner, SCI La Verriere, a real estate investment company, a partnership (outside the Kingdom).
- Partner, SCEA Domaine de la Verriere, a partnership (outside the Kingdom).
- Board member of Centennial Valley Association.
- Independent Board member of KM Dastur Ltd.

##### Previous memberships and positions:

- Chairperson and CEO, World Quantum Growth Acquisition Corp, NYSE-listed special purpose acquisition company in the USA.
- Independent Non-Executive Director, Golden Falcon Acquisition Corp, NYSE-listed special purpose acquisition company in the USA.
- Independent Non-Executive Director and Chairperson of the Nomination and Remuneration Committee, Seplat Petroleum Development Company, a joint stock company listed in London and Nigeria.
- Expert Advisor, Shanghai Institute of Finance for the Real Economy, a Government institute.
- Chairperson, Phosagro PJSC, a joint stock company in Moscow.
- Independent Non-Executive Director, Verseon Company in the USA.
- Expert Advisors Committee member, Department for the International Trade (DIT), a government agency in the UK.

- CEO, London Stock Exchange Group, a British Securities Company in the UK.
- Governor's Financial Services Forum, Bank of England, a British Government entity.
- Financial Services Trade and Investment Board member, HM Treasury, a government entity in the UK.
- Securities and Markets Stakeholders Group member, European Securities and Markets Authority (ESMA).
- Second Lieutenant and Instructor, French Air Force Academy.
- Director, Marketing Mediterranee, a junior enterprise in France.

#### Committee Memberships

- Governance, Risk and Compliance Committee member.



#### Mr. Hashem Othman Al-Hekail

Position: Member

Nationality: Saudi

Appointment Date: 2 January 2023

Membership Type: Independent

Mr. Hashem Al-Hekail is now the Chairperson of the Boa Technology Company "BwaTech", a Board member and Chairperson of the Risk Committee of Saudi Housing Security Company, a Board member and Chairperson of the Technology Committee at Derayah Financial; and Board member of Masdar Company.

Mr. Al-Hekail has previously worked as Deputy Governor of the Saudi Central Bank (SAMA) for developing the financial sector and national initiatives, and he also co-founded Derayah Financial, and has worked as a co-CEO responsible for operations and technology.

Mr. Al-Hekail has more than 35 years of experience in the field of technology, analysis, system design, engineering work procedures and investment accounts. He began his career in 1983 as an Auditor at SAM. After holding several positions there including Government Accounts Manager and Information Technology Manager he then moved to SNB, where he supervised systems development projects in addition to supporting and maintaining existing systems, which is before participating in founding Derayah Financial and thereafter returned to SAMA.

Mr. Al-Hekail obtained a Bachelor's degree in Social Services from King Saud University in 1981, and a professional Diploma in Financial Supervision from the Institute of Public Administration in 1983. He has also participated in technical and management training programs at various institutions, including Harvard University and the Massachusetts Institute of Technology.

#### Positions and Memberships

##### Current memberships and positions:

- Independent Director, Derayah Financial, a Saudi closed joint stock company.
- Chairperson of the Technology Committee, Derayah Financial, a Saudi closed joint stock company.

- Chairperson, BWA Information Technology Company, a Saudi closed joint stock company.
- Board member, Saudi Housing Security Company "Damanat", a Saudi closed joint stock company.
- Chairperson of the Risk Committee, Saudi Housing Security Company "Damanat", a Saudi closed joint stock company.
- Director, Masdar Company, a Saudi limited liability company.

##### Previous memberships and positions:

- Independent Director, Bayan Payments Limited, a Saudi limited liability company.
- Board member, Hyper Pay Inc, a Saudi closed joint stock company.
- Co-Chief Executive, Derayah Financial, a Saudi closed joint stock company.
- Deputy Governor, Saudi Central Bank, the Central Bank of the Kingdom of Saudi Arabia.

#### Committee Memberships

- Audit Committee member.



**Eng. Olayan Mohammed Al-Wetaid**

Position: Member  
 Nationality: Saudi  
 Appointment Date: 29 August 2024  
 Membership Type: Independent

Eng. Olayan Al-Wetaid is currently the Chief Executive Officer of Saudi Telecom Group (STC).

He is also the Chairman of SAMENA Telecommunications Companies in the Middle East, North Africa and South Asia, a Board member of GSMA and King Abdulaziz City for Science and Technology.

Throughout his career journey with STC Group, Eng. Al-Wetaid played several crucial roles including Senior Vice-President of the Consumer Business Unit and CEO of STC Bahrain. He also presided as the Chairman of several of STC's subsidiaries' boards.

Eng. Al-Wetaid holds a Bachelor's degree in Electrical Engineering from King Fahd University of Petroleum and Minerals.

**Positions and Memberships**

**Current memberships and positions:**

- Chief Executive Officer, STC Group, a Saudi joint stock company.
- Chairman, SAMENA Telecommunications Companies in the Middle East, North Africa and South Asia.
- Board member, GSMA.
- Board member, King Abdulaziz City for Science and Technology.

**Previous memberships and positions:**

- Senior Vice-President, Consumer Business Unit, STC Group, a Saudi joint stock company.
- Chief Executive Officer, Bahrain STC.

**Committee Memberships**

- Chairperson of the Nomination and Remuneration Committee.

**Responsibilities and powers of the Board of Directors**

Subject to the powers reserved for the General Assembly, the Board shall have the widest authority in managing the affairs of the Company in order to achieve its objectives, and the Board shall be responsible for achieving the strategic and operational objectives of the Company. In particular, the Board shall assume its powers as per the relevant laws and regulations and may delegate some or all of these powers as it sees fit.

**Evaluating the performance of the Board, its Committees and the Executive Management**

The Extraordinary General Assembly, at its meeting dated 13 December 2023, has approved the Nomination and Remuneration Committee Charter (NRC), which reflects

that the NRC shall assist the Board in assessing the performance of the Board, its Committees and Executive Management in terms of strengths and weaknesses and in sitting and implementing plans to define and enhance the competencies of Board members by recommending the necessary procedures. The NRC has appointed a consultant to undertake the Board assessment, in which it submitted the report to the Board reflecting the main assessment items and corrective actions in which the Board supervised the implementation thereof.

**Board of Directors' meetings and attendance**

The Board of Directors held 5 meetings. The following table illustrates the names and attendance of the Board members.

Member Name	Position	25 March 2024	01 July 2024	18 September 2024	04 November 2024	09 December 2024
Mrs. Sarah Jammaz Al-Suhaimi	Chairperson of the Board	✓	✓	✓	✓	✓
Mr. Yazeed Abdulrahman Al-Humaid	Vice-Chairperson of the Board	✓	✓	✓	✓	X
Eng. Khalid Abdullah Al-Hussan	Member	✓	✓	✓	✓	✓
Ms. Rania Mahmoud Nashar	Member	✓	✓	✓	✓	✓
Mr. Sabti Sulaiman Al-Sabti	Member	✓	✓	✓	✓	✓
Mr. Mark Stephen Makepeace	Member	✓	✓	✓	✓	✓
Mr. Xavier Robert Rolet	Member	✓	X	✓	✓	✓
Mr. Hashem Othman Al-Hekail	Member	✓	✓	✓	✓	✓
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	Member	✓	✓	-	-	-
Eng. Olayan Mohammed Al-Wetaid**	Member	-	-	✓	✓	✓

\* Eng. Sultan Abdulaziz Al-Dughaither's (may Allah have mercy on him) membership ended on 6 August 2024.

\*\* Eng. Olayan Mohammed Al-Wetaid's membership started on 29 August 2024.

**Ownership of Board members**

Member Name	Type of Ownership	Share Ownership		
		Opening Balance	Closing Balance	Percentage Change
Mrs. Sarah Jammaz Al-Suhaimi	-	-	-	-
Mr. Yazeed Abdulrahman Al-Humaid	Shares	2,356	3,127	32.7%
Eng. Khalid Abdullah Al-Hussan	-	-	-	-
Ms. Rania Mahmoud Nashar	-	-	-	-
Mr. Sabti Sulaiman Al-Sabti	-	-	-	-
Mr. Mark Stephen Makepeace	-	-	-	-
Mr. Xavier Robert Rolet	-	-	-	-
Mr. Hashem Othman Al-Hekail	-	-	-	-
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	-	-	-	-
Eng. Olayan Mohammed Al-Wetaid**	-	-	-	-

It is worth noting that there is no ownership of the Board member’s relatives in Group shares.

\* Eng. Sultan Abdulaziz Al-Deghaither’s (may Allah have mercy on him) membership ended on 6 August 2024.

\*\* Eng. Olayan Mohammed Al-Wetaid’s membership started on 29 August 2024.

**Executive Management**

**Group’s Executive Management:**



**Eng. Khalid Abdullah Al-Hussan**  
Group Chief Executive Officer

Eng. Khalid Al-Hussan is a Board member and the Chief Executive Officer of Saudi Tadawul Group. He also serves as the Chairman of the Saudi Exchange, the Securities Depository Center Company (Edaa), the Securities Clearing Center Company (Muqassa), the Tadawul Advanced Solutions Company (WAMID), an applied technology services business and the innovation arm of Saudi Tadawul Group, and Tadawul Investment Holding, Limited Liability Company. Additionally, Eng. Al-Hussan is a Board member for the World Federation of Exchanges (WFE), Tadawul Real Estate Company, and E-Finance for Digital and Financial Investments and Gulf Mercantile Exchange.

Eng. Al-Hussan has more than 18 years of capital market and financial sector experience and possesses a wide range of expertise from business development and corporate planning to strategy and operations. Preceding his appointment as CEO of the Group, Eng. Al-Hussan was the CEO of The Saudi Stock Exchange (Tadawul)—now known as the Saudi Tadawul Group—for more than 4 years.

Throughout his tenure at the Exchange, Eng. Al-Hussan has overseen the introduction and implementation of several key development programs, including the Qualified Foreign Investor (QFI) Framework, the inclusion of Tadawul in the emerging markets’ indices, the launch of Nomu and the derivative markets, the development of the fixed income market and the record-setting IPO of Saudi Aramco. Notably and most recently, he led the transformation into the Saudi Tadawul Group.

Prior to joining the Exchange, Eng. Al-Hussan worked in the insurance sector, managing areas of business product development and strategy.

Eng. Al-Hussan is an engineer and holds an MBA from the University of Colorado, where he is also a certified entrepreneur.



**Mr. Abdullah Abdullatif Al-Esheikh**  
Group Chief Legal Officer

Mr. Abdullah Al-Esheikh joined the Group in September 2018, and in March 2019, he was appointed as Chief Legal Officer. He has accumulated experience in the field of legislation, especially those related to the capital market and listed companies.

Mr. Al-Esheikh holds an LLM in Corporate Finance Law from the University of Westminster, London, UK. He also holds a Bachelor's degree in Law from King Saud University, in addition to several training courses from reputable institutions.



**Eng. Alhasan Nabeel Ashram**  
Group Chief Operations Officer

Eng. Alhasan Ashram joined the Group in May 2021, he was appointed as Group Chief Operations Officer. Eng. Ashram has extensive experience in information technology, cybersecurity and risk management. He assumed various technical, managerial and leadership positions in the high-tech industry, commercial banking and capital markets.

Eng. Ashram holds a Bachelor's degree in Computer Engineering from KFUPM and a Master's degree in Engineering Management and Leadership from Santa Clara University, California, USA. He also has many Professional Certifications from multiple institutions in IT, Security, Risk Management and Leadership.



**Mr. Khalid Abdulaziz Al-Gheriri**  
Group Chief Regulatory Oversight and Authorization Officer

Mr. Khalid Al-Gheriri joined the Saudi Stock Exchange team in 2006, he held several administrative and leading positions, until he was appointed as Chief of Regulatory Oversight and Authorization. He has extensive experience in the financial sector where he has successfully led several roles and responsibilities. Over the last years, he has successfully led various roles and projects within the Members Relations Department and Sales.

Mr. Al-Gheriri holds a Bachelor's degree in Computer Information Science from Minnesota State University, USA, in addition to several Professional Certifications from various respectable institutions.



**Ms. Maha Mohammed Al-Besher**  
Group Chief Human Resource Officer

Ms. Maha AlBesher is the Group Chief Human Resources Officer at Saudi Tadawul Group, bringing over 14 years of extensive experience in managing Human Resources. Her expertise focuses on the strategic planning of Human Capital activities, ensuring alignment with business strategies and long-term goals. She also oversees corporate performance, internal communication and engagement for the Saudi Tadawul Group and its subsidiaries. Ms. Maha holds key roles at various organizations as a board member, NRC member, and is engaged in several committees.

including VP of Support Services, Director of Human Resources, and Administration and Corporate Communication. She was part of the founding team responsible for leading and executing the national initiative " Fintech Saudi" sponsored by SAMA.

Ms. Maha holds a Bachelor's Degree in Economics from King Saud University and a Master's Degree in Human Resources Management from the Catholic University of America. She also holds multiple certificates in Executive Education and Leadership programs from London Business School and Oxford Saïd Business School.

Ms. Maha joined Saudi Tadawul Group in 2018. Prior to that, she held key positions in the financial sector,



**Mr. Shahrukh Waseem Qureshi**  
Group Chief Financial Officer

Mr. Qureshi joined the Group in March 2018 as Chief Financial Officer. Mr. Qureshi has over 24 years of experience in strategic financial planning and management, accounting, investment management, company startups, mergers and acquisitions and asset liabilities management.

Mr. Qureshi holds a Master's degree in Commerce from Pakistan. He is a fellow member of The Institute of Chartered Accountants of Pakistan and Institute of Public Finance Accountants.



**Eng. Abdulaziz Saleh Abalkhail**  
Group Chief Internal Audit Officer

Eng. Abdulaziz Abalkhail joined the Group as the Group's Chief Internal Audit Officer in May 2024, bringing over 30 years of extensive technical and leadership experience across prominent local and international institutions in both the public and private sectors. Before joining Saudi Tadawul Group, he held significant roles with the Ministry of Defense, Saudi Capital Market Authority, Saudi Industrial Development Fund, APICORP and TASNEE. His expertise spans strategic management, capital markets, PMO, corporate and project finance, organizational transformation, internal audit and governance, risk and compliance (GRC).

Eng. Abalkhail holds a Bachelor's degree in Systems Engineering from King Fahd University of Petroleum and Minerals (KFUPM) and an MBA in Finance from the University of Nottingham. Additionally, he has completed Executive programs in Risk Management and Project Management from INSEAD, Senior Executives Leadership from IMD, and advanced studies at London Business School, University of Michigan and The London School of Economics and Political Science (LSE).



**Mr. Yazeed Hamad Al-Eidi**  
Group Chief Risk and Security Officer

Mr. Yazeed Al-Eidi is the Group Chief Risk and Security Officer in the Saudi Tadawul Group, where he has successfully assumed various management roles in the field of information technology, cybersecurity, risk management and business continuity.

Mr. Al-Eidi holds a Bachelor's degree in Computer Science from King Saud University and Executive Master of Business Administration from Al Yamamah University, in addition to several Professional and Leadership Certifications from various respectable institutions.



**Mr. Lee Antony Hodgkinson**  
Group Chief Strategy Officer

Mr. Lee Hodgkinson joined the Group in August, 2022, as Group Chief Strategy Officer. With more than 35 years of capital markets experience he possesses a wide range of expertise from business development to strategy, mergers and acquisitions and operations. In addition, Mr. Hodgkinson has extensive experience of working in Europe, America, China, Russia and India across listed companies, consortia, joint ventures and non-profit entities.

Mr. Lee Hodgkinson holds an MA in International Affairs from King's College London, Department of Defence Studies. Additionally, he studied at the London School of Economics and Political Science and Harvard Business School.



### Mr. Nayef Saleh Al-Athel

Group Chief Sales and Marketing Officer

Mr. Nayef Al-Athel is the Group Chief Sales and Marketing Officer at Saudi Tadawul Group. With a proven track record in the global financial industry, he oversees Group-wide sales, the commercialization of the Group's subsidiaries, and the development of customer-centric strategies across marketing, branding, and communication. Additionally, his role encompasses the management of the Group's international corporate partnerships and CSR initiatives. He also spearheaded the establishment of the Capital Markets Forum (CMF) as one of the world's largest capital markets event platforms.

Before assuming his current role within the Group, Mr. Al-Athel served as Chief of Listing at the Saudi Exchange,

he was instrumental in launching Single Stock Options (SSOs) on the Saudi Exchange and facilitating the first international cross-listing.

Prior to joining Saudi Tadawul Group, Mr. Al-Athel held leadership positions at Morgan Stanley, and started his career at Venture Capital Bank. He holds a Bachelor's degree in Finance & Economics from King Fahd University of Petroleum and Minerals and has completed executive education programs at INSEAD, the London School of Economics, and the Berkeley Executive Coaching Institute.

### Ownership of Executive Management

It is worth noting that there is no ownership of the Executive Management and their relatives in the Group's shares.

### Board of Directors Committees

The Company has 4 Committees in place: The Audit Committee, the Nomination and Remuneration Committee, the Governance, Risk and Compliance Committee and the Investment Committee.

A charter for each Committee has been adopted, which sets out its role and responsibilities, powers, and how to conduct meetings for the purposes of exercising the duties of each Committee and enabling each Committee to properly perform its tasks.

### Audit Committee

The Audit Committee has been formed by a resolution of the Ordinary General Assembly dated 28 December 2022 effective from the date of the General Assembly until 1 January 2026.

### Committee composition

In accordance with the Audit Committee's Charter:

1. The Committee shall consist of 3 to 5 members from among the Shareholders or from others, provided that it does not include any of the Executive Board members, and one of them should have experience in financial and accounting affairs. In accordance with the process determined at the Nomination and Remuneration Committee. The appointment of the Committee shall be by a resolution of the Board.
2. The Chairperson of the Board shall not be a member of the Committee.
3. The members of the Committee must have at least 1 independent member.
4. It is not permissible for a person who works or has been working for the past 2 years in the Executive or Financial Management of the Holding Company, or with the Holding Company's Auditor, to be a member of the Committee.
5. A member of the Audit Committee shall not be a member of the Audit Committees of more than 5 listed joint stock companies at the same time.

6. The Committee shall resolve any case of Conflict of Interest that may face its members regarding any of the matters brought before the Committee in a manner that achieves justice and efficiency and is in conformity with any other related policies or charters approved by the Holding Company.
7. The term of membership in the Committee shall be similar to the term of the Board and it may be renewed only once.

The Audit Committee meetings shall take place according to an annual schedule approved by the Committee, provided that at least 4 meetings are held during the Company's financial year.

### Committee duties and responsibilities

The Audit Committee is responsible for monitoring the Company's business and verifying its reports, financial statements and internal control systems. The responsibilities of the Audit Committee are summarized as follows:

#### Financial statements:

- Examining the initial, quarterly and annually financial statements of the Holding Company and reports presented by the Auditor and recommending thereabouts to the Board.
- Giving a technical opinion, upon request of the Board, about whether the Board's report and financial statements of the Holding Company are fair, balanced and understandable and includes the information that would enable the Shareholders and investors to evaluate the financial position, performance, business model and strategy of the Holding Company.
- Examining the accounting policies followed by the Holding Company, give an opinion and make a recommendation thereon to the Board.

#### Internal Audit:

- Studying the internal control system and the financial system, disclosure and information technology systems of the Holding Company, ensure that it is sufficient to run the Holding Company's business, and submit a recommendation to the Board thereon.

- Overseeing and supervising the performance and activities of the internal Auditor and the Holding Company's Internal Audit Division to verify the availability of the necessary resources and their effectiveness in performing the tasks assigned to them. If the Holding Company does not have an internal Auditor, the Committee must submit its recommendation to the Board regarding the need for the appointment.

#### Ensuring compliance:

- Reviewing the findings of the reports of monitoring authorities and ensuring the Holding Company has taken the necessary measures.
- Ensuring compliance of the Holding Company and its employees with relevant laws and regulations and recommending the appropriate measures in case of non-compliance.

#### Results of annual Internal Audit procedure

##### Committee governance:

- Updated Audit Committee Charter and ensured Confirmation of Independence.
- Declared potential conflicts.

##### Compliance reports:

- Reviewed all Code of Conduct violation cases presented to the Audit Committee.

##### Financial statements:

- Reviewed financial policies.
- Reviewed financial Auditors selection proposals.
- Endorsed the Consolidated Financial Statements for Saudi Tadawul Group Holding Company.

##### Internal Audit governance:

- Reviewed Internal Audit strategy.
- Ensured that Internal Audit governance documents are updated and relevant.
- Reviewed and approved Internal Audit divisional KPIs and performance assessment.
- Reviewed and approved Internal Audit's proposition of aligning Internal Audit's risk rating criteria with the rating criteria approved by the Group Risk and Compliance Committee, and that it is being followed by the Group Enterprise Risk Management function.

##### Internal Audit operations:

- The Internal Audit Division carried out planned audits in accordance with the Internal Audit plan and changes required during the year, as approved by the Saudi Tadawul Group Holding Company Audit Committee to evaluate, objectively and independently, the adequacy and effectiveness of internal control systems.
- Internal Audit Division reports functionally to the Audit Committee and administratively to the Chief Executive Officer of Saudi Tadawul Group Holding Company. In carrying out its duties, Internal Audit ensured its independence and objectivity.
- The Internal Audit Division operates in accordance with International Internal Auditing (IIA) Standards. As part of its mandate, during the year, the Audit Committee reviewed/approved the following, but not limited to, deliverables/outputs:
  - Reviewed and approved Annual Risk Assessment.
  - Reviewed and approved Internal Audit Plan.
  - Reviewed Internal Audit Progress Reports.
  - Reviewed resolution progress of observations.
  - Furthermore, Internal Audit maintains an internal quality assurance and improvement program, covering all aspects of the Internal Audit activities, to evaluate and continuously improve these activities.

The Internal Audit Division regularly issued audit progress reports to the Audit Committee during the year covering the audit plan progress, audit activities /outcome and overall update / view on internal controls effectiveness and related subjects.

Internal Audit continued its significant progress, verifying and closing audit findings along with strengthening the follow-up /closure process.

##### Audit Committee opinion

- The internal control system has an important role to play in the success of any organization. Saudi Tadawul Group Holding Company is committed to ensuring an effective internal control system to achieve regulatory objectives, asset protection, accurate internal and external reporting, risk reduction and adherence to regulatory requirements.

- The Audit Committee oversees the Internal Audit work, which periodically reviews the adequacy and effectiveness of the internal control system, to provide a continuous assessment of the internal control system and its effectiveness. The Committee also reviews the external Auditor's reports and management letter, which might include any weakness in internal controls noted by the external Auditor as part of his internal control's assessment.
- Based on the above, the Audit Committee believes that the internal control system within Saudi Tadawul Group Holding Company is appropriately designed and effectively serves organizational objectives, operational efficiency, financial reporting reliability and regulatory compliance without any material deficiency or material weakness.

The Audit Committee also extends its sincere thanks to the Board of Directors for its support to the Committee to fulfill its roles and responsibilities, and the Executive Management for providing all the data requested to perform the duties of the Committee.

##### Audit Committee members

##### Mr. Omar Mohammed Al-Hoshan Chairperson, Non-Board Member

Mr. Omar Al-Hoshan is a Certified Public Accountant and is the Founder and Managing Partner of AlHoshan Russell Bedford CPA & Consultants in Saudi Arabia. Mr. Al-Hoshan has contributed to many of the top 100 companies in Saudi Arabia and GCC countries in the areas of accounting, auditing financial planning, business performance measurement, business restructuring, corporate governance, regulatory compliance, risk assessment, HR, financial and business solutions and technology.

Mr. Al-Hoshan is instrumental in the business improvement initiatives in the Kingdom of Saudi Arabia and served on numerous boards and committees, including Tadawul, Alawwal Invest, AbuNayyan Holding, Cruise Saudi Arabia, MEDGULF, SAMBA Financial Group, Saudi Investment Recycling Company (SIRC) and ABR AlKhaleej Marketing. In addition, Mr. Al-Hoshan is a regular contributor to the

World Bank's annual project "Doing Business". With strong cross-functional expertise in finance, organization performance, aviation and technology, Mr. Al-Hoshan has a keen interest in improving performance in all aspects of an organization. As such, Mr. Al-Hoshan has been invited to speak at various local and international functions

##### Mr. Hashem Othman Al-Hekail Member, Independent

Kindly refer to the Board of Directors biographies.

##### Mr. Abdulhameed Sulaiman Al-Muhaidib Member, Non-Board Member

Mr. Abdulhameed Al-Muhaidib serves as the Chief Financial Officer at ACWA Power. With more than 16 years' experience in ACWA Power, Mr. Al-Muhaidib is a skilled leader, having held several positions in both project execution and corporate finance. During the initial years of his career within the Group, Mr. Al-Muhaidib worked in corporate finance and served several roles on project boards and in committees, including NOMAC. Mr. Al-Muhaidib was then primarily involved in managing projects under execution in the UAE, including Noor Energy, which is the world's largest CSP project.

Before joining the Group, he worked at HSBC Middle East, Saudi Arabia in Global Investment Banking and Advisory.

Mr. Al-Muhaidib served as Board member, Audit Committee member and Risk Committee member in many organizations including HSBC Saudi Arabia, Saudi Arabian British Bank (SABB), Tadawul Group and several ACWA Power subsidiaries.

Mr. Al-Muhaidib holds a Bachelor's degree in Business Administration with a Finance major from the University of Miami as well as an MBA from Pepperdine University Graziadio School of Business and Management. He was also selected and completed the KSA Leadership 2030 program sponsored by HRH Mohammed bin Salman Foundation (MISK).

**Ms. Latifah Homoud Al-Sabhan**

**Member, Non-Board Member**

Ms. Latifa Al-Sabhan began her career in banking in 1998, after she joined the Saudi British Bank as Manager and Head of asset and liability reporting. Ms. Al-Sabhan has also served as Manager of the Compliance Division and Assistant General Manager of SAMBA Financial Group from 1999 to 2007. She then moved to serve as Chief Financial Officer at ANB Invest and Arab National Bank, respectively. Ms. Al-Sabhan has served as Chief Financial

Officer and Head of the Finance and Planning Division at the Arab National Bank. She also served as a member of several management committees, including the Audit Committee of ANB Capital, having more than 20 years of experience.

Ms. Al-Sabhan holds a Bachelor's degree in Business Administration and Accounting from the University of Kansas in 1989, and a CPA Certificate from Illinois.

**Audit Committee meetings**

The Audit Committee held 4 meetings. The following table illustrates the names and attendance of the Committee members.

Member Name	Position	07 March 2024	02 May 2024	18 July 2024	18 October 2024
Mr. Omar Mohammed Al-Hoshan	Chairperson	✓	✓	✓	✓
Mr. Hashem Othman Al-Hekail	Vice-Chairperson	✓	✓	✓	✓
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	Member	✓	✓	✓	-
Mr. Abdulhameed Sulaiman Al-Muhaidib	Member	✓	✓	✓	✓
Ms. Latifah Homoud Al-Sabhan	Member	✓	✓	✓	✓

\* Eng. Sultan Abdulaziz Al-Dughaither's (may Allah have mercy on him) membership ended on 6 August 2024.

**Governance, Risk and Compliance Committee**

The Governance, Risk and Compliance Committee was formed pursuant to the Board of Directors' resolution dated 2 January 2023.

**Committee composition**

In accordance with the Governance, Risk and Compliance Committee's Charter, the Committee shall be composed of 3 to 5 members, appointed by a Board of Directors' resolution, and that the Chairperson and the majority of its members are Non-Executive members of the Board. The Chairperson of the Board shall not be the Chairperson of the Committee.

Meetings of the Committee shall meet periodically at least every 6 months. The Chairperson of the Committee may convene a meeting at any time or at the request of 2 or more members of the Committee.

**Committee duties and responsibilities**

The responsibilities of the Governance, Risk and Compliance Committee include governance, risk and security compliance, but are not limited to the following:

- Making recommendations to the Board on approving policies and rules related to governance that are required by related laws and regulations.
- Establishing governance rules for the Holding Company in accordance with the provisions of the Companies Law and Corporate Governance Regulations issued by the Capital Market Authority.
- Keeping Board members abreast of developments in corporate governance and best practices.
- Making recommendations to the Board about the adoption of necessary policies for risk management and security in the Holding Company, including but not limited to, Risk Management Policy, Risk Appetite Policy, Business Continuity Policy, Anti-fraud Policy and Cybersecurity Policy.
- Reviewing and assessing the Holding Company's risk and security policies and Risk Appetite and reviewing and approving the Holding Company's Key Risk Indicators (KRIs) which are regularly submitted by the Risk and Security Division.
- Making recommendations to the Board on approving policies related to compliance.

- Following up on the implementation of current policies to verify the Holding Company's compliance with the applicable laws, regulations and resolutions based on the reports submitted by the Governance and Compliance Department.
- Assessing the measures and policies adopted to prevent and monitor compliance violations, ensuring they are adequate for the Holding Company, following up on corrective actions and submitting necessary recommendations to the Board.

**Governance, Risk and Compliance Committee members**

**Ms. Rania Mahmoud Nashar**

**Chairperson, Non-Executive**

Kindly refer to the Board of Directors biographies.

**Mr. Xavier Robert Rolet**

**Member, Non-Executive**

Kindly refer to the Board of Directors biographies.

**Eng. Khalid Abdullah Al-Hussan**

**Member, Executive**

Kindly refer to the Board of Directors biographies.

**Dr. Yahya Ali Al-Jabr**

**Member, Non-Board Member**

Dr. Yahya Al-Jabr is a member of the Risk Management Committee at Saudi Tadawul Holding Group.

He is an Associate Professor of Accounting and served as the Deputy Secretary General at the Saudi Organization for Certified Public Accountants (SOCPA).

Dr. Al-Jabr obtained a Bachelor's degree in Accounting from King Saud University, a Master's degree in Accounting from the University of Miami and a Ph.D. in Accounting from the University of Melbourne. He is also Certified a Public Accountant by the Saudi Organization for Certified Public Accountants (SOCPA), Certified Management Accountant (CMA) and Certified in Financial Management (CFM) by the US Institute of Management Accountants.

**Ms. Maha Mohammed Al-Sudairi**

**Member, Non-Board Member**

Ms. Maha Al-Sudairi, Chief Governance and Risk Officer of STC Bank, is a seasoned professional with proven leadership and technical experience in corporate governance, compliance risk and risk management spanning 15 years across mid-large size international market leading banks within Saudi Arabia.

Most recently, Ms. Al-Sudairi was the Chief Governance and Risk Officer of KAFD DMC and the Chief Risk Officer and Chief Compliance Officer at the Saudi British Bank. Ms. Al-Sudairi serves as a Board member for NUPCO, Deutsche Securities Saudi Arabia and STC Pay.

Ms. Al-Sudairi holds an MSc in International Finance from Kingston University, UK and a Bachelor of Arts in English Translation from King Saud University in Saudi Arabia.

**Governance, Risk and Compliance Committee meetings**

The Governance, Risk and Compliance Committee held 4 meetings. The following table illustrates the names and attendance of the Committee members.

Member Name	Position	21 March 2024	14 May 2024	29 August 2024	02 December 2024
Ms. Rania Mahmoud Nashar	Chairperson	✓	✓	✓	✓
Mr. Xavier Robert Rolet	Member	✓	✓	✓	✓
Eng. Khalid Abdullah Al-Hussan	Member	✓	✓	✓	✓
Dr. Yahya Ali Al-Jabr	Member	✓	✓	✓	✓
Ms. Maha Mohammed Al-Sudairi	Member	✓	✓	✓	✓

### Nomination and Remuneration Committee

The Nomination and Remuneration Committee was reformed pursuant to the Board of Directors' resolution dated 2 January 2023

#### Committee composition

Pursuant to the Charter of the Nomination and Remuneration Committee, the Committee consists of 3 to 5 members, including at least 1 independent member. The Chairperson of the Board of Directors shall not be the Chairperson of the Nomination and Remuneration Committee. The members and Chairperson of the Committee shall be appointed and dismissed by the Board of Directors.

#### Committee duties and responsibilities

The responsibilities of the Nomination and Remuneration Committee include, but are not limited to, the following:

- Examining the organizational structure of the Holding Company and its subsidiaries and making the necessary recommendations to the Board.
- Annually ensuring that there is no conflict of interest between the Chairperson, Board members and other critical administrative positions; whether the member is also a member of the Board of Directors of another company; as well as the independence of independent members of the Board and Committees.
- Assisting the Board in assessing the performance of the Board, its Committees and Executive Management in terms of strengths and weaknesses, and in sitting and implementing plans to define and enhance the competencies of Board members by recommending the necessary procedures.
- Nominating the Board members of the subsidiaries to the Holding Company's Board for approval and to obtain the CMA approval prior to nominate them to the General Assembly in accordance with the relevant laws and regulations.
- Nominating the GCEO of the Holding Company and recommending the Board of Directors in accordance with the relevant regulations and regulations.
- Identifying the remuneration of Board and Committee members, and Executive Management, in accordance with the policy and relevant regulations, and make the necessary recommendations to the Board and the General Assembly where applicable.

### Nomination and Remuneration Committee members

#### Eng. Olayan Mohammed Al-Wetaid\* Chairman, Independent

Kindly refer to the Board of Directors biographies.

\*Eng. Olayan Mohammed Al-Wetaid's membership started on 18 September 2024.

#### Mr. Mark Stephen Makepeace Member, Non-Executive

Kindly refer to the Board of Directors biographies.

#### Mr. Bandar Abdulrahman Bin Mogren Member, Non-Board Member

Mr. Bander Mogren is a Senior Managing Director, and the Chief Operating Officer at the Saudi Arabia Public Investment Fund (PIF) since 2016, where he leads the development of the Shared Services function as well as the strategic transformation of Information Technology systems and infrastructure. He is also a member of the PIF Portfolio Companies Nomination Committee. In his current role, Mr. Mogren represents the PIF on a number of boards and board committees including the Chair of the Board of Directors of SRJ Sports Investment Company.

Mr. Mogren is a Board member of King Abdullah Financial District Development Company and the Chair of its Nomination and Remuneration Committee. He is also a Board member of both Gulf International Bank Saudi Arabia and Bahrain and a member of its Nomination and Remuneration Committees (NRC's) and is a member of the Professional Fighters League (PFL) Board and its Compensation Committee. Mr. Mogren serves as a member of the Nomination and Remuneration Committees of a number of PIF portfolio companies, including NEOM, Qiddiya Investment Company, ROSHN, Saudi Tadawul Group, Newcastle United plc, Savvy Games Group, Riyadh Air, the Royal Court Decision Support Center and other companies.

Prior to joining the PIF, Mr. Mogren was the Managing Director of Human Resources and Corporate Services at NCB Capital and before that he held several other key positions at a number of Saudi Arabia's leading investment institutions, including Head of Human Resources at Jadwa Investments.

Mr. Mogren holds Bachelor's degree with a double major in Human Resources and Business Administration from Eastern Washington University, USA.

### Nomination and Remuneration Committee meetings

The Nomination and Remuneration Committee held 3 meetings. The following table illustrates the names and attendance of the Committee members.

Member Name	Position	16 May 2024	11 August 2024	16 October 2024
Eng. Olayan Mohammed Al-Wetaid*	Chairperson of the Committee	-	-	✓
Eng. Sultan Abdulaziz Al-Deghaither** (may Allah have mercy on him)	Former Chairperson of the Committee	✓	-	-
Mr. Mark Stephen Makepeace	Member	✓	✓	✓
Mr. Bandar Abdulrahman Bin Mogren	Member	✓	✓	✓

\*Eng. Olayan Mohammed Al-Wetaid's membership started on 18 September 2024.

\*\* Eng. Sultan Abdulaziz Al-Dughaither's (may Allah have mercy on him) membership ended on 6 August 2024.

### Investment Committee

The Investment Committee was reformed pursuant to the Board of Directors' resolution dated 2 January 2023

#### Committee composition

In accordance with the Investment Committee's Charter, the Committee shall be composed of 3 to 5 members by a resolution of the Board, including Board members with experience in mergers and acquisitions.

The composition shall include an independent member, who specialized in mergers and acquisitions in addition to the CEO. The term of membership on the Committee shall be to the same as the term of the Board.

#### Committee duties and responsibilities

The Committee shall assume the following duties and responsibilities in accordance with the Investment Policy and the authority matrix approved by the Board, but are not limited to the following:

- Providing recommendations to the Board of the Holding Company to approve the necessary policies for the department.
- Recommending to the Board of the Holding Company to approve the Investment Policy and the authority matrix.
- Reviewing and approving the investment strategy and deciding on relevant matters.
- Overseeing the Holding Company's investments in line with the approved Investment Policy.

- Recommending to the Board strategic investments (including mergers and acquisitions, and joint ventures) that were not mentioned in the approved Investment Policy.
- Approving the nomination process of the external advisors for the strategic investments and to approve their appointment and fees in accordance with the Management's recommendation.
- Appointing and disposing of external investment managers for the Holding Company, following up on their performance, approving their fees and terminating their duties.

#### Investment Committee members

#### Mrs. Sarah Jammaz Al-Suhaimi Chairperson, Independent

Kindly refer to the Board of Directors biographies.

#### Mr. Yazeed Abdulrahman Al-Humaid Member, Non-Executive

Kindly refer to the Board of Directors biographies.

#### Mr. Sabti Sulaiman Al-Sabti Member, Non-Executive

Kindly refer to the Board of Directors biographies.

#### Eng. Khalid Abdullah Al-Hussan Member, Executive

Kindly refer to the Board of Directors biographies.

**Mr. Fahad Ibrahim Al-Jomaih****Member, Non-Board Member**

Mr. Fahad Al-Jomaih is a Director at MENA Direct Investments in the Public Investment Fund. Mr. Al-Jomaih has several other positions, serving as a Board member for D360, Yanbu Cement, Pergola Holding, International Refreshment 29/Company and Aljomaih Equipment Company.

Mr. Al-Jomaih has held several other positions serving as a Director and Head of Investments at Abdul Latif Jameel

Investments, Investment Committee member at Abdul Latif Jameel Land, as well as Vice-President at Saudi Fransi Capital.

Mr. Al-Jomaih holds a Bachelor of Science in Business Administration from Northeastern University, a Master of Science in International Securities, Investments and Banking from the University of Reading and a Master's degree in Business Administration (MBA) from the University of Portsmouth.

**Investment Committee meetings**

The Investment Committee held 4 meetings. The following table illustrates the names and attendance of the Committee members.

Member Name	Position	25 March 2024	28 May 2024	04 September 2024	24 October 2024
Mrs. Sarah Jammaz Al-Suhaimi	Chairperson	✓	✓	✓	✓
Mr. Yazeed Abdulrahman Al-Humaid	Member	✓	✓	✓	✓
Mr. Sabti Sulaiman Al-Sabti	Member	✓	✓	✓	✓
Eng. Khalid Abdullah Al-Hussan	Member	✓	✓	✓	✓
Mr. Fahad Ibrahim Al-Jomaih	Member	✓	✓	✓	✓

**Remuneration Policy for the Board of Directors, Committee members and Executive Management**

In accordance with the Remuneration Policy for the Board of Directors, Committee members and the Executive Management, which was approved in the Extraordinary General Assembly dated 13 December 2023:

- Each Board member is entitled to an annual compensation of ٢ 400,000.
- The Chairperson of the Board is entitled to an annual compensation amount of ٢ 800,000.
- The Chairperson of each of the Board Committees is entitled to an annual compensation of ٢ 250,000.
- Each Board member is entitled to an annual compensation of ٢ 200,000 for his membership on one or more Committee.
- A member of the Board of Directors may obtain an additional remuneration for any executive, technical, administrative or advisory work that the Holding Company independently entrusts to them, provided that the member obtains the necessary approval to carry out such work.

**Remuneration mechanism**

The Remuneration Policy for the Board of Directors, Committee members and Executive Management shall follow performance-related standards, disclosure and verification of their implementation, taking the following into account:

- Being consistent with the Company's strategy and objectives.
- Being consistent with the magnitude, nature and level of risks faced by the Company.
- Acquiring and maintaining the Board members and Executive Management and encouraging them to achieve the success of the Holding Company, its Shareholders and its long-term development.
- Determining remuneration based on job level, duties and responsibilities, educational qualifications, practical experience, skills and level of performance.

**Details of remuneration****Remuneration details for Board members for the year 2024**

	Fixed Remunerations						Variable Remunerations					Aggregate amount	Expenses allowance			
	Specific amount	Allowance for attending Board meetings	Total allowance for attending Committee meetings	In-kind benefits	Remunerations for technical, managerial and consultative work	Remunerations of the Chairperson, Managing Director or Secretary, if a member	Total Fixed Remunerations	Percentage of the profits	Periodic remunerations	Short-term incentive plans	Long-term incentive plans			Granted shares	Total Variable Remunerations	End-of-service award
<b>First: Independent Directors</b>																
Mrs. Sarah Jammaz Al-Suhaimi	800,000	-	-	-	-	-	800,000	-	-	1,950,000***	-	-	1,950,000	-	2,750,000	-
Mr. Hashem Othman Al-Hekail	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
Eng. Sultan Abdulaziz Al-Deghaither ** (may Allah have mercy on him)	238,889	-	-	-	-	-	238,889	-	-	-	-	-	-	-	238,889	-
Eng. Olayan Mohammed Al-Wetaid **	135,555.56	-	-	-	-	-	135,555.56	-	-	-	-	-	-	-	135,555.56	-
<b>Total</b>	<b>1,574,445</b>	-	-	-	-	-	<b>1,574,445</b>	-	-	-	-	-	<b>1,950,000</b>	-	<b>3,524,444.56</b>	-
<b>Second: Non-Executive Directors</b>																
Mr. Yazeed Abdulrahman Al-Humaid	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
Ms. Rania Mahmoud Nashar	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
Mr. Sabti Sulaiman Al-Sabti	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
Mr. Mark Stephen Makepeace	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
Mr. Xavier Robert Rolet	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
<b>Total</b>	<b>2,000,000</b>	-	-	-	-	-	<b>2,000,000</b>	-	-	-	-	-	-	-	<b>2,000,000</b>	-
<b>Third: Executive Directors</b>																
Eng. Khalid Abdullah Al-Hussan	400,000	-	-	-	-	-	400,000	-	-	-	-	-	-	-	400,000	-
<b>Total</b>	<b>400,000</b>	-	-	-	-	-	<b>400,000</b>	-	-	-	-	-	-	-	<b>400,000</b>	-

\*Eng. Sultan Abdulaziz Al-Dughaither's (may Allah have mercy on him) membership ended on 06 August 2024.

\*\*Eng. Olayan Mohammed Al-Wetaid's membership started on 29 August 2024.

\*\*\*Remuneration related to the contribution in serving the Company's strategy.

## Remuneration of Committee members for their membership on the Board's Committees

Member Name	Fixed Remuneration	Meetings Attendance Allowance	Total (S)
<b>Audit Committee</b>			
Mr. Omar Mohammed Al-Hoshan	250,000	N/A	250,000
Mr. Hashem Othman Al-Hekail	200,000	N/A	200,000
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	119,444	N/A	119,444
Mr. Abdulhameed Sulaiman Al-Muhaidib	200,000	N/A	200,000
Ms. Latifah Homoud Al-Sabhan	200,000	N/A	200,000
<b>Total</b>	<b>969,444</b>	<b>N/A</b>	<b>969,444</b>
<b>Nomination and Remuneration Committee</b>			
Eng. Sultan Abdulaziz Al-Deghaither* (may Allah have mercy on him)	149,306	N/A	149,306
Eng. Olayan Mohammed Al-Wetaid**	84,722	N/A	84,722
Mr. Mark Stephen Makepeace	200,000	N/A	200,000
Mr. Bandar Abdulrahman Bin Mogren	200,000	N/A	200,000
<b>Total</b>	<b>634,028</b>	<b>N/A</b>	<b>634,028</b>
<b>Governance, Risk and Compliance Committee</b>			
Ms. Rania Mahmoud Nashar	250,000	N/A	250,000
Mr. Xavier Robert Rolet	200,000	N/A	200,000
Eng. Khalid Abdullah Al-Hussan	200,000	N/A	200,000
Dr. Yahya Ali Al-Jabr	200,000	N/A	200,000
Ms. Maha Mohammed Al-Sudairi	200,000	N/A	200,000
<b>Total</b>	<b>1,050,000</b>	<b>N/A</b>	<b>1,050,000</b>
<b>Investment Committee</b>			
Mrs. Sarah Jammaz Al-Suhaimi	250,000	N/A	250,000
Mr. Yazeed Abdulrahman Al-Humaid	200,000	N/A	200,000
Mr. Sabti Sulaiman Al-Sabti	200,000	N/A	200,000
Eng. Khalid Abdullah Al-Hussan	200,000	N/A	200,000
Mr. Fahad Ibrahim Al-Jomaih	200,000	N/A	200,000
<b>Total</b>	<b>1,050,000</b>	<b>N/A</b>	<b>1,050,000</b>
<b>Aggregate amount</b>	<b>3,703,472</b>	<b>N/A</b>	<b>3,703,472</b>

\* Eng. Sultan Abdulaziz Al-Dughaiter's (may Allah have mercy on him) membership ended on 6 August 2024.

\*\* Eng. Olayan Mohammed Al-Wetaid's membership started on 18 September 2024.

## Paid remunerations to the top 5 Senior Executives in 2024 (including the Group Chief Executive Officer and Chief Financial Officer)

	Amount (S)
Fixed Remunerations	7,548,367
	3,044,508
	517,500
<b>Total</b>	<b>11,110,375</b>
Variable Remunerations	-
	-
	10,684,000
	7,200,000
	-
<b>Total</b>	<b>17,884,000</b>
<b>End-of-service benefits</b>	-
<b>Total remunerations for Board Executives</b>	<b>400,000</b>
<b>Aggregate amount</b>	<b>28,994,375</b>

## Risk management

The Group has exposure to the following risks from its activities and use of financial instruments:

- Market risk.
- Credit risk.
- Operational risk management.
- Liquidity risk.

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing these risks. Furthermore, quantitative disclosures are included throughout these consolidated financial statements.

## Enterprise Risk Management Framework

The Board of Directors (the Board) has the overall responsibility for the establishment and oversight of the Group's Enterprise Risk Management (ERM) Framework. The Board is responsible for approving the Group's ERM Policy. Furthermore, the Board Governance, Risk and Compliance Committee is responsible for overseeing the effective implementation of the ERM Policy.

The Group's ERM Policy is established to identify and

analyze risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The ERM Policy and Framework are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group aims to develop a constructive risk culture in which all employees proactively engage and understand their roles and obligations.

The main components of the Group's ERM Framework are risk governance, risk appetite and tolerance, risk management process, risk universe, risk culture, risk management tools and relevant policies and procedures. The framework governs the processes required to identify, evaluate and prioritize the key risks that could impact the Group and the execution of its strategy.

To ensure an integrated and consistent approach across the risk management process of the Group, risk appetite and tolerance limits are defined as per the risk universe, which classifies risks into structured categories for effective risk management. This risk classification directly influences the particular configuration of the risk appetite and other ERM Framework elements such as the ERM Policy and procedures.

**Risk management structure**

A cohesive organizational structure is established within the Group in order to identify, assess, monitor and control risks.

**Board of Directors**

The objective of risk governance is the centralized oversight of the Board of Directors, providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

**Senior Management**

Senior Management is responsible for the day to day operations in respect of achieving the strategic goals within the Group's pre-defined risk appetite. All business functions link their risk assessment methodology in line with the risk universe and core statements. In addition, all the policies and procedures of the business functions should be aligned with all the tolerance levels stated in the Risk Appetite Statement.

The risks faced by the Group and the way these risks are mitigated by Management are summarized below:

**Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Group limits market risk by maintaining a diversified portfolio and by monitoring the developments in financial markets. Market risk reflects price risk, currency risk and commission rate risk.

**Credit risk**

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's accounts receivables from customers, cash at banks, time deposits and investment in debt securities.

**Operational risk management**

The Group's objective is to manage operational risk arising from failure of internal and external processes, individuals, systems or external events. These include issuer operations risks, member operations risks, market operations risks, human resources risks and physical asset risks. To balance the avoidance of financial losses and damage to the Group's reputation with overall cost-effectiveness, and to avoid control procedures that restrict initiative and creativity.

In order to manage the Group's Clearing services activities risks, the Group—through one of its subsidiaries (Muqassa)—has an integrated and comprehensive risk management system and ensures that its risk management framework identifies, measures, monitors and manages the risks that it bears from Clearing member's as well as other key institutions. The Group has a low risk appetite for financial, liquidity, operational, market and credit concentration risk. This appetite helps drive the setting of conservative values when deciding on key measures such as the default fund cover or investment duration. These risk management policies, procedures, systems and controls have been developed to adhere to the CMA's Securities Central Counterparties Regulation, as well as align to both CPMI-IOSCO's Principles for Financial Market Infrastructures (PFMI) and international best practices.

**Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

**Statutory payments, penalties and sanctions**

Regulatory Body	Description	Amount (ﷲ)
Capital Market Authority	Annual flat fees	130,000,000
General Authority of Zakat, Tax and Customs	Statutory payment of Zakat	65,748,761
General Authority of Zakat, Tax and Customs	Statutory payment of Withholding tax and VAT	165,913,316.11
General Organization for Social Insurance	Statutory payment for the employees	27,038,463.30

**Punishments and penalties**

Saudi Tadawul Group did not incur any punishment or penalties during the year of 2024 from any oversight, regulatory or judicial bodies.

**Business or contract to which the Company is a party of and in which a Director of the Company is or was interested**

Business or contract to which the Company is a party of and in which a Director of the Company is or was interested	Nature of the contract or business	Conditions of the contract or business	Duration	Amount
The Board member Mr. Sabti bin Suleiman Al-Sabti	Saudi Tadawul Group Holding Company's investment in AlAhli Saudi Riyal Trade Fund	An open ended public mutual fund	2024	During the year, the Company purchased units of funds amounting to ﷲ 192,793,405 and sold ﷲ 136,500,000 with realized gain of ﷲ 3,104,526. At year ended 31 December 2024, the Company held an investment amount of ﷲ 61,280,000 that includes unrealized gain of ﷲ 1,532,230.
The Board member Mr. Hashem bin Othman Al-Hekail	Saudi Tadawul Group Holding Company's investment in Derayah Money Market Fund	An open ended public mutual fund	2024	During the year, the Company purchased units of funds amounting to ﷲ 65,000,000 and sold amounting to ﷲ 41,808,775 with realized gain of ﷲ 117,491. At year ended 31 December 2024, the Company held an investment amount of ﷲ 23,438,653 that includes unrealized gain of ﷲ 125,672.

## Loans

Details of loans as at 31 December 2024 are as follows. It should be noted that the loans are related to the Group, in addition to loans through its subsidiary "Direct Financial Network Company (DFN)" (S millions):

Creditor Name	Amount of the Principal Debt	Loan Term	Amount Paid by the Company in Repayments of Loans During the Year	Remaining Amount
Cbc Finance Limited	3.0	60 months	0.6	0.5
Ajil Financial Services Company	5.0	30 months	0.9	-
Tamweel Aloula Company	15.0	36 months	7.3	0.5
Tamweel Aloula Company	3.9	36 months	1.9	1.2
Banque Saudi Fransi	20.0	12 months	-	12.5
Al-Rajhi	107.0	60 months	14.6	96.6
Al-Rajhi	80.0	60 months	-	80.6
<b>Total</b>	<b>234.0</b>		<b>25.3</b>	<b>191.9</b>

## Financial performance

### Preparation of the financial statements

In addition, there are no differences from the accounting standards issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). There are no material notes from the Auditor's on the Company's financial statements for the fiscal 2024.

### Profit or Loss Statement in (S)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
Operating revenue	1,079,635,090	1,166,080,140	1,071,429,658	1,072,780,190	1,446,558,786
Operating costs	(336,748,634)	(331,786,738)	(387,725,914)	(465,938,351)	(534,762,478)
<b>Gross profit</b>	<b>742,886,456</b>	<b>834,293,402</b>	<b>683,703,744</b>	<b>606,841,839</b>	<b>911,796,308</b>
General and administrative expenses	(177,719,748)	(221,535,351)	(256,317,557)	(278,906,922)	(342,251,232)
Reversal / (allowance) for expected credit losses	(19,735,859)	814,878	(268,425)	390,305	(3,416,079)
<b>Operating profit</b>	<b>545,430,849</b>	<b>613,572,929</b>	<b>427,117,762</b>	<b>328,325,222</b>	<b>566,128,997</b>
Investment income	38,797,145	40,596,274	74,724,252	127,034,102	151,115,912
Share of net loss in an equity-accounted investee	(2,101,685)	(3,279,208)	(9,918,562)	(17,157,777)	(29,723,438)
Finance costs	(2,525,112)	(2,695,456)	(2,371,987)	(4,246,034)	(10,743,617)
Other income, net	4,478,947	5,732,352	2,737,273	3,041,049	3,941,528
<b>Non-operating profit</b>	<b>38,649,295</b>	<b>40,353,962</b>	<b>65,170,976</b>	<b>108,671,340</b>	<b>114,590,385</b>
Profit for the year before Zakat	584,080,144	653,926,891	492,288,738	436,996,562	680,719,382
Zakat expense	(83,561,274)	(66,223,360)	(67,690,412)	(55,499,811)	(59,833,376)
<b>Profit for the year</b>	<b>500,518,870</b>	<b>587,703,531</b>	<b>424,598,326</b>	<b>381,496,751</b>	<b>620,886,006</b>
<b>Profit for the year is attributable to:</b>					
Ordinary Shareholders of the parent company	500,518,870	587,703,531	424,598,326	390,060,733	621,842,981
Non-controlling interest	-	-	-	(8,563,982)	(956,975)
	<b>500,518,870</b>	<b>587,703,531</b>	<b>424,598,326</b>	<b>381,496,751</b>	<b>620,886,006</b>

## Financial Position Statement (Riyal)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Assets</b>					
<b>Current assets</b>					
Cash, cash equivalents and time deposits	96,798,376	86,197,458	2,118,826,096	2,050,614,074	1,586,391,241
Clearing participant financial assets	32,177,558	18,013,567	4,060,678,204	3,526,916,817	4,409,323,509
Accounts receivables, net	57,364,818	60,547,611	64,348,393	94,707,793	98,911,703
Advances, prepayments and other assets	102,271,835	108,059,619	116,105,444	136,641,059	162,140,153
Investments	3,103,518,964	2,631,732,808	618,569,219	269,253,058	1,202,311,545
<b>Total current assets</b>	<b>3,392,131,551</b>	<b>2,904,551,063</b>	<b>6,978,527,356</b>	<b>6,078,132,801</b>	<b>7,459,078,151</b>
<b>Non-current assets</b>					
Equity accounted investments	378,895,293	375,616,085	400,697,523	383,539,746	551,253,325
Property and equipment	21,381,712	56,056,384	110,404,115	217,792,547	367,403,422
Intangible assets and goodwill	179,552,282	144,727,277	139,298,385	377,444,564	422,084,596
Investments	101,267,886	55,272,377	55,809,077	391,088,818	172,392,867
Right of use assets	19,856,726	7,120,394	5,310,445	217,360,938	169,012,940
<b>Total non-current assets</b>	<b>700,953,899</b>	<b>638,792,517</b>	<b>711,519,545</b>	<b>1,587,226,613</b>	<b>1,682,147,150</b>
<b>Total assets</b>	<b>4,093,085,450</b>	<b>3,543,343,580</b>	<b>7,690,046,901</b>	<b>7,665,359,414</b>	<b>9,141,225,301</b>

## Financial Position Statement (Riyal)

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
<b>Liabilities and Shareholder's equity</b>					
<b>Current liabilities</b>					
Clearing participant financial liabilities	22,177,557	18,013,349	4,031,775,573	3,508,060,041	4,382,226,111
Lease liability	9,128,643	982,913	–	51,306,125	48,803,277
Current portion of long-term borrowings	–	–	–	10,342,741	41,815,801
Accounts payables	5,977,047	6,785,710	12,467,820	49,793,406	52,425,296
Balance due to Capital Market Authority (CMA)	32,758,785	22,280,843	19,375,330	55,137,969	58,445,702
Accrued expenses and other liabilities	205,953,907	236,085,074	264,771,975	300,062,492	352,219,121
Deferred revenue	3,223,464	3,214,902	16,722,361	30,378,316	44,104,576
Zakat provision	83,561,274	66,663,698	67,221,868	64,221,598	65,748,761
<b>Total current liabilities</b>	<b>362,780,677</b>	<b>354,026,489</b>	<b>4,430,795,982</b>	<b>4,069,302,688</b>	<b>5,045,788,645</b>
<b>Non-current liabilities</b>					
Employees' end-of-service benefits	91,024,046	96,876,185	79,561,092	98,708,089	101,309,489
Lease liabilities	4,658,348	–	–	150,950,630	108,233,697
Derivative liability	–	–	–	–	44,074,800
Non-controlling interest put option	–	–	–	175,363,779	187,332,006
Long-term borrowings	–	–	–	1,145,301	150,066,667
Deferred revenue	–	–	–	12,397,613	12,682,832
<b>Total non-current liabilities</b>	<b>95,682,394</b>	<b>96,876,185</b>	<b>79,561,092</b>	<b>438,565,412</b>	<b>603,699,491</b>
<b>Total liabilities</b>	<b>458,463,071</b>	<b>450,902,674</b>	<b>4,510,357,074</b>	<b>4,507,868,100</b>	<b>5,649,488,136</b>
<b>Shareholder's equity</b>					
Share capital	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000	1,200,000,000
Statutory reserve	376,963,633	360,000,000	360,000,000	–	–
General reserve	1,114,180,214	–	–	–	–
Other reserve	–	–	–	(132,872,639)	(145,347,581)
Retained earnings	943,478,532	1,532,440,906	1,619,689,827	2,090,363,953	2,437,084,746
<b>Total Shareholder's equity</b>	<b>3,634,622,379</b>	<b>3,092,440,906</b>	<b>3,179,689,827</b>	<b>3,157,491,314</b>	<b>3,491,737,165</b>
<b>Total liabilities and Shareholder's equity</b>	<b>4,093,085,450</b>	<b>3,543,343,580</b>	<b>7,690,046,901</b>	<b>7,665,359,414</b>	<b>9,141,225,301</b>

## Board of Directors Declarations

The Board confirms the following:

1. Proper books of account have been maintained.
2. The system of internal control is sound in design and has been effectively implemented.
3. There is not the slightest doubt about the Company's ability to continue its activity.
4. No debt instruments were issued for each affiliate.
5. No investments or reserves were made or set up for the benefit of the employees of the Company.
6. No Board member has any competing business with the Company or any of the activities practiced by the Company.

# Financial Statements

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Our financial strength reflects Saudi Tadawul Group's disciplined strategy and commitment to sustainable growth. With a solid financial foundation, we continue to create value, optimize performance and drive future expansion.

# 06



# INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF SAUDI TADAWUL GROUP HOLDING COMPANY  
(A SAUDI JOINT STOCK COMPANY)



Ernst & Young  
Professional Services (Professional LLC)  
Paid-up capital (ﷲ 5,500,000 - Five  
million five hundred thousand Saudi Riyal)

Head Office  
Al Faisalah Office Tower, 14th Floor King Fahad Road, P.O. Box 2732 Riyadh 11461  
Kingdom of Saudi Arabia

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## Opinion

We have audited the consolidated financial statements of Saudi Tadawul Group Holding Company, (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants.

## Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, that is relevant to our audit of the consolidated financial statements, and we have fulfilled our

other ethical responsibilities in accordance with that Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming auditor's opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the consolidated financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

# INDEPENDENT AUDITOR'S REPORT (continued)

TO THE SHAREHOLDERS OF SAUDI TADAWUL GROUP HOLDING COMPANY  
(A SAUDI JOINT STOCK COMPANY)



Key audit matter	How our audit addressed the key audit matter
<p><b>Revenue recognition</b></p> <p>Revenue is key element of consolidated financial statements due to its materiality and is a key metric for the user of the Group's consolidated financial statements. Due to its scale and significance to the consolidated financial statements revenue recognition is determined as key audit matter.</p> <p>The Group has recognised revenue of ﷲ 1,446 million for the year ended 31 December 2024 (2023: ﷲ 1,073 million).</p> <p>The Group's revenue comprises of tradingservices, listing services, technology and information services, membership services and post-trade services. The recognition of certain revenue streams is automated while others revenue streams is through manual processing, therefore, controls around revenue recognition process are critical for correct recognition of revenue.</p> <p>Refer to note 3.17 for the accounting policy related to revenue recognition and note 26 for the related disclosure.</p>	<p>Our audit procedures performed included, among others, the following:</p> <ul style="list-style-type: none"> <li>• Obtained our understanding of the revenue recognition process including the recording of the different revenue streams;</li> <li>• Tested design and implementation of relevant key controls around the revenue recognition process including the recognition of revenue streams;</li> <li>• Involved our IT specialists to test the operating effectiveness of general IT controls and IT application controls around the revenue recognition of trading services, technology and information services and major post-trade services (clearing, settlement and trading related custody services);</li> <li>• Performed recalculation of revenue recorded from trading services, listing fees (annual) and part of post-trade services (in relation to trading activity);</li> <li>• For a sample of transactions, we performed test of details to verify that the revenue recorded from listing fees, technology and information services and other post-trade services exists and is accurate through vouching to sales invoices;</li> <li>• Evaluated the accounting policies around the recognition of revenue under each revenue stream to determine if the recognition meets the point in time or over the period revenue recognition criteria; and</li> <li>• Assessed the appropriateness of the presentation and disclosures in the consolidated financial statements with respect to revenue and the relevant accounting policies.</li> </ul>

## Other information included in The Group's 2024 Annual Report

Other information consists of the information included in the Group's 2024 annual report, other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information in its annual report. The Group's 2024 annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Group's 2024 annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

## Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards that are endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by the Saudi Organization for Chartered and Professional Accountants and the applicable provisions of Regulations for Companies and Company's By-laws, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

# INDEPENDENT AUDITOR'S REPORT (continued)

TO THE SHAREHOLDERS OF SAUDI TADAWUL GROUP HOLDING COMPANY  
(A SAUDI JOINT STOCK COMPANY)



In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance i.e. the Audit Committee is responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

# INDEPENDENT AUDITOR'S REPORT (continued)

TO THE SHAREHOLDERS OF SAUDI TADAWUL GROUP HOLDING COMPANY  
(A SAUDI JOINT STOCK COMPANY)

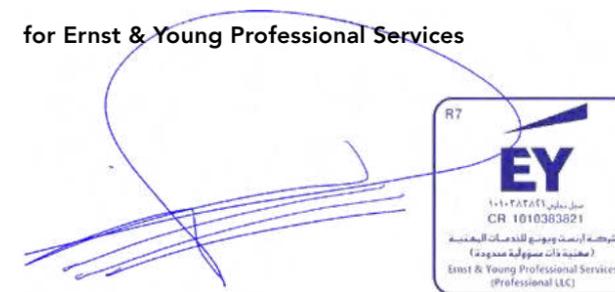


We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

for Ernst & Young Professional Services



**Waleed G. Tawfiq**  
Certified Public Accountant  
License No. 437

Riyadh: 2 Ramadhan 1446H  
(2 March 2025)

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

**Consolidated Statement of Financial Position**

As at 31 December 2024

(Saudi Arabian Riyals)

	Notes	31 December 2024	31 December 2023 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property and equipment	4	367,403,422	217,792,547
Intangible assets and goodwill	5	422,084,596	377,444,564
Equity accounted investments	6	551,253,325	383,539,746
Right-of-use assets	7	169,012,940	217,360,938
Investments	8	172,392,867	391,088,818
<b>Total non-current assets</b>		<b>1,682,147,150</b>	<b>1,587,226,613</b>
<b>Current assets</b>			
Investments	8	1,202,311,545	269,253,058
Accounts receivable	9	98,911,703	94,707,793
Advances, prepayments and other assets	10	162,140,153	136,641,059
Clearing participant financial assets	11	4,409,323,509	3,526,916,817
Time deposits	12	1,234,207,295	-
Cash and cash equivalents	13	352,183,946	2,050,614,074
<b>Total current assets</b>		<b>7,459,078,151</b>	<b>6,078,132,801</b>
<b>Total assets</b>		<b>9,141,225,301</b>	<b>7,665,359,414</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	1	1,200,000,000	1,200,000,000
Other reserve	17	(145,347,581)	(132,872,639)
Retained earnings		2,437,084,746	2,090,363,953
<b>Total equity</b>		<b>3,491,737,165</b>	<b>3,157,491,314</b>
<b>Non-current liabilities</b>			
Lease liabilities	15	108,233,697	150,950,630
Employees' end-of-service benefits	16	101,309,489	98,708,089
Non-controlling interest put option	17	187,332,006	175,363,779
Derivative liability	18	44,074,800	-
Borrowings	19	150,066,667	1,145,301
Deferred revenue	23	12,682,832	12,397,613
<b>Total non-current liabilities</b>		<b>603,699,491</b>	<b>438,565,412</b>
<b>Current liabilities</b>			
Lease liabilities	15	48,803,277	51,306,125
Borrowings	19	41,815,801	10,342,741
Clearing participant financial liabilities	20	4,382,226,111	3,508,060,041
Accounts payable	21	52,425,296	49,793,406
Balance due to Capital Market Authority (CMA)	22	58,445,702	55,137,969
Deferred revenue	23	44,104,576	30,378,316
Accrued expenses and other current liabilities	24	352,219,121	300,062,492
Zakat provision	25	65,748,761	64,221,598
<b>Total current liabilities</b>		<b>5,045,788,645</b>	<b>4,069,302,688</b>
<b>Total liabilities</b>		<b>5,649,488,136</b>	<b>4,507,868,100</b>
<b>Total equity and liabilities</b>		<b>9,141,225,301</b>	<b>7,665,359,414</b>

The accompanying notes from (1) through (42) form an integral part of these consolidated financial statements.



Chairperson



Group Chief Executive Officer



Group Chief Financial Officer

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

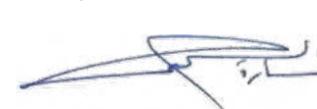
**Consolidated Statement of Profit or Loss and Other Comprehensive Income**

For the year ended 31 December 2024

(Saudi Arabian Riyals)

	Notes	For the year ended 31 December	
		2024	2023
Operating revenue	26	1,446,558,786	1,072,780,190
Operating costs	27	(534,762,478)	(465,938,351)
<b>Gross profit</b>		<b>911,796,308</b>	<b>606,841,839</b>
General and administrative expenses	28	(342,251,232)	(278,906,922)
(Allowance) / reversal for expected credit losses	29	(3,416,079)	390,305
<b>Operating profit</b>		<b>566,128,997</b>	<b>328,325,222</b>
Investment income	30	151,115,912	127,034,102
Share of results of equity accounted investments and reversal of impairment	6	(29,723,438)	(17,157,777)
Finance costs	31	(10,743,617)	(4,246,034)
Changes in the fair value of a derivative liability	18	1,474,826	-
Other income, net		2,466,702	3,041,049
<b>Non-operating profit</b>		<b>114,590,385</b>	<b>108,671,340</b>
<b>Profit before zakat for the year</b>		<b>680,719,382</b>	<b>436,996,562</b>
Zakat expense	25	(59,833,376)	(55,499,811)
<b>Profit for the year</b>		<b>620,886,006</b>	<b>381,496,751</b>
<b>Profit for the year is attributable to:</b>			
Ordinary shareholders of the parent company		621,842,981	390,060,733
Non-controlling interests		(956,975)	(8,563,982)
		<b>620,886,006</b>	<b>381,496,751</b>
<b>Other comprehensive income / (loss)</b>			
<b>Other comprehensive income / (loss) that will not be reclassified subsequently to the statement of profit or loss:</b>			
Actuarial remeasurement of employees' end-of-service benefits	16	1,328,072	(1,803,861)
<b>Other comprehensive income / (loss) for the year</b>		<b>1,328,072</b>	<b>(1,803,861)</b>
<b>Total comprehensive income for the year</b>		<b>622,214,078</b>	<b>379,692,890</b>
<b>Total comprehensive income for the year is attributable to:</b>			
Ordinary shareholders of the parent company		622,720,793	387,874,126
Non-controlling interest		(506,715)	(8,181,236)
		<b>622,214,078</b>	<b>379,692,890</b>
<b>Basic and diluted earnings per share attributable to ordinary shareholders of the parent company</b>	32	<b>5.18</b>	<b>3.25</b>

The accompanying notes from (1) through (42) form an integral part of these consolidated financial statements.



Chairperson



Group Chief Executive Officer



Group Chief Financial Officer

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

(Saudi Arabian Riyals)

	Equity attributable to the ordinary shareholders of the parent company					Non-controlling interests	Total equity
	Share capital	Statutory reserve	Other reserve	Retained earnings	Sub-total		
Balance as at 31 December 2023	1,200,000,000	-	(161,328,401)	2,090,363,953	3,129,035,552	-	3,129,035,552
Impact of fair value adjustments to net assets of business combination (Note 40)	-	-	28,455,762	-	28,455,762	-	28,455,762
Balance as at 1 January 2024 (restated)	1,200,000,000	-	(132,872,639)	2,090,363,953	3,157,491,314	-	3,157,491,314
Net profit / (loss) for the year	-	-	-	621,842,981	621,842,981	(956,975)	620,886,006
Other comprehensive income for the year	-	-	-	877,812	877,812	450,260	1,328,072
<b>Total other comprehensive income / (loss) for the year</b>	-	-	-	<b>622,720,793</b>	<b>622,720,793</b>	<b>(506,715)</b>	<b>622,214,078</b>
Dividends (Note 39)	-	-	-	(276,000,000)	(276,000,000)	-	(276,000,000)
Non-controlling interest put option (Note 17)	-	-	(12,474,942)	-	(12,474,942)	506,715	(11,968,227)
<b>Balance as at 31 December 2024</b>	<b>1,200,000,000</b>	-	<b>(145,347,581)</b>	<b>2,437,084,746</b>	<b>3,491,737,165</b>	-	<b>3,491,737,165</b>
Balance as at 31 December 2022	1,200,000,000	360,000,000	-	1,619,689,827	3,179,689,827	-	3,179,689,827
Acquisition of subsidiary (Note 40) - restated	-	-	-	-	-	50,672,376	50,672,376
Net profit / (loss) for the year	-	-	-	390,060,733	390,060,733	(8,563,982)	381,496,751
Other comprehensive (loss) / income for the year	-	-	-	(2,186,607)	(2,186,607)	382,746	(1,803,861)
<b>Total other comprehensive income / (loss) for the year</b>	-	-	-	<b>387,874,126</b>	<b>387,874,126</b>	<b>(8,181,236)</b>	<b>379,692,890</b>
Dividends (Note 39)	-	-	-	(277,200,000)	(277,200,000)	-	(277,200,000)
Non-controlling interest put option (Note 17) - restated	-	-	(132,872,639)	-	(132,872,639)	(42,491,140)	(175,363,779)
Transfer of statutory reserve (Note 14)	-	(360,000,000)	-	360,000,000	-	-	-
<b>Balance as at 31 December 2023 (restated)</b>	<b>1,200,000,000</b>	-	<b>(132,872,639)</b>	<b>2,090,363,953</b>	<b>3,157,491,314</b>	-	<b>3,157,491,314</b>

The accompanying notes from (1) through (42) form an integral part of these consolidated financial statements.



Chairperson



Group Chief Executive Officer



Group Chief Financial Officer

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Consolidated Statement of Cash Flows

For the year ended 31 December 2024

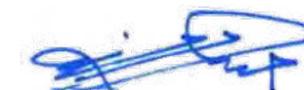
(Saudi Arabian Riyals)

	Notes	For the year ended 31 December	
		2024	2023
<b>Cash flows from operating activities</b>			
Profit before zakat for the year		680,719,382	436,996,562
<b>Adjustments to reconcile profit before zakat for the year to net cash generated from operating activities:</b>			
Share of results of equity accounted investments and reversal of impairment	6	29,723,438	17,157,777
Provision for employees' end-of-service benefits	16	14,786,185	14,164,932
Changes in the fair value of a derivative liability	18	(1,474,826)	-
Depreciation and amortization	27,28	81,038,285	74,793,037
Allowance / (reversal) for expected credit losses	29	3,416,079	(390,305)
Commission income	26,30	(175,515,909)	(186,940,507)
Realised gain on sale of investments, net	30	(40,167,277)	(4,518,981)
Unrealised gain on investments, net	30	(40,495,850)	(4,632,741)
Dividend income	30	(2,850,129)	(810,036)
Finance costs		6,221,962	170,930
<b>Changes in operating assets and liabilities:</b>			
Accounts receivable		(7,620,481)	(10,970,986)
Advances, prepayments and other assets		(19,611,462)	(4,693,942)
Accounts payable		2,631,890	14,032,540
Balance due to Capital Market Authority (CMA)		3,307,733	35,762,639
Deferred revenue		14,011,479	(890,391)
Accrued expenses and other current liabilities		52,156,629	26,077,548
Clearing participant financial assets		(882,406,692)	533,761,387
Clearing participant financial liabilities		874,166,070	(542,176,587)
<b>Net cash generated from operations</b>		<b>592,036,506</b>	<b>396,892,876</b>
Employees' end-of-service benefits paid	16	(10,856,713)	(4,867,289)
Zakat paid		(64,193,845)	(67,139,038)
Commission income received from SAMA bills and deposits		107,913,253	69,868,165
<b>Net cash flows from operating activities</b>		<b>624,899,201</b>	<b>394,754,714</b>
<b>Cash flows from investing activities</b>			
Purchase of investments		(1,955,016,859)	(559,598,439)
Proceeds from disposal of investments		1,323,892,697	583,381,005
Investments in time deposits with original maturities more than three months		(1,234,207,295)	-
Commission income received on investment at amortised cost		16,474,580	12,083,010
Dividend income received		263,789	193,153
Commission received on time deposits		51,139,661	105,010,344
Investment in equity accounted investments	6.2,6.3	(151,887,391)	-
Purchase of intangible assets and property and equipment		(213,734,516)	(141,070,815)
Purchase consideration for acquisition of subsidiary net of cash acquired	40	-	(107,638,674)
<b>Net cash flows used in investing activities</b>		<b>(2,163,075,334)</b>	<b>(107,640,416)</b>
<b>Cash flows from financing activities</b>			
Finance cost paid on lease liabilities		-	(33,832)
Principal repayment of lease liabilities		(58,426,459)	(68,800,797)
Repayment of borrowings		(25,327,536)	(9,291,691)
Proceeds from borrowings		199,500,000	-
Dividends paid	39	(276,000,000)	(277,200,000)
<b>Net cash flows used in financing activities</b>		<b>(160,253,995)</b>	<b>(355,326,320)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(1,698,430,128)</b>	<b>(68,212,022)</b>
Cash and cash equivalents at beginning of the year		2,050,614,074	2,118,826,096
<b>Cash and cash equivalents at end of the year</b>	<b>13</b>	<b>352,183,946</b>	<b>2,050,614,074</b>
<b>Non-cash transactions:</b>			
Additions of right-of-use assets and lease liabilities	7	-	260,457,743
Remeasurement of employees' end-of-service benefits	16	(1,328,072)	1,803,861
Purchase consideration for acquisition of subsidiary net of cash acquired	40	-	4,337,000
Depreciation of right of use assets capitalized	7.1	42,889,408	35,842,464
Finance cost on lease liabilities capitalized	15.1	11,518,116	9,320,191

The accompanying notes from (1) through (42) form an integral part of these consolidated financial statements.



Chairperson



Group Chief Executive Officer



Group Chief Financial Officer

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 1. GENERAL

Saudi Tadawul Group Holding Company (formerly "Saudi Stock Exchange Company") (the "Company", "Parent") is a Saudi joint stock company registered in the Kingdom of Saudi Arabia under Commercial Registration number 1010241733 dated 2/12/1428 H (corresponding to 12 December 2007). The Company was established by the Royal Decree no. M/15 dated 01/03/1428 H (corresponding to 20 March 2007) and the Ministry of Commerce resolution no. 320/k dated 1/12/1428 H (corresponding to 11 December 2007).

The Company was wholly owned by the Government of the Kingdom of Saudi Arabia (the "Government") as ultimate controlling party through the Public Investment Fund ("PIF"). On 8 December, 2021 the Company completed its Initial Public Offering ("IPO") and its ordinary shares were listed on the Saudi Stock Exchange. In connection with the IPO, the Government through PIF sold 30% of their stake representing 36 million ordinary shares. On 13 November 2022, PIF sold an additional 10% of their stake representing 12 million ordinary shares. Accordingly, PIF now holds 60% (31 December 2023: 60%) of the share capital. As at 31 December 2024, the authorized, issued and fully paid-up share capital of the Company is ₪ 1,200 million (31 December 2023: ₪ 1,200 million) divided into 120 million shares (31 December 2023: 120 million shares) of ₪ 10 each.

The Company's main activities are managing and supporting subsidiaries or participating in the management of other companies in which it owns shares, investing its funds in shares and other securities owning real estate and other properties in connection with its businesses, granting loans, guarantees and financing to its subsidiaries, and owning and leasing industrial property rights to its subsidiaries or other companies.

On 7 May 2023, 51% shareholding in Direct Financial Network Company ("DFN") was acquired by the Group through one of its subsidiary (Wamid) refer note 1.1, 40 for details. On 15 December 2024, the Group announced a development regarding the acquisition through one of its wholly owned subsidiary, Tadawul Advanced Solutions Company ("WAMID") which already held 51% shares in

Direct Financial Network Company (DirectFN Limited), by announcing the acquisition of 49% of the entire remaining shares in Direct Financial Network Company (DirectFN Limited) for a value of ₪ 220,500,000 in accordance with the terms of agreement. This transaction is subject to the completion of the regulatory requirements and Group deems that date of completion of regulatory approvals and requirements will be the acquisition date which was not completed as of 31 December 2024 and hence no impacts for this transaction are reflected in these consolidated financial statements. Subsequently, on 2 February 2025 (corresponding to Shaban 3rd, 1446 AH) the Group announced the completion of the regulatory requirements of the transaction and hence the acquisition was completed which will be reflected in the consolidated financial statements prepared for the period ended 31 March 2025.

The Group has established a new wholly owned subsidiary (a Limited Liability Company) called "Tadawul Investment Holding Company" ("TIH") with authorised share capital of ₪ 35 million registered in the Kingdom of Saudi Arabia under Commercial Registration number 1010980736 dated 25/7/1445 H (corresponding to 6 February 2024). TIH's objective is to fully hold investment in another subsidiaries, including in the new wholly owned subsidiary (a Limited Liability Company) called "Tadawul First Investment Company" ("TFIC") with the authorized share capital of ₪ 25 million registered in the Kingdom of Saudi Arabia under Commercial Registration number 1009014645 dated 8/10/1445 H (corresponding to 17 April 2024). TFIC is used as investment vehicle to own Group's upcoming planned investments in associates and joint ventures.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 1. GENERAL (CONTINUED)

On 26 June 2024 (corresponding to 20 Dhu Al-Hijjah 1445 AH), Group through one of its subsidiary (TFIC) acquired 32.6% shareholding of Gulf Mercantile Exchange Limited (GME) (formerly called Dubai Mercantile Exchange – DME), a company incorporated in Bermuda on 21 April 2005. GME provides an electronic financial market to facilitate trading, clearing and settlement of a range of energy financial instruments. It also provides a set of ancillary services similar to those of other financial exchanges to help promote the market's development. Refer note 1 and 6.3.

The Group's main activities through dedicated subsidiaries and equity accounted investments (given in note 1.1 and 1.2) is to provide a listing service, create and manage the mechanisms of trading of securities, providing depository and registration services for securities ownership, clearing of securities trades, dissemination of securities information, provide financial technology solutions and financial content and innovative capital market solutions and products for stakeholders and engage in any related other activity to achieve the objectives as defined in the Capital Market Law.

These consolidated financial statements comprise of the financial statements of the Company and its subsidiaries (collectively referred to as "the Group").

The Company's registered office address is as follows:

Tadawul Tower, building no. 3229  
Financial Boulevard (KAFFD)  
Riyadh 13519  
Kingdom of Saudi Arabia

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 1. GENERAL (CONTINUED)

### 1.1 Details of the Company's subsidiaries:

Name of subsidiaries	Country of incorporation and legal status	Commercial registration dated	Business activity	Effective ownership		Paid up share capital
				December 2024	December 2023	
Securities Depository Center Company ("Edaa")	Kingdom of Saudi Arabia, Closed Saudi Joint Stock Company	27/11/1437 H (corresponding to 30 August 2016 G)	Depository and registration of securities	100%	100%	400,000,000
Securities Clearing Center Company ("Muqassa")	Kingdom of Saudi Arabia, Closed Saudi Joint Stock Company	02/06/1439 H (corresponding to 18 February 2018 G)	Clearing services of securities	100%	100%	600,000,000
Saudi Exchange Company ("Exchange")	Kingdom of Saudi Arabia, Closed Saudi Joint Stock Company	17/08/1442 H (corresponding to 31 March 2021G)	Listing and trading of securities, market information dissemination	100%	100%	600,000,000
Tadawul Advance Solution Company ("Wamid")	Kingdom of Saudi Arabia, Closed Saudi Joint Stock Company	11/02/1442 H (corresponding to 28 September 2020 G)	Financial technology solutions, innovative capital market solutions for stakeholders	100%	100%	75,000,000
Tadawul Investment Holding Company ("TIH")	Kingdom of Saudi Arabia, Limited Liability Company	25/07/1445 H (corresponding to 6 February 2024 G)	Holding company for other subsidiaries to be used for planned investments in associates and joint ventures	100%	-	35,000,000
Tadawul First Investment Company ("TFIC") wholly owned by TIH	Kingdom of Saudi Arabia, Limited Liability Company	8/10/1445 H (corresponding to 17 April 2024)	Investment vehicle for the Group's investment in GME Limited.	100%	-	25,000,000
Direct Financial Network Company (DFN) owned by Wamid (Refer Note 40)	Kingdom of Saudi Arabia, Saudi Limited Liability Company	16/09/1426 H (corresponding to 19 October 2005)	Develops financial technology and financial content for stakeholders	51%	51%	500,000

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 1. GENERAL (CONTINUED)

DFN has following material subsidiaries that are involved in developing financial technology and financial content for stakeholders:

Name of subsidiaries	Country of incorporation	Effective ownership 2024	Effective ownership 2023
Direct Financial Network ME Dubai Multi Commodities Center	United Arab Emirates	100%	100%
DFN Technology (Private) Limited	Sri Lanka	99%	99%
DFN Technology Pakistan (Private) Limited	Pakistan	99%	99%

### 1.2 Details of the Company's equity accounted investments:

Name of companies	Country of incorporation and legal status	Commercial registration dated	Business activities	Ownership, direct and effective		Paid up share capital
				December 2024	December 2023	
Tadawul Real Estate Company ("TREC")	Kingdom of Saudi Arabia, Limited Liability Company	22/02/1433 H (corresponding to 17 January 2012 G)	Buying, selling, renting, managing and operating real estate facilities	33.12%	33.12%	1,280,000,000
Regional Voluntary Carbon Market Company ("RVCMC")	Kingdom of Saudi Arabia, Limited Liability Company	28/03/1444 H (corresponding to 24 October 2022 G)	Active market and Auction for Carbon Credits	20%	20%	400,000,000
Gulf Mercantile Exchange Limited ("GME") formerly called Dubai Mercantile Exchange (DME)	Bermuda, Limited Liability Company	12/3/1426 H (corresponding to 21 April 2005 G)	Electronic financial market to facilitate trading, clearing and settlement of a range of energy financial instruments	32.6%	-	328,006,200

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 2. BASIS OF PREPARATION

### 2.1 Statement of compliance

These consolidated financial statements have been prepared in accordance with the IFRS Accounting Standards as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA") and in compliance with the applicable provisions of the Regulations for Companies in the Kingdom of Saudi Arabia and the By-laws of the Company.

### 2.2 Basis of measurement

These consolidated financial statements have been prepared on historical cost basis, except for financial assets and liabilities measured at fair value through profit or loss which are measured at fair value and employees' end-of-service benefits which are measured at the present value of future obligations using projected unit credit method.

### 2.3 Functional and presentation currency

These consolidated financial statements are presented in Saudi Arabian Riyals ("ﷻ"), which is the functional and presentational currency of the Group and its subsidiaries and associates. All amounts have been rounded to the nearest Saudi Riyal. For each subsidiary and equity accounted entities, the Group determines the functional currency and items included in the financial statements of each entity are measured using the functional currency.

### 2.4 Basis of consolidation

These consolidated financial statements comprise the financial statements of Saudi Tadawul Group Holding Company and its subsidiaries (collectively referred to as "the Group"). Control is achieved when the Group is exposed to or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- exposure, or rights, to variable returns from its involvement with the investee; and
- the ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- the contractual arrangement with the other vote holders of the investee;
- rights arising from other contractual arrangements; and
- the Group's voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group obtains control until the date the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 2. BASIS OF PREPARATION (CONTINUED)

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in the consolidated statement of income. Any investment retained is recognised at fair value.

### 2.5 Current versus non-current classification

The Group presents assets and liabilities in the statement of financial position based on current / non-current classification. An asset is classified as current when:

- expected to be realised or Intended to be sold or consumed in the normal operating;
- held primarily for the purpose of trading;
- expected to be realised within twelve months after the reporting period; or
- cash or cash equivalent, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled in the normal operating cycle;
- it is held primarily for the purpose of trading;
- it is due to be settled within twelve months after the reporting period; or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current.

## 2.6 New standards and amendments issued

### Standards and amendments adopted as of 1 January 2024

The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023, and the adoption of new standards effective as of 1 January 2024. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective. The International Accounting Standard Board (IASB) has issued following accounting standards, amendments, which were effective from periods on or after January 1, 2024. The management has assessed that the amendments have no significant impact on the Group's financial statements.

- Amendments to IAS 1: Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants- Clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period and non-current liabilities with covenants.
- Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements - Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements.
- Amendments to IFRS 16: Lease Liability in a Sale and Leaseback - Require seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains.

### Standards and amendments issued and not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's consolidated financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 2. BASIS OF PREPARATION (CONTINUED)

Effective for annual financial periods beginning on or after	Standard, amendment or interpretation	Summary of requirements
1 January 2025	Amendments to IAS 21 – Lack of exchangeability	Sale or contribution of Assets between an Investor and its Associate or Joint Ventures.
Effective date deferred indefinitely	Amendments to IFRS 10 and IAS 28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Sale or contribution of Assets between an Investor and its Associate or Joint Ventures.
1 January 2027	IFRS 18 Presentation and Disclosure in Financial Statements	New requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements (PFS) and the notes.
1 January 2027	IFRS 19 - Subsidiaries without Public Accountability: Disclosures	In May 2024, the Board issued IFRS 19 Subsidiaries without Public Accountability: Disclosures (IFRS 19), which allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply IFRS 19 will not need to apply the disclosure requirements in other IFRS accounting standards.
1 January 2026	Amendments to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	Clarifies derecognition of financial liabilities on "Settlement date" and settled through electronic payment system before settlement date with certain conditions, clarifies contractual cash flows characteristic linked with environmental, social and governance (ESG) features, clarifies treatment of non-recourse assets and contractually linked instruments, require additional disclosures financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at fair value through other comprehensive income.
1 January 2026	Annual Improvements to IFRS Accounting Standards	Clarification and amendments relating to various IFRSs under annual improvement program.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

# Notes to the Consolidated Financial Statements

For the year ended 31 December 2024

(Saudi Arabian Riyals)

## 2. BASIS OF PREPARATION (CONTINUED)

### 2.7 Critical accounting estimates and judgments

The preparation of these consolidated financial statements in conformity with the International Financial Reporting Standards ("IFRS") as endorsed in the Kingdom of Saudi Arabia requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, profit and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Information about material assumptions and estimation uncertainties are included in:

- Impairment of investment in associates: As referred to in note 3.3 of these consolidated financial statements, the Group estimates the recoverable amount of its investment for the assessment of impairment. To compute the recoverable amount of investment in associates, the Group applies its judgement in determining the recoverable amount. Based on the evaluation, the Group has concluded that there are no impairment indicators as at year end.
- Valuation of the employees' end-of-service benefits: The costs of defined benefit plans are determined using actuarial valuations. The actuarial valuation involves making assumptions, which are reviewed annually. Key assumptions include discount rates, future salary increases, employee turnover, mortality rates and retirement age. Due to the complexity of the valuation, the underlying assumptions and the long-term nature of these plans, such estimates are subject to significant uncertainty. Information about amounts reported in respect of defined benefit plans, assumptions applicable to the plans and their sensitivity to changes are presented in note 16.
- Allowance for expected credit losses: Allowance of expected credit losses are probability-weighted estimate of credit losses. Loss rates are calculated using "roll rate" method based on the probability of a trade debt progressive through successive stages of delinquency to calculate the weighted average loss rate. The assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate. (Note 3.6)

- Useful life of intangible assets: The Group's management determines the estimated useful lives of its intangible assets for calculating amortisation. This estimate is determined after considering the expected future cash generation from the software. The Group management reviews the residual values and useful lives annually and future amortisation charges would be adjusted where management believes the useful lives differ from previous estimates.
- Impairment of intangible assets: The Group assesses at each reporting date whether there is any indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's or cash generating unit's (CGU) recoverable amount. An asset's or CGU's recoverable amount is higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset or CGU, unless the asset or CGU does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset or CGU is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects the current market assessment of the time value of money and the risks specific to the assets or CGU. The management does not believe there is any impairment in the value of intangible assets at year-end.
- Impairment of non-financial assets: An impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs of disposing of the asset. The value in use calculation is based on a discounted cash flow model (DCF). The cash flows are derived from the budget for the next five years and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the performance of the assets of the CGU being tested.

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### 2. BASIS OF PREPARATION (CONTINUED)

The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used for extrapolation purposes. These estimates are most relevant to goodwill recognised by the Group. The key assumptions used to determine the recoverable amount are disclosed and further explained in Note 5.

- Capitalisation of software development costs: The Group capitalizes cost for software development projects. Initial capitalization of costs is based on management's judgement that technological and economic feasibility is confirmed, usually when a software development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised, management makes assumptions regarding element of directly attributable costs, expected future cash generation of the project and the expected period of benefits
- Revenue recognition on time or over period of time refer note 3.17
- Going concern: The Group's management has made an assessment of the Group's ability to continue as a going concern and is satisfied that the Group has the resources to continue the business for the foreseeable future. Furthermore, the management is not aware of any material uncertainties that may cast a significant doubt about the Group's ability to continue as a going concern. Therefore, the consolidated financial statements continue to be prepared on a going concern basis.
- Fair value of derivative liability: The fair value of put options granted is estimated at the reporting date using a Monte-Carlo simulation model, considering the terms and conditions on which the put options agreement. The model simulates the total shareholder return and compares it against the group of principal competitors. It considers historical and expected dividends, and the share price volatility of the entity relative to that of its competitors so as to predict the share price.

### 3. MATERIAL ACCOUNTING POLICIES

The material accounting policies adopted in the preparation of these consolidated financial statements are set out below.

#### 3.1 Property and equipment

Property and equipment except land are measured at cost less accumulated depreciation and accumulated impairment losses, if any. Land is measured at its cost. The cost include expenditure directly attributable to the acquisition of the asset including the cost of purchase and any other costs directly attributable to bringing the assets to a working condition for their intended use. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. When parts of an item of property and equipment have different useful lives, they are accounted for as separate items (major components) of property and equipment.

The cost of replacing part of an item of operating fixed assets is recognized in the carrying amount of the item if it is probable the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The cost of the day-to-day servicing of operating fixed assets are recognized in the profit or loss as incurred. An item of property and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the assets (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognized.

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### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

#### Depreciation

Depreciation is calculated over depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value. Depreciation is recognized in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property and

equipment except for the land and capital work-in-progress. Depreciation of an asset begins when it is available for use. The estimated useful lives for current and comparative periods of different items of property and equipment are as follows:

	Estimated useful lives (years)
Building	10-30
Furniture and fixtures	5 - 25
Computers	3-5
Office equipment	2-6
Vehicles	4

Depreciation methods, useful lives, impairment indicators and residual values are reviewed at each annual reporting date and adjusted, if appropriate.

#### 3.2 Intangible assets and goodwill

Purchased intangible assets are initially recognised at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. These assets are amortised on a straight-line basis over their useful economic lives of 7 to 20 years.

Work-in-progress is stated at cost until the development of software is complete and installed. The software is developed by third parties to the Group's specification. Upon the completion and installation, the cost together with cost directly attributable to development and installation are capitalized to the intangibles. No amortization is charged on work-in-progress.

Internally generated intangibles are composed of expenditure incurred on internal product development which is capitalised if the costs can be reliably measured; the product or process is technically and commercially feasible; future economic benefits are probable; and the Group has sufficient resources to complete the development and to use or sell the asset. The assets are initially recorded at cost, which includes labour and,

directly attributable costs. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. These intangible assets when under work-in-progress are stated at cost and not amortised until they are ready for their intended use. Once available for the intended use, they are then amortised over their useful economic lives of 7 to 20 years.

An intangible asset is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed. If the reassessment still results in excess, the gain is recognised in the consolidated statement of profit or loss and other comprehensive income.

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### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

After initial recognition, goodwill is measured at cost less any accumulated impairment losses, if applicable. For the purpose of impairment testing, goodwill acquired in a business combination is, from acquisition date, allocated to each of the Group's cash generating units (CGU) that are expected to have benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed off, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and portion of CGU retained.

#### 3.3 Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit", or "CGU").

The Group's corporate assets do not generate separate cash inflows. Therefore, a corporate asset is not tested for impairment as an individual asset on a stand-alone basis, unless management has decided to dispose of the asset. If there is an indication that a corporate asset may be impaired, then the recoverable amount is determined for the CGU to which the corporate asset belongs. A portion of a corporate asset is allocated to a CGU when the allocation can be done on a reasonable and consistent basis.

When a portion of a corporate asset cannot be allocated to a CGU on a reasonable and consistent basis, two levels of impairment tests are carried out.

- The first test is performed at the individual CGU level without the corporate asset (bottom-up test), and any impairment loss is recognized.
- The second test is applied to the minimum collection of CGUs to which the corporate asset can be allocated reasonably and consistently (top-down test).

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss. Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

#### 3.4 Investments in equity accounted entities

An associate is an entity over which the Group has significant influence, but not control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

Investments in associates and joint ventures are accounted for using the equity method and are recognized initially at cost. The consolidated financial statements include the Group's share of the profit or loss and equity movements of associates, after adjustments to align the accounting policies with those of the Group, from the date that significant influence commences until the date that significant influence ceases.

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### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

When the Group's share of losses exceeds its interest in an associate, the carrying amount of that interest, including any long-term investments, is reduced to nil, and the recognition of further losses is discontinued except to the extent that the Group has a corresponding obligation.

After application of the equity method, the Group determines whether it is necessary to recognize an impairment loss on its investment in its associate. At each reporting date, the Group determines whether there is any objective evidence that the investment in the associate is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate and its carrying value and recognizes the loss in the profit and loss.

Unrealised gains arising from transactions associates are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

#### 3.5 Right-of-use assets and lease liabilities

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of identified asset for a period of time in exchange for consideration.

##### As a lessee:

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right of use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred at and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset

reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable;
- variable lease payments that are based on an index or a rate;
- amounts expected to be payable by the lessee under residual value guarantees;
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option; and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

##### Short-term leases and leases of low-value assets

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items relating to office equipment.

The lease liability is measured at amortised cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

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### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

When the lease liability is re-measured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

#### 3.6 Financial instruments

##### i. Recognition and initial measurement:

Account receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is an account receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. An account receivable without a significant financing component is initially measured at the transaction price.

##### ii. Classification and subsequent measurement of financial assets:

The classification and measurement of financial assets is set out below:

- amortised cost;
- fair value through other comprehensive income (FVOCI) – debt investment;
- fair value through other comprehensive income (FVOCI) – equity investment; or
- fair value through profit or loss (FVTPL)

The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and its contractual cash flow characteristics.

##### Financial assets at amortized cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Investments in debt securities which meet the above conditions, cash and cash equivalents, accounts receivable and other receivables are carried at amortized cost.

##### Financial assets at FVOCI

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

##### Financial assets at FVTPL

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Investments in units of mutual funds are carried at FVTPL.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

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### 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

##### Financial assets – Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

##### Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

The following accounting policies apply to the subsequent measurement of financial assets.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Fair value changes including any interest or dividend, are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Financial assets at amortised cost	These assets are recognized initially at cost and subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest profit, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income is calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Fair value changes are recognized in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Fair value changes are recognised in OCI and are never reclassified to profit or loss.

### iii. Classification and measurement of financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss, unless they are required to be measured at fair value through profit or loss. The Group measure all financial liabilities at amortised cost except employees' end-of-service benefit liability.

### iv. Derecognition

#### Financial assets

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

#### Financial liabilities

A financial liability is derecognized when its contractual obligations are discharged or cancelled or expired.

### v. Offsetting

Financial assets and liabilities are offset and reported net in the statement of financial position when there is a currently legally enforceable right to set off the recognised amounts and when the Group intends to settle on a net basis, or to realise the asset and settle the liability simultaneously. Profit and expenses are not being offset in the statement of profit or loss unless required or permitted by any accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group.

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### vi. Impairment of financial assets

IFRS 9 uses the 'expected credit loss' (ECL) model to assess the impairment of financial assets. The impairment model applies to financial assets measured at amortised cost, debt instruments measured at FVOCI and contract assets.

The expected credit loss shall be measured and provided either at an amount equal to (a) 12 month expected losses; or (b) lifetime expected losses. If the credit risk of the financial instrument has not increased significantly since inception, then an amount equal to 12 month expected loss is provided. In other cases, lifetime credit losses shall be provided.

The Group recognizes loss allowances for Expected Credit Losses (ECLs) on:

- financial assets measured at amortised cost; and
- contract assets

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-months ECLs:

- debt instruments that are determined to have low credit risk at the reporting date; and
- other debt instruments and bank balances for which credit risk has not increased significantly since initial recognition.

Loss allowances for accounts receivables and contract assets are always measured at an amount equal to lifetime ECLs.

For trade receivables with a significant financing component, Group has a choice to adopt simplified or general approach to measure ECLs. Accordingly, the Group has adopted simplified approach to measure ECL on trade receivables with significant financing component, whereby an assessment of increase in credit risk need not be performed at each reporting date

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the group's historical experience and informed credit assessment, that includes forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realizing security (if any is held); or
- the financial asset is more than 90 days past due.

### Measurement of ECLs

ECLs are probability-weighted estimate of credit losses. Loss rates are calculated using "roll rate" method based on the probability of a trade debt progressive through successive stages of delinquency to calculate the weighted average loss rate. These rates are multiplied by scalar factors to reflect the difference between economic conditions during the period over which the historical data has been collected, current conditions and the Company's view of economic conditions over the expected lives of the receivables. Credit losses for financial assets other than trade receivables which are current in nature are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.)

ECLs are discounted at the effective interest rate of the financial asset.

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### Presentation of allowance for ECL in statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. Impairment losses related to accounts receivables and investments at amortized cost are presented in profit or loss.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

### Write-off

The gross carrying amount of a financial asset is written-off when the group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. The Group has a policy of writing off the gross carrying amount when:

- the customer has been deemed bankrupt;
- the customer ceased to exist as a legal entity; or
- the group negotiated a partial payment where the rest of the outstanding balance will be written – off

### 3.7 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. The fair value of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 —Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 —Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the consolidated financial statements on a recurring basis, the Group determines whether transfers have occurred between Levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

At each reporting date, management of the Group analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Group's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities based on the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as 'active' if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and long positions at a bid price and liabilities and short positions at an ask price. The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

### 3.8 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at banks in current accounts and other short-term liquid investments with original maturities of three months or less and that are subject to an insignificant risk of changes in value, if any, which are available to the Group without any restrictions.

### 3.9 Employees' end-of-service benefits

Employees' end-of-service benefits are payable to all employees employed under the terms and conditions of the labor laws applicable to the Group.

The Group's net obligation in respect of employees' end-of-service benefits is calculated by estimating the amount of future benefits that employees have earned in the current and prior periods. That benefit is discounted to determine its present value.

Re-measurements, comprising of actuarial gains and losses, are recognized immediately in the consolidated statement of financial position with a corresponding debit or credit to retained earnings through other comprehensive income, in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods

The Group recognises the following changes in the defined benefits obligation under 'operating cost' and 'general and administrative expenses' in the profit and loss account:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Interest expense.

The calculation of defined benefits obligation is performed annually by a qualified actuary using the projected unit credit method.

### 3.10 Non-controlling interest put option

Written put options on non-controlling interest where the Group does not have an unconditional right to avoid the delivery of cash, are recognised as financial liabilities at the present value of the exercise price. Under this method, based on the terms of the agreement and Group's assessment on case to case basis, non-controlling interest is recognised however while the put option remains unexercised, at the end of each reporting period, the Group:

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

- determines the amount that would have been recognised for the non-controlling interest, including an update to reflect allocations of profit or loss
- de-recognises the non-controlling interest as if it was acquired at that date
- the difference between the fair value of the non-current liability resulting from the put option and the non-controlling interests is recognized in other reserve in equity

### 3.11 Business combination

Business combinations are accounted for applying the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred which is measured at fair value on the acquisition date and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the consolidated statement of profit or loss and other comprehensive income when incurred.

When the Group acquires a business, it assesses the financial assets acquired and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

### 3.12 Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in consolidated statement of profit or loss and other comprehensive income over the period of the borrowings using the effective interest method. Borrowings are removed from the consolidated statement of financial position when the obligation specified in the contract is discharged, cancelled or expired. The borrowings are classified as a current liability when the remaining maturity is less than twelve months.

Borrowing costs directly attributable to the acquisition, development of qualifying assets, which are assets that necessarily take a substantial period of time, that is more than one year, to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. No borrowing costs are capitalised during idle periods. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognised in separate Statement of Income in the period in which they are incurred.

### 3.13 Zakat

The Group is subject to Zakat in accordance with the Zakat regulation issued by the General Authority for Zakat and Tax ("ZATCA") in the Kingdom of Saudi Arabia. Zakat is recognized in the consolidated statement of profit or loss. Zakat is levied at a fixed rate of 2.5% of the zakat base as defined in the Zakat regulations. DFN in which the Group's shareholding is 51% submits its individual Zakat return and income tax returns. Provision for Zakat and income tax for DFN is recognised in the consolidated statement of profit or loss and other comprehensive income.

Additional zakat calculated by ZATCA, if any, related to prior years is recognized in the year in which final declaration is issued.

### 3.14 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost in profit or loss.

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 3.15 Financial liabilities

Financial liabilities are measured initially at fair value and subsequently either measured at fair value through profit or loss or at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. The Group measures all financial liabilities at amortised cost except employees' end-of-service benefit liability and derivative liability which is measured at fair value through profit or loss.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

### 3.16 Contingent liabilities

All possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly with the control of the Group; or all present obligations arising from past events but not recognized because: (i) it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation, or (ii) the amount of the obligation cannot be measured with sufficient reliability. All are assessed at reporting date and disclosed in the Group's consolidated financial statements under contingent liabilities.

### 3.17 Revenue recognition

The main source of the Group's revenue is through fees for services provided. Revenue is measured based on the consideration specified in a contract with a customer.

The Group recognises revenue under IFRS 15 using the following five steps model:

Step 1: Identify the contract with customer	A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.
Step 2: Identify the performance obligations	A performance obligation is a promise in a contract with a customer to transfer a good or deliver a service to the customer.
Step 3: Determine the transaction price	The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or deliver services to a customer, excluding amounts collected on behalf of third parties.
Step 4: Allocate the transaction price	For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the total consideration to which the Group is entitled in exchange for satisfying each performance obligation.
Step 5: Recognise revenue	The Group recognises revenue (or as) it satisfies a performance obligation by transferring a promised good or deliver a service to the customer under a contract.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

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(Saudi Arabian Riyals)

## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

The revenue recognition policies for revenue streams under each operating segment are set out below:

### A. Capital Markets

Revenues in the Capital Markets segment are generated from Primary and Secondary market services.

**A.1** Primary market initial listing and the ongoing listing services represent a performance obligation from initial listing and additional issuances at over period of time. The Group recognizes the revenue at the time of admission and additional issuance. All initial listing fees are billed to the listed company at the time of admission and become payable when invoiced.

**A.2** Primary market annual listing fees, secondary markets membership and subscription fees are collected semi-annually and are recorded as contract liabilities (deferred revenue) and subsequently recognized in profit or loss on a straight line basis over the period of twelve months to which the fee relates, as it reflects the extent of the Group's progress towards completion of the performance obligation under the contract.

**A.3** Secondary market trading and associated capital market services are recognised as revenue on a per transaction basis at the point the service is provided.

**A.4** Derivative market trading and associated capital market services are recognised as revenue on a per transaction basis at the point the service is provided.

### B. Post Trade

Revenues in the post trade segment are generated from clearing, settlement, custody and other post trade services.

**B.1** Clearing, settlement and custody services generate fees from trades or contracts cleared and settled and custody services which are recognised as revenue at a point in time when the Group meets its obligations to complete the transaction or service. In cases where the Group's performance obligations related to custody services are completed over time, revenue is recognised on a straight-line basis, representing the continuous delivery of services over the period. In cases where there is

a fixed annual fee for a service, the revenue is recognised overtime and billed on annual basis.

**B.2** Other post trade services include revenue from registry services which is collected annually at the start of the year and is recorded as contract liabilities (deferred revenue) and is subsequently recognized in profit or loss on a straight line basis over the period to which the fee relates, as it reflects the extent of the Group's progress towards completion of the performance obligation under the contract.

### C. Data and technology services

The Data and technology services segment generates revenues from the provision of information and data products including, benchmarks and customized indices, real-time market data, reference data and analytics services.

**C.1** Data subscription and index license fees are recognised over the license or usage period as the Group meets its obligation to deliver data consistently throughout the license period. Services are billed on a monthly or annual basis.

**C.2** Co-location services offer trading participants the opportunity to co-locate their services and rent server space within the Company's data center to ensure the lowest latency route possible to Saudi Tadawul Group's trading services and products. This revenue is recognised over time, consistent with the pattern of the service provision and how the performance obligation is satisfied throughout the contract period.

**C.3.** Software licensing and support services include licenses to financial services applications and regulatory market data. Revenue from licensing and support services that grant the right to access intellectual property are recognised over time, consistent with the pattern of the service provision and how the performance obligation is satisfied throughout the license period.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

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## 3. MATERIAL ACCOUNTING POLICIES (CONTINUED)

### D. Other fees

These fees are generated from the provision of events and media services, and are typically recognised as revenue at the point the service is rendered and becomes payable when invoiced.

### E. Dividend and commission income

Dividend income recognized when the right to receive is established. Commission income recognized in profit or loss on an effective yield basis.

**Deferred revenue** is recognised if a payment is received or a payment is due (whichever is earlier) from a customer before the Group provide the services to customers and are recognised as revenue when the Group completes its performance obligation under the contract.

**Accrued revenue** is initially recognised for revenue earned from services provided, however, invoice is not issued and once the invoice issued contract assets is reclassified to trade receivables.

### 3.18 Expenses

General and administrative expenses are those arising from the Group's efforts underlying the marketing, consultancy, administrative and maintenance functions. Costs that relate directly to operations are classified as operating cost. Allocations of common expenses between operating costs and general and administrative expenses, when required, are made on a consistent basis.

### 3.19 Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate ruling at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the reporting year. Non-monetary assets and liabilities

that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Foreign currency differences arising on retranslation are recognized in profit or loss, except for differences arising on the retranslation of FVOCI instruments, which are recognized in other comprehensive income. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The results and financial position of foreign operations (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- income and expenses for each statement of income and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognized in the consolidated statement of comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings are recognized in consolidated statement of comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to the consolidated statement of income, as part of the gain or loss on sale.

Fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

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## 4. PROPERTY AND EQUIPMENT

	Notes	Land	Buildings	Furniture and fixtures	Computers	Office equipment	Vehicles	Capital work-in-progress	Total
<b>Cost:</b>									
Balance as at 1 January 2023		2,310,985	618,248	22,005,397	180,703,105	20,252,262	2,190,603	52,185,492	280,266,092
Additions		-	238,342	128,620	9,892,756	743,911	354,500	110,281,588	121,639,717
Acquisition of a subsidiary	40	1,824,189	3,989,658	802,692	11,180,584	899,185	188,909	-	18,885,217
<b>Balance as at 31 December 2023</b>		<b>4,135,174</b>	<b>4,846,248</b>	<b>22,936,709</b>	<b>201,776,445</b>	<b>21,895,358</b>	<b>2,734,012</b>	<b>162,467,080</b>	<b>420,791,026</b>
Additions		-	-	11,290,291	27,099,322	712,489	679,995	133,768,263	173,550,360
Disposals		-	-	(8,976,404)	(28,749,584)	(4,551,387)	(535,450)	-	(42,812,825)
<b>Balance as at 31 December 2024</b>		<b>4,135,174</b>	<b>4,846,248</b>	<b>25,250,596</b>	<b>200,126,183</b>	<b>18,056,460</b>	<b>2,878,557</b>	<b>296,235,343</b>	<b>551,528,561</b>
<b>Accumulated depreciation:</b>									
Balance as at 1 January 2023		-	151,127	18,578,478	130,332,142	18,896,816	1,903,414	-	169,861,977
Acquisition of a subsidiary	40	-	2,827,436	616,558	10,223,326	86,085	168,621	-	13,922,026
Charge for the year	4.1	-	133,427	784,769	17,084,637	1,030,522	181,121	-	19,214,476
<b>Balance as at 31 December 2023</b>		<b>-</b>	<b>3,111,990</b>	<b>19,979,805</b>	<b>157,640,105</b>	<b>20,013,423</b>	<b>2,253,156</b>	<b>-</b>	<b>202,998,479</b>
Charge for the year	4.1	-	20,608	1,996,797	20,368,524	1,181,118	359,400	-	23,926,447
Disposals		-	-	(8,963,366)	(28,749,584)	(4,551,387)	(535,450)	-	(42,799,787)
<b>Balance as at 31 December 2024</b>		<b>-</b>	<b>3,132,598</b>	<b>13,013,236</b>	<b>149,259,045</b>	<b>16,643,154</b>	<b>2,077,106</b>	<b>-</b>	<b>184,125,139</b>
<b>Net book value:</b>									
<b>As at 31 December 2024</b>		<b>4,135,174</b>	<b>1,713,650</b>	<b>12,237,360</b>	<b>50,867,138</b>	<b>1,413,306</b>	<b>801,451</b>	<b>296,235,343</b>	<b>367,403,422</b>
<b>As at 31 December 2023</b>		<b>4,135,174</b>	<b>1,734,258</b>	<b>2,956,904</b>	<b>44,136,340</b>	<b>1,881,935</b>	<b>480,856</b>	<b>162,467,080</b>	<b>217,792,547</b>

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

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## 4. PROPERTY AND EQUIPMENT (CONTINUED)

4.1 Deprecation expenses is allocated as follows:

	Notes	For the year ended 31 December	
		2024	2023
Operating costs	27	19,639,986	16,314,589
General and administrative expenses	28	4,286,461	2,899,887
<b>Total</b>		<b>23,926,447</b>	<b>19,214,476</b>

## 5. INTANGIBLE ASSETS AND GOODWILL

	Notes	Software	DFN brand	Customer relationship	Goodwill	Capital work-in-progress	Total
<b>Cost:</b>							
Balance as at 1 January 2023		427,031,293	-	-	-	28,267,918	455,299,211
Additions		42,785,459	-	-	-	21,707,003	64,492,462
Acquisition of a subsidiary (restated)	40	148,432,687	12,859,708	34,714,306	65,517,363	8,454,236	269,978,300
Transfer to software		8,043,085	-	-	-	(8,043,085)	-
Balance as at 31 December 2023 (restated)		<b>626,292,524</b>	<b>12,859,708</b>	<b>34,714,306</b>	<b>65,517,363</b>	<b>50,386,072</b>	<b>789,769,973</b>
Additions		69,777,134	-	-	-	24,827,584	94,604,718
<b>Balance as at 31 December 2024</b>		<b>696,069,658</b>	<b>12,859,708</b>	<b>34,714,306</b>	<b>65,517,363</b>	<b>75,213,656</b>	<b>884,374,691</b>
<b>Accumulated amortization:</b>							
Balance as at 1 January 2023		316,000,826	-	-	-	-	316,000,826
Acquisition of a subsidiary	40	54,508,929	-	-	-	-	54,508,929
Charge for the year	5.1	41,815,654	-	-	-	-	41,815,654
<b>Balance as at 31 December 2023</b>		<b>412,325,409</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>412,325,409</b>
Charge for the year	5.1	44,908,940	1,630,161	3,425,585	-	-	49,964,686
<b>Balance as at 31 December 2024</b>		<b>457,234,349</b>	<b>1,630,161</b>	<b>3,425,585</b>	<b>-</b>	<b>-</b>	<b>462,290,095</b>
<b>Net book value as at 31 December 2024</b>		<b>238,835,309</b>	<b>11,229,547</b>	<b>31,288,721</b>	<b>65,517,363</b>	<b>75,213,656</b>	<b>422,084,596</b>
<b>Net book value as at 31 December 2023 (restated)</b>		<b>213,967,115</b>	<b>12,859,708</b>	<b>34,714,306</b>	<b>65,517,363</b>	<b>50,386,072</b>	<b>377,444,564</b>

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### 5. INTANGIBLE ASSETS AND GOODWILL (CONTINUED)

5.1 Amortization expense allocation is as follows:

	Notes	For the year ended 31 December	
		2024	2023
Operating costs	27	46,940,060	37,693,607
General and administrative expenses	28	3,024,626	4,122,047
<b>Total</b>		<b>49,964,686</b>	<b>41,815,654</b>

#### 5.2 Goodwill

Goodwill is attributable to acquisition transaction of DFN. For the impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. As at 31 December 2024, the recoverable amount of DFN and newly identified intangible assets from DFN acquisition of customer relationship and DFN brand were considered as single group of cash generating units was determined based on value in use calculations which require the use of assumptions. The calculations used cash flow projections based on financial budgets and projections approved by management covering a five-years period. Cash flows beyond the five-years period were extrapolated using the estimated growth rate stated below. This growth rate was consistent with forecasts included in industry reports specific to the industry in which the group of CGUs operate. The calculation of value in use was most sensitive to the assumptions on discount rate.

Key assumptions underlying the projections included discount rate of 12%.

#### Discount rate

The discount rate is an estimate of the weighted average cost of capital as of 31 December 2024 based on market rates adjusted to reflect management's estimate of the specific risks relating to operations of the CGU.

#### Sensitivity analysis

As at 31 December 2024, management of the Company has considered and assessed reasonably possible changes for key assumptions and has not identified any instances that could cause the carrying value of the group of CGU including goodwill to exceed its recoverable amount.

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### 6. EQUITY ACCOUNTED INVESTMENTS

	Notes	31 December 2024	31 December 2023
Investment in Tadawul Real Estate Company ("TREC ")	6.1	346,012,633	359,701,941
Investment in Regional Voluntary Carbon Company ("RVCMC")	6.2	53,781,083	23,837,805
Investment in Gulf Mercantile Exchange Limited ("GME")	6.3	151,459,609	-
<b>Total</b>		<b>551,253,325</b>	<b>383,539,746</b>

#### 6.1 Investment in TREC

This represents the Group's share of investment in TREC, a company incorporated in the Kingdom of Saudi Arabia. As at 31 December 2024, the Group owns 33.12% (31 December 2023: 33.12%) of the share capital of TREC. The main activities of this associate is to develop a commercial office tower in King Abdullah Financial District, Riyadh, where the Group will be headquartered.

During the year ended 31 December 2023, the Group assessed whether there was any indication that an impairment loss recognised in prior years may no longer exist or may have decreased. Considering the completion

of TREC's building "Tadawul Tower" and committed occupancy, the Group carried out an impairment test and estimated the recoverable amount to be more than the carrying amount and reversed impairment amounting to ₪ 20.89 million.

The Group has recognized its share of loss for year ended 31 December 2024, based on available draft of TREC financial statements at the time of issuance of the Group's consolidated financial statement.

The movement in carrying value of investment is as follows:

	Note	31 December 2024	31 December 2023
Balance as at 1 January		359,701,941	365,697,523
<b>Share of results of associates and reversal of impairment</b>			
Reversal of impairment		-	20,889,120
Share of results, (adjusted by equity accounting elimination)	34.1	(13,689,308)	(26,884,702)
		<b>(13,689,308)</b>	<b>(5,995,582)</b>
<b>Balance at end of the year</b>		<b>346,012,633</b>	<b>359,701,941</b>

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### 6. EQUITY ACCOUNTED INVESTMENTS (CONTINUED)

The following table summarizes the financial information of the associate as included in the management accounts:

	31 December 2024	31 December 2023
<b>Summarized statement of financial position</b>		
Total current assets	191,153,617	156,604,707
Total non-current assets	2,280,165,052	2,323,513,241
Total current liabilities	1,352,977,117	1,362,830,420
Total non-current liabilities	14,615,637	3,725,343
Net assets (100%)	1,103,725,915	1,113,562,185
Group's share in equity – 33.12%	365,554,023	368,811,796
Cumulative equity accounting adjustments	(19,541,390)	(9,109,855)
Group's carrying amount of the investment	<b>346,012,633</b>	<b>359,701,941</b>

	For the year ended 31 December	
	2024	2023
<b>Summarized statement of profit or loss and other comprehensive income</b>		
Total revenue	216,792,211	121,861,195
Net loss and total comprehensive loss for the year	(8,195,094)	(58,266,984)

#### 6.2 Investment in RVCMC

This represents the Group's share of investment in RVCMC, a company incorporated in the Kingdom of Saudi Arabia on 25 October 2022. The main activities of this associate include offering guidance and resourcing to support businesses and industries in the region as they play their part in the global transition to net zero, ensuring that carbon credit purchases go above and beyond meaningful emission reductions in value chains. The RVCMC's capital amounts to 500 million (paid up capital of 400 million, 2023; 175 million), where PIF holds 80% stake and the Company holds 20% stake. RVCMC is headquartered in Riyadh, Kingdom of Saudi Arabia.

The Group has recognized its share of loss for the year ended 31 December 2024, based on available draft of RVCMC financial statements at the time of issuance of the Group's consolidated financial statement.

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## Notes to the Consolidated Financial Statements

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### 6. EQUITY ACCOUNTED INVESTMENTS (CONTINUED)

The movement in carrying value of investment is as follows:

	Note	31 December 2024	31 December 2023
Balance as at 1 January		23,837,805	35,000,000
Investment made during the year		45,000,000	-
Share of results	34.1	(15,056,722)	(11,162,195)
<b>Balance at end of the year</b>		<b>53,781,083</b>	<b>23,837,805</b>

The following table summarizes the financial information of the associate as included in the management accounts:

	31 December 2024	31 December 2023
<b>Summarized statement of financial position</b>		
Total assets	390,930,854	145,042,099
Total liabilities	122,025,441	25,853,074
Net assets (100%)	268,905,413	119,189,025
Group's share in equity – 20%	<b>53,781,083</b>	<b>23,837,805</b>

	For the year ended 31 December	
	2024	2023
<b>Summarized statement of profit or loss and other comprehensive income</b>		
Total revenue	105,596,535	52,931,798
Net loss and total comprehensive loss for the year	(69,481,183)	(55,810,977)

#### 6.3 Investment in GME

This represents the Group investment in GME, a company incorporated in Bermuda on 21 April 2005. The main activities of this joint venture includes providing an electronic financial market to facilitate trading, clearing and settlement of a range of energy financial instruments. It also provides a set of ancillary services similar to those of other financial exchanges to help promote the market's development. The GME's paid up capital of 328 million where the Company holds 32.6% stake and majorly owned by New York Mercantile Exchange Inc. (NYMEX), a corporation incorporated in Delaware, United States of America; Eagle Commodities Limited, a limited liability company incorporated in Jersey and Tatweer Dubai LLC, a limited liability Company incorporated in Dubai, United Arab Emirates. GME is headquartered in Bermuda.

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### 6. EQUITY ACCOUNTED INVESTMENTS (CONTINUED)

The accounting for investment in GME is based on fair value of assets and liabilities from the purchase price allocation exercise concluded during the year ended 31 December 2024.

The Group has recognized its share of results for the year ended 31 December 2024 from the acquisition date as mentioned above based on available draft of GME's financial statements at the time of issuance of the Group's consolidated financial statement.

The movement in carrying value of investment is as follows:

	Notes	From 26 June to 31 December 2024
Investment made on 26 June 2024		106,887,391
Derivative liability	18	45,549,626
Share of results (adjusted by amortization of identified intangible assets at acquisition)	34.1	(977,408)
<b>Balance at end of the year</b>		<b>151,459,609</b>

The following table summarizes the financial information of GME as included in the management accounts:

	31 December 2024
<b>Summarized statement of financial position</b>	
Total assets including newly identified intangible assets	169,616,269
Total liabilities	5,713,864
Net assets (100%)	163,902,405
Group's share in equity – 32.6%	53,432,184
Derivative liability	45,549,626
Goodwill	52,477,799
Group's carrying amount of the investment	<b>151,459,609</b>

	From 26 June to 31 December 2024
<b>Summarized statement of profit or loss and other comprehensive income</b>	
Total revenue	13,549,010
Net profit for the year	2,476,816

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### 7. RIGHT-OF-USE ASSETS

	Notes	31 December 2024	31 December 2023
Balance as at 1 January		217,360,938	5,310,445
Acquisition of a subsidiary	40	-	1,198,121
Additions	15	1,688,562	260,457,743
Depreciation for the year	7.1	(50,036,560)	(49,605,371)
<b>Balance at the end of year</b>		<b>169,012,940</b>	<b>217,360,938</b>

7.1 Depreciation is allocated as follows:

	Notes	For the year ended 31 December 2024	2023
Operating costs		4,185,839	5,587,724
General and administrative expenses		2,961,313	8,175,183
Cost directly attributable to capital work-in-progress under property and equipment	4, 7.2, 34.1	42,889,408	35,842,464
<b>Total</b>		<b>50,036,560</b>	<b>49,605,371</b>

7.2 On 1 March 2023, the Group signed a lease agreement for its new head quarter with TREC (an associate company). Initial lease term is for five years and is renewable subject to terms and conditions of the agreement. The Group is performing fit-out works at the office premises to bring it to condition for its intended use. Consequently, the depreciation and finance cost are considered by the Group as cost directly attributable in bringing the office premises in condition necessary to be capable of operating in the manner as intended by Group's management. These cost hence are capitalized and currently recorded as capital work-in-progress under property and equipment.

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### 8. INVESTMENTS

Investment securities portfolios are summarized as follows:

	Notes	31 December 2024	31 December 2023
<b>Non-current</b>			
Investments at amortized cost	8.1	172,392,867	391,088,818
		<b>172,392,867</b>	<b>391,088,818</b>
<b>Current</b>			
Investments at amortized cost	8.1	218,684,858	-
Investments at FVTPL	8.2	983,626,687	269,253,058
		<b>1,202,311,545</b>	<b>269,253,058</b>

#### 8.1 Investments at amortized cost:

This represents investment in Sukuks issued by counterparties in the Kingdom of Saudi Arabia having sound credit ratings. The Sukuks carry an average commission rate of 4.91% per annum as of 31 December 2024 (31 December 2023: 4.96%).

The details of these investments are as follow:

	31 December 2024	31 December 2023
Bank Albilad (Credit rating A3)	55,934,646	55,946,231
Saudi Government Sukuk (2022-03-15 - Credit rating A1)	61,985,793	61,985,793
Saudi Government Sukuk (2020-02-15 - Credit rating A1)	54,472,428	54,472,428
Saudi Government Sukuk (2018-07-07 - Credit rating A1)	218,686,018	218,686,018
Impairment loss on investments at amortized cost (Note 8.1.1)	(1,160)	(1,652)
<b>Total</b>	<b>391,077,725</b>	<b>391,088,818</b>

8.1.1 The movement of the expected credit losses on investments held at amortized cost is summarized as follows:

	31 December 2024	31 December 2023
Balance as at 1 January	1,652	206
(Reversal) / charge for the year (Note 29)	(492)	1,446
<b>Balance at the end of the year</b>	<b>1,160</b>	<b>1,652</b>

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### 8. INVESTMENTS (CONTINUED)

Below is the break-up of investment at amortized cost:

31 December 2024			
Description	Maturity date	Face value	Classification
Bank Albilad ￼ Denominated Tier 2	15 April 2031	55,000,000	Non-current asset
Saudi Government ￼ Sukuk (2022-03-15)	17 March 2037	68,400,000	Non-current asset
Saudi Government ￼ Sukuk (2020-02-15)	24 February 2035	61,561,000	Non-current asset
Saudi Government ￼ Sukuk (2018-07-07)	25 July 2025	219,110,000	Current asset

31 December 2023			
Description	Maturity date	Face value	Classification
Bank Albilad ￼ Denominated Tier 2	15 April 2031	55,000,000	Non-current asset
Saudi Government ￼ Sukuk (2022-03-15)	17 March 2037	68,400,000	Non-current asset
Saudi Government ￼ Sukuk (2020-02-15)	24 February 2035	61,561,000	Non-current asset
Saudi Government ￼ Sukuk (2018-07-07)	25 July 2025	219,110,000	Non-current asset

#### 8.2 Investments at fair value through profit or loss ("FVTPL")

This represents investments in units of mutual funds registered in the Kingdom of Saudi Arabia. The cost and fair value of investments held at FVTPL are as follows:

	31 December 2024		31 December 2023	
	Cost	Fair value	Cost	Fair value
Money market funds	934,975,047	983,626,687	250,223,976	269,253,058
<b>Total</b>	<b>934,975,047</b>	<b>983,626,687</b>	<b>250,223,976</b>	<b>269,253,058</b>

### 9. ACCOUNTS RECEIVABLE

	Notes	31 December 2024	31 December 2023
<b>Trade receivables</b>			
- Related parties	34.2	22,026,854	21,227,004
- Others		102,391,963	115,847,152
Sub-total	36.3	124,418,817	137,074,156
Less: allowance for expected credit losses	9.1	(25,507,114)	(42,366,363)
<b>Total</b>		<b>98,911,703</b>	<b>94,707,793</b>

Receivable balances are non-commission bearing and have payment terms ranging from immediate to thirty days.

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### 9. ACCOUNTS RECEIVABLE (CONTINUED)

9.1 The movement in the allowance for expected credit losses is summarized as follows:

	Notes	31 December 2024	31 December 2023
Balance as at 1 January		42,366,363	26,110,800
Acquisition of a subsidiary		-	16,647,314
Arbitration ruling		(20,275,820)	-
Charge / (reversal) for the year	29	3,416,571	(391,751)
<b>Balance at end of the year</b>	<b>36.3</b>	<b>25,507,114</b>	<b>42,366,363</b>

### 10. ADVANCES, PREPAYMENTS AND OTHER ASSETS

	Notes	31 December 2024	31 December 2023
Advance against purchase of property	10.1	77,500,000	77,500,000
Prepaid insurance expenses		9,270,844	12,892,297
Advances to vendor		20,893,732	10,995,199
Value added tax (VAT), net		11,122,442	-
Receivable from ZATCA	10.2, 25	14,526,589	8,638,957
Accrued operational revenue		10,832,124	7,395,257
Advance to employees		7,104,899	7,011,127
Security deposit		4,493,760	4,493,760
Other receivables	10.3	6,395,763	7,714,462
<b>Total</b>		<b>162,140,153</b>	<b>136,641,059</b>

10.1 This represents an advance paid to Saudi Central Bank (SAMA) as partial payment for purchasing part of a property in King Abdullah Financial District, Riyadh, kingdom of Saudi Arabia.

10.2 Receivable from ZATCA relates to Zakat paid on eligible investments as per the ministerial resolution 2218 dated 7/07/1440H (corresponding to 14/03/2019) in Government sukuks. The Group has filed the refund claim for amount settled in 2023 and awaits its settlement. Similar refund will be filed for 2024 once zakat liability is settled.

10.3 Other receivable balances are non-commission bearing and have payment terms ranging from immediate to ninety days.

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### 11. CLEARING PARTICIPANT FINANCIAL ASSETS

Financial assets at amortised cost:	Notes	31 December 2024	31 December 2023
Deposits with SAMA	11.1	1,010,696,139	1,029,134,232
Investment in SAMA Bills	11.2	3,398,627,370	2,497,782,585
		<b>4,409,323,509</b>	<b>3,526,916,817</b>

#### 11.1 Deposits with SAMA:

This represents cash collateral received from clearing participants in the form of initial margin, variation margin and default funds for the equity and derivatives markets. Commission is earned on such deposits at the prevailing market rates offered by SAMA and clearing members' share of the commission earned is added to their collateral accounts. These funds are not available for use in the operations of the Group.

	31 December 2024	31 December 2023
Deposits with SAMA - relating to Equities markets	942,834,576	962,334,250
Deposits with SAMA - relating to Derivatives markets	67,861,563	66,799,982
	<b>1,010,696,139</b>	<b>1,029,134,232</b>

#### 11.2 Investment in SAMA Bills:

	Note	31 December 2024	31 December 2023
Investment in SAMA Bills	11.2.1	<b>3,398,627,370</b>	<b>2,497,782,585</b>

11.2.1 These represent investment in SAMA Bills from deposits received from clearing participants in the form of initial margin, variation margin and default funds for the equity and derivatives markets. Commission is earned on such Bills at the prevailing market rates offered by SAMA and clearing members' share of the commission earned is added to their collateral accounts. These funds are not available for use in the operations of the Group.

As of each reporting date, all deposits with SAMA and SAMA Bills are assessed to have low credit risk as these are placed / issued by Government sovereign financial institutions and there has been no history of default with any of the Group's deposit and investments in bills. Therefore, the probability of default based on forward looking factors and any loss given defaults are considered to be negligible.

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### 12. TIME DEPOSITS

	31 December 2024	31 December 2023
Time deposits with original maturities more than three months and less than a year at the date of acquisition	1,234,207,295	-

**12.1** Commission is also earned on these time deposits as per the prevailing market rates. These time deposits are sharia compliant.

### 13. CASH AND CASH EQUIVALENTS

	Notes	31 December 2024	31 December 2023
Cash at banks		69,741,121	71,489,884
Deposit with SAMA	13.1	16,500,000	16,500,000
Time deposits with original maturities equal to or less than three months from the date of acquisition	13.2	265,942,825	1,962,624,190
<b>Total</b>		<b>352,183,946</b>	<b>2,050,614,074</b>

**13.1** Commission is earned on deposit with SAMA at the prevailing market rates offered by SAMA with original maturity of less than three months. These funds are not available for use in the operations of the Group.

**13.2** These time deposits are placed with financial institutions in the Kingdom of Saudi Arabia with original maturities of less than three months. Commission is also earned on these time deposits as per the prevailing market rates. These time deposits are sharia compliant.

### 14. STATUTORY RESERVE

During the year ended 2023, the General Assembly in its extra ordinary meeting (EGM) on 29 Jumada al-Awwal 1445H (corresponding to 13 December 2023) approved the amendment of the Company's By-Laws to transfer the statutory reserve of 360 million to retained earnings and legal formalities for updating By-Laws are completed and the amount has been transferred to retained earnings.

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### 15. LEASE LIABILITIES

This represents amount of lease liabilities for the rented offices of the Group. Set out below are carrying amount of lease liabilities and the movements during the year:

	Notes	31 December 2024	31 December 2023
Balance as at 1 January		202,256,755	
Acquisition of a subsidiary	40	-	1,279,618
Additions		1,688,562	260,457,743
Finance cost	15.1	11,518,116	9,354,023
Payment		(58,426,459)	(68,834,629)
<b>Balance at the end of year</b>		<b>157,036,974</b>	<b>202,256,755</b>
Non-current		108,233,697	150,950,630
Current		48,803,277	51,306,125
<b>Total</b>		<b>157,036,974</b>	<b>202,256,755</b>

**15.1** Finance cost is allocated as follows:

	Notes	For the year ended 31 December	
		31 December 2024	2023
Finance cost directly capitalized in capital work-in-progress under property and equipment	7.2,34.1	11,518,116	9,320,191
Finance cost expense	31	-	33,832
<b>Total</b>		<b>11,518,116</b>	<b>9,354,023</b>

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### 16. EMPLOYEES' END-OF-SERVICE BENEFITS

The movement in employees' end-of-service benefits is as follows:

	Notes	31 December 2024	31 December 2023
Balance as at 1 January		98,708,089	79,561,092
Current service cost		10,264,530	10,089,828
Finance cost	31	4,521,655	4,075,104
Amount recognised in profit or loss		14,786,185	14,164,932
Acquisition of a subsidiary	40	-	8,045,493
Re-measurement loss recognized in other comprehensive income		(1,328,072)	1,803,861
Benefits paid during the year		(10,856,713)	(4,867,289)
<b>Balance at end of the year</b>		<b>101,309,489</b>	<b>98,708,089</b>

16.1 Re-measurement (gain) / loss recognized in other comprehensive income for the year is as follows:

	31 December 2024	31 December 2023
Effect of changes in financial assumptions	(6,063,060)	403,018
Effect of experience adjustments	4,734,988	1,400,843
<b>Re-measurement loss / (gain) recognized in other comprehensive income</b>	<b>(1,328,072)</b>	<b>1,803,861</b>

### 16.2 Principal actuarial assumptions

	31 December 2024	31 December 2023
Discount rate	5.70%	5.05%
Future growth in salary	5.00%	5.00%
Turnover	18%	17%
Mortality rate	AM80-100%	AM80-100%
<b>Demographic assumptions</b>		
Retirement age	58 - 65 years	60 years

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### 16. EMPLOYEES' END-OF-SERVICE BENEFITS (CONTINUED)

#### Discount rate

The discount rate should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds (or, in countries where there is no deep market in such bonds, government bonds) of a currency and term consistent with the currency and estimated term of the post-employment benefit obligations. Since there is no deep market in Kingdom of Saudi Arabia for corporate bonds, yields on Kingdom of Saudi Arabia government bonds have been used.

#### Salary increases

With regards to the past trend, it is assumed that the salaries would increase at a rate of 5% per annum compound in the long range.

#### Turnover

The Management assumed the "Heavy" age-wise withdrawal rates. It was assumed that out of the employees that will cease to be employed in a year, other than by normal retirement or death, 90% will be on account of resignation and 10% on account of termination by the Group.

### 16.3 Maturity profile of the defined benefit liability

	31 December 2024	31 December 2023
Weighted average duration (years)	5.19	5.13
<b>Distribution of benefit payments:</b>		
<b>Years</b>	<b>Amounts</b>	
1	11,409,779	10,318,158
2	6,637,574	5,354,293
3	9,198,522	6,381,762
4	7,902,028	5,249,529
5	5,196,692	9,229,142
6-10	133,575,568	122,036,074

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### 16. EMPLOYEES' END-OF-SERVICE BENEFITS (CONTINUED)

#### 16.4 Sensitivity analysis

Reasonably possible changes as to one of the relevant actuarial assumptions, holding other assumptions constant, the amount of defined benefit obligations would have been:

	31 December 2024		31 December 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	89,944,744	106,369,027	88,117,030	104,872,667
Future salary growth (1% movement)	106,811,609	89,437,480	105,242,617	87,668,663
Turnover (10% movement)	100,875,042	101,777,603	98,110,922	99,353,609
Mortality rate (10% movement)	101,317,507	101,301,436	98,705,441	98,710,747

#### 16.5 Risks associated with defined benefits plan

##### Longevity risks

The risk arises when the actual lifetime of retirees is longer than expectation. This risk is measured at the plan level over the entire retiree population.

##### Salary increase risk

The most common type of retirement benefit is one where the benefit is linked with final salary. The risk arises when the actual salary increases are higher than expectation and impacts the liability accordingly.

### 17. NON-CONTROLLING INTEREST PUT OPTION

The Group, through its subsidiary Wamid, acquired 51% of issued share capital of the DFN carrying full voting rights on 7 May 2023 (refer Note 40 for further details). The shareholders' agreement and put option agreement grants non-controlling interest equity holders in DFN an irrevocable and unconditional right to exercise their put options in respect of the non-controlling interest held in DFN (49% of issued share capital) for cash consideration of 220.5 million by issuing a put notice within 60 days from the put option exercise period. Put option exercise period is earlier of:

- the issuance of the audited financial statements of DFN for the year ending 31 December 2026; or
- 30 June 2027

The Group recognized put option over non-controlling interests and recorded non-current put option financial liability discounted at present value against non-controlling interest and other reserve. At each reporting date, the difference between the fair value of the non-current liability resulting from the put option and the transfer of non-controlling interests is recognized in other reserve. Please also refer Note 33.2.

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### 17. NON-CONTROLLING INTEREST PUT OPTION (CONTINUED)

The movement in the financial liability during the year is as follows:

	31 December 2024	31 December 2023
Balance as at 1 January	175,363,779	-
Put option issued on 7 May 2023	-	167,805,446
Change in non-controlling interest put option liability	11,968,227	7,558,333
<b>Balance at the end of the year</b>	<b>187,332,006</b>	<b>175,363,779</b>

### 18. DERIVATIVE LIABILITY

The Group, through its subsidiary TIH, acquired 32.6% of issued share capital of GME on 26 June 2024. The shareholders' agreement grants certain existing equity holders in GME an irrevocable and unconditional right to exercise their put options in respect of their interest held in GME (a total of 59.8% of issued share capital among three parties) for the fair value of their respective share by issuing a put notice within the put option exercise period. The share of the respective shareholders post the acquisition and their respective exercise periods are as follows:

Party	Shareholding	Exercise period
New York Mercantile Exchange ("NYMEX")	32.6%	Between 4th and 10th anniversary of the transaction date
Eagle Commodities Limited ("ECL")	23.1%	Between 10th and 15th anniversary of the transaction date
Tatweer Dubai LLC ("Tatweer")	4.1%	Between 4th and 10th anniversary of the transaction date

The Group recognized the aforementioned put option liabilities and recorded these at fair value amounting to 45.5 million against an addition to the value of the investment in GME. At each reporting date, the change in the fair value of the non-current liabilities resulting from the put options is recognized in profit or loss.

The Group also entered into a call option agreement which provides the Group right to purchase additional 18.4% shareholding in GME from its existing other shareholders at fair value in between 4th anniversary to 10th anniversary which has no value at reporting date.

The movement in the put options derivative liability during the year is as follows:

	Note	31 December 2024	31 December 2023
Put options issued on 26 June 2024	6.3	45,549,626	-
Change in fair value during the year		(1,474,826)	-
<b>Balance at the end of the year</b>		<b>44,074,800</b>	<b>-</b>

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### 19. BORROWINGS

The balances, commission rate and repayment terms are as follows:

	Borrower	Maturity	31 December 2024	31 December 2023
<b>NON – CURRENT</b>				
Islamic financing (19.1)	Saudi Tadawul Group Holding Company	2028	137,566,667	-
Islamic financing (19.2)	DFN	2025	12,500,000	1,145,301
			<b>150,066,667</b>	<b>1,145,301</b>
<b>CURRENT</b>				
Islamic financing (19.1)	Saudi Tadawul Group Holding Company	Current portion	39,616,215	-
Overdraft facility (19.3)	DFN	On demand	-	959,339
Islamic financing (19.4)	DFN	Current portion	2,199,586	9,383,402
			<b>41,815,801</b>	<b>10,342,741</b>

**19.1** The Company has obtained Islamic Sharia-compliant banking facilities for 5 years with quarterly repayments from a local bank amounting to 500 million (31 December 2023: Nil) at commission rate of SIBOR 3 month plus margin.

**19.2** The Group through its subsidiary (DFN) obtained Al-Tawarroq financing from a local bank at a commission rate of SIBOR plus 2.25% (2023: nil) which is repayable between 2026-2028.

**19.3** The Group through its subsidiary (DFN) obtained an overdraft from a local bank which carried commission rate of SIBOR plus 5.5% as of 31 December 2023 and had been fully settled during the year.

**19.4** The Group through its subsidiary (DFN) obtained Islamic financings from financing companies at commission rate ranging from 6.59% to 14% per annum (2023: 6.59% to 14% per annum) which are repayable in installments in 2025. These financing facilities are secured against a mix of promissory notes, corporate guarantees from the related parties and related parties' real estate properties

### 20. CLEARING PARTICIPANT FINANCIAL LIABILITIES

	Notes	31 December 2024	31 December 2023
<b>Financial liabilities at amortised cost:</b>			
Collateral from clearing members	20.1	4,374,408,370	3,501,398,133
Members' contribution to clearing house funds	20.2	7,817,741	6,661,908
		<b>4,382,226,111</b>	<b>3,508,060,041</b>

**20.1** The deposits from clearing participants represents amounts received from clearing participants as collateral in lieu of initial margin, variation margin and default funds for the equity and derivatives markets. These deposits are subject to commission, a portion of which is shared and included in the clearing participant financial assets.

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### 20. CLEARING PARTICIPANT FINANCIAL LIABILITIES (CONTINUED)

**20.2** This represents a prefunded default arrangement that is composed of assets contributed by clearing members that may be used by the Group in certain circumstances to cover the losses or liquidity pressure resulting from participant defaults.

### 21. ACCOUNTS PAYABLE

	Notes	31 December 2024	31 December 2023
<b>Trade payables:</b>			
Others		25,855,681	24,612,326
Related parties	34.2	26,569,615	25,181,080
<b>Total</b>		<b>52,425,296</b>	<b>49,793,406</b>

Payables are non-commission bearing and are settled on terms ranging from immediate to sixty days.

### 22. BALANCE DUE TO CAPITAL MARKET AUTHORITY (CMA)

The Group acts as a collection agent on behalf of CMA where their trading commission share is collected and transferred to them on an agreed mechanism. Such portion is not recognized as Group's revenue. Also includes unpaid CMA fees balance.

### 23. DEFERRED REVENUE

	Note	31 December 2024	31 December 2023
Balance as at 1 January		42,775,929	16,722,361
Acquisition of a subsidiary	40	-	26,943,959
Invoiced during the year		325,349,409	261,409,593
Recognised as revenue during the year		(311,337,930)	(262,299,984)
<b>Balance at end of the year</b>		<b>56,787,408</b>	<b>42,775,929</b>
Non-current		12,682,832	12,397,613
Current		44,104,576	30,378,316
<b>Total</b>		<b>56,787,408</b>	<b>42,775,929</b>

Deferred revenue includes balances pertaining to related parties amounting to 4,852,761 (31 December 2023: 4,641,968) (Note 34.2).

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### 24. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	Notes	31 December 2024	31 December 2023
Accrued employee expenses		169,447,394	105,023,642
Payable for General Organization for Social Insurance		2,623,882	2,249,012
Value added tax (VAT), net		-	5,827,225
Board of Directors remuneration payable	34.2	12,913,028	12,435,456
Accrued supplier expenses:			
- Related party	34.2	5,655,158	9,734,539
- Others		161,579,659	164,792,618
<b>Total</b>		<b>352,219,121</b>	<b>300,062,492</b>

Other payables and statutory dues are non-commission bearing and are settled on terms ranging from immediate to sixty days.

### 25. ZAKAT PROVISION

Zakat is assessed at 2.5% of the Zakat base based on the lunar year which will be adjusted for the Gregorian fiscal year. The key elements of zakat base primarily include equity components, provisions, net adjustments to the income, in addition to liabilities as adjusted for zakat purposes reduced by non-current assets.

The movements in zakat provision are as follows:

	31 December 2024	31 December 2023
Balance as at 1 January	64,221,598	67,221,868
Provision for Zakat for the year		
Current year	59,861,129	55,582,640
Prior year over provision	(27,753)	(82,829)
Zakat expense for the year	59,833,376	55,499,811
Recoverable from ZATCA (Note 10)	5,887,632	8,638,957
	65,721,008	64,138,768
Zakat paid during the year	(64,193,845)	(67,139,038)
<b>Balance at end of the year</b>	<b>65,748,761</b>	<b>64,221,598</b>

The Group has already filed and paid its consolidated Zakat return for the Company and its wholly owned subsidiaries with ZATCA for years 2020 till 2023. The Group is subject to Zakat in accordance with the Zakat regulations. The Company has received final assessments from ZATCA for the year 2021 and 2022 with no additional zakat liability. The zakat returns for years 2020 and 2023 are still under review by ZATCA.

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### 26. OPERATING REVENUE

	For the year ended 31 December	
	2024	2023
<b>Revenue recognized over-time</b>		
Post trade services	183,667,541	159,266,711
Data and technology services	219,336,964	164,441,670
Listing services	98,421,140	86,860,531
Membership fees	7,740,864	4,153,520
Derivatives services	1,495,980	1,584,955
Commission income on SAMA Bills, net	98,514,252	61,006,849
Commission income on SAMA deposits, net	9,399,001	8,861,314
	<b>618,575,742</b>	<b>486,175,550</b>
<b>Revenue recognized at point-in-time</b>		
Post trade services	471,792,153	341,098,726
Trading services	340,710,314	243,203,625
Data and technology services	267,600	26,250
Listing services	14,772,090	2,080,000
Derivatives services	14,387	47,139
Membership fees	426,500	148,900
	<b>827,983,044</b>	<b>586,604,640</b>
<b>Revenue from contracts with customers</b>	<b>1,446,558,786</b>	<b>1,072,780,190</b>

The Group acts as a collection agent on behalf of CMA where their trading commission share is collected and transferred to them on an agreed mechanism. Such portion is not recognized as Group's revenue.

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### 27. OPERATING COSTS

	Note	For the year ended 31 December	
		2024	2023
Salaries and related benefits		234,646,262	192,521,043
CMA fees	27.1	130,000,000	122,000,000
Technology and network		92,450,923	76,474,466
Depreciation and amortization		70,765,885	59,595,920
Accommodation and utilities		209,328	4,938,455
Consultancy		6,460,037	7,337,827
Others		230,043	3,070,640
<b>Total</b>		<b>534,762,478</b>	<b>465,938,351</b>

**27.1** This represents fees payable to the CMA in accordance with the details of the Market Institutions Deputy letter no. (17/268/6) dated 18 January 2017 which includes notification of CMA Board resolution, in addition to CMA Board resolution no. (3-2-2019) dated 7 January 2019.

### 28. GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December	
	2024	2023
Salaries and related benefits	225,918,320	178,749,163
Marketing and public relations	32,790,403	23,138,351
Technology and network	18,271,284	19,411,629
Consultancy	30,668,600	17,820,455
Depreciation and amortization	10,272,400	15,197,117
Board of Directors' remuneration	13,187,422	12,603,499
Accommodation and utilities	10,437,207	7,705,406
Others	705,596	4,281,302
<b>Total</b>	<b>342,251,232</b>	<b>278,906,922</b>

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### 29. ALLOWANCE / (REVERSAL) FOR EXPECTED CREDIT LOSSES

	Notes	For the year ended 31 December	
		2024	2023
(Reversal) / allowance on investments at amortised cost	8	(492)	1,446
Allowance / (reversal) on accounts receivable	9.1	3,416,571	(391,751)
<b>Total</b>		<b>3,416,079</b>	<b>(390,305)</b>

### 30. INVESTMENT INCOME

	For the year ended 31 December	
	2024	2023
Commission income on time deposits	51,139,661	105,010,344
Commission income on investments at amortised cost	16,462,995	12,062,000
Realised gain on sale investments, net	40,167,277	4,518,981
Unrealised gain on investments, net	40,495,850	4,632,741
Dividend income	2,850,129	810,036
<b>Total</b>	<b>151,115,912</b>	<b>127,034,102</b>

### 31. FINANCE COSTS

	Notes	For the year ended 31 December	
		2024	2023
Finance cost on borrowings		6,221,962	137,098
Finance cost on employees' end-of-service benefits liabilities	16	4,521,655	4,075,104
Finance cost on lease liabilities	15	-	33,832
<b>Total</b>		<b>10,743,617</b>	<b>4,246,034</b>

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### 32. BASIC AND DILUTED EARNINGS PER SHARE

Basic and diluted earnings per share is computed by dividing profit attributable to the ordinary shareholders of the parent company by the weighted average outstanding number of shares for the year ended 31 December 2024, totaling 120 million shares (31 December 2023: 120 million shares).

	For the year ended 31 December	
	2024	2023
Profit for the year	621,842,981	390,060,733
Weighted average outstanding number of shares	120,000,000	120,000,000
Earnings per share	5.18	3.25

### 33. CONTINGENCIES AND COMMITMENTS

#### Commitments

**33.1** Commitments represent the value not yet executed supply contracts of assets and services to the Group as follows:

	31 December 2024	31 December 2023
Capital expenditure commitments	57,421,744	154,745,819
Operating expenditure commitments	49,145,906	58,460,211
	<b>106,567,650</b>	<b>213,206,030</b>

#### Investment commitment

**33.2** As of 31 December 2024, the Group has investment commitment of 220,500,000 relating to acquisition of remaining 49% shareholding of Direct Financial Network Company (refer note 1).

#### Contingencies

	31 December 2024	31 December 2023
<b>33.3</b> Letters of guarantee	1,147,940	1,270,710

**33.4** The Group, in its ordinary course of business, is subject to proceedings, lawsuits and other claims, which are being defended. The ultimate results of these matters cannot be determined with certainty. However, the management believes that the results of these matters are not expected to have any material impact on the Group's financial position or on the results of its operations as reflected in these consolidated financial statements.

SAUDI TADAWUL GROUP HOLDING COMPANY (A Saudi Joint Stock Company)

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### 34. TRANSACTIONS WITH RELATED PARTIES

During the ordinary course of business, the Company enters into transaction with its related parties. These related parties include:

- A) Ultimate controlling party – PIF as explained in Note 1;
- B) Other related parties that include entities which have either common directors with the Company's Board of Directors (BOD) and / or owned by Parent and / or have common directors with the BOD of Parent;
- C) Equity accounted companies, refer Note 1.2 for details; and
- D) Key Management that includes the Company's BOD and key executives

**34.1** Following are the total amount of transactions that have been entered into during the year with the related parties:

	Notes	For the year ended 31 December	
		2024	2023
<b>PIF</b>			
Operating revenue from services rendered		5,845,805	5,185,177
<b>Other related parties</b>			
Operating revenue from services rendered		420,810,153	295,883,446
Commission income		8,998,761	39,119,395
Purchase of services (internet, utilities and others)		25,159,866	10,495,424
Disposals of investments at FVTPL		(11,064,381)	(13,801,775)
<b>Equity accounted investments</b>			
TREC – Share of results	6.1	(13,689,308)	(26,884,702)
Depreciation on right-of-use assets	7.1	42,889,408	35,842,464
Lease payment	15	(55,816,244)	(54,599,184)
Finance cost on lease liabilities	15	11,518,116	9,320,191
RVCMC – Share of results	6.2	(15,056,722)	(11,162,195)
GME – Share of results	6.3	(977,408)	-
<b>Key management personnel compensation</b>			
Salaries and other short-term benefits		28,523,249	28,054,978
Post-employment benefits		2,154,321	1,963,043
Board of Directors' remuneration	28	13,187,422	12,603,499

Operating revenue from services rendered by the Group to the related parties included services of post trade, trading, listing, data and technology services, derivative and membership at agreed terms.

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### 34. TRANSACTIONS WITH RELATED PARTIES (CONTINUED)

**34.2** Following are the outstanding balances arising from related party transactions:

	Notes	31 December 2024	31 December 2023
<b>PIF</b>			
Accounts receivable	9	60,579	6,420,079
Deferred revenue	23	4,185,000	4,140,000
<b>Other related parties</b>			
Investments held at FVTPL	8.2	185,396,324	-
Accounts receivables	9	21,782,858	14,412,523
Less: ECL allowance	9.1	(161,725)	(1,185,540)
Accounts receivable, net		21,621,133	13,226,983
Other receivables	10	-	5,440,626
Accounts payable, deferred revenue and accrued expenses	21,23,24	37,077,534	39,557,587
Cash and cash equivalents	13	77,306,930	430,468,282
Clearing participant financial liabilities	20	583,168,812	352,400,544
<b>Equity accounted investments</b>			
Accounts receivable - Tadawul Real Estate Company	9	183,417	394,402
<b>Key management personnel</b>			
Board of Directors remuneration payable	24	12,913,028	12,435,456

Outstanding balances at year end arise in normal course of business. These balances are unsecured, commission free and are recoverable / payable on terms ranging from immediate to thirty days.

### 35. SEGMENT INFORMATION

The Group operates solely in the Kingdom of Saudi Arabia. For management purposes, the Group is organized into business segments based on services provided. The reportable segments of the Group are:

#### Capital markets

The activities of this segment include trading commission for securities and derivative markets, admission fees from initial listing and further capital raises, annual fees charged for securities traded on the Group's markets and fees from secondary market services.

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### 35. SEGMENT INFORMATION (CONTINUED)

#### Post-trade

The activities of this segment include registration of investment portfolios in the filing and settlement system, register and file its ownership, transfer, settlement, clearing and safekeeping its ownership, registering any restriction of ownership on the file securities, and associate with members of the market and settlement agents to filing and settlement system. Furthermore, linking and managing records of securities issuers, organizing general assemblies for issuers including remote voting service for such assemblies, providing reports, notifications and information in addition to providing any other service relating to its activities according to financial market regulations.

#### Data and technology services

The activities of this segment are to grow the business of Data and Technology Services which includes offering high-

quality real-time trading data, reference data, market indices, financial information to the financial community, financial technology solutions, research & development in the field of engineering & technology and innovative capital market solutions for stakeholders. In addition, this segment also develops financial technology and financial content for stakeholders to utilize as data and technology services.

#### Corporate

Corporate manages future corporate development and controls all treasury related functions. This also includes managing strategy for business development including mergers and acquisitions, legal, finance, zakat and taxation, operations, information technology, human resources and customer relations management.

**35.1** Financial information relating to operating segments:

31 December 2024	Capital markets	Data and technology services	Post-trade	Corporate	Total
Segment revenue	461,289,141	219,604,564	765,665,081	-	1,446,558,786
Segment costs excluding depreciation and amortization	(188,769,363)	(138,821,304)	(361,705,748)	(110,095,089)	(799,391,504)
Depreciation and amortization	(12,931,129)	(16,318,186)	(22,290,370)	(29,498,600)	(81,038,285)
Investment income	-	-	-	151,115,912	151,115,912
Share of results of equity accounted investments and reversal of impairment	-	-	-	(29,723,438)	(29,723,438)
Finance costs	-	-	-	(10,743,617)	(10,743,617)
Changes in the fair value of a derivative liability	-	-	-	1,474,826	1,474,826
Other income, net	-	-	-	2,466,702	2,466,702
Profit before Zakat	259,588,649	64,465,074	381,668,963	(25,003,304)	680,719,382
Zakat expense	-	-	-	(59,833,376)	(59,833,376)
Profit after Zakat	259,588,649	64,465,074	381,668,963	(84,836,680)	620,886,006
<b>Net profit for the year is attributable to:</b>					
Ordinary shareholders of the parent company	259,588,649	65,422,049	381,668,963	(84,836,680)	621,842,981
Non-controlling interest	-	(956,975)	-	-	(956,975)
	<b>259,588,649</b>	<b>64,465,074</b>	<b>381,668,963</b>	<b>(84,836,680)</b>	<b>620,886,006</b>

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### 35. SEGMENT INFORMATION (CONTINUED)

31 December 2023	Capital markets	Data and technology services	Post-trade	Corporate	Total
Segment revenue	335,452,000	164,467,920	572,860,270	-	1,072,780,190
Segment cost excluding depreciation and amortization	(192,834,363)	(112,935,106)	(334,218,422)	(29,674,040)	(669,661,931)
Depreciation and amortization	(13,845,089)	(9,953,677)	(28,968,897)	(22,025,374)	(74,793,037)
Investment income	-	-	-	127,034,102	127,034,102
Share of results of associates	-	-	-	(17,157,777)	(17,157,777)
Finance costs	-	-	-	(4,246,034)	(4,246,034)
Other income, net	-	-	-	3,041,049	3,041,049
Segment profit before Zakat	128,772,548	41,579,137	209,672,951	56,971,926	436,996,562
Zakat expense	-	-	-	(55,499,811)	(55,499,811)
Segment profit after Zakat	128,772,548	41,579,137	209,672,951	1,472,115	381,496,751
<b>Net profit for the year is attributable to:</b>					
Ordinary shareholders of the parent company	128,772,548	50,143,119	209,672,951	1,472,115	390,060,733
Non-controlling interest	-	(8,563,982)	-	-	(8,563,982)
	<b>128,772,548</b>	<b>41,579,137</b>	<b>209,672,951</b>	<b>1,472,115</b>	<b>381,496,751</b>

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### 35. SEGMENT INFORMATION (CONTINUED)

#### 35.2 Operating revenue by operating segments

31 December 2024	Capital markets	Data and technology services	Post-trade	Total
<b>Revenue recognised at a point-in-time</b>				
Trading services	340,710,314	-	-	340,710,314
Data & technology Services	-	267,600	-	267,600
Post trade services	-	-	471,792,153	471,792,153
Listing services	14,772,090	-	-	14,772,090
Derivatives market	5,765	-	8,622	14,387
Membership fees	426,500	-	-	426,500
<b>Revenue recognised over-time</b>				
Data and technology services	-	219,336,964	-	219,336,964
Post trade services	-	-	183,667,541	183,667,541
Listing services	98,421,140	-	-	98,421,140
Derivatives market	1,276,157	-	219,823	1,495,980
Membership fees	5,677,175	-	2,063,689	7,740,864
Commission income on SAMA Bills, net	-	-	98,514,252	98,514,252
Commission income on SAMA deposits, net	-	-	9,399,001	9,399,001
<b>Consolidated revenue</b>	<b>461,289,141</b>	<b>219,604,564</b>	<b>765,665,081</b>	<b>1,446,558,786</b>

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## 35. SEGMENT INFORMATION (CONTINUED)

31 December 2023	Capital markets	Data and technology services	Post-trade	Total
<b>Revenue recognised at a point-in-time</b>				
Trading services	243,203,625	-	-	243,203,625
Data & Technology Services	-	26,250	-	26,250
Post trade services	-	-	341,098,726	341,098,726
Listing services	2,080,000	-	-	2,080,000
Derivatives markets	14,823	-	32,316	47,139
Membership fees	148,900	-	-	148,900
<b>Revenue recognised over-time</b>				
Data and technology services	-	164,441,670	-	164,441,670
Post trade services	-	-	159,266,711	159,266,711
Listing services	86,860,531	-	-	86,860,531
Derivatives markets	1,189,889	-	395,066	1,584,955
Membership fees	1,954,232	-	2,199,288	4,153,520
Commission income on SAMA Bills, net	-	-	61,006,849	61,006,849
Commission income on SAMA deposits, net	-	-	8,861,314	8,861,314
<b>Consolidated revenue</b>	<b>335,452,000</b>	<b>164,467,920</b>	<b>572,860,270</b>	<b>1,072,780,190</b>

## 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group has exposure to the following risks from its activities and use of financial instruments:

- Market risk;
- Credit risk;
- Operational risk management; and
- Liquidity risk.

This note presents information about the Group's exposure to each of the above risks and the Group's objectives, policies and processes for measuring and managing these risks. Furthermore, quantitative disclosures are included throughout these consolidated financial statements.

### Enterprise Risk Management Framework

The Board of Directors (Board) has the overall responsibility for the establishment and oversight of the Group's Enterprise Risk Management (ERM) Framework. The Board is responsible for approving the Group's ERM policy. Furthermore, the Board Governance, Risk and Compliance Committee is responsible for overseeing the effective implementation of the ERM policy.

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## 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The Group's ERM policy is established to identify and analyze risks faced by the Group, to set appropriate risk limits & controls, and to monitor risks & adherence to limits. The ERM Policy and Framework are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, aims to develop a constructive risk culture in which all employees proactively engage and understand their roles and obligations.

The main components of the Group's ERM Framework are risk governance, risk appetite & tolerance, risk management process, Risk Universe, risk culture, risk management tools and relevant policies and procedures. The framework governs the processes required to identify, evaluate and prioritize the key risks that could impact the Group and the execution of its strategy.

To ensure an integrated and consistent approach across the risk management process of the Group, risk appetite & tolerance limits are defined as per the Risk Universe, which classifies risks into structured categories for effective risk management. This risk classification directly influences the particular configuration of the risk appetite and other ERM Framework elements such as the ERM Policy and procedures.

### Risk management structure

A cohesive organisational structure is established within the Group in order to identify, assess, monitor and control risks.

### Board of Directors

The objective of risk governance is the centralised oversight of the Board of Directors providing direction and the necessary approvals of strategies and policies in order to achieve defined corporate goals.

### Senior management

Senior management is responsible for the day to day operations in respect of achieving the strategic goals within the Group's pre-defined risk appetite. All business functions link their risk assessment methodology in line with the Risk Universe and core statements. In addition, all the policies and procedures of the business functions should be aligned with all the tolerance levels stated in

Risk Appetite Statement.

The risks faced by the Group and the way these risks are mitigated by management are summarised below:

### 36.1 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate, because of changes in market prices, whether those changes are caused by factors specific to the individual financial instrument or its issuer or factors affecting all similar financial instruments traded in the market. The Group limits market risk by maintaining a diversified portfolio and by monitoring the developments in financial markets. Market risk reflects price risk, currency risk and commission rate risk.

### Price risk

Price risk is the risk that the value of financial instruments will fluctuate due to changes in market prices (other than risk arising from commission rate and foreign currency). The Group believes price risk does not arise for the Group based on the investment portfolio held.

### Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Group is subject to fluctuations in foreign exchange rates in the normal course of its business. The Group is not exposed to any significant currency risk and it did not undertake significant transactions in currencies other than Saudi Arabian Riyals or USD.

### Commission rate risk

Commission risk is the exposure to multiple risks related to the impact of changes in commission rates in the market on the Group's financial position and cash flows. The Group monitors the fluctuations in commission rates and believes that the impact of the risk is on certain financial instruments held by the Group.

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### 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

A 1% change in the commission rates, with all other variables held constant, would impact the consolidated statement of profit or loss and other comprehensive income as set out below:

	For the year ended 31 December	
	2024	2023
Effect on profit for the year (+/-)	50,557,317	44,446,519

#### 36.2 Credit risk

Credit risk is the risk of a financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's accounts receivables from customers, cash at banks, time deposits and investment in debt securities.

The below schedule shows the maximum limit for exposure to credit risk of the consolidated statement of financial position elements:

	31 December 2024	31 December 2023
Cash and cash equivalents	352,183,946	2,050,614,074
Investments at amortized cost	391,077,725	391,088,818
Investments at fair value through profit or loss	983,626,687	269,253,058
Clearing participant financial assets	4,409,323,509	3,526,916,817
Accounts receivable	98,911,703	94,707,793
Other receivables	6,395,763	7,714,462
Accrued operational revenue	10,832,124	7,395,257
Advance to employees	7,104,899	7,011,127
Security deposit	4,493,760	4,493,760
<b>Total</b>	<b>6,263,950,116</b>	<b>6,359,195,166</b>

#### Cash and cash equivalents

The Group keeps its surplus funds with banks having sound credit ratings. Currently the surplus funds are kept with banks that have ratings as follows:

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## Notes to the Consolidated Financial Statements

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(Saudi Arabian Riyals)

### 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

#### Current accounts

Bank name	STANDARD & POOR		Moody's		Fitch	
	Long term	Short term	Long term	Short term	Long term	Short term
SAB	-	-	A3	P-1	A-	F2
SNB	A-	A-2	A3	P-1	A-	F2
BSF	A-	A-2	A1	P-1	-	-
SAIB	BBB	A2	A2	P-1	A-	F2
Emirates NBD	-	-	A1	P-1	-	-
Mashreq Bank	A	A-1	A3	P-2	-	-
United Bank Limited	C1	NP	-	-	-	-

#### Time deposit

Bank name	STANDARD & POOR		Moody's		Fitch	
	Long term	Short term	Long term	Short term	Long term	Short term
SAB	-	-	A1	P-1	-	-
Alinma Bank	-	-	A2	P-1	-	-
ANB	A-	A-2	A1	P-1	-	-
AlRajhi Bank	A-	A-2	A3	P-1	-	-

#### Investments at amortized cost

This represents investments in sukuk issued by counter parties operating in the Kingdom of Saudi Arabia having sound credit ratings as disclosed in note 9.

#### Accounts receivable

Accounts receivable are shown net of the allowance for expected credit losses. The Group applies the IFRS 9 simplified approach in measuring expected credit losses which uses a lifetime expected loss allowance. To measure the expected credit losses, account receivables have been grouped based on the days past due. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

#### Accrued operational revenue

Accrued operating revenue represents earned revenue which is yet to be billed to customers. These are short-term in nature and no significant credit risk exists in the balance.

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### 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

#### Advance to employees

This represents advances provided to employees on their request. Such advances are deducted from their monthly salaries. Therefore, no significant credit risk exists in the balance.

#### Other receivables

Other receivables represent receivables from low credit risk counterparties and are short-term in nature.

#### 36.3 Concentration of credit risk

The following table provides information about the exposure to credit risk and expected credit losses for receivables as at 31 December 2024.

	Weighted average loss rate %	Gross carrying amount	Loss allowance
0-30 days (not past due)	3.02	74,371,050	2,245,795
30-60 days	2.72	2,739,824	74,505
61-90 days	16.00	7,532,778	1,205,457
91-120 days	4.25	3,037,663	129,212
121-180 days	37.41	4,328,954	1,619,595
181-360 days	29.42	5,058,123	1,488,165
More than 360 days past due	68.53	27,350,425	18,744,385
		<b>124,418,817</b>	<b>25,507,114</b>

The following table provides information about the exposure to credit risk and expected credit losses for receivables as at 31 December 2023:

	Weighted average loss rate %	Gross carrying amount	Loss allowance
0-30 days (not past due)	1.95	52,204,949	1,020,069
30-60 days	1.36	8,153,821	111,005
61-90 days	18.54	7,153,055	1,326,013
91-120 days	23.44	713,110	167,175
121-180 days	33.12	3,658,377	1,211,667
181-360 days	54.07	8,737,200	4,723,908
More than 360 days past due	59.88	56,453,644	33,806,526
		<b>137,074,156</b>	<b>42,366,363</b>

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### 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

#### 36.4 Operational Risk Management

The Group's objective is to manage operational risk arising from failure of internal and external processes, individuals, systems, or external events. These include issuer operations risks, member operations risks, market operations risks, human resources risks and physical asset risks. To balance the avoidance of financial losses and damage to the Group's reputation with overall cost-effectiveness and to avoid control procedures that restrict initiative and creativity.

In order to manage the Group's Clearing services activities risks, the Group through one of its subsidiaries (Muqassa) has an integrated and comprehensive risk management system and ensures that its risk management framework identifies, measures, monitors and manages the risks that it bears from Clearing Members as well as other key institutions. Group has as a low risk appetite for financial, liquidity, operational, market and credit concentration risk. This appetite helps drive the setting of conservative values when deciding on key measures such as the Default Fund Cover or Investment Duration. These risk management policies, procedures, systems and controls have been developed to adhere to the CMA's Securities Central Counterparties Regulation as well as align to both CPMI-IOSCO's Principles for Financial Market Infrastructures (PFMIs) and international best practices.

#### 36.5 Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

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## 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

The below schedule shows an analysis of financial assets and liabilities based on the contractual maturities:

	31 December 2024				31 December 2023			
	Carrying amount	Less than 12 months	More than 12 months	Total	Carrying amount	Less than 12 months	More than 12 months	Total
<b>Financial assets at fair value:</b>								
Investments	983,626,687	983,626,687	-	983,626,687	269,253,058	269,253,058	-	269,253,058
<b>Financial assets at amortised cost:</b>								
Investments	391,077,725	218,684,858	172,392,867	391,077,725	391,088,818	-	391,088,818	391,088,818
Cash and cash equivalents	352,183,946	352,183,946	-	352,183,946	2,050,614,074	2,050,614,074	-	2,050,614,074
Clearing participant financial assets	4,409,323,509	4,409,323,509	-	4,409,323,509	3,526,916,817	3,526,916,817	-	3,526,916,817
Account receivables	98,911,703	98,911,703	-	98,911,703	94,707,793	94,707,793	-	94,707,793
Accrued operational revenue	10,832,124	10,832,124	-	10,832,124	7,395,257	7,395,257	-	7,395,257
Advance to employees	7,104,899	7,104,899	-	7,104,899	7,011,127	7,011,127	-	7,011,127
Other receivables	6,395,763	6,395,763	-	6,395,763	7,714,462	7,714,462	-	7,714,462
Security deposit	4,493,760	4,493,760	-	4,493,760	4,493,760	4,493,760	-	4,493,760
<b>Total financial assets</b>	<b>6,263,950,116</b>	<b>6,091,557,249</b>	<b>172,392,867</b>	<b>6,263,950,116</b>	<b>6,359,195,166</b>	<b>5,968,106,348</b>	<b>391,088,818</b>	<b>6,359,195,166</b>
<b>Financial liabilities at fair value</b>								
Derivative liability	44,074,800	-	44,074,800	44,074,800	-	-	-	-
<b>Financial liabilities at amortised cost</b>								
Borrowings	191,882,468	63,053,347	172,142,929	235,196,276	11,488,042	10,771,522	1,174,355	11,945,877
Non-controlling interest put options	187,332,006	-	220,500,000	220,500,000	175,363,779	-	220,500,000	220,500,000
Clearing participant financial liabilities	4,382,226,111	4,382,226,111	-	4,382,226,111	3,508,060,041	3,508,060,041	-	3,508,060,041
Lease liabilities	157,036,974	57,066,071	108,233,697	165,299,768	202,256,755	56,594,257	175,227,111	231,821,368
Accounts payable	52,425,296	52,425,296	-	52,425,296	49,793,406	49,793,406	-	49,793,406
Balance due to Capital Market Authority	58,445,702	58,445,702	-	58,445,702	55,137,969	55,137,969	-	55,137,969
Accrued expenses and other current liabilities	352,219,121	352,219,121	-	352,219,121	300,062,492	300,062,492	-	300,062,492
<b>Total financial liabilities</b>	<b>5,425,642,478</b>	<b>4,965,435,648</b>	<b>544,951,426</b>	<b>5,510,387,074</b>	<b>4,302,162,484</b>	<b>3,980,419,687</b>	<b>396,901,466</b>	<b>4,377,321,153</b>
<b>Net financial assets</b>	<b>838,307,638</b>	<b>1,126,121,601</b>	<b>(372,558,559)</b>	<b>753,563,042</b>	<b>2,057,032,682</b>	<b>1,987,686,661</b>	<b>(5,812,648)</b>	<b>1,981,874,013</b>

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## 36. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

### 36.6 Changes in liabilities arising from financing activities

	1 January	Acquisition	Cash flows	Finance costs	New financing	31 December
<b>2024</b>						
Lease liabilities	202,256,755	-	(58,426,459)	11,518,116	1,688,562	157,036,974
Borrowings	11,488,042	-	(25,327,536)	6,221,962	199,500,000	191,882,468
	<b>213,744,797</b>	<b>-</b>	<b>(83,753,995)</b>	<b>17,740,078</b>	<b>201,188,562</b>	<b>348,919,442</b>
	1 January	Acquisition	Cash flows	Finance cost	New financing	31 December
<b>2023</b>						
Lease liabilities	-	-	(68,834,629)	9,354,023	261,737,361	202,256,755
Borrowings	-	20,743,923	(9,291,691)	35,810	-	11,488,042
	<b>-</b>	<b>20,743,923</b>	<b>(78,126,320)</b>	<b>9,389,833</b>	<b>261,737,361</b>	<b>213,744,797</b>

### 36.7 Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximise shareholders' value.

The Company manages its capital structure and makes adjustments to it in light of changes in economic conditions. Equity comprises capital and other reserve and retained earnings, and is measured at ₪ 3,491,737,165 as at 31 December 2024 (31 December 2023 (restated): ₪ 3,157,491,314).

## 37. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When measuring the fair value, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that can be accessed at the measurement date
- Level 2: Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. The fair value of all other / remaining financial assets and financial liabilities not mentioned below approximates to their carrying values.

Investments at FVTPL classified as level 2 include units of mutual funds, the fair value of which is determined based on the latest reported net assets value ("NAV") as at the date of consolidated statement of financial position.

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### 37. FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

	31 December 2024				Total fair value
	Carrying Value	Level 1	Level 2	Level 3	
<b>Investments – at FVTPL</b>					
Money market funds	983,626,687	-	983,626,687	-	983,626,687
Derivative liability (Note 18)	44,074,800	-	-	44,074,800	44,074,800
Non-controlling interest put option	187,332,006	-	187,332,006	-	187,332,006

	31 December 2023				Total fair value
	Carrying Value	Level 1	Level 2	Level 3	
<b>Investments – at FVTPL</b>					
Money market funds	269,253,058	-	269,253,058	-	269,253,058
Non-controlling interest put option	175,363,779	-	175,363,779	-	175,363,779

There were no transfers between level 1 and level 2 fair value measurements, and no transfers into or out of level 3 fair value measurements as of 31 December 2024 (31 December 2023: Nil).

#### Derivative liability – significant assumptions and inputs used:

Particular	Inputs used
Risk-free rate	3.96% - 4.33%
Expected share price volatility	30.79% - 32.30%
Dividend yield	0.00%
Equity price per share	\$0.92 - \$1.02

#### Sensitivity analysis on derivative liability:

The sensitivity is as a result of the subjective nature of the unobservable input, namely the volatility and the potential movements in the risk-free rates. The impact of change in 10% volatility would result in change in fair value of the put options as follows:

Sensitivity analysis	-10%	Base case	+10%
<b>Total</b>	<b>25,490,749</b>	<b>44,074,800</b>	<b>61,769,839</b>

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### 38. SUBSEQUENT EVENTS

Subsequent to year end, the Group completed acquisition of remaining 49% shareholding of Direct Financial Network Company after completing regulatory requirements (refer note 1).

Other than abovementioned, there are no events subsequent to the year which requires disclosure in these consolidated financial statements. There is no event subsequent to the year which required any adjustment in the consolidated financial statements.

### 39. DIVIDENDS

On 27 February 2025, the Board of Directors of the Company recommended dividends to the shareholders for the fiscal year ended 31 December 2024 with a total amount of ₪ 402,000,000, equivalent to ₪ 3.35 per share representing 33.5% of the share par value subject to the approval of the shareholders in the General Assembly of the Company.

The Board of Directors of the Company in their meeting on 9 March 2024 recommended to the General Assembly which approved the distribution of dividends on 25 April 2024 to the shareholders for the fiscal year ended 31 December 2023 with a total amount of ₪ 276 million, equivalent to ₪ 2.30 per share representing 23% of the share par value.

The Board of Directors of the Company in their meeting on 25 February 2023 recommended to the General Assembly which approved the distribution of dividends on 10 May 2023 to the shareholders for the fiscal year ended 31 December 2022 with a total amount of ₪ 277.2 million, equivalent to ₪ 2.31 per share representing 23.1% of the share par value.

### 40. BUSINESS COMBINATION

On 17 Shawwal 1444H corresponding to 7 May 2023, the Group acquired 51% of the issued capital of DFN from its shareholders. The acquisition has been accounted for using the acquisition method with the Group being the acquirer and DFN being the acquiree.

The net assets recognised in the annual consolidated financial statements for the year ended 31 December 2023 were based on a provisional assessment of their fair values. The valuation had not been completed by the date the 2023 consolidated financial statements were approved for issue by the Board of Directors.

In May 2024, the Group completed the comprehensive purchase price allocation exercise that resulted in the fair value of the identifiable net assets of ₪ 100.6 million as at acquisition date. The 2023 comparative information was restated to reflect these adjustments to the provisional amounts. As result, there was an increase of intangible assets by ₪ 58 million, increase of non-controlling interest by ₪ 28.4 million and decrease of goodwill on acquisition by ₪ 29.6 million. The goodwill is primarily attributable to the expected synergies and other benefits from combining the assets and activities of DFN with those of the Group. Intangible assets recognized along with the valuation techniques used for measuring the relevant fair values are as follows:

Intangible assets	Amount	Valuation methodology
Customer relationship	34,714,306	Relief from royalty method
DFN Brand	12,859,708	Multi period excess earnings method

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### 40. BUSINESS COMBINATION (CONTINUED)

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

	Notes	Provisional fair value as at 7 May 2023	Fair value adjustments	Fair value as at 7 May 2023 (Restated)
<b>Assets</b>				
<b>Non-current assets</b>				
Property and equipment	4	4,963,191	-	4,963,191
Intangible assets - Software	5	83,424,788	10,498,970	93,923,758
Intangible assets – DFN Brand and customers relationship	5	-	47,574,014	47,574,014
Capital work-in-progress	5	8,454,236	-	8,454,236
Right of use asset	7	1,198,121	-	1,198,121
<b>Total non-current asset</b>	<b>-</b>	<b>98,040,336</b>	<b>58,072,984</b>	<b>156,113,320</b>
<b>Current assets</b>				
Cash and cash equivalents	-	6,282,326	-	6,282,326
Accounts receivable	-	18,996,663	-	18,996,663
Other assets	-	7,202,715	-	7,202,715
<b>Total current asset</b>	<b>-</b>	<b>32,481,704</b>	<b>-</b>	<b>32,481,704</b>
<b>Total assets</b>	<b>-</b>	<b>130,522,040</b>	<b>58,072,984</b>	<b>188,595,024</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
Employees' end-of-service benefits	16	8,045,493	-	8,045,493
Long-term borrowings	-	5,980,002	-	5,980,002
Deferred revenue	23	12,397,613	-	12,397,613
Lease liability	15	163,250	-	163,250
<b>Total non-current liabilities</b>	<b>-</b>	<b>26,586,358</b>	<b>-</b>	<b>26,586,358</b>
<b>Current liabilities</b>				
Lease liability	15	1,116,368	-	1,116,368
Current portion of long-term borrowings	-	14,763,921	-	14,763,921
Deferred revenue	23	14,546,346	-	14,546,346
Accounts payable and accrued expenses	-	28,169,017	-	28,169,017
<b>Total current liabilities</b>	<b>-</b>	<b>58,595,652</b>	<b>-</b>	<b>58,595,652</b>
<b>Total liabilities</b>	<b>-</b>	<b>85,182,010</b>	<b>-</b>	<b>85,182,010</b>
<b>Total identifiable net assets</b>	<b>-</b>	<b>45,340,030</b>	<b>58,072,984</b>	<b>103,413,014</b>
Non-controlling interest's share of identifiable net assets (49%)	-	22,216,614	28,455,762	50,672,376
Group's share of identifiable net assets (51%)	-	23,123,415	29,617,222	52,740,637
Goodwill arising on acquisition	5	95,134,585	(29,617,222)	65,517,363
Purchase consideration	-	<b>118,258,000</b>	<b>-</b>	<b>118,258,000</b>

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### 40. BUSINESS COMBINATION (CONTINUED)

Analysis of cash flows on acquisition:	31 December 2023
Purchase consideration transferred for acquisition of subsidiary	113,921,000
Cash and bank balances of DFN as at 7 May 2023	(6,282,326)
Purchase consideration for acquisition of subsidiary net of cash acquired	<b>107,638,674</b>

### 41. RECLASSIFICATIONS

Certain comparative figures have been reclassified to conform to the current year presentation.

### 42. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements have been approved by the Board of Directors on 28 Sha'ban 1446H corresponding to 27 February 2025.



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