

Listings Report H1 2021



Welcome to the first edition of the Saudi Exchange's Listings Report.

This report will highlight IPOs, listings and secondary capital raising across our Equity and Debt Markets as well as shining a spotlight on many of our existing listed companies who are using the foundation provided by one of the largest, most liquid emerging market exchanges to support their growth.





Foreword

Mohammed
Sulaiman Al Rumaih

CEO of Saudi Exchange

This report demonstrates our focus on supporting our listed companies and providing the best possible platform for them to access a wide range of local, regional and international investment capital, to support their own growth objectives.

The report will detail wider market activity and provide a regular half-yearly update on the progress of Saudi Exchange's ambitious program of market developments, which is designed to achieve key elements of Vision 2030 and the Financial Sector Development Programme.

The Saudi Exchange is home to a unique range of companies – from the world's largest publicly traded company, Saudi Aramco, to ambitious, fast growing companies traded on our Nomu - Parallel Market. They and their ongoing success are key differentiators for the Saudi Exchange among other global exchanges. It is our overarching aim to ensure they continue to have the best possible platform to access the deepest pool of local and international investment capital and liquidity, supported by world class market infrastructure to support their growth.

Despite a background of challenging global market conditions due to the ongoing pandemic, we were particularly pleased by the strong IPOs, listings, and secondary capital raising in the equity and debt markets during the first half of the year.

We were delighted to welcome five new companies to the market during H1. Our Main Market saw the IPOs of Al Khorayef Water and Power Technologies Company and Theeb Rent a Car, who together raised SAR 1.056 billion (\$282 million) in capital. We also welcomed Watani Iron Steel Co., Fesh Fash Snack Food Production Co. and Mohammed Hasan AlNaqool Sons Co. who undertook a direct listing on the Nomu - Parallel market, highlighting the flexible range of listing options open to companies across the Saudi Exchange. In addition, a total of SAR 595 million (\$158 million) was raised by existing listed companies in follow-on offerings on the Main Market.

We are confident that this strong first half of the year will continue and there are encouraging signs of positive momentum in the IPO market with an excellent pipeline of potential further IPOs and follow on offerings in the second half of the year and beyond.

We hope you find this report a valuable addition to the range of market insights we are committed to providing as we seek to maximize both the visibility of companies joining or already listed on our markets as well as highlighting the benefits of being listed on the Saudi Exchange to companies that may be considering going public.

Listings Insights

Nayef Saleh Al-Athel
Chief of Listing – Saudi Exchange

The new companies we were honored to welcome to the Saudi Exchange in the first six months of 2021 highlight not only the range of flexible listing and trading options offered by the market, but also demonstrate the rapidly changing Saudi Arabian economy.



The new listings underlined the Saudi Exchange's position as one of the most active markets for fundraisings, not only within the MENA region but also within the wider spectrum of emerging markets exchanges.

Two of the companies joining our markets during H1 undertook IPOs on our Main Market - Al Khorayef Water and Power Technologies Company and Theeb Rent a Car.

Together they raised SAR 1.056 billion (\$282 million), but their IPOs also clearly highlighted the rapidly changing Saudi Arabian economy and the roles played by these companies and others in achieving the goals of Vision 2030. Between them they provide visible examples of companies leading transformation and growth in the utilities and transportation sectors, but also the overarching sustainability goals embedded in Vision 2030. We are honored that they have put their trust in the Saudi Exchange, and we look forward to supporting them in their future growth.

It is our deliberate strategy to offer companies a choice of routes to market, so that we are able to maximize the access points to the deep pool of investors accessible via the Saudi Exchange.

The flexibility of the Saudi Exchange's markets model was demonstrated by three direct listings on Nomu-Parallel Market. These listings were made possible due to the structural enhancements we introduced in 2019 which were part of the Exchange's ongoing strategic plans to further develop Nomu - Parallel Market. The direct listings of Watani Iron Steel Co., Fesh

Fash Snack Food Production Co. and Mohammed Hasan AlNaqool Sons Co confirm the importance of the Parallel Market's role in bolstering SMEs, supporting Saudi Arabia's economic development and providing investors with diverse opportunities to access public markets.

Finally, during the first half of the year we were proud to host the awards ceremony for the Saudi Capital Market Awards 2020 that was held in partnership with the CFA Society Saudi Arabia and the Middle East Investor Relations Association (MEIRA).

The Saudi Capital Market Awards received over 100 submissions from a spectrum of market participants and have been established to recognize excellence displayed by Market Participants, to apply the highest standard of practices, promoting fair competition and developing Saudi Arabia's capital market, in line with Vision 2030.

Among the listed companies winning awards were Dr. Sulaiman Al Habib Medical Services Group for "Most Notable Listing Award" on the Main Market, Riyadh Cement Company for "Most Notable Listing Award" on Nomu-Parallel Market, and Al Rajhi Bank for "Best Investor Relations Program Award".

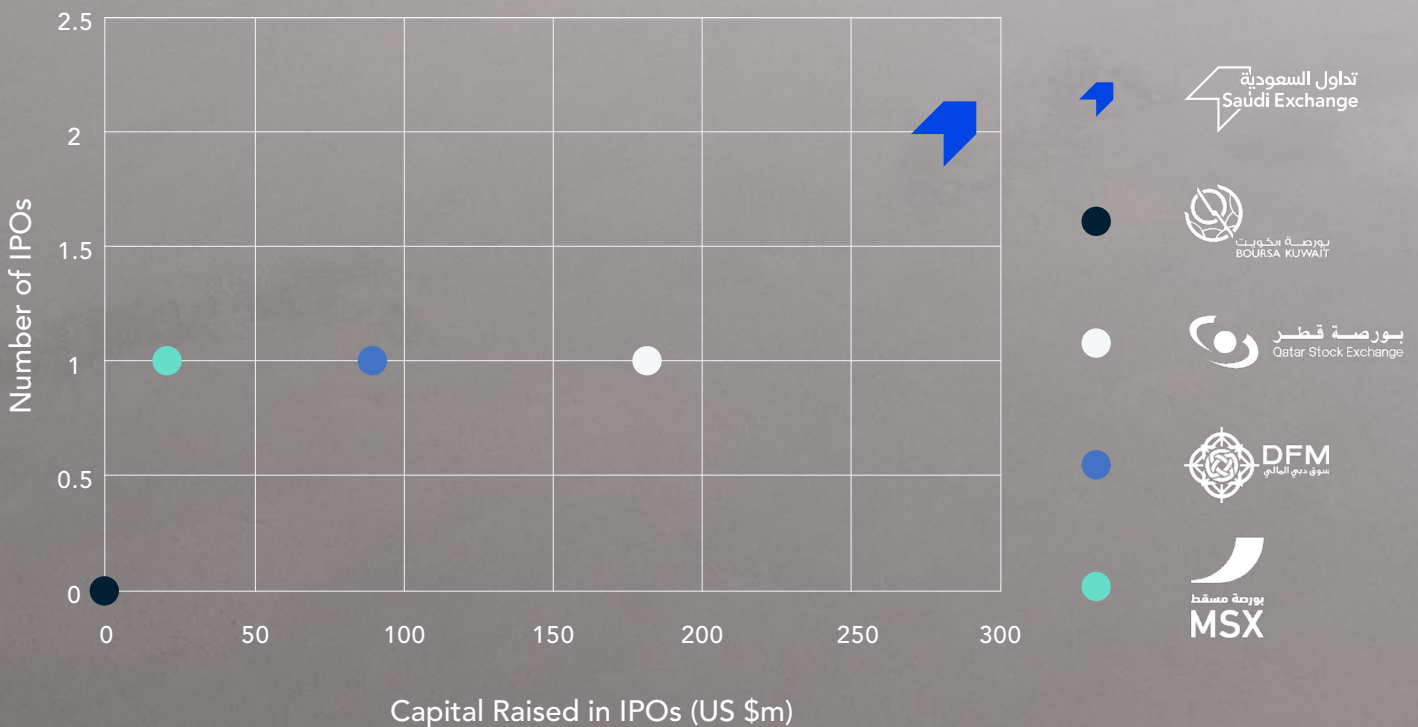
The individual successes showcased both by the Capital Markets Awards and also the dynamic new companies we welcomed to the market during the first half of the year highlight the collective progress in advancing and strengthening the Saudi capital market, in line with Vision 2030. We are proud of the trust they have placed in us and the Saudi Exchange is committed to both providing them with a strong platform to support their growth and also highlighting their achievements to wider audiences.

Listing Statistics

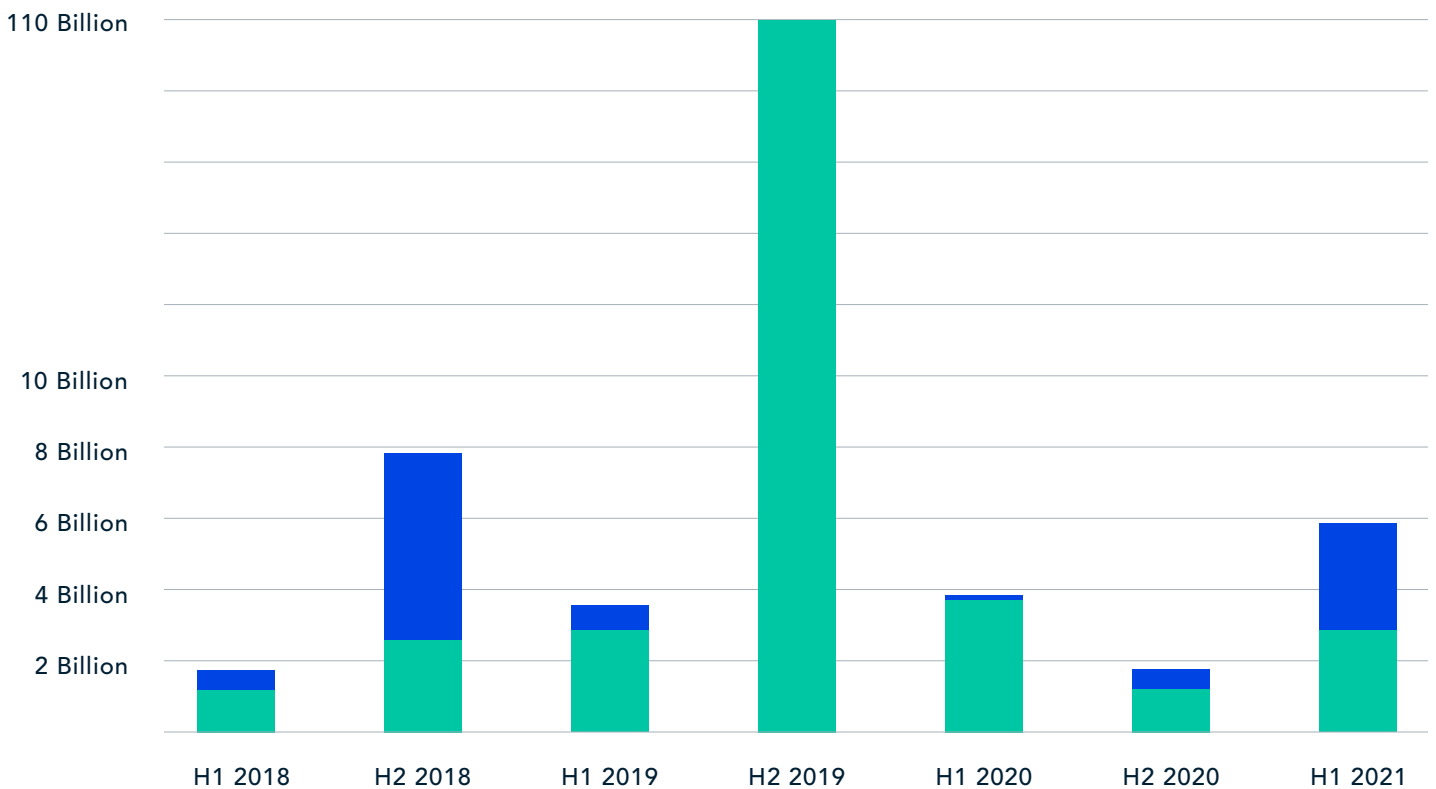
H1 2021 has been another successful period for the Saudi Exchange in attracting top tier companies to list.

Two equity IPOs were held in the first six months of the year, raising SAR 1.056 billion (\$282 million) in capital. Additionally, three companies completed direct listings on the Nomu - Parallel Market.

MENA IPOs in H1 (to 30 June 2021)

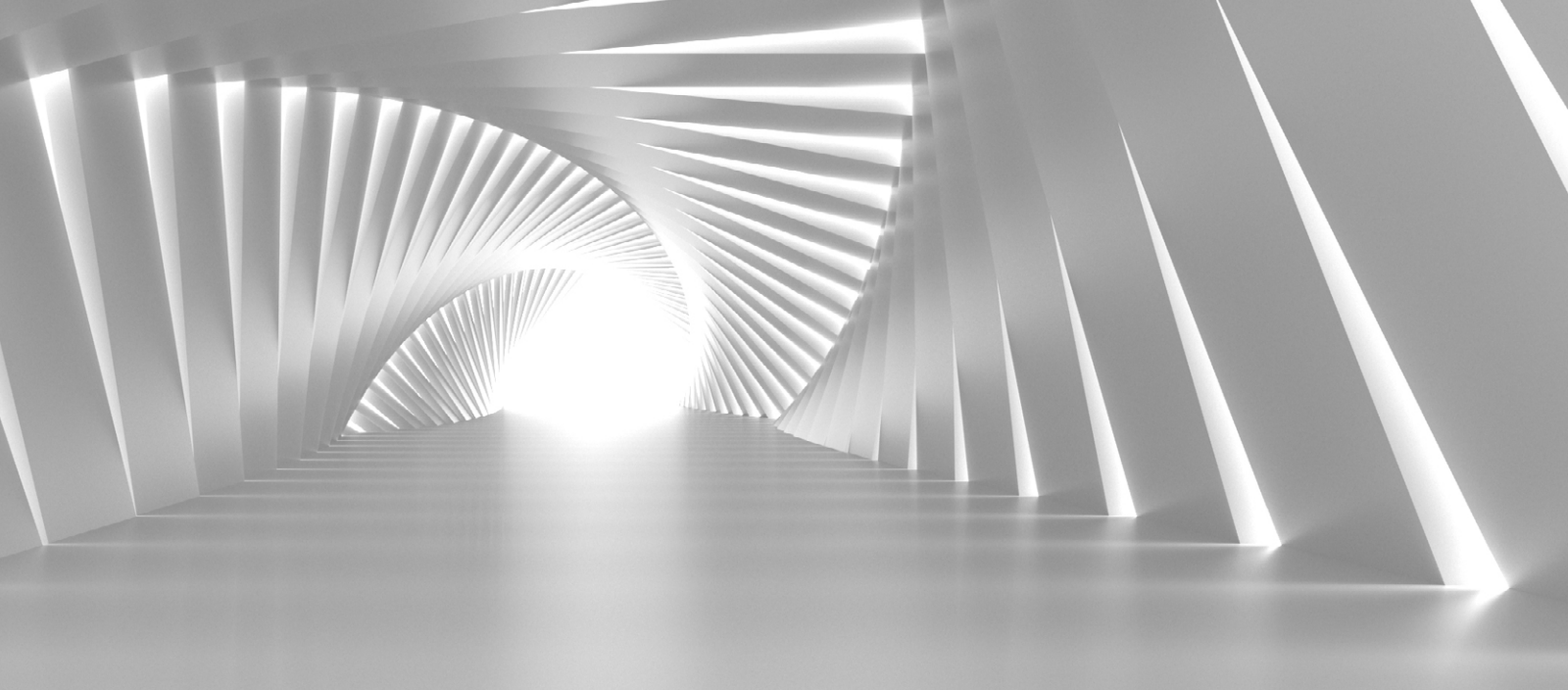


Saudi Exchange - Capital Raised in IPOs and Secondary Capital Raisings



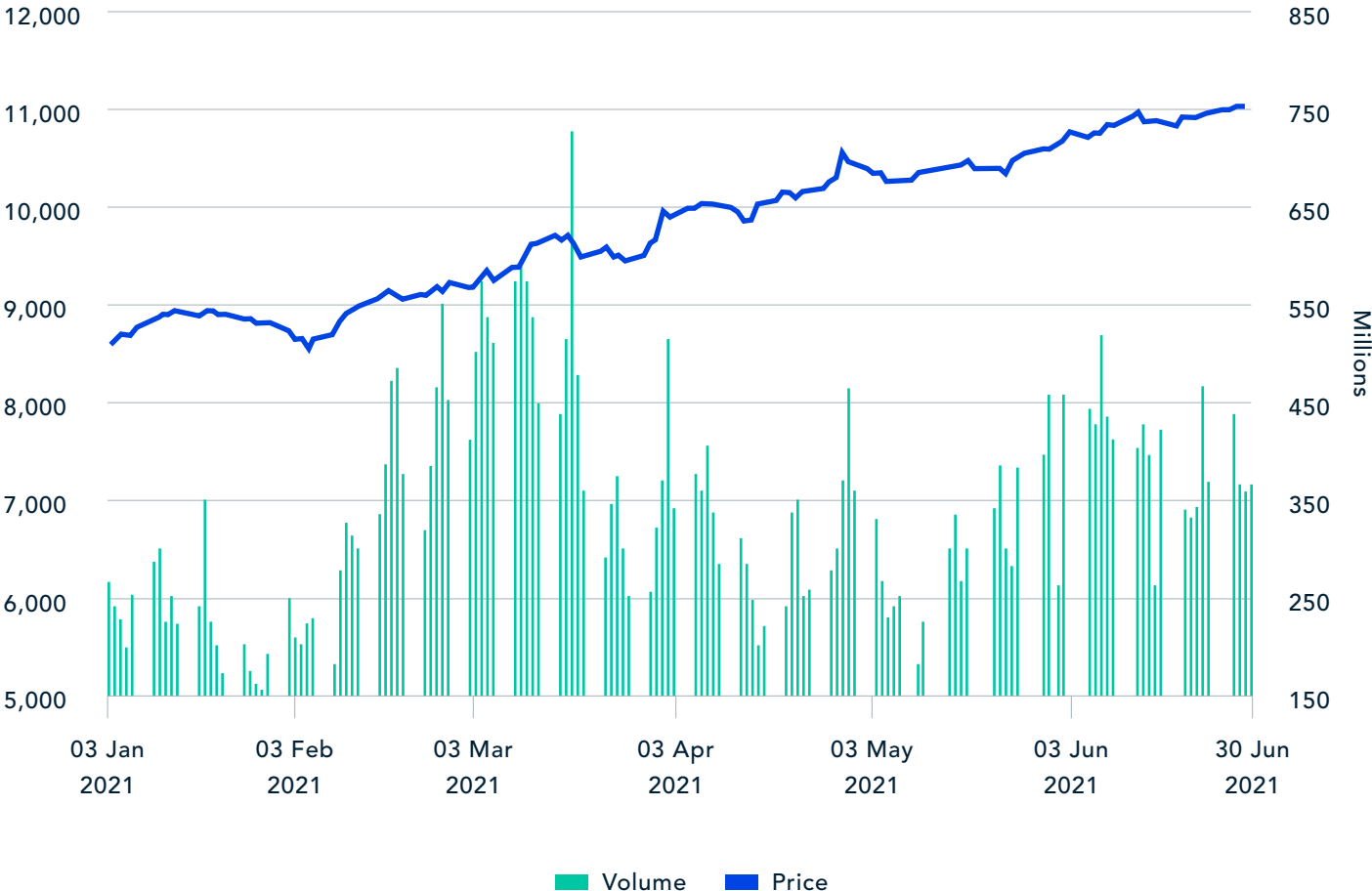
■ Total Capital Raised in IPOs (SAR)

■ Total Capital Raised in Further Offerings (SAR)



TASI Performance

The Tadawul All Shares Index rose by 27.3% in H1 2021.



Highest and lowest performing sectors in H1 2021

Highest Performing Sectors in H1 2021 (Main Market)

 **111.2%** Media and Entertainment

 **75%** Diversified Financials

 **58%** Software and Services

 **48.3%** Consumer Durables & Apparel

 **47.2%** Pharma, Biotech and Life Science

Lowest Performing Sectors in H1 2021 (Main Market)

 **1.1%** Food & Staples Retailing

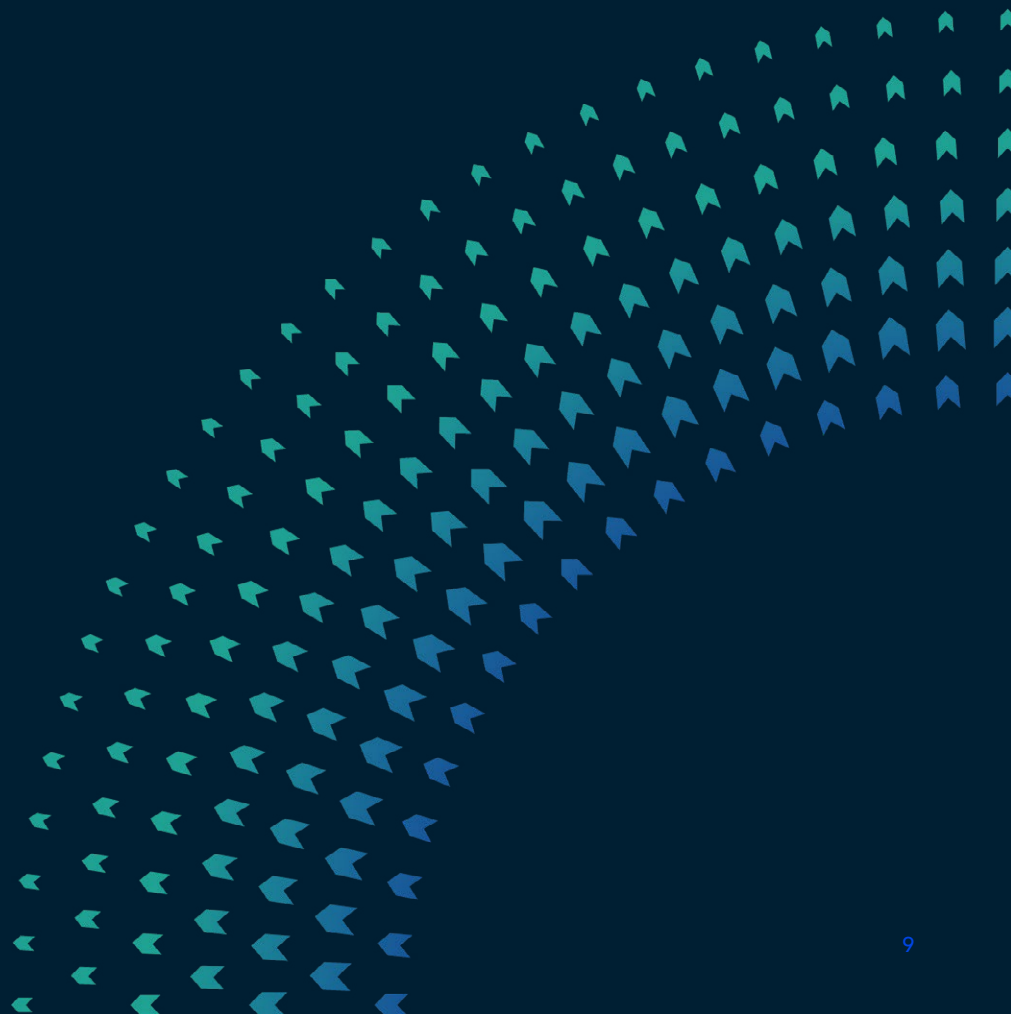
 **3%** Energy

 **9%** Commercial & Professional Svc

 **12.1%** Insurance

 **16%** Food and Beverage

Equity and Funds IPOs - H1 2021





Founded in Riyadh in 1991, Theeb Rent-a-Car provides bespoke car rental services to over 260,000 clients across its 48 branches within Saudi Arabia. With a fleet of over 19,000 vehicles and a dedicated team of over 1,000 employees, Theeb is the market leader in short-term car leasing and is known widely for its varied selection of cars and best-in-class customer service.

The company listed 30% of its share capital on the Main Market of the Saudi Exchange in March 2021, raising SAR 516 million. Theeb Rent-a-Car's IPO was a key milestone in the company's development and will support its growth strategy of opening new branches, whether at airports, inside cities, or in new mega projects where the need for car rental is likely to increase.

Key Facts

Transportation

Industry Group

1,720,000,000

Market Capitalization at Listing (SAR)

Main Market

Market

516,000,000

Capital Raised (SAR)

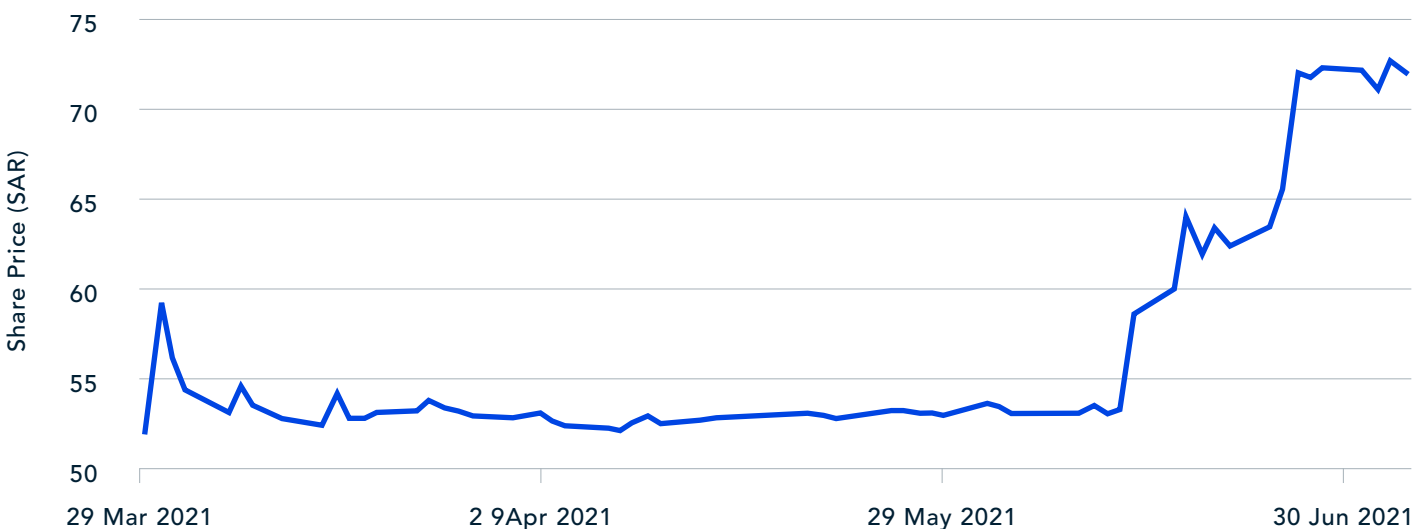
29 March 2021

Listing date

3,096,000,000 (+80%) ↑

Market Capitalization as of 30 June 2021 (SAR) % Change

Share Price Performance Since IPO



Alkhorayef Water and Power Technologies (AWPT) has been a vital part of Saudi Arabia's water and wastewater management market for over 30 years. With a client base that includes the Ministry of Environment, Water and Agriculture and the National Water Company as well as several other major governmental, and private clients, AWPT is currently responsible for the efficient full scale operation of over 25% of Saudi Arabia's water and wastewater infrastructure and plays an indispensable role in meeting the basic needs of more than 15 million inhabitants spread over 40 towns and cities.

AWPT raised over SAR 540 million when it listed 30% of its share capital on the Saudi Exchange in March 2021. The company will leverage its listing to support the ambitions of Vision 2030 which has clear directives to establish sustainable water resources in the Kingdom.

Key Facts

Utilities

Industry Group

1,800,000,000

Market Capitalization at Listing (SAR)

Main Market

Market

540,000,000

Capital Raised (SAR)

1 March 2021

Listing date

2,980,000,000 (+65.6%) ↑

Market Capitalization as of 30 June 2021 (SAR) % Change

Share Price Performance Since IPO



الخبر للدخل
Alkhabeer Income



Al Khabeer Diversified Income Traded Fund is the first fund of its kind in the region and is managed by Al Khabeer Capital, the asset manager specializing in Shariah-compliant investments and financial services.

Al Khabeer Diversified Income Traded Fund aims to provide investors with a diversified portfolio of income generating assets, including Sukuk, trade financing, leasing, income funds and Murabaha transactions, geographically diversified across local, regional and global markets. The Fund intends to generate competitive annual returns exceeding 5%, distributed semi-annually to its shareholders.

Al Khabeer Capital was founded in the Kingdom of Saudi Arabia in 2004 and has since grown into one of the Kingdom's leading investment management firms, employing over 84 professionals with over SAR 5 billion in assets under management. It is authorized by the Capital Market Authority.

Key Facts

Utilities

Industry Group

CEFs

Market

19 January 2021

Listing date

472,814,700

Market Capitalization at Listing (SAR)

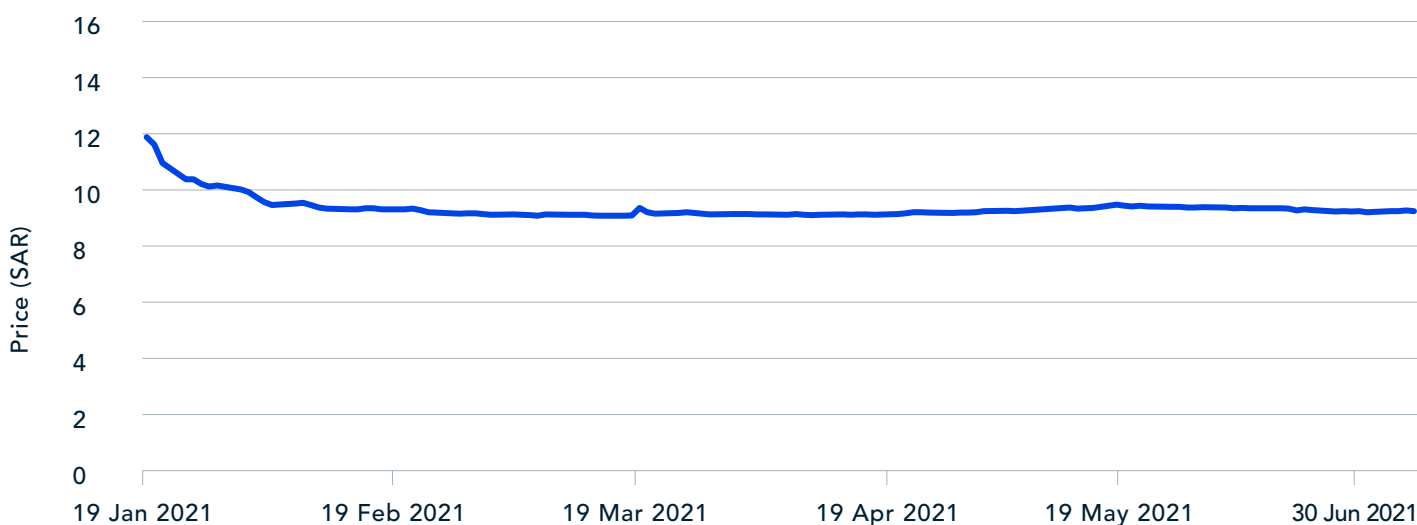
472,814,700

Capital Raised (SAR)

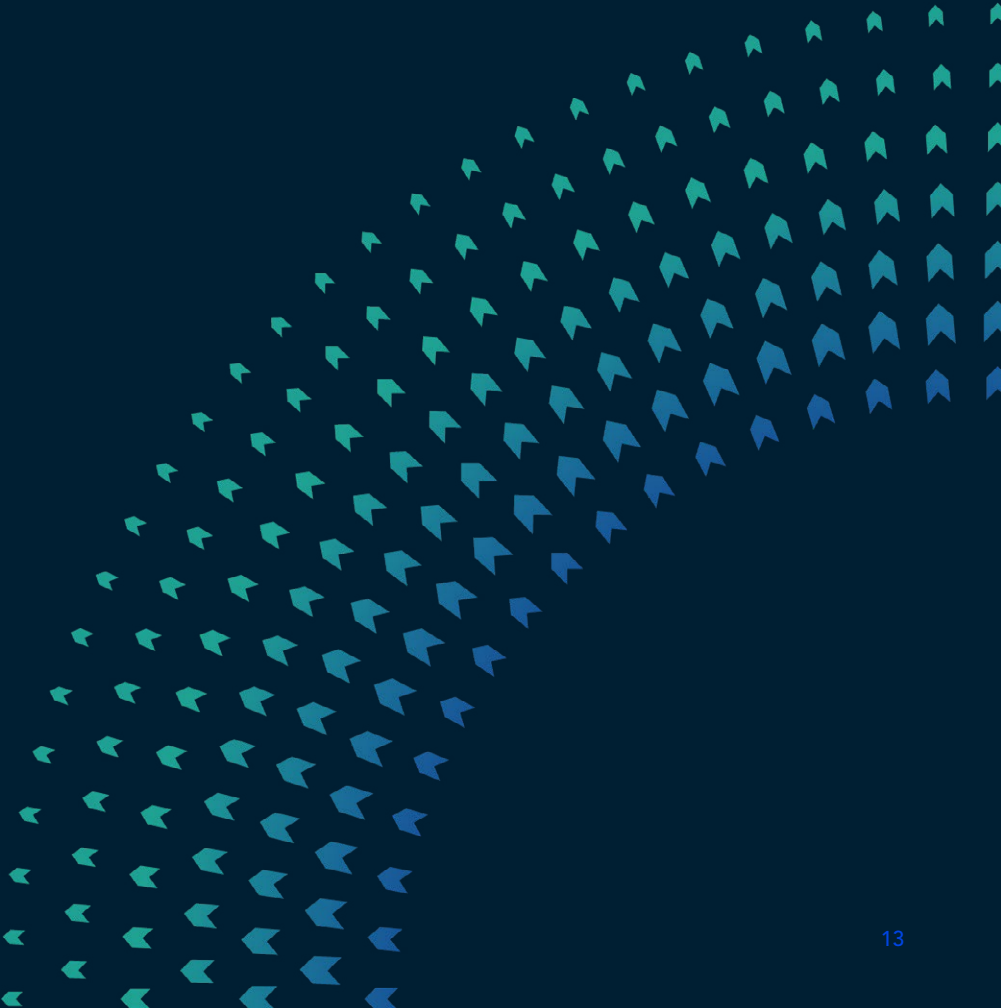
433,098,265 (-8.4%) ↓

Market Capitalization as of 30 June 2021 (SAR) % Change

Share Price Performance Since IPO



Direct Listings – H1 2021







حديد وطني
WATANI STEEL

Watani Iron and Steel Company was established in the Kingdom of Saudi Arabia in 2008 to meet the increasing demand for iron products in the region. Watani produces steel rebars using the billet produced at its factory. Its operations are divided between two units: one for producing billet and the other for steel rebars.

The company is located in Riyadh, Saudi Arabia and is part of the Structural Steel & Precast Concrete Contractors Industry. Watani Steel has 450 employees at this location and generates SAR 162.3 million in sales.

Watani Steel's strategic focus is to raise production capacity to meet needs of local and regional markets, maintain highest levels of quality, enhance operational capacity, expand market share locally and regionally and develop new distribution channels.

Key Facts

Materials

Industry Group

Nomu - Parallel Market

Market

17 February 2021

Listing date

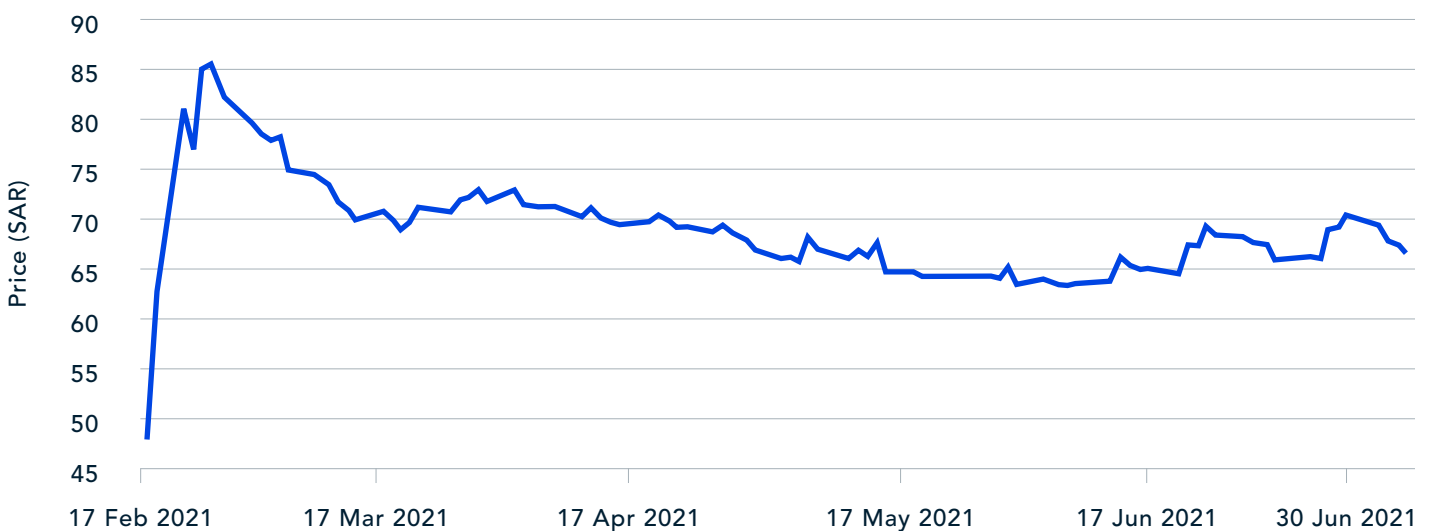
448,070,000

Market Capitalization at Listing (SAR)

808,948,000 (+81%) 

Market Capitalization as of 30 June 2021 (SAR) % Change

Share Price Performance Since Listing





Fesh Fash, established in 1981, is one of the Kingdom of Saudi Arabia's long established snack food companies. It was the first local brand in the Saudi market to produce corn puffs, potato chips and mini sticks, with nearly forty years of experience.

The company makes snack food for everyone, using high-quality materials and the latest in food processing technology. Fesh Fash has a wide distribution network across all of Saudi Arabia, with presence in Kuwait and Bahrain as well.

Key Facts

Food & Beverage

Industry Group

Nomu - Parallel Market

Market

4 May 2021

Listing date

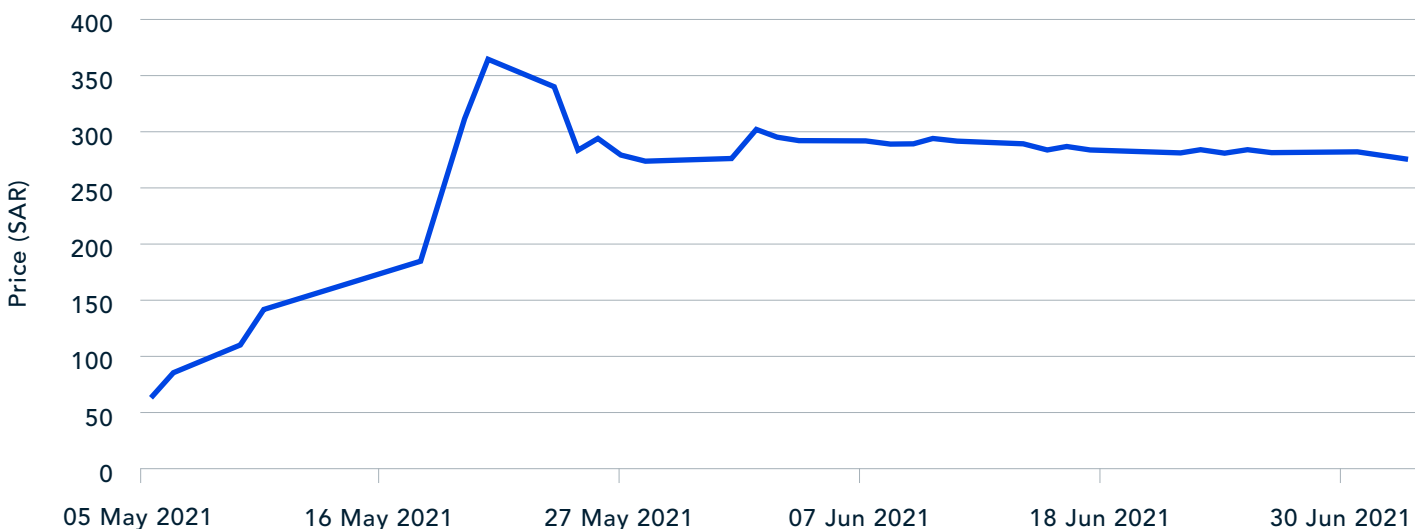
56,500,000

Market Capitalization at Listing (SAR)

310,750,000 (+450%) ↑

Market Capitalization as of 30 June 2021 (SAR) % Change

Share Price Performance Since Listing





Al Naqool is one of the leading suppliers of quality concrete in the eastern region. It is a manufacturer of hollow cement blocks and bricks, as well as ready-mixed concrete. Its activities include production of cement blocks and ready-mixed concrete, Aluminum, blacksmithing and carpentry works. The company also purchases land and constructs buildings for sale or rental purposes.

The company started in 1984 with a factory for blocks and ready-mix concrete in Safwa, Dammam- Jubail Highway in the eastern region of the Kingdom. Then it expanded by establishing another factory in Taif in the Mecca Province of southwest Saudi Arabia. Al Naqool has also established a stone crusher in the Al Khurma – Ranyah highway, due to the availability of solid rocks and gravel in the region.

Al Naqool employs more than 200 people.

Key Facts

Materials

Industry Group

2 June 2021

Listing date

Nomu - Parallel Market

Market

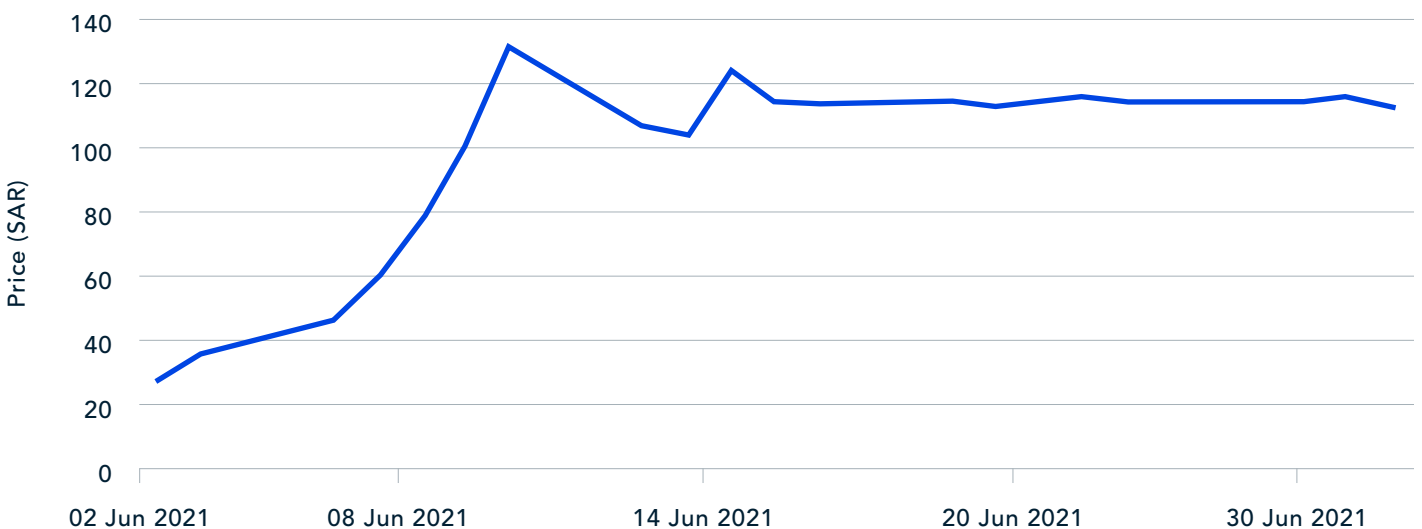
60,900,000

Market Capitalization at Listing (SAR)

326,540,000 (+436%) ↑

Market Capitalization as of 30 June 2021 (SAR) % Change

Share Price Performance Since Listing





Saudi Capital Markets Awards

The Saudi Capital Market Awards are hosted by the Saudi Exchange in collaboration with the CFA Society Saudi Arabia and the Middle East Investor Relations Association (MEIRA). They recognize excellence displayed by listed companies who are championing the development and growth of Saudi Arabia's capital market.

The SCM Awards 2020 included the four following categories:

Most Notable Listing Award:

- Main Market: Dr. Sulaiman Al Habib Medical Services Group
- Nomu - Parallel Market: Riyadh Cement Co

Best Investor Relations Program Award: Al Rajhi Bank

Best Broker Award: Alinma Investment

Best Custodian Award: HSBC Saudi Arabia



Q&A with Dr Sulaiman Al Habib Medical Services Group Nasser Alhaqbani, CEO Most Notable Main Market Listing Award

What are the steps you have taken before applying for Saudi Capital Market Awards 2020?

Prior to applying to the Saudi Capital Market Awards, we evaluated our listing process through conducting a Listing Readiness Assessment to identify the factors that contributed toward the successful listing of HMG on the Saudi Exchange. This process included working with our IPO financial advisors to identify initiatives that supported the listing and gather data on the listing and post listing performance.

The Listing Readiness Assessment process also involved a development of our equity story as a storyboard for the IPO and investor road-shows and a peer analysis which allowed us to benchmark our corporate strategy, governance and performance against our competitors, and against other listings completed during the year. Once we had all the supporting evidence for our entry, we identified key messages we wanted to communicate, primarily with regards to records achieved at the time of listing including:

- The largest healthcare company in terms of market capitalization, revenue and net income;
- The highest aggregate order book in a book-building process for a private company;
- The highest coverage ratio, the highest number of institutional bidders; and
- The highest volume of bids from international investors

How did winning the award help your growth prospects and outlook for your business?

Winning the Most Notable Listing Award was a tremendous achievement and a recognition of HMG's efforts in engaging with investors prior and post listing. The award served as a signal to the market of our leadership in early investor engagement and our efforts in maintaining proactive engagement with the market. Being recognized by Saudi Exchange as the most notable listing in 2020 has also increased recognition for our brand within and outside of Saudi Arabia.

If you could give three tips to the companies looking to list in the Main Market, what would they be?

- **Preparation is key** – The IPO readiness assessment is key to a successful listing. Starting as early as possible is important to ensure the listing team can conduct a thorough review of the business which, in turn, will result in better engagement with the market. Governance also played a vital role in the success of the IPO, by formulating a clear strategy and having a clear governance manual in place.
- **Involve internal stakeholders** – Collaborating and engaging with internal stakeholders can make a significant difference to the success of a listing. Investors want to learn about all aspects of a business, and stakeholders across the business are key to sourcing the information investors need. Employees will also need to embark on a culture shift from a private to public business; involving them in the listing process can be key to long-term success.
- **Develop a clear equity readiness investment case** – Marketing the transaction among potential investors is key. To do this successfully companies should develop a clear investment case that communicates the company's competitive advantages and highlights how the company will create value post listing.



Q&A with Riyadh Cement Company Shoeil Al-Ayed, CEO and Board Member Most Notable Nomu Listing Award



What are the steps you have taken before applying for Saudi Capital Market Awards 2020?

Before we applied to the Saudi Capital Market Awards, we assessed our company's unique strengths and size in comparison to our listed peers. We then worked with our financial advisors to identify what made our listing so successful and to gather supporting evidence for our entry. Our senior management were confident that our listing met the criteria for the award and approved the submission so that the company could be recognized for an innovative and successful transaction.

How will winning the award improve the growth prospects and outlook for your business?

Winning the Most Notable Listing Award is a significant achievement for Riyadh Cement Company and is a testament to our commitment to adopting international best practices.

This award signifies our development into a market leader and we will continue to leverage the various initiatives of the Capital Markets Authority to support our growth as a business.

Winning the award will drive innovation and excellence at Riyadh Cement, and it encourages us to continue adopting international best practices so as to meet the expectations of our shareholders, customers and also our broader social responsibilities.

If you could give three tips to the companies willing to list on Nomu- Parallel Market, what would they be?

Listing on the Saudi Exchange enhances company performance and business continuity while increasing the confidence of current and potential investors. Therefore, Riyadh Cement Company would give the following tips to companies seeking to list on the Nomu – Parallel Market:

1. Appoint qualified individuals to lead the process who are familiar with the rules and regulations of the Capital Markets Authority, the Saudi Exchange, and the Securities Depository Center (Edaa).
2. Carefully prepare the required documents and study them with the relevant internal and external bodies to ensure the listing process is completed on time.
3. Choose an appropriate financial advisor and communicate with them regularly. This should be in addition to ongoing communication with the senior management around the listing procedures, documents, and forms.



Q&A with Al Rajhi Bank

Waleed Almogbel - CEO

Investor Relations Program

What are the steps you have taken before applying for Saudi Capital Market Awards 2020?

At Al Rajhi Bank, we always aspire to be a strong competitor in all aspects of the banking industry. Winning the inaugural Saudi Capital Market Award for best IR program is a true honor and showcases the great efforts from the management and IR team during the year.

We prepared internally by reviewing the criteria for the award before collecting all the supporting documents and capturing all the activities executed throughout 2020, including regulatory disclosures, management participation at IR events, meetings and conferences attended, COVID-related communications, IR digital enhancements, and efforts related to ESG. Having an established and well organized IR function enabled us to efficiently demonstrate how our approach and activities are aligned with the leading IR practices globally.

How will winning the award help your business?

Winning the first ever Saudi Capital Market Award will help us to shine a light on the great efforts delivered by the management and IR team during 2020, as well as highlight the importance of the IR function internally and externally. Winning this award will push us to maintain our leadership position in IR, with the continued support of senior management, and continue to harvest the benefits of having a best-in-class IR function.

Ryan Al Shuaibi - Director of Investor
Relations at Al Rajhi Bank



Why is IR important for listed businesses?

There have been many changes in the Saudi capital market and the MENA region more broadly. Led by the great efforts of the Capital Market Authority and Saudi Exchange, these changes support the Kingdom's Vision 2030 and Financial Sector Development Program to develop a diversified and effective financial sector. The inclusion in global and emerging market indices and new listings have resulted in the Saudi Capital Market being among the top 10 Capital Markets globally by market cap. At Al Rajhi Bank, are proud to be the largest weighted stock on the Tadawul All Share Index and MSCI Tadawul 30 Index. In addition, Qualified Foreign Investors have significantly increased their ownership in Saudi listed companies as investment opportunities have been created.

Listed companies must adapt to these changes through improving their communication efforts with different stakeholders in the financial and capital markets. The IR function will play an increasingly critical role in providing the market with the information it needs to make informed investment decisions. An effective IR program will result in a fair valuation, improved stock liquidity, access to capital and a resilient shareholder base.

What are the day-to-day challenges of your role?



















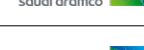

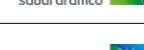




The main challenges include continuous engagement with all stakeholders externally and internally, being aware of changes in the market and industry and how these will impact the business, providing and updating the investment community with sufficient information through different channels (board report, earnings release, investor and earnings presentation and analysts and investors meetings) and fulfilling regulatory reporting requirements. Moreover, with advancement in the digital world, IROs need to ensure that all communication channels are updated regularly.

If you could give three tips to aspiring IROs, what would they be?

The first and most important is to grasp a good understanding of the business strategy and market context in order to convey the desired messages to the investment community. Second, IROs need to be proactive through two-way communication with all stakeholders internally and externally in an effective and efficient way. Lastly, for those just starting their career or IR certification, learning from the leaders in the market locally and globally, engaging with professional communities for investor relations such as MEIRA, and more importantly reading the Saudi Exchange IR toolkit will help them gain a better understanding of IR best practices.

Certified Investor Relations Officers in H1

We would like to extend our warmest congratulations to those who completed the Certified Investor Relations Officer (CIRO) programme with the Middle East Investor Relations Association (MEIRA) during the first half of the year.

Name	Client	Name	Client
Rayan AlKarawi		Neeraj Kumar	
Zameel Ammanoor Kasim		Omar Ali Aldalaan	
Abdulrahman Abdulaziz AlShaye		Nasser Al-Qunaiah	
Fahad Hamid Al Waked		Redha A Alamri	
Saud Faihan Alraggas		Abobaker Ahmed Al-khateeb	
Sadiq Ali Mohammed Al Ali		Eyad Abdulaziz Al Shobaian	
Osama Ibrahim Sultan	L'AZURDE	Ammar M Al-Shamrani	
Tareq K. Alangari		Emma Simo Pinatella	
Haitham A. Al-Shathri		Ibraheem Mohammed Alkharji	
Mohammed A. Al-Bassam		Ahmad Daham Aldaham	
Own Issa Ismail		Mohamed Abdelhamid	
Mohamed Zein		Ziyad Abdulrahman Aldahami	
Hussein H. Lala		Hammam Bahareth	
Majed Saad Al-Jindan		Leena Jalal ElQaisi	
Gaylene Allen		Abeer Abdulkareem AlBlali	
Zamil Ahmad Alzamil		Ahmed Alshaikh	
Haythem Mohamed Rashed		Jihad A Almohanna	
Waleed Khalid Al-Dayel		Alanoud Abdullah Altamimi	
Iyad Al Garawi			

For help with certified Investor Relations professionals or the CIRO program please contact info@meira.me

Relevant Enhancements

Governance

Compliance

Investor relations

(01/21)

CMA requirement for all issuers on Saudi Exchange to make any disclosures in both Arabic and English comes into effect

(09/20)

Saudi Arabian Ministry of Commerce and the CMA published new draft for companies law

Provider

Incentives

صندوق دعم المشاريع
Projects Support Fund



Raising the funding limits for listed companies projects in the targeted sectors (health, education and real estate development "Mega Projects")

Long-term loan at preferential interest rate provided to listed companies can reach up to 500 million SAR for the project, and if the listed company has more than one project the total maximum loan can reach 1 billion SAR (maximum for borrower)



Appointing an account manager to expedite requests and ease of doing business.

Priority in obtaining industrial land and ready-built factories (new/expansion)

The ability of building a factory based on the company's request (Built to Suit Model)



Passing the approved real estate developer program. Which qualifies them to obtain:

1- Off-plan sales license

2- VAT refund for real estate supplies to qualified real estate companies

Helpful Links

[Listing Guide](#)

A resource to help companies decide how to list and raise capital through our markets

[IR Toolkit](#)

Information, advice and support to all companies either listed on or about to list on the Saudi Exchange

[Listing Readiness Assessment](#)

A listing readiness assessment questionnaire to give companies an initial view on likely readiness for the listing process

[Advisors Report](#)

A statistical report that provides historical data of all the advisors involved in the in previous IPOs

Interested in going public?

We are happy to contact you through a video call, please fill in this [form](#). A representative will be in contact soon.

