

Thomas Murray Upgrades the Overall Risk Rating for Edaa from ‘A’ to ‘A+’ with a Stable Outlook

Riyadh – 31 August 2022: The overall risk rating for Edaa, a company fully owned by Saudi Tadawul Group which operates and maintains the Depository and Settlement System (DSS), has been upgraded from ‘A’ to ‘A+’ with a stable outlook by Thomas Murray, the leading global post-trade risk and custody specialist.

The revision comes following several enhancements by Saudi Tadawul Group, including removal of pre-funding requirements, the introduction of a central counterparty in the cash market (Muqassa), and the recent roll-out of enhancements to improve trade and post-trade services, including expanded settlement over three daily batches and buy-in facilities.

Raed Alhumaid, CEO of Edaa, said: “We are delighted with this upgrade, which serves as a testament to our hard work and determination to align with international standards by introducing a new central securities depository system and improved post-trade services. We aim to continue enhancing the experience for market participants and to offer secure depository services, while strengthening the Saudi capital market’s infrastructure and increasing its attractiveness to investors and issuers alike.”

Thomas Murray also reviewed and upgraded Edaa’s component risk grades for Asset Commitment Risk from ‘A-’ to ‘AA’, Liquidity Risk from ‘A’ to ‘A+’ and Counterparty Risk from ‘A-’ to ‘AA-’ with a stable outlook.

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About Edaa

The Securities Depository Center Company (“Edaa”) was established in 2016 and is fully owned by the Saudi Tadawul Group. “Edaa” operates and maintains the Depository and Settlement System (DSS) to record and maintain securities and register the ownership of securities on the Saudi Exchange. It aims to enhance the efficiency of securities deposit and registration services, in alignment with Saudi Vision 2030 objectives, through developing a more resourceful environment that fosters excellence within all sectors related to the capital market. For more information, visit: www.edaa.com.sa