



Annual Report

1446 - 1447 H

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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



The Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al-Saud

King of Saudi Arabia



His Royal Highness

Prince Mohammed bin Salman bin Abdulaziz Al-Saud

Crown Prince and Prime Minister

Capital Market Authority Board

Royal Order No. 53597 dated 6/8/1444 AH was issued to reform CMA Board as follows:



His Excellency

Mohammed bin Abdullah El-Kuwaiz

Chairman

1. Royal Order No. (A/387) dated 18/10/1446H was issued, approving the extension of the service of H.E. Mr. Mohammed bin Abdullah bin Ibrahim El-Kuwaiz as Chairman of the Capital Market Authority Board, with the rank of Minister, for a period of four years commencing on 26/10/1446H.



Mr.

Youssef bin Hamad Al-Blihidi

Vice Chairman



Mr.

Khaled bin Abdulaziz Al-Homoud

Member



Mr.

Abdulaziz bin Abdulmohsen bin Hassan

Member



Dr.

Murya bin Saad Habbash¹

Member

1. Royal Order No. (24815) dated 27/03/1447H was issued appointing H.E. Dr. Murya bin Saad Habbash as a member of CMA's Board, replacing H.E. Dr. Waleed Al-Essa, and completing the remainder of the membership term established pursuant to Royal Order No. (53597) dated 06/08/1444H.

Capital Market Authority Board

His Excellency Mohammed bin Abdullah El-Kuwaiz

Chairman, CMA Board



Academic Qualifications:

MBA, New York University's Leonard N. Stern School of Business, USA.	2003
Bachelor's Degree, Law, King Saud University, KSA.	1998
General Securities Qualification Certificate (CME-1).	2008

Professional Experience:

Chairman, CMA Board.	2017 - Present
Vice Chairman, CMA Board.	2016 - 2017
CEO, Derayah Financial.	2006 - 2016
Administrative Consultant, McKinsey & Company, UAE.	2004 - 2006
Senior Manager of Investment Banking and Corporate Finance, Samba Financial Group.	1999 - 2004
Broker, International Markets and Precious Metals, Arab National Bank.	1996 - 1999

Memberships:

Chairman, Board of Trustees, The Financial Academy.
Chairman, Sukuk and Debt Instruments Development Committee.
Board Member, General Authority of Awqaf.
Member, The Supreme Investment Committee.
Member, Financial Sector Development Program, Supervisory Committee.
Member, National Financial Stability Committee.
Former Member, Board of Trustees, Oqal Group.
Former Member, Investment and Securities Committee, Riyadh Chamber of Commerce and Industry.
Former Member, Investment Committee, King Faisal Foundation.
Former Member, Investment Committee, Awqaf Sulaiman bin Abdulaziz Al-Rajhi Holding Co.
Former Member, Advisory Committee, Capital Market Authority.
Former Member, Board of Directors, Bank Albilad.
Former Member, Business Youth Committee, Riyadh Chamber of Commerce and Industry.
Former Member, Public Pension Agency Board.
Former Member, Board of Directors, Al-Yamamah Steel.

Mr. Youssef bin Hamad Al-Blih

Vice Chairman, CMA Board



Academic Qualifications:

Master's Degree (LL.M), Law, School of Law, Wake Forest University, USA.	2008
Higher Diploma, Legal Studies (Professional Master's Degree), Institute of Public Administration, KSA.	2002
Bachelor's Degree, Islamic Studies (Jurisprudence), King Saud University, KSA.	2000

Professional Experience:

Vice-Chairman, CMA Board.	2017 - Present
Deputy of Legal Affairs and Enforcement, CMA.	2016 - 2017
Director, Department of Follow-up and Enforcement, CMA.	2016
Director, Department of Legal Affairs, CMA.	2015 - 2016
Manager, Department of Legal Advice, CMA.	2010 - 2015
Legal Adviser, Department of Legal Affairs, CMA.	2005 - 2010
Case Lawyer, Legal Division, Royal Court.	2002 - 2005

Memberships:

Member, Insurance Authority Board.
Chairman, Human Resources Development Committee, CMA.
Chairman, Governance, Risk, and Compliance Committee, Insurance Authority.
Head of CMA Delegation, meetings of the Executive Committee of the GCC Heads of Capital Market Authorities (or their equivalent).
Chairman / Member of a number of committees and teams comprising regulators of GCC Capital Markets for the integration of GCC Capital Markets Project.
Head of CMA's delegation to several Saudi-GCC coordination councils.
Chairman of a number of bilateral committees comprising CMA and other government entities with the aim to accomplish joint initiatives and tasks and set a mechanism to deal with overlapping jurisdictions, to ensure that work is functioning normally and each entity is accomplishing all tasks assigned to it.
Chairman / Member of a number of committees and teams tasked with implementing regulations of the Capital Market Law and Companies Law.
Chairman, Supreme Joint Committee to Separate the Functions and Jurisdictions of CMA and Tadawul.
Vice-Chairman of Administrative Committee, CMA.
Chairman, Supervisory Committee for the Capital Market Documentation Initiative.

Mr. Khaled bin Abdulaziz Al-Homoud

Member, CMA Board



Academic Qualifications:

Master's Degree, Business Administration, Kent University, Ohio, USA.	1999
Bachelor's Degree, Accounting, King Saud University, KSA.	1995

Professional Experience:

Member, CMA Board.	2017 – Present
Deputy of Strategy and International Affairs, CMA.	2013 - 2017
Manager, Investment Funds Department, CMA.	2006 - 2012
Chief Executive, Corporate Finance, CMA.	2004 - 2005
Faculty Member (Financing and Investment), Saudi Central Bank (SAMA).	1995 - 2004

Memberships:

Vice-Chairman, Human Resources Development Committee, CMA.
Member, International Organization of Securities Commissions (IOSCO) Board of Directors.
Vice-Chairman, Growth and Emerging Markets Committee (GEMC), International Organization of Securities Commissions (IOSCO).
Member, ZATCA Board.
Member, Remuneration and Nomination Committee, ZATCA.
Chairman, Supervisory Committee for the Implementation of the Risk Based Approach Methodology, CMA.
Former Member, The Financial Sector Development Program Committee.
Former Chairman, Capital Market Awareness Program Funding Committee, CMA.
Former Member, the National Committee of Saving.
Former Member, Savings and Investment Committee, CMA.
Former Secretary, CMA Advisory Committee.

Mr. Abdulaziz bin Abdulmohsen bin Hassan

Member, CMA Board



Academic Qualifications:

Strategic Alignment Diploma, Said Business School, Oxford, UK.	2020
Bachelor's Degree, Law, King Saud University, KSA.	1991
On-the-job training at Citibank (New York, 1998), Lehman Brothers Investment Bank (London 1999), and Barclays Capital (2001).	

Professional Experience:

Member, CMA Board.	2023 – Present
Chairman, Board of Directors, Al Alamiya Insurance.	2018 – 2023
CEO and Managing Director, Credit Suisse, KSA.	2010 – 2019
Board Member and Managing Director, Rana Investment Company (RIC).	March 2010 – June 2010
CEO, Arab Finance Corporation.	2008 – 2009
Vice President and Head of Treasury and Investment, Muscat Bank, KSA.	2006 – 2008
Assistant General Manager, Alternative Investments Department, Samba Financial Group.	1994 – 2006
Dealer, Corporate Management Unit, Riyadh Bank.	1992 – 1994

Memberships:

Vice-Chairman, Digital Transformation Committee.
Member, Human Resources Development Committee, CMA.
Former Member, Board of Directors, Al Faisaliah Group (AFG).
Former Member, Board of Directors, Saudi Fransi Capital.
Former Member, Board of Directors, Saudi Stock Exchange (Tadawul).
Former Chairman of Governance and Compliance Committee and Audit Committee, Saudi Fransi Capital.
Former Chairman of Risk Committee and Former Member of Policy and Oversight Committee, Saudi Stock Exchange (Tadawul).
Former Chairman of Investment Committee and Former Member of Nomination and Remuneration Committee, Al Alamiya Insurance.
Former Member of Advisory Committee, CMA.
Former Member of Audit Committee, Arab National Bank (ANB).

Dr. Murya bin Saad Habbash

Member, CMA Board



Academic Qualifications:

PhD in Financial Accounting, University of Durham, UK.	2011
Master's Degree in Accounting and Finance, University of Birmingham, UK.	2007
Bachelor's Degree in Accounting, King Khalid University, KSA.	2002
Fellowship, Saudi Organization for Certified Public Accountants (SOCPA).	2006
Higher Diploma in International Arbitration, Prince Sultan College for Tourism and Business.	2011
Higher Diploma in Entrepreneurship, University of Michigan, USA.	2013
Diploma in Sustainability, Institute of Corporate Governance, Ireland.	2023
General Securities Qualification Certificate (CME-1).	2012
Governance, Risk & Compliance Auditor (GRCA), OCEG – Global Integrity Organization.	2022
Certified Board Director, Institute of Directors (IoD), UK.	2023

Professional Experience:

Member, CMA Board.	2025 – Present
Faculty Member, Department of Accounting, College of Business, King Khalid University.	2003 – 2025
Full-time Governance Advisor, Governance Center, Public Investment Fund.	2023 – 2024
Part-time Governance Advisor, CMA.	2023 – 2024
Part-time Governance Advisor, National Center for the Development of the Non-Profit Sector.	2022
Chairman, Saudi Governance Association.	2020 – 2023
Audit Director (Part-time), Certified Public Accountants Office.	2019 – 2021

Memberships:

Chairman, Audit Committee, CMA.
Chairman, Scientific Committee, CMA.
Former Board Member and Chair of the Audit Committee, Baladi Poultry Company.
Former Board Member and Chair of the Audit Committee, North Education Company.
Former Board Member and Chair of the Audit Committee, Global Specialties Company.
Former Member, Governance and Risk Committees, Buruj Insurance.
Former Chairman, Audit Committee, Riyadh Steel.
Former Board Member and Chair of the Audit Committee, Ramoz Arabia.
Former Member, Audit Committee, Consumer Protection Association.
Former Chairman, Audit Committee, King Khalid University.
Former Board Member and Chair of the Audit and Risk Committee, Salama Insurance.
Former Chairman, Governance, Risk, and Compliance Committee, Tabuk Agricultural Company.
Former Member, Professional Performance Committee, Saudi Institute of Internal Auditors.
Former Member, Education and Training Committee, Saudi Organization for Certified Public Accountants (SOCPA).
Former Member, Professional Conduct and Ethics Committee, Saudi Organization for Certified Public Accountants (SOCPA).



This report has been prepared to demonstrate CMA's compliance with the highest standards of transparency and to inform the public of its activities during the past year, pursuant to the requirements of Article 16 of the Capital Market Law (CML), which states: "The Chairman of the Board shall present to the President of the Council of Ministers an annual report on CMA's activities and its financial position during the preceding year, within ninety days from the end of the year." The preparation of this report fulfills the requirements of the Guide for the Production of Annual Reports for Public Sector Entities¹, as applicable to CMA.

1. In implementation of High Order No. 25819, dated 23/04/1443 AH, stipulating the adoption of the Guide for the Production of Annual Reports for Public Sector Entities, which, as of the financial year 1443–1444 AH (2022), shall replace the requirements for the preparation of annual reports mandated for ministries and public agencies, including universities and other government bodies.



Chairman's Message

Capital Market Authority

Mohammed bin Abdullah El-Kuwaiz

I am pleased to present the Capital Market Authority's Annual Report for the year 1446–1447 AH (2025), which highlights the Authority's efforts over the past year to advance the development of the capital market and enhance its attractiveness and depth. Throughout this period, CMA continued to implement its 2024–2026 strategy, which focused on stimulating financing and investment, strengthening the capital market ecosystem, and safeguarding investors. These initiatives have delivered tangible results, contributing to a broader range of investment instruments and greater market openness, thereby reinforcing the Saudi capital market's role as a key financing channel for the national economy in alignment with leading global standards.

As part of its ongoing efforts to deepen the capital market, 2025 saw the listing of 15 companies on the Main Market and 24 companies on the Parallel Market (Nomu). In addition, the market recorded 23 private share placements and two capital increases in the secondary market. As a result, total capital raised through the equity market exceeded SAR 33 billion.

The Sukuk and debt instruments market also experienced notable progress, including structural improvements to its infrastructure. Key developments included the introduction of an over-the-counter (OTC) settlement service and the launch of operations by the market's first Alternative Trading System (ATS) provider. Another significant milestone was the inclusion of Saudi government issuances denominated in Saudi riyals on the watchlist of the J.P. Morgan Government Bond Index–Emerging Markets (GBI-EM). To further support the sector, CMA enabled licensed capital market institutions to offer debt instruments via crowdfunding platforms and eased investment fund restrictions to promote wider participation in the Sukuk and debt market.

These initiatives were clearly reflected in overall market performance. By the end of 2025, the value of outstanding Sukuk and debt instruments rose by 6% to reach SAR 882 billion, alongside a remarkable 107% increase in trading value compared to the

previous year. Total funds raised from government and corporate issuances in this market amounted to SAR 114 billion. Notably, corporate issuances alone generated SAR 50.7 billion—surpassing the SAR 33.9 billion raised through the equity market for the second time in four years—underscoring the growing importance of the debt market as a key source of financing. Furthermore, CMA approved seven new corporate financing programs with a total value of SAR 22 billion.

Within the asset management industry, the sector sustained its strong growth momentum, as total assets under management in the Kingdom increased by 18% to surpass SAR 1.24 trillion by the end of the year. This expansion was primarily fueled by a significant rise in private real estate fund assets, which grew by 53% to reach SAR 356 billion, alongside public money market funds, which recorded a 57% increase to SAR 77 billion. Additionally, assets under management in both public and private debt instrument funds rose by 44%, while private equity funds achieved a growth rate of 31%.

To further broaden the range of investment opportunities, CMA approved 43 diversified investment funds during 2025. These comprised 22 equity funds, 4 money market funds, 6 exchange-traded funds (ETFs), 4 feeder funds, 2 debt instrument funds, 2 endowment (Waqf) funds, 2 multi-asset funds, and 1 closed-end traded real estate investment trust.

Demonstrating its leadership in regulatory innovation aimed at enhancing investor protection and promoting market fairness, CMA established—for the first time in 2025—three compensation funds dedicated to investors affected by capital market violations. Through this initiative, the Authority became the second entity worldwide to adopt such a framework. The number of beneficiaries exceeded 20,000 investors, based on distribution plans approved by the Committee for Resolution of Securities Disputes. These funds serve as a sophisticated and complementary mechanism to existing compensation channels, further reinforcing the investor protection system alongside civil claims previously brought before

the Committee for Resolution of Securities Disputes. At the same time, CMA continued to improve the efficiency of its litigation processes for the second consecutive year, recording an average duration of litigation procedures of 4.5 months during 2025.

According to the 2025 edition of the IMD World Competitiveness Yearbook, the Kingdom of Saudi Arabia maintained its strong upward trajectory, achieving leading positions in global capital market indicators among G20 countries. The Kingdom ranked first worldwide in ease of access to venture capital and secured second place across several key metrics, including accessibility to financial markets (both domestic and international), availability of equity financing for companies, effectiveness of board oversight, and the strength of shareholder rights protection.

In conclusion, I extend my deepest gratitude and appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al-Saud, and to His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al-Saud, Crown Prince and Prime Minister—may Allah protect them—for their continued and generous support. I also convey my sincere thanks to my fellow CMA Board members and all CMA staff for their commitment and contributions in serving our nation. May Allah grant us continued success in advancing its growth and prosperity.

Definitions

Term	Definition
CMA	Capital Market Authority
The Board	The Board of the Capital Market Authority
Chairman	Chairman of CMA Board
CML	The Capital Market Law issued by Royal Decree No. M/30 dated 2/6/1424 AH.
Implementing Regulations	Any regulations, rules, instructions, procedures, or orders issued by CMA to implement the provisions of the CML
Competent Party	CMA Board or the Chairman
Market	The basic market or the alternative exchange system. Where the context so permits, it includes any committee, subcommittee, employee, official, affiliate, or representative assigned to carry out market functions. "In the market" refers to activities conducted through market facilities
Basic Market	A market licensed to operate in the trading of securities in the Kingdom
Main Market	The market in which shares registered and offered under Part 4 of the Rules on the Offer of Securities and Continuing Obligations are traded
Parallel Market	The market in which shares registered and offered under Part 8 of the Rules on the Offer of Securities and Continuing Obligations are traded
Market Maker	A licensed capital market institution that continuously buys and sells securities to provide liquidity, in accordance with any regulations, rules or procedures issued by CMA or the market
Listing Application	In the Rules on the Offer of Securities and Continuing Obligations, a listing application is any request made to the market to list securities of any kind
Listing	Listing of securities on the market, whether on the Basic Market or the Parallel Market, or — where the context so permits — the submission of an application to the market for listing
Registration and Offer	Registration and offering of securities with CMA, or — where the context so permits — the submission of an application to CMA for registration and acceptance of listing
Registration	Registration of shares with CMA, or — where the context so permits — the submission of an application to CMA for the registration of shares for the purpose of direct listing on the Parallel Market
Acquisition	A transaction involving the purchase and sale of shares in a listed company through a private offer or negotiated deal
Merger	A transaction, however effected, involving an Offeree Company whose shares are listed on the market, resulting in one of the following: 1. The absorption of the Offeree Company by another company whose shares are listed on the market 2. The absorption of the Offeree Company by another company whose shares are not listed on the market 3. The formation of a new legal entity through the merger of two or more companies (including the Offeree Company)
Private Placement Notification	The notification required to be submitted to CMA in accordance with sub-paragraph (2) of paragraph (a) of Article 10 of the Rules on the Offer of Securities and Continuing Obligations. In the context of the Investment Fund Regulations, it refers to the notification to be submitted to CMA in accordance with sub-paragraphs (1), (2), and (3) of paragraph (a) of Article 83 of the Investment Fund Regulations in relation to private funds, and sub-paragraphs (1), (2), and (3) of paragraph (a) of Article 101 of the Investment Fund Regulations.

Term	Definition
Investment Fund	A collective (joint) investment scheme that enables investors to participate jointly in profits, managed by a fund manager for specified fees
Real Estate Investment Fund	A collective real estate investment scheme that enables investors to participate jointly in profits, managed by a fund manager for specified fees
Traded Real Estate Investment Trust (REIT)	A real estate investment fund whose units are traded on the Main Market or the Parallel Market, primarily investing in developed real estate that generates rental income, and distributing a specified percentage of net profits in cash to unit owners (unit-holders) at least annually
Unit Holder	A person who owns units in an investment fund or a real estate investment fund, representing an undivided share in the fund's net assets
Special Purpose Entity	An entity established and licensed in accordance with the regulations governing special purpose entities
Prospectus	A document required for the public offering of securities or for listing on the Main Market or the Parallel Market in accordance with the Rules on the Offer of Securities and Continuing Obligations
Registrable Functions	Functions that CMA requires to be performed by individuals registered with CMA
Authorized Credit Rating Agency	A legal person in the Kingdom authorized to carry out credit rating activities under the Credit Rating Agency Regulations, or a foreign credit rating agency authorized to operate in the Kingdom
Executive Member	According to the Capital Market Institutions Regulations, an Executive Member is a member of the Board of Directors who is part of the executive management of the capital market institution, works on a full-time basis, and participates in its day-to-day activities
Independent Member	According to the Capital Market Institutions Regulations, an Independent Member is a non-executive member of the Board of Directors who has full independence in position and decision-making and is not subject to any of the independence impediments stipulated in paragraph (c) of Article 53 of the Capital Market Institutions Regulations. According to the Securities Exchanges and Securities Depository Centers Regulations, an Independent Member is a non-executive member of the Board of Directors who has full independence in position and decision-making. This includes the absence of any business, familial, or other relationship that may give rise to a conflict of interest in relation to the exchange or the depository center, or the management or Board membership of either, as well as the absence of any such relationships during the two years preceding their appointment to the Board of Directors.
Non-Executive Member	According to the Capital Market Institutions Regulations, a Non-Executive Member is a member of the Board of Directors who does not participate in the full-time management of the capital market institution and does not engage in its day-to-day activities
Accounting Firm	A firm licensed to provide accounting and auditing services in accordance with applicable laws and regulations, including the Capital Market Institutions Regulations
Certified Public Accountant	A natural person or professional firm licensed to perform audit engagements in accordance with the Law of the Profession of Accounting and Auditing
Financial Technology (FinTech) Products	Innovative financial technology products, services, and business models
Financial Technology Experimental Permit (Permit)	A permit that enables applicants to participate in a fintech lab to deploy and experiment with their innovative financial technology products related to the capital market within specified parameters and timeframes
Securities Crowdfunding Permit	The offering of securities through a securities crowdfunding platform to the platform's subscribers, conducted by a capital market institution licensed to carry out arranging activities

Executive Summary:

CMA Annual Report for the fiscal year 1446–1447 AH (2025) presents a review of the Authority’s key activities and accomplishments during 2025. It outlines the principal results achieved under its strategic plan and highlights the regulatory, developmental, supervisory, and oversight initiatives carried out throughout the year to further develop and enhance the capital market.

In exercising its mandate to regulate the capital market, CMA approved in 2025 the Rules for Exempting Listed Companies in the Saudi Capital Market from the Meaning of the Term “Non-Saudi” in accordance with the Real Estate Ownership and Investment by Non-Saudis Law, the Guide on Cross-Registration of Investment Funds, and the Final Settlement and Related Collateral Arrangements Regulations. CMA also approved several amendments to a number of implementing regulations, including the Rules on the Offer of Securities and Continuing Obligations, the Real Estate Investment Funds Regulations, the Rules Regulating Special Purpose Entities, and the Rules for Regulating Foreign Investment in Securities.

Reaffirming its commitment to investor protection and market integrity, CMA completed the required procedures for addressing violations of laws and

regulations under its jurisdiction. During the year, it finalized actions in 143 out of 226 cases referred by its enforcement departments. Compensation awarded to affected investors in civil claims, based on final decisions issued by the Committees for Resolution of Securities Disputes (CRSD) and the Appeals Committee for Resolution of Securities Disputes (ACRSD), amounted to SAR 124.6 million by the end of 2025, benefiting 445 investors.

CMA also established three compensation funds dedicated to investors harmed by capital market violations. These funds benefited more than 20,000 investors under distribution schemes approved by the CRSD, thereby strengthening investor protection mechanisms and compensation frameworks within the capital market.

On the financing and investment side, market activity in both the Main Market and the Parallel Market continued to expand. A total of 39 companies conducted initial public offerings, raising SAR 18.6 billion. In addition, 23 private share offerings collectively raised more than SAR 7.9 billion. Two rights issues were completed, bringing the total value of equity offerings in the Saudi capital market to approximately SAR 33.9 billion. Moreover, one company completed the registration of its shares for direct listing on the Parallel Market.

SAR 124.6 million

Total value of compensations

445

Number of beneficiaries receiving compensations

SAR 18.6 billion

Value of shares offered by 39 companies in public offerings across the Main and Parallel Markets

CMA continued to support the development of the sukuk and debt instruments market, which has become a key financing channel in the Kingdom. Notable initiatives included the launch of the over-the-counter (OTC) settlement service for debt instruments and the removal of investment restrictions on public investment funds regarding private debt instruments. Total outstanding issuances of sukuk and debt instruments listed in the Saudi capital market reached SAR 713.4 billion by the end of 2025.

As part of its efforts to strengthen the capital market ecosystem, CMA issued 32 new licenses to capital market institutions in 2025, raising the total number of licensed institutions to 215. The revenues of capital market institutions increased by 19.4% compared to the previous year, reaching SAR 20.8 billion, while profits rose by 16% year-on-year to SAR 10.2 billion. CMA also continued to support the growth of the fintech sector, with 47 active FinTech ExPermit licenses recorded by the end of 2025. The number of benefiting investors exceeded 1.06 million, while assets under management through robo-advisory platforms reached SAR 6.4 billion. In addition, offerings conducted through debt-instrument crowdfunding platforms amounted to SAR 5.1 billion.

Recognizing the importance of awareness and engagement among investors and market participants, CMA published more than 1,400 posts across social media platforms. It issued over 260 press releases and announcements on its website and conducted more than 85 outreach campaigns during 2025. These communication efforts contributed to a notable increase in traffic to CMA's digital portal, which recorded over 2.9 million visits during the year.

CMA also held more than seven media engagements with various outlets to discuss specific topics aimed at further developing the capital market, exchanging perspectives, and exploring potential development directions and challenges.

At the international level, the Saudi capital market recorded significant progress in the financial market indicators of the IMD World Competitiveness Yearbook 2025, advancing in five out of twelve financial market indicators. This improvement reflects the impact of recent initiatives and reforms implemented in the capital market to enhance its development and align it with leading global standards.

SAR 713.4 billion

Total value of listed Sukuk and debt instrument issuances in the Saudi capital market

47 permits

Issued for FinTech experimental models

Executive Summary:



5.3 million subscribers

Total number of retail subscribers across various subscription channels



SAR 50.7 billion

Total proceeds raised from corporate sukuk and debt instrument offerings



SAR 5,116.2 million

Value of sukuk offered through debt instrument offering platforms



SAR 1.2 trillion

Total assets under management



2,071

investment funds



1,745,485 subscribers

Across public and private investment funds



SAR 490.2 billion

Value of international investors' holdings in the Main Market



161,000

Total number of international investors in the market



215

Licensed capital market institutions



SAR 6,416.4 million

Assets under management on robo-advisory platforms



47 capital market institutions

Covered by various inspection activities



44 inspection visits

Conducted in relation to anti-money laundering and counter-terrorist financing activities



8,512 complaints

Settled during 2025



37,994 cases

Processed through the CRSD electronic system



3,224 cases

Processed through the Appeals Committee's electronic system



199 violators

Subject to enforceable decisions



4.5 months

Average duration of litigation procedures in securities dispute cases



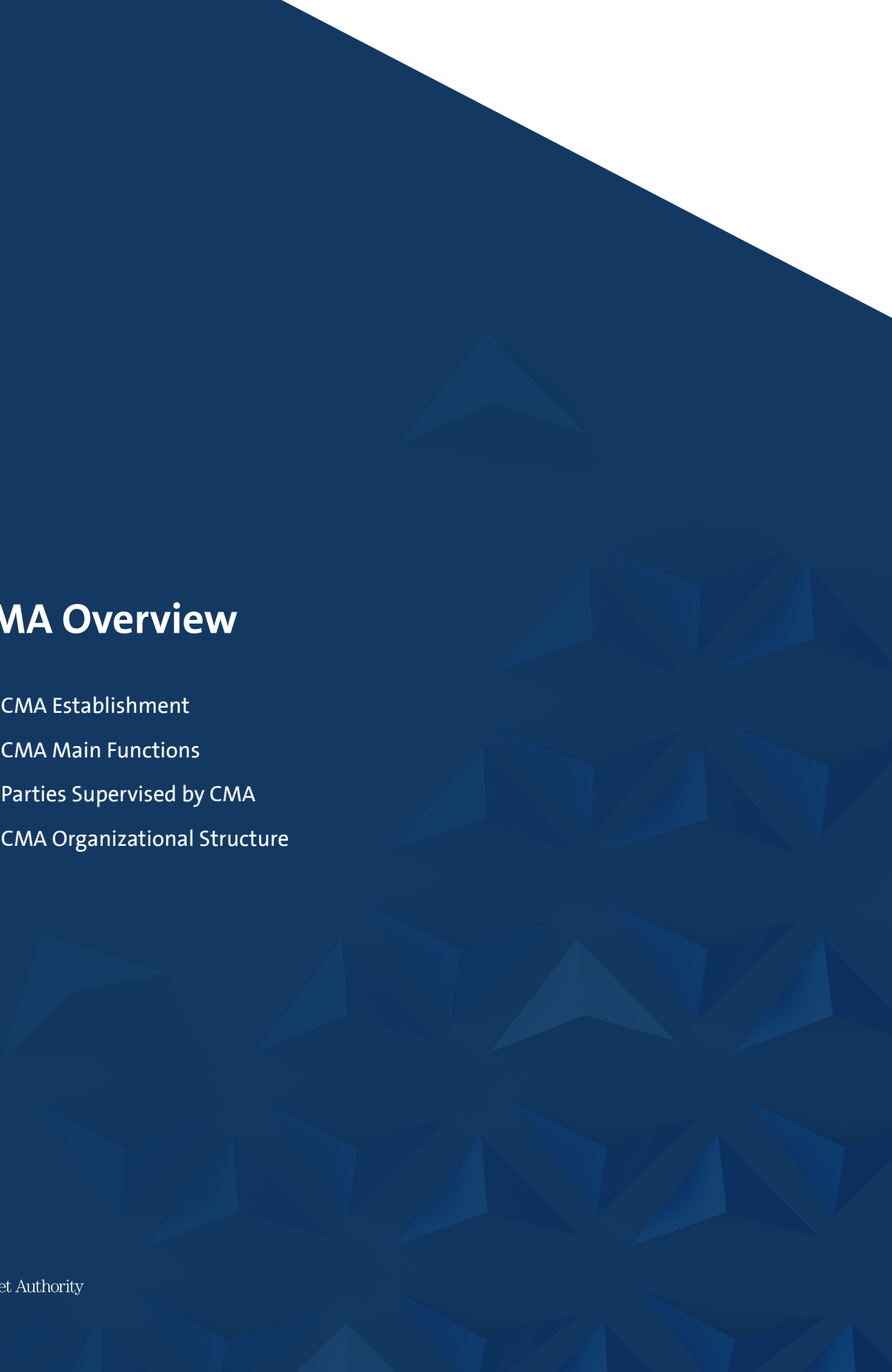
3.2 months

Average time for handling violations, from detection of suspicion to case closure within CMA



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CMA Overview

1. CMA Establishment
2. CMA Main Functions
3. Parties Supervised by CMA
4. CMA Organizational Structure

1. CMA Establishment

The Capital Market Authority (CMA) was established pursuant to the Capital Market Law (CML) issued by Royal Decree No. (M/30) dated 02/06/1424 AH, corresponding to 31/07/2003. CMA reports directly to the President of the Council of Ministers and enjoys legal personality, as well as independent financial and administrative autonomy.

CMA is responsible for supervising, regulating, and developing the capital market. It is also mandated to issue the regulations, rules, and instructions necessary to implement the provisions of the Capital Market Law.

16.5°C



2. CMA Main Functions

Under Article 5 of the Capital Market Law (CML), CMA is responsible for issuing the relevant regulations, rules, and instructions, as well as implementing the provisions of the CML. To this end, CMA undertakes the following functions:



Regulating and developing the capital market, enhancing the systems and mechanisms governing securities trading, and developing procedures that reduce the risks associated with securities transactions.



Regulating and supervising the issuance and trading of securities.



Regulating and monitoring the business activities of entities subject to its supervision.



Protecting investors and market participants from unfair or unsound practices, including fraud, deception, manipulation, or misconduct.



Promoting fairness, efficiency & transparency in securities transactions.



Regulating and supervising full disclosure of information related to securities and their issuers, as well as the dealings of insiders, major shareholders, and investors. This further includes determining and making available information that market participants are required to disclose to shareholders and the public.



Regulating proxy solicitations, purchase offers, and public offerings of shares.



Licensing the establishment of special purpose entities, and regulating and supervising their activities, including the issuance of securities, registration in the register established by CMA, and compliance with their articles of association. This also includes regulating the transfer of funds thereto, documenting associated rights, defining their legal standing vis-à-vis third parties, and issuing the relevant governing rules.



Regulating the pledge of securities and the execution thereof.

3. Parties Supervised by CMA

CMA supervises the following entities:



Capital market infrastructure institutions



Capital market institutions



Listed companies



Capital market dealers and participants



Special Purpose Entities (SPEs)



Credit rating agencies and companies



Investment funds and collective investment schemes in the capital market



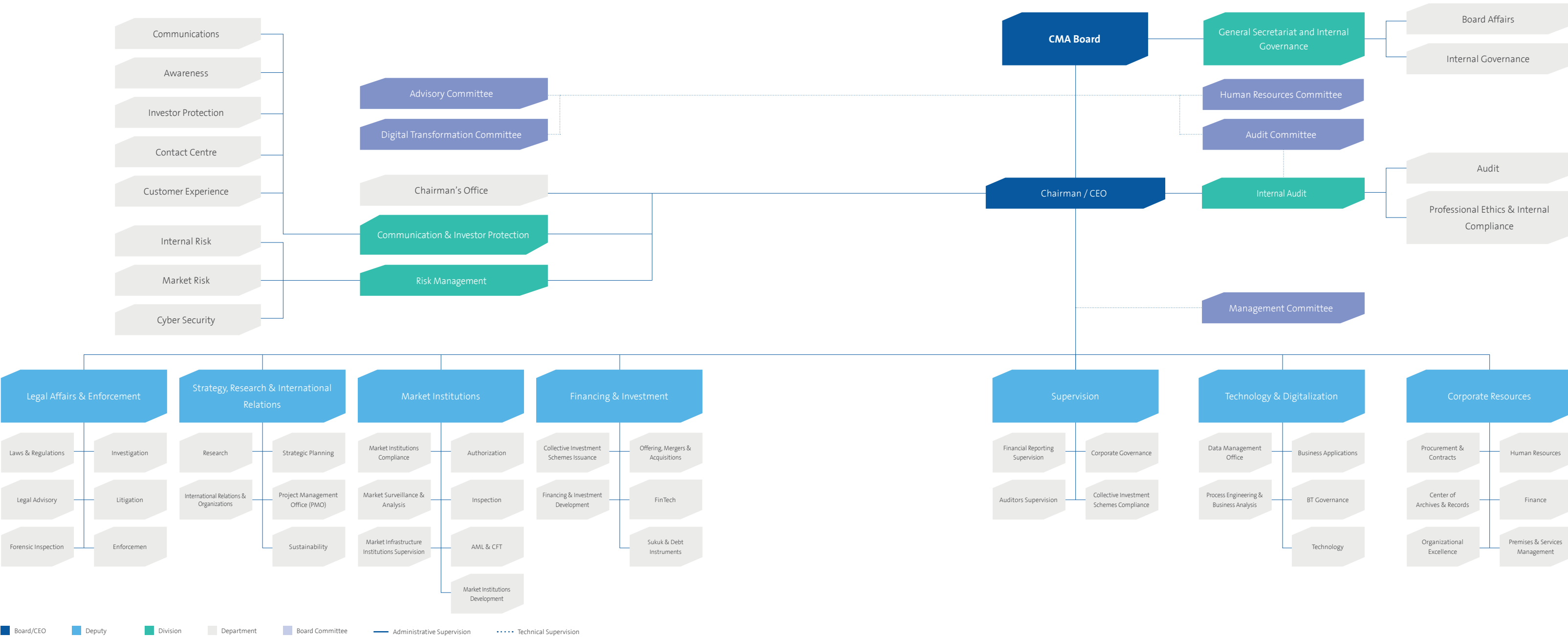
FinTech product providers authorized by CMA



Auditors of entities subject to CMA supervision

4. CMA Organizational Structure

Figure (1): Organizational Structure



01

➤ Chapter 01: Capital Market Strategic Plan

First: Vision, Mission and Values

Second: Capital Market Strategic Plan (2024-2026)

Third: Linkage between the Capital Market Strategic Plan and the Financial Sector Development Program

Fourth: Strategic Plan Governance

Fifth: Strategic Plan Achievements in 2025

Sixth: Status of Approved Initiatives

Seventh: CMA Aspirations for 2026, Challenges, and Required Support

First: Vision, Mission and Values



Vision

To make the Saudi capital market a primary source of financing and investment, and one of the most important capital markets in the world.



Mission

To regulate and develop the capital market in order to protect investors and enhance market stability, while creating an investment environment that supports the growth of the national economy.



Values

▶ Innovating Continuously

CMA is committed to the continuous development and enhancement of its policies, procedures, regulations, and operational programs, thereby improving services provided to market participants and contributing to national economic growth.

▶ Striving for Excellence

CMA is distinguished by the competence of its employees and is dedicated to developing their skills and expertise to ensure the highest standards of quality and professionalism, adherence to professional conduct standards, and the delivery of superior services to market participants.

▶ Communicating and Consulting

CMA promotes collaboration, consultation, & effective professional communication, working as a cohesive team that upholds respect and professionalism both within the Authority and in its interactions with capital market participants and stakeholders.

▶ Nurturing Our Staff and Community

CMA believes its employees are its most valuable asset. Strengthening their engagement and well-being positively impacts both society and the nation. Accordingly, CMA is committed to providing a supportive and motivating work environment and offering a range of programs that contribute to community development, including training, capacity building, and financial awareness initiatives.

▶ Assuming Responsibility

CMA demonstrates a strong sense of responsibility toward its community and employees, as well as employees' commitment to their duties—acting with integrity, diligence, and dedication to achieve the Authority's vision and mission.

Second: Capital Market Strategic Plan (2024–2026)

During 2025, the Capital Market Authority (CMA) continued to execute the Capital Market Strategic Plan in a structured and effective manner, ensuring the continued realization of its objectives while reinforcing the sustained development of the capital market. These efforts are aligned with CMA's vision to position the Saudi capital market as a key source of financing and investment, a vital driver of national economic growth, and one of the leading capital markets globally.

In recent years, the capital market has experienced remarkable growth and advancement. Assets under management rose by 103%, increasing from SAR 612 billion in 2020 to SAR 1,244 billion by the end of 2025. Similarly, the number of listed companies expanded by 89%, growing from 207 in 2020 to 392 by the end of 2025. Furthermore, foreign ownership in the main market reached unprecedented levels, doubling from SAR 208 billion in 2020 to SAR 417 billion by the end of 2025.

Building on the progress achieved in previous years, CMA continues to advance its Strategic Plan for 2024–2026 in alignment with the objectives of the Financial Sector Development Program and in response to the fast-paced developments in capital markets both locally and internationally. The plan also contributes to the realization of Saudi Vision 2030. Key efforts have

focused on a strategic direction that aims to expand the capital market's financing capacity through the development of diversified funding channels to meet the needs of both public and private sector projects. In addition, the strategy prioritizes strengthening the role of the capital market—across its various channels—in financing and investment, supporting and enabling capital market institutions, and accelerating the growth of the FinTech sector. These efforts collectively enhance the Kingdom's position as a leader in this domain and contribute to increasing the depth and diversity of the financial sector.

In parallel, CMA has given significant priority to investor protection by establishing a dedicated strategic pillar focused on improving the effectiveness of oversight and reinforcing transparency, disclosure, and governance practices. This pillar is designed to protect investor rights and enhance the mechanisms for handling major cases, thereby mitigating risks associated with securities transactions. CMA maintains that fostering a secure investment environment that safeguards investor rights is essential to building and sustaining confidence in the capital market.

The Strategy Plan (2024–2026) is built upon three main pillars:



First Pillar:

Activating the Role of the Capital Market in Financing and Investment: This pillar aims to strengthen the capital market's contribution to the Kingdom's sustainable economic growth by encouraging companies to issue and list their securities, fostering an attractive investment environment, and advancing the Sukuk and debt instruments market. It also emphasizes the development of the asset management industry, the attraction of international investments, and the enhancement of the global standing of the Saudi capital market.



Third Pillar:

Protecting Investors' Rights: This pillar focuses on maintaining a secure and stable investment environment by further developing robust mechanisms to protect investors in securities from unfair practices, mitigate risks associated with market transactions, and reinforce the regulatory framework and overall market stability. CMA will continue to promote transparency and strengthen supervisory practices, streamline compensation processes, enhance systems for handling complaints and disputes, and improve the management of major cases, while increasing the effectiveness of enforcement measures.

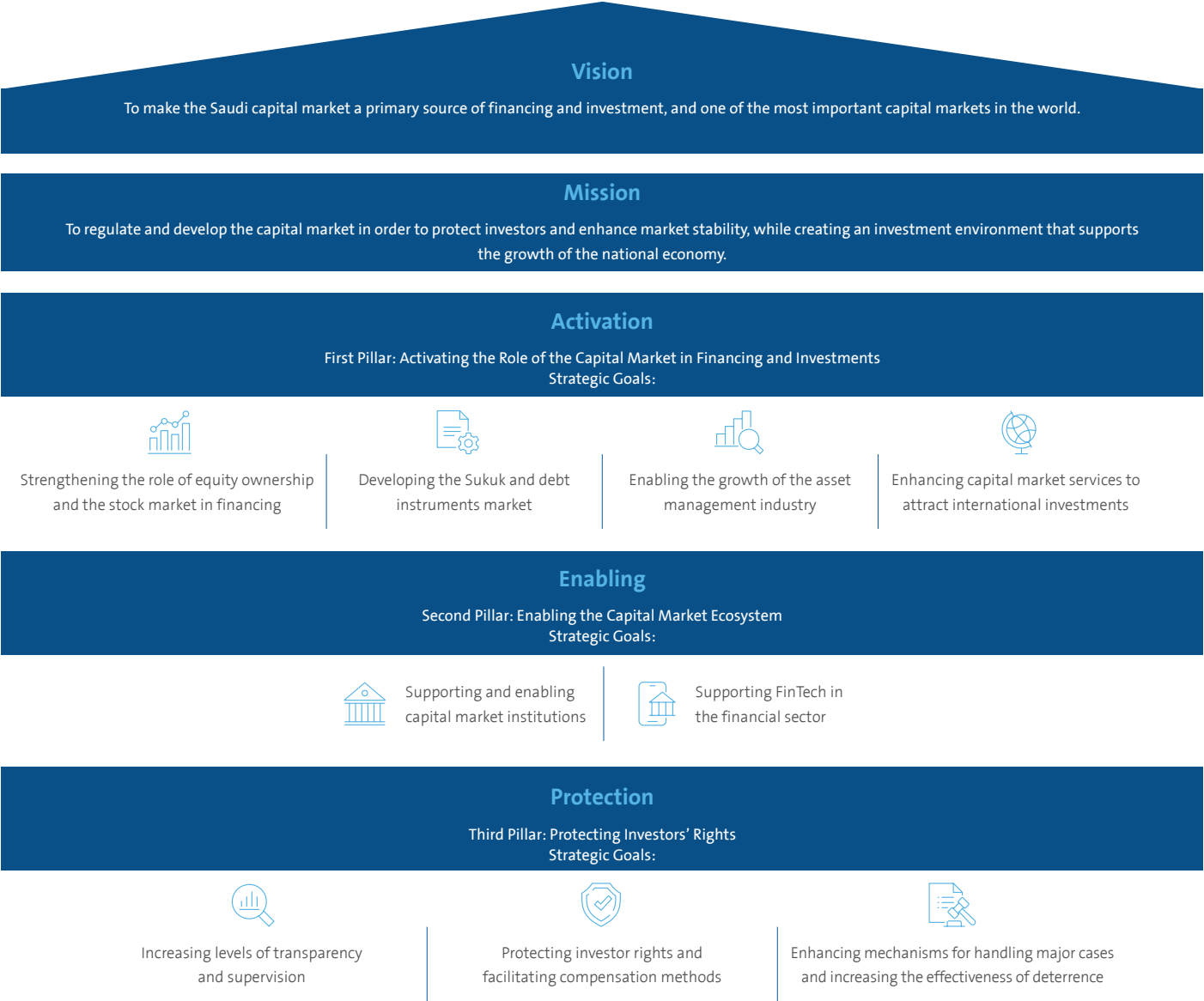


Second Pillar:

Enabling the Capital Market Ecosystem: Under this pillar, CMA seeks to enable capital market institutions to deliver a wide range of advanced products and services in alignment with international best practices, while keeping pace with evolving global standards. It also focuses on establishing a regulatory framework that fosters innovation in financial technology (FinTech), allowing startups to develop innovative solutions that support greater financial inclusion.

These pillars include 9 strategic objectives, achieved through more than 50 strategic initiatives.

Figure (2): Pillars of the strategic plan and their objectives



Third: Interconnection between the Capital Market Strategic Plan and the Financial Sector Development Program

Saudi Vision 2030 has established a strong foundation for achieving a prosperous future and laid the groundwork for success across three main pillars, which encompass 96 strategic objectives. These objectives are delivered through Vision Realization Programs launched by the Council of Economic and Development Affairs in 2017. One of the most prominent of these programs is the Financial Sector Development Program (FSDP), which is aligned with two key themes of Vision 2030: a thriving economy and an ambitious nation.

The FSDP aims to develop a diversified and effective financial sector that supports the growth of the national economy, diversifies sources of income, and promotes savings, financing, and investment. This is pursued by empowering financial institutions and advancing the Saudi capital market into a more sophisticated and developed market, while maintaining the strategic objective of preserving the stability of the financial services sector.

As a key participant in the FSDP, CMA has contributed to the development of implementation plans and the definition of strategic objectives, particularly under the second strategic pillar, Developing an Advanced Capital Market. This has been achieved through the establishment of strategic key performance indicators (KPIs) and the launch of targeted initiatives aimed at enhancing the financial sector, improving its efficiency, and further developing the capital market. These efforts are directed toward building an advanced capital market that offers diverse investment opportunities and multiple financing channels.

Furthermore, through its role in the FSDP, CMA seeks to support national economic growth by strengthening the financial sector, advancing the Saudi capital market, and enhancing its resilience in addressing emerging challenges. Ultimately, this contributes to establishing a capital market capable of playing a central role in meeting the financing needs of national development projects.

Saudi 2030 Vision Programs



Fourth: Strategic Plan Governance

Since initiating the development of its strategic plans, CMA has adopted an integrated governance framework aimed at institutionalizing operations, enhancing efficiency, and strengthening coordination among stakeholders. This framework enables CMA to effectively monitor and oversee the implementation of its strategic plan.

To support performance management and ensure timely corrective action, CMA conducts periodic follow-ups on the implementation of strategic initiatives. It develops detailed plans for each initiative, clearly outlining implementation steps, timelines, responsibilities, external partners, and their respective roles. In addition, CMA monitors the performance of strategic KPIs, submits regular performance reports to CMA Board, and holds quarterly performance review meetings attended by the Board and senior management. These meetings aim to ensure that implementation is progressing as planned, while also addressing challenges and identifying appropriate solutions.

The governance framework also includes several bilateral and joint committees with external entities, ensuring effective coordination with key stakeholders in implementing shared initiatives and activities. CMA participates in four primary bilateral committees with the Saudi Central Bank, the Commercial Ecosystem, the Saudi Tadawul Group, and the Zakat, Tax and Customs Authority. In addition, CMA chairs the Sukuk and Debt Instruments Market Development Committee and maintains ongoing coordination with the General Authority for Awqaf on matters and joint activities of mutual interest between the two authorities.

To ensure continuity, adaptability, and responsiveness to implementation challenges, CMA regularly reviews all components of the strategic plan to identify gaps and develop initiatives that support the achievement of its objectives. Within the broader governance framework, CMA also collaborates with the National Center for Performance Measurement (Adaa) to assess the performance of its KPIs under the Financial Sector Development Program. This is carried out using standardized models, methodologies, and tools aligned with international best practices, in addition to performance reports that track progress toward achieving the FSDP's strategic objectives.

Fifth: Strategic Plan Achievements in 2025

CMA continues to play a key role in supporting the Kingdom’s economic development journey toward achieving Saudi Vision 2030 and building a prosperous economy for both the nation and its citizens. This is accomplished through the ongoing development of the Saudi capital market to meet the financing needs of the national economy, as well as through the design and implementation of programs and initiatives that support the realization of its strategic objectives.

Key achievements of the 2025 Strategic Plan and their expected impact:

Completed Activities and Initiatives	Impact
Permitting foreign investors to invest in shares of listed real estate companies operating in Makkah and Madinah	Expanding the base of foreign investors in the Saudi capital market to support capital inflows and enhance market liquidity.
Signing a digital integration agreement between CMA and the Board of Grievances	Advancing digital integration to improve the accuracy, quality, and confidentiality of information exchange, thereby Enhancing the Efficiency of Processing Enforcement Applications.
Adoption of the Green, Social, Sustainability, and Sustainability-Linked Debt Instruments Issuance Framework	Promoting domestic issuances of debt instruments to attract new investor segments, enhance transparency, and broaden financing channels within the capital market.
Implementation of the GCC Cross-Registration Regulation for Investment Funds and issuance of its regulatory guideline	Increasing market liquidity and strengthening the competitiveness of GCC economies by supporting market integration, harmonizing regulations, and encouraging local, cross-border, and foreign investments.
Launch of compensation funds	Reinforcing investor confidence and safeguarding their rights through improved efficiency of compensation mechanisms.
Adoption of the regulatory framework for offering Saudi Depositary Receipts backed by foreign shares	Deepening the Saudi capital market and reinforcing its role in capital formation, while enhancing its attractiveness through diversified listing options and investment products.
Implementation of multiple regulatory amendments to streamline investment account opening procedures	Keeping pace with regulatory and technological advancements in the Kingdom and facilitating investment in the Saudi capital market by simplifying processes for opening and managing investment accounts, expanding eligible investor categories, and regulating account-related activities to enhance protection and confidence.

Completed Activities and Initiatives	Impact
Allowing the offering of debt instruments through crowdfunding platforms licensed for arrangement activities	Diversifying financing channels within the capital market to enable broader access to the debt instruments market.
Introduction of governance enhancements for Special Purpose Entities	Enhancing the attractiveness of Special Purpose Entities (SPEs) as vehicles for issuing debt instruments and investment units by strengthening governance frameworks and simplifying operational processes.
Opening the Parallel Market to additional investor categories	Expanding the investor base in the Parallel Market (Nomu) to improve liquidity and positively impact overall market performance.
Adoption of a comprehensive package of regulatory enhancements for investment funds in the Kingdom	Strengthening the asset management industry and enhancing its competitiveness by identifying development opportunities, adopting international best practices, and improving regulatory frameworks governing investment funds and REITs. This supports greater transparency, disclosure, and governance, thereby protecting investor rights.
Approval granted to the first service provider to commence operations under the Alternative Trading System (ATS) for sukuk and debt instruments	Advancing the development of the capital market and reinforcing its contribution to the national economy—particularly within the debt instruments market—by enabling secondary market activity, expanding product offerings, and improving transparency and trading efficiency.
Alignment of the Final Settlement and Collateral Arrangements Regulation with international standards	Strengthening financial system stability and enhancing investor protection, thereby supporting the growth of investments across the capital market, including derivatives.
Inclusion in the J.P. Morgan Emerging Markets Government Bond Index watchlist	Increasing liquidity and encouraging greater investor participation in the sukuk and debt instruments market.

The Saudi capital market continued to strengthen its position as a global leader by achieving advanced international rankings. By the end of 2025, it ranked 8th globally in the value of initial public offerings (IPOs), 13th in total equity market capitalization, and 28th worldwide in the number of listed companies, which exceeded 390 listed firms.

Saudi Arabia’s Ranking in Selected Global Indicators for 2025¹



1. Sources: The World Federation of Exchanges (WFE), Bloomberg, Bank for International Settlements (BIS), and CMA Research Department.
2. Data as of mid-2025.
3. Based on data from the Bank for International Settlements (BIS), covering 50 countries worldwide, the Kingdom achieved notable positioning in global debt market indicators. With respect to the domestic debt market, the Kingdom ranked 20th in terms of borrowing volume among a group of 26 countries, for which comparable data was available from the same source.

Table (1): Results of Strategic Indicators for the Year 2025

#	Performance Indicator	2025 Target ¹	Actual Value	Achievement Rate
1	Number of listings in the capital market	26	40	154%
2	Equity market capitalization as a percentage of GDP ^{3,4,7}	80.8%	66.5%	82%
3	Debt instruments market capitalization as a percentage of GDP (%) ^{6,7}	24.1%	18.9%	78%
4	Assets under management as a percentage of GDP (%) ^{6,7}	31%	26.8%	86%
5	Institutional trading volume as a percentage of total trading volume (%)	44%	56.3%	128%
6	Foreign investor ownership of equity market capitalization (free-floating shares) (%) ⁶	17.5%	13.9%	79%
7	Listed micro and small enterprises as a percentage of total listed companies (%) ⁵	46%	55%	120%
8	Investment accounts opened through electronic KYC procedures	≥90%	98.7%	110%

Target Achieved
90% - 100%

Slightly Below Target
80% - 90%

Low Achievement
<80%

1. The symbol “≥” denotes “greater than or equal to.”

2. Data are as of the end of 2025.

3. The market capitalization of Saudi Aramco is excluded from the calculation of this indicator.

4. The GDP figure used is for the year 2024, as published by the General Authority for Statistics.

5. According to the World Economic Forum’s definition, micro-cap companies have a market capitalization of less than USD 65 million, while small-cap companies have a market capitalization ranging between USD 65 million and USD 200 million (Financial Sector Development Program).

6. Based on the recommendations outlined in the performance review report issued by the National Center for Performance Measurement, and in line with directives from CMA and the Financial Sector Development Program to review and update targets for indicators that have underperformed over multiple consecutive measurement periods, the Financial Sector Development Program Committee has approved the revision of these targets. The updated targets are currently undergoing formal endorsement procedures.

7. The General Authority for Statistics has announced the implementation of a comprehensive revision of GDP figures. This requires an assessment of the impact on related strategic indicators and the subsequent adjustment of their targets. The revised targets for the affected indicators have been submitted to the Strategic Committee for approval.

Sixth: Status of Approved Initiatives

Five initiatives have been approved in accordance with the official procedures of the National Center for Public Agencies Performance Measurement (Adaa). Table (2) presents the status of these approved initiatives.

Table (2): Status of Approved Initiatives According to Official Procedures

Initiative	Initiative Status	Start Date	Workflow Summary	Actual Completion (%)	Planned Completion (%)	Planned Completion Date	Vision Realization Program
Enhancing disclosure on the risk levels of investment products to increase transparency		01-04-2025	The initiative is progressing as planned	17%	17%	30-06-2028	Financial Sector Development Program
Encouraging private-sector companies to list on the Saudi capital market	Completed	12-04-2017	Initiative completed	100%	100%	31-12-2025	Financial Sector Development Program
Updating regulatory frameworks to encourage resident investors	Completed	01-05-2024	Initiative completed	100%	100%	30-05-2025	Financial Sector Development Program
Enhancing the attractiveness of the asset management industry	Completed	01-01-2023	Initiative completed	100%	100%	30-05-2025	Financial Sector Development Program
Expanding the availability of investment funds in Sukuk	Completed	01-01-2024	Initiative completed	100%	100%	31-12-2024	Financial Sector Development Program

 On Track: Deviation is less than or equal to 5% Delayed: Deviation ranges from 5% to 15% Significantly Delayed: Deviation exceeds 15%

Seventh: CMA Aspirations for 2026, Challenges, and Required Support

The Capital Market Authority (CMA) continues its efforts to advance the development of the capital market in a way that maximizes its economic contribution, improves operational efficiency, and enhances its capacity to respond to both local and global developments. This direction is intended to strengthen the market's role in supporting comprehensive economic growth and achieving the objectives of Saudi Vision 2030.

CMA's future aspirations center on elevating the capital market to greater levels of depth and diversification by broadening the range of financing instruments and enhancing the readiness of companies across various sectors to access diverse funding channels beyond conventional offerings and listings. These efforts are expected to stimulate economic activity and increase the financial sector's contribution to gross domestic product.

Looking ahead, CMA also aims to improve the overall quality of the investment environment by strengthening institutional practices and further developing the investment products ecosystem. This will contribute to the growth of the asset management industry, enhance its competitiveness at both the regional and global levels, and support the sustainability of long-term investment flows.

With regard to the development of the Sukuk and debt instruments market, CMA is focused on strengthening the effectiveness and attractiveness of this vital financing channel. This includes advancing regulatory frameworks, improving the efficiency of issuance and trading processes, and encouraging broader participation from the private sector. These efforts are designed to meet the evolving financing needs of the national economy and to support the diversification of funding sources.

At the international level, CMA is working to further align the Saudi capital market with global standards and to deepen its integration with regional and international markets. This approach is expected to enhance foreign investment inflows, strengthen the market's positioning in global indices, and improve its competitiveness as a stable and attractive investment destination.

Meanwhile, CMA acknowledges that achieving these aspirations may be influenced by several challenges. Key among these are global economic volatility, the accelerating pace of regulatory and technological change, and structural challenges related to the debt instruments market. Liquidity constraints also remain a critical factor affecting market efficiency and overall investor appeal.

In response, CMA places strong emphasis on addressing liquidity-related challenges by accelerating the implementation of regulatory and developmental initiatives aimed at deepening the market, improving trading efficiency, and increasing liquidity levels. These measures are expected to have a positive impact on the stability and attractiveness of the capital market over the medium and long term.

In this context, CMA emphasizes the importance of sustained institutional support, strengthened coordination with relevant stakeholders, and enhanced integration across the financial sector ecosystem. Such collaboration is essential for overcoming challenges, capitalizing on emerging opportunities, and enabling the capital market to achieve its strategic aspirations, while reinforcing its role in supporting sustainable economic growth and diversifying the Kingdom's sources of income.

02

► Chapter 02: CMA Activities

Section One: Current Status of CMA

Section Two: Regulating the Capital Market



Section One: Current Status of CMA

First: Internal Environment

Second: Committees

Third: International Relations

First: CMA Internal Environment

1. Actions Taken to Implement Supreme Orders and Council of Ministers' Resolutions

During 2025, CMA received a number of Supreme Orders, Council of Ministers' Resolutions, and Royal Court Circulars, and undertook the necessary actions in response. Key actions included the following:

1. Royal Court Circular No. (66952) dated 18/09/1446 AH

This circular concerned a noble directive approving the draft Rules for the Governance of Holding Events.

Actions taken by CMA:

- In accordance with the directive, CMA proceeded with the implementation of the Rules for Holding Events and committed to submitting a report upon the conclusion of each event, as required..

2. Royal Court Circular No. (81035) dated 07/11/1446 AH

This circular addressed the requirement to notify the Real Estate General Authority (REGA) and provide it with copies of real estate disposition decisions and supporting documents, in line with approved procedures for real estate title registration.

Actions taken by CMA:

- The title deed of CMA's only owned building was registered under the General Authority for State Real Estate, with the property allocated for CMA's use.
- All relevant data were uploaded to the "Entifa" platform.
- A formal request was submitted to register the title deed for the same property in accordance with the applicable regulatory procedures.

3. Royal Court Circular No. (81470) dated 08/11/1446 AH

This circular related to the approval to abolish the Permanent Committee for Awareness and Warning against Unlicensed Foreign Exchange (Forex) Trading in Securities.

Actions taken by CMA:

- The Committee's Secretariat informed all members of the Royal Order approving the dissolution of the Permanent Committee for Awareness and Warning Against Unauthorized Securities Activities in the Foreign Exchange (Forex) Market.
- The Chairman expressed appreciation and gratitude to the committee members for their cooperation and contributions throughout the committee's tenure. He acknowledged that the committee's achievements were the result of collective efforts and effective coordination with relevant government entities to comply with Royal directives and achieve the intended objectives.
- He further noted that these efforts had a meaningful impact on raising awareness among citizens and residents in the Kingdom regarding the risks associated with dealing with unlicensed entities and investing in unauthorized «Forex» and digital currency activities.

4. Royal Court Circular No. (3207) dated 12/01/1447 AH

This circular referred to Council of Ministers' Resolution No. (532) dated 04/07/1445 AH, which requires government entities subject to the Labor Law and operating under independent administrative regulations (such as authorities, institutions, and similar entities) to amend their regulations. Specifically, the number of official holiday days for both Eid Al-Fitr and Eid Al-Adha must be no fewer than four (4) working days and no more than five (5) working days, in addition to other provisions stated in the resolution.

Actions taken by CMA:

- CMA implemented the provisions of the circular, particularly with respect to the application of the holiday limits stipulated in Clause (First) of the Resolution, ensuring that official holidays for both Eid Al-Fitr and Eid Al-Adha range between four (4) and five (5) working days.

5. Royal Court Circular No. (40723) dated 19/05/1447 AH

This circular concerns the role of the National Center for Archives and Records (NCAR) in conducting a comprehensive inventory of legacy laws, regulations, and frameworks that have been amended, and in updating them on the Center's platform.

Actions taken by CMA:

- In line with the circular and the regulatory framework governing archives and records centers, CMA will deposit all laws and regulations it issues with the National Center for Archives and Records. This process will be carried out after submitting drafts of such laws and regulations to the Official Translation Division, in accordance with Council of Ministers Resolution No. (483) dated 20/06/1445 AH.

6. Royal Court Circular No. (42140) dated 23/05/1447 AH

This circular refers to Council of Ministers Resolution No. (364) dated 20/05/1447 AH, which amends paragraph (1) of Article Four of the Regulation of the Center for Support and Liquidation (Infath), originally issued under Council of Ministers Resolution No. (415) dated 19/07/1440 AH. The amendment introduces a new subparagraph (F), stating: "(F) – A representative from the Capital Market Authority," with the subsequent renumbering of the remaining subparagraphs

Actions taken by CMA:

- CMA implemented the requirements of the circular. Accordingly, CMA Board Resolution No. (6-154-2025) dated 17/06/1447 AH (corresponding to 08/12/2025) was issued, approving the nomination of the Deputy for Legal and Enforcement Affairs, Mr. Badr bin Mohammed Balghunaim, as CMA's representative on the Board of Directors of the Center for Support and Liquidation for its third term.

7. Royal Court Circular No. (49422) dated 18/06/1447 AH

This circular relates to the approval of recommendations issued by the Political and Security Affairs Council, emphasizing the requirement for all government entities to adhere to the controls governing the organization of conferences and seminars in the Kingdom that involve external participation.

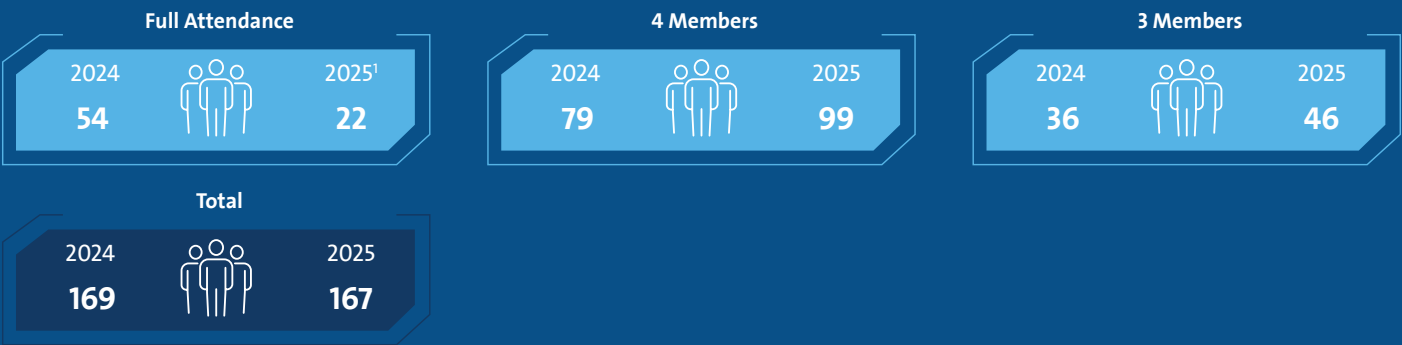
Actions taken by CMA:

- CMA has acknowledged the contents of the circular and will ensure full compliance with its provisions going forward.

2. CMA Board Meetings and Resolutions

Paragraph (a) of Article 10 of the Capital Market Law states the following: “The Board shall hold its meetings at the request of its Chairman. Meetings shall be attended by at least three of its members, including the Chairman or Vice-Chairman. Its decisions shall be taken by a majority vote of the members attending the meeting. In the event of a tie, the Chairman of the meeting shall have the casting vote.”

Number of board meetings classified by board member attendees



The number of topics discussed by CMA Board reached 677 topics in 2025, compared to 638 topics in 2024, and appropriate resolutions were issued accordingly.

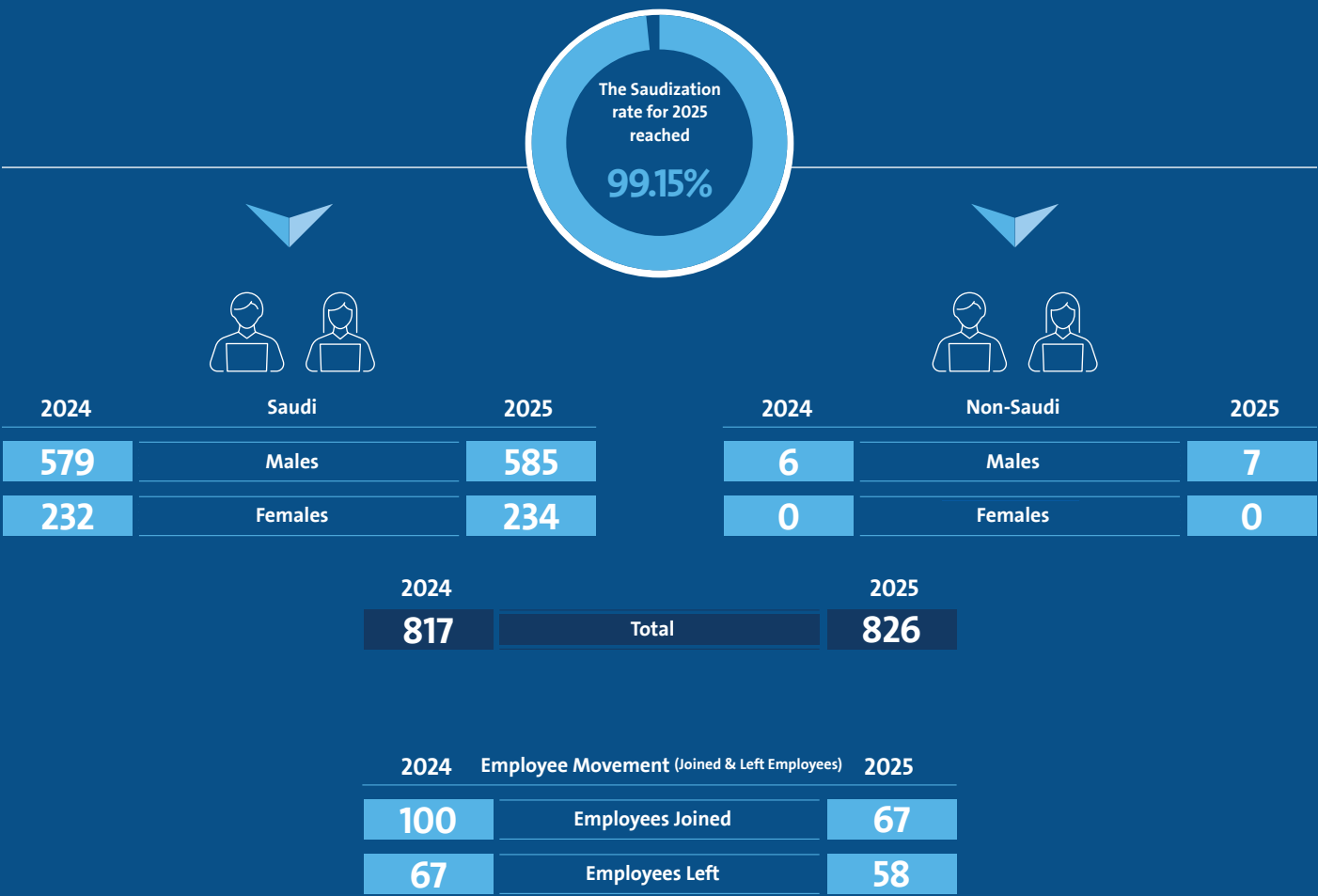
Topics discussed by CMA Board classified by type:



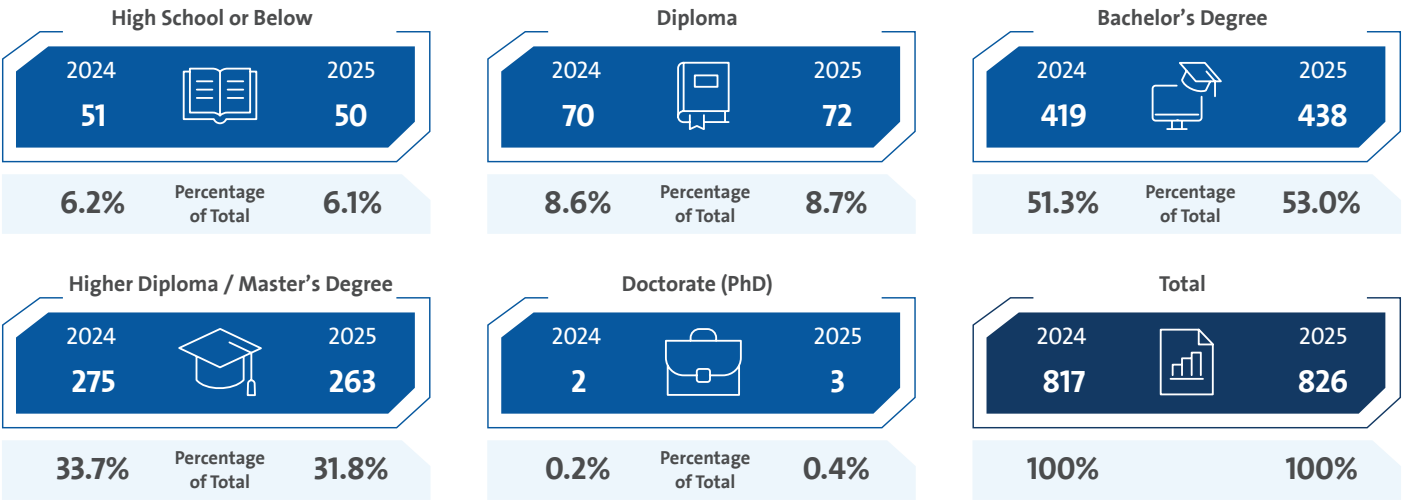
1. The decrease in the number of Board meetings attended by all members is attributed to a reduction in the total number of Board members during the period from the beginning of 2025 until September 2025. This change resulted from a Royal Order appointing Board member Dr. Walid Al-Issa as a member of the Shura Council in 2024. During the period under review, Board meetings were conducted with full attendance of all serving members at that time.

3. Workforce, Training and Development Programs, and Social Responsibility

» Workforce

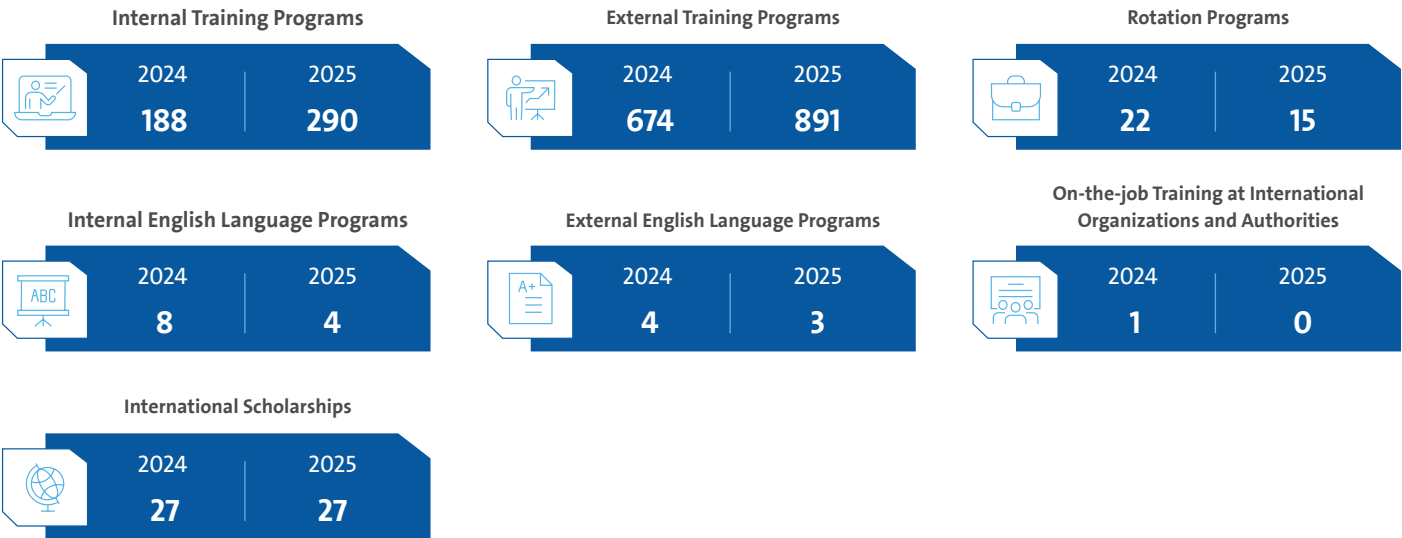


Educational Qualifications of CMA Employees



» Training and Development Programs

CMA Employee Participation in Human Resource Development Initiatives



» Social Responsibility

Programs for Developing National Youth Talent

In alignment with its institutional values emphasizing commitment, responsibility, and initiative, CMA continued in 2025 to strengthen its community role as part of its broader institutional impact. This was implemented through targeted initiatives and qualitative programs designed to develop national youth talent. The key achievements are outlined below:



CMA Graduate Development Program for High-Achieving Graduates:

This program is designed to attract high-achieving university graduates in relevant fields and to enhance their knowledge and professional capabilities through structured on-the-job training within the capital market and its various activities. In 2025, the program enrolled 27 trainees, both male and female, distributed across five specialized tracks: Finance, Law, Accounting, Management, and Technology & Digitalization.



Cooperative Training Programs for University and College Students:

CMA offers students from universities and higher education institutes—whose academic curricula require practical training—the opportunity to complete their internships within various departments of the Authority. The program provides trainees with competitive benefits, along with continuous support and guidance to help them successfully achieve their training objectives. During 2025, a total of 148 male and female students from different universities and academic specializations participated in this program.

CMA Social Responsibility Activities

CMA is committed to strengthening internal engagement through a range of social initiatives and awareness campaigns conducted within its premises. These efforts are designed to embed the values of generosity and social responsibility among employees. They are organized into two main areas: internal donation and community support initiatives, and health and awareness programs held at CMA workplace. This approach reflects CMA's belief in the importance of active community participation, the promotion of human values, and the enhancement of health awareness among its workforce.

First: Community Initiatives

These initiatives aim to foster a culture of solidarity and giving among CMA employees by encouraging participation in internal donation campaigns through trusted platforms and licensed charitable organizations. The key initiatives implemented in 2025 included the following:

- » Contributions made through the Ehsan platform.
- » Participation in charitable campaigns in collaboration with the Kellana Association and the Children with Disability Association.
- » Engagement in the environmental initiative (Earth Hour).
- » Launch of clothing and furniture donation campaigns in partnership with the Tadweer Endowment Foundation.

These activities demonstrate CMA's commitment to enabling employees to engage in charitable work and to reinforcing a strong sense of social responsibility within the workplace.

Second: Health and Awareness Initiatives

These initiatives focus on enhancing health awareness among CMA employees through cooperation with relevant health entities and specialized associations, delivering awareness campaigns and programs within CMA premises. The main initiatives conducted in 2025 included:

- » A Breast Cancer Awareness Campaign, in cooperation with the Zahra Breast Cancer Association, which featured workshops highlighting the importance of early detection and screening.
- » A Blood Donation Campaign, organized in collaboration with the Blood Bank of the Ministry of National Guard Health Affairs.

These initiatives are intended to promote a stronger health culture, encourage employees to adopt healthier lifestyles, and support active participation in humanitarian and community service activities.

Research Agenda

Through its Research Agenda, CMA seeks to establish open channels of communication with researchers, strengthen the representation of the Saudi capital market in academic publications, and promote the exchange of knowledge between researchers and academics on one hand, and market practitioners on the other. The Research Agenda is also designed to enhance the quality of research and analytical studies, support evidence-based policymaking and decision-making processes, and contribute to raising financial literacy and awareness among capital market participants. In line with this approach, CMA periodically invites researchers to apply to its Research Agenda Program, reaffirming its commitment to social responsibility toward the research community, capital market stakeholders, and all individuals interested in the field.

In line with its commitment to advancing scientific research related to the capital market, CMA Board issued a decision to establish the Scientific Committee for the Research Agenda Program, which is responsible for the following:



Developing the overall policy of the program



Increasing both the quantity and quality of research on the Saudi capital market



Enhancing the data and information environment related to the capital market



Strengthening research partnerships between the capital market, its institutions, universities, and research centers

In its first term, the Committee was formed with a group of distinguished academic and professional experts with extensive experience in research and publication in peer-reviewed scientific journals. Its membership includes the following:



Dr.
Murya Saad Habash
CMA Board Member and
Chair of the Scientific
Committee



Dr.
Abdullah Abdulrahman Al-Suwaier
Independent Member



Dr.
Asim Khaled Al-Humaidhi
Independent Member



Dr.
Heba Abed Qazzaz
Independent Member



Dr.
Haitham Akram Al-Zoubi
Independent Member

The year 2024 saw the launch of the fourth cohort of the Research Agenda Program, with the application period continuing until mid-2025. During this cohort, a total of 180 research proposals were submitted.

Table (3): Cohorts of the Research Agenda Program

Cohort	Research Proposals Received	Research Proposals Accepted
First Cohort (2021/2022)	41	5
Second Cohort (2022/2023)	25	4
Third Cohort (2023/2024)	63	3
Fourth Cohort (2024/2025)	180	15

The research proposals accepted in the fourth cohort were categorized across the following main areas:



Impact Assessment of
Legislation

4 research studies



Institutional and Foreign
Investment

6 research studies



Capital Market
Institutions

2 research studies



Behavioral Finance

2 research studies



Other Topics

1 research study ¹

1. Researchers were permitted to submit proposals outside the suggested fields, provided that they were relevant to the Saudi capital market.

4. Savings Plan and Employee Housing Finance Programs

CMA provides its employees with two incentive-based programs:



➤ 1. Savings Program

CMA plays a leading role in promoting a culture of savings and financial discipline among its employees. To support this objective, it has introduced the “Savings and Thrift Program,” a flexible, long-term savings scheme.

Through this program, CMA provides a financial contribution that complements the employee’s own savings, thereby reinforcing the goal of encouraging a savings-oriented culture. Participation in and withdrawal from the program are fully voluntary and may be made at any time.

By the end of 2025, the number of participants in the program reached 616 employees, accounting for 74.6% of CMA’s total workforce.



➤ 2. Housing Finance Program

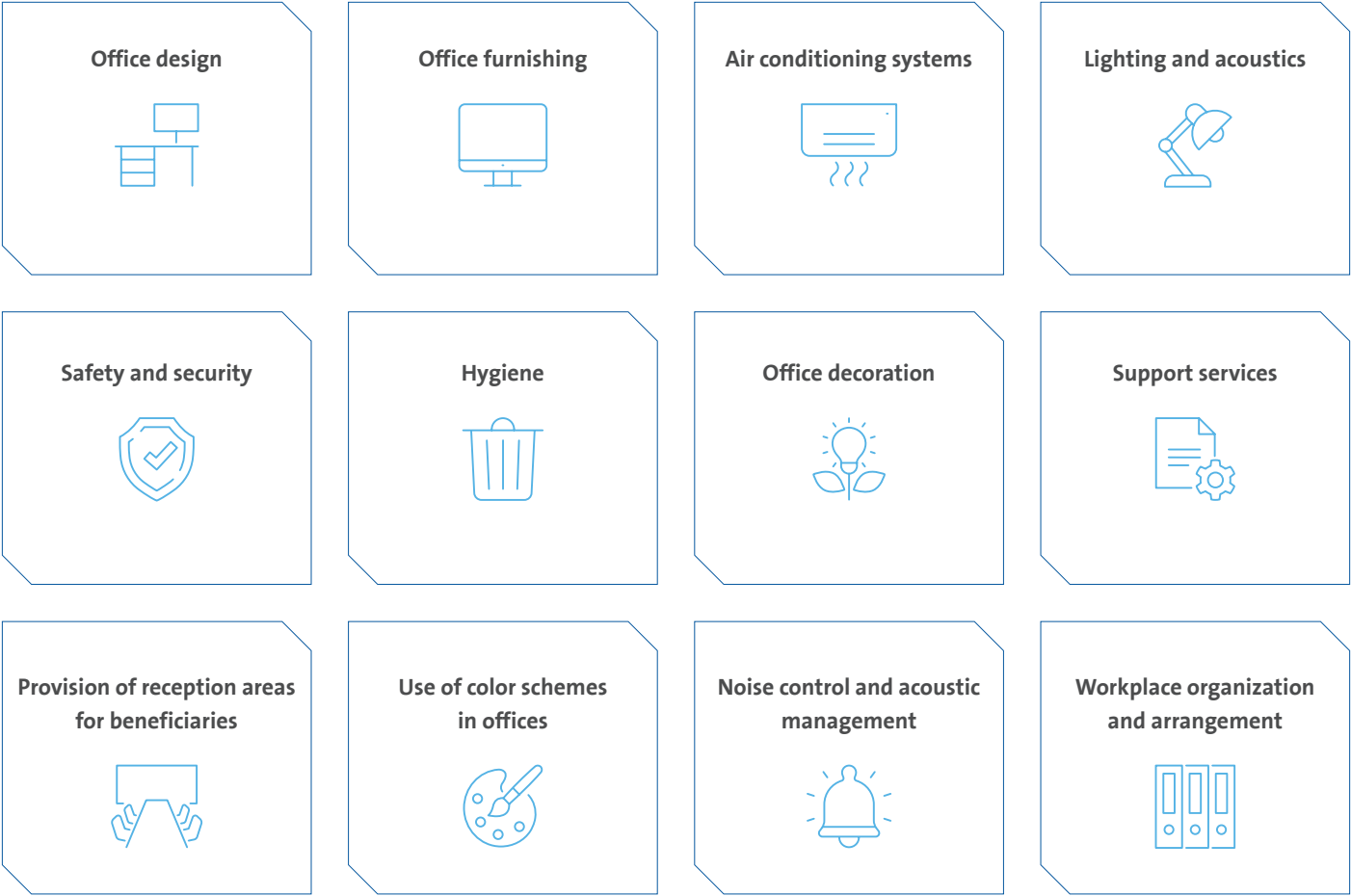
In alignment with government efforts to improve living standards and provide adequate housing, and to strengthen employee engagement and belonging, CMA offers the “Employee Housing Financing Program” in partnership with a number of local banks. Under this program, CMA covers the full Murabaha profit margin on financing.

The program provides long-term financing options, and all eligible Saudi CMA employees may benefit from it in accordance with the applicable terms and conditions, and only once during their tenure at CMA.

By the end of 2025, the number of beneficiaries reached 261 employees, representing 31.6% of CMA’s total workforce.

5. Physical Work Environment of CMA

The guidebook for the physical work environment outlines benchmark principles and standard specifications aimed at ensuring an effective and suitable working environment for employees of government entities, as well as for service recipients. Based on findings from field studies and surveys, its various components and associated indicators are designed to enhance the quality of the physical work environment, while also considering its impact on employee well-being and, consequently, the productivity of government agencies. According to the guidebook for government entities issued by the Ministry of Human Resources and Social Development, the main components of the office physical work environment include the following:



A review of the Physical Work Environment Guidebook, along with a comparison against the practices implemented at CMA, indicates the following:

➤ **342**

elements are included in the guidebook

➤ **327**

elements are currently implemented within CMA

5 Elements were identified as having potential for enhancement, taking into account the nature of CMA’s operations:

- | | | | | | |
|-----|---|-----|---|-----|---|
| 01. | Central and independent heating units. | 02. | Air conditioning systems powered by alternative energy sources. | 03. | Adoption of solar energy solutions to power the workplace |
| 04. | Introduction of incentive awards for maintaining clean office spaces. | 05. | Establishment of dedicated reading rooms equipped with up-to-date books and knowledge resources | | |

10 Elements were deemed not applicable due to the nature of CMA’s business environment:

- | | | | | | |
|-----|--|-----|--|-----|--|
| 01. | Use of audio devices for unintended purposes. | 02. | Installation of water filtration systems. | 03. | Proximity to factories and industrial workshops. |
| 04. | Location near educational complexes. | 05. | Location adjacent to various transportation hubs | 06. | Proximity to government complexes. |
| 07. | Office machinery and equipment as a source of noise. | 08. | Doors as a source of noise. | 09. | Beneficiaries as a source of noise. |
| 10. | Employees as a source of noise. | | | | |

6. Center of Archives and Records

The Center of Archives and Records is responsible for enabling CMA deputies and departments to efficiently manage the preservation, archiving, and retrieval of documents and records. It also carries out the responsibilities outlined in CMA’s Archives and Records Regulation, as well as the regulations, instructions, and circulars issued by the National Center for Archives and Records (NCAR).

In addition, the Center plays a central role in managing incoming and outgoing correspondence by registering transactions, directing them to the relevant CMA deputies and departments, and electronically tracking their progress.

Key Achievements in 2025:



Introducing a new provision to Article Three of the Professional Code of Conduct Rules for CMA Employees (11th Edition), requiring employees who handle Archives and Records to review CMA’s Archives and Records Regulation, as well as the Regulation for Official Communications and the Preservation of Documents and their Information in line with the relevant legislation issued by the National Center for Archives and Records.



Implementing Council of Ministers Resolution No. (483) dated 20/06/1445 AH, which relates to the translation and publication of draft laws, regulations, and similar instruments, in addition to approved statutory documents.



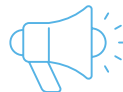
Issuing awareness communications highlighting the Center’s roles and responsibilities, along with the requirements of the Regulation for Official Communications and Document Preservation and CMA’s Archives and Records regulation.



Initiating actions to comply with national address requirements for postal shipments, pursuant to the resolution No. (196/46/1) dated 10/08/1446 AH issued by the Transport General Authority. This resolution mandates that, starting from 01/01/2026, postal service providers must not accept shipments that do not include a national address. The requirement is grounded in Council of Ministers Resolution No. 1/46/5744 dated 29/05/2025, which approves the National Address as the sole official source of addressing in the Kingdom of Saudi Arabia.



Launching an updated editorial identity in accordance with the Regulation for Official Communications and Document Preservation.



Launching the enhancement of initiatives for the administrative communication system (Tarasol), in alignment with the requirements set out in the Regulation for Official Communications and the Preservation of Documents and their Information.

7. CMA-Owned and Rented Premises

Owned

- » CMA Headquarters Building – Riyadh

Rented

- » CMA Building No. 2, Eastern Tower, King Abdulaziz Center for Cultural Communication – Riyadh
- » Outdoor parking area for CMA Headquarters – Riyadh, designated for both visitors and employees

8. Strategic, Operational, and Capital Projects

CMA worked on implementing five projects aligned with the objectives of its strategic plan, with a total cost exceeding SAR 18 million. The overall completion rate of these projects reached 90%, with some projects scheduled for completion in the coming years.

In addition, CMA carried out a range of operational and capital projects during 2025, focusing on achieving targets related to administrative services, maintenance and operations, as well as enhancing internal business applications and infrastructure.

The total cost of these projects amounted to approximately SAR 375 million, with the majority allocated to ongoing operational services required to support CMA’s functions and activities.

Table (4): Operational, Capital, and Strategic Projects in 2025

Project Type	Cost (SAR)	Budget Allocation (SAR)	Average Implementation Rate ¹
Operational	318,834,731.8	321,732,336.2	Ongoing services
Capital	57,031,036.3	57,532,976.2	83%
Strategic	18,097,248.0	19,028,375.0	90%
Total	393,963,016.1	398,293,687.4	86%

1. Most of CMA’s operational projects are service-based in nature; therefore, a Implementation rate is not typically applicable. Instead, performance is assessed upon the completion or expiration of the service provider’s contract.

Second: Committees

1. Advisory Committee

The Committee was formed in its tenth term pursuant to Board Resolution No. (5-80-2023) dated 20/02/1445 AH, as follows:

 His Excellency Dr. Nabeel Koshak CEO of Saudi Venture Company	 Dr. Waleed Abdullah Al-Moqbel CEO and Managing Director of Al Rajhi Bank	 Eng. Omar bin Abdullah Al-Noamany CEO of Arabian Internet and Communications Services Co.
 Mr. Adel Al-Ateeq CEO of Awaed Alosool Capital	 Mr. Kholoud Abdulaziz Al-Dakhil Owner and CEO of Erteqa Financial Company	 Mr. Rashed Ibrahim Sharif CEO of SNB Capital
 Mr. AbdulAziz Al-Omran Founding Partner and CEO of Impact Capital	 Mr. Bassem Al-Salloum Managing Director of Sure Global Tech	 Dr. Abdulwahab Al-Qahtani Associate Professor at King Fahd University of Petroleum and Minerals - economic writer
 Dr. Sultan Al-Masoud Managing Partner at Sultan Al-asoud & Partners, in association with Shearman & Sterling	 Mr. Saleh Abdullah Al-Yahya Partner at Turki Abdulmohsen Alluhaid & Saleh Abdullah Al Yahya Accountants & Auditors	 Mr. Abdulwahab Al-Fayez Chairman of the Individual Investors Protection Association

The Committee aims to activate and strengthen communication between CMA and capital market participants, while establishing a structured mechanism for such engagement. This approach aims to enhance CMA’s effectiveness in fulfilling its responsibilities and achieving its strategic objectives. The Committee’s core responsibilities include:



Providing recommendations, views, and proposals on matters referred to the Committee by CMA



Providing insights on issues that contribute to the development of the capital market and the protection of investors

During its meetings, the Committee, which operates in an advisory capacity to CMA Board, addressed a wide range of topics, including:

- | | | |
|---|--|---|
| ➤ Enhancing regulatory frameworks for offering and listing in the capital market. | ➤ Enabling more flexible fund structures. | ➤ Developing the regulatory framework for financing funds. |
| ➤ Assessing the feasibility of regulating the book-building framework for exchange-traded funds (ETFs). | ➤ Regulatory concepts for opening the main market to all categories of foreign investors. | ➤ Preparing regulatory frameworks to develop securities business activities. |
| ➤ Amending requirements for transferring companies from the Parallel Market to the Main Market, shifting focus toward trading activity instead of the number of shareholders. | ➤ Proposing the establishment of a committee to resolve accounting disputes between companies and Certified Public Accountants under the supervision of the Saudi Organization for Chartered and Professional Accountants. | ➤ Reviewing disclosure requirements under chapter one of part seven of the rules on the Offer of Securities and Continuing Obligations. |
| ➤ Assessment initiative on investment funds disclosures and announcements. | ➤ Study on ways for government entities and government funds to support the asset management industry in the Kingdom. | ➤ Initiative to develop a mechanism for disclosing investment funds risks. |
| ➤ Advancing the Continuing Professional Education (CPE) Policy project. | ➤ Updating the Corporate Governance Regulations. | ➤ Addressing late submission penalties imposed on auditors of listed companies. |

➤ **4 Meetings**

held by the committee during its meetings in 2025

➤ **15 Topics**

discussed by the committee during its meetings in 2025

2. Management Committee

Pursuant to the Management Committee Regulation issued by Board Resolution of CMA No. (2-69-2016) dated 03/09/1437 AH, corresponding to 08/06/2016, as amended by Board Resolution No. (2-52-2024) dated 20/10/1445 AH, corresponding to 29/04/2024, the Committee was formed as follows:

01.	Chairman of the Board Chairman of the Committee	02.	Vice-Chairman of the Board Vice Chairman of the Committee	03.	Secretary General of the Board and Internal Governance Member and Secretary of the Committee
04.	CMA Deputy of Corporate Resources Member	05.	CMA Deputy of Legal Affairs and Enforcement Member	06.	CMA Deputy of Finance and Investment Member
07.	CMA Deputy of Strategy, Research & International Relations Member	08.	CMA Deputy of Technology and Digitalization Member	09.	CMA Deputy of Market Institutions Member
10.	CMA Deputy of Supervision Member	11.	Director of Risk Management Department Member	12.	Director of Communication and Investor Protection Department Member

▶ 22 Meetings

held by the Committee during 2025

▶ 35 Topics

discussed by the Committee during its meetings in 2025

3. Digital Transformation Committee

Pursuant to the Digital Transformation Committee Regulation issued by Board Resolution of CMA No. (2-69-2016) dated 3/9/1437 AH, corresponding to 8/6/2016, as amended by Board Resolution No. (4-45-2024) dated 6/10/1445 AH, corresponding to 15/4/2024, the Committee was formed as follows:

- | | | | | | |
|-----|--|-----|--|-----|--|
| 01. | Chairman of CMA Board
Chairman of the Committee | 02. | Mr. Abdulaziz bin Hassan (CMA Board Member)
Vice Chairman of the Committee | 03. | CMA Deputy of Strategy, International Affairs, and Research
Member |
| 04. | CMA Deputy of Technology and Digitalization
Member | 05. | Mr. Mohammed bin Abdulrahman Al-Shaalan
Independent Member | 06. | Head of the Customer Experience Department
Member |

In addition, three CMA employees were appointed by the Committee Chairman as program sponsors:

- | | | | | | |
|-----|---|-----|---|-----|---|
| 07. | Program Sponsor: Client Journey Management and Digitization for Listed Companies
Mr. Abdullah bin Mohammed bin Ghanam | 08. | Program Sponsor: Client Journey Management and Digitization for Market Institutions
Mr. Bandar bin Suleiman Al-Ayed | 09. | Program Sponsor: Management and Digitization of Suspicious Transactions Handling, Processing, and Enforcement Procedures
Mr. Badr bin Mohammed Balghunaim |
|-----|---|-----|---|-----|---|

➤ **7 Meetings**

held by the Committee during 2025

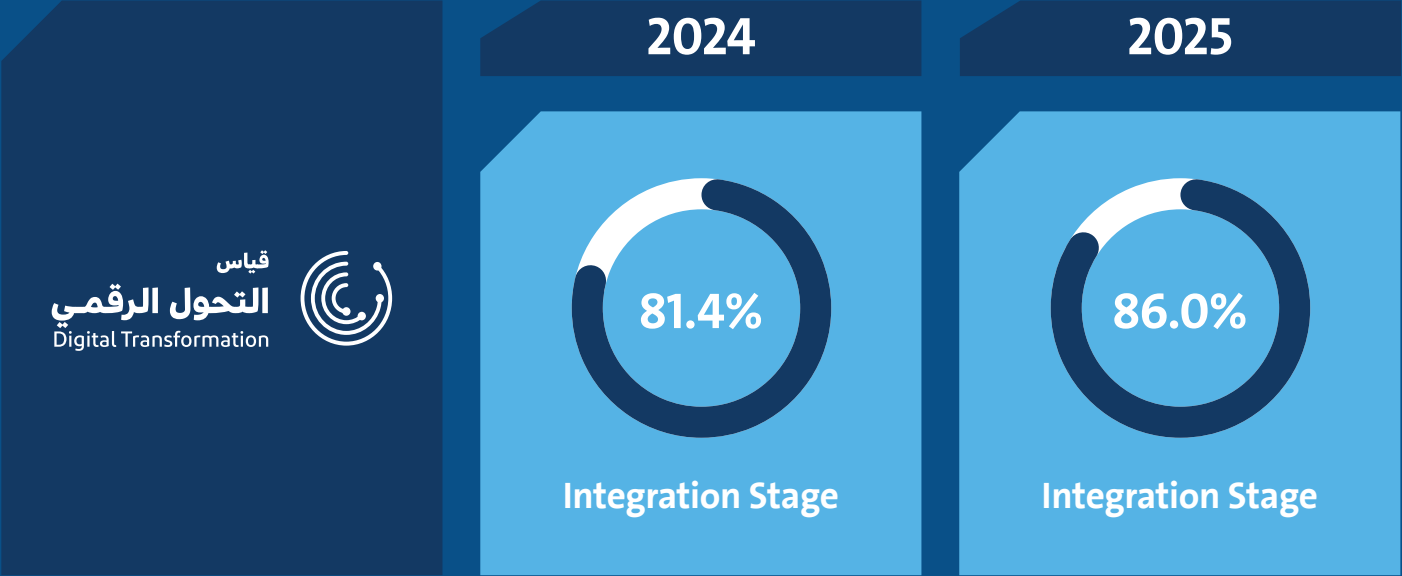
➤ **26 Topics**

included in its agenda, for which the appropriate decisions and recommendations were made, with a total of 11 decisions issued.

The most notable achievements of the Digital Transformation Committee were as follows:

1. Approval of the updated Digital Transformation Programs Governance Framework, designed to strengthen the adoption of digital innovation through emerging technologies and artificial intelligence, while enhancing business execution efficiency and building a more agile and effective ecosystem that supports the achievement of digital transformation strategic objectives. .
2. Approval of the Digital Transformation Programs Roadmap for 2026, which includes enhancing CMA digital services for capital market participants—such as financial institutions, listed companies, individual investors, and other relevant entities—along with the estimated budget required for implementation.
3. Development of a roadmap for implementing digital innovation within CMA operations and services, with a focus on artificial intelligence applications.
4. Launch of a series of digital services for beneficiaries and capital market participants, alongside expanded integration with several government entities, aimed at strengthening an advanced digital ecosystem for CMA services, while taking into consideration the views of beneficiaries with the aim of providing high-quality digital services, the most notable of which are as follows:
 - Development of multiple digital services for capital market institutions, particularly licensing and registration services for securities activities, through CMA Unified Digital Services Platform. This included integration with relevant data providers and the facilitation of communication and follow-up between market institutions and CMA internal departments via the platform, thereby improving user experience and reducing processing time for requests.
 - Development of a financial analysis system to improve the efficiency of analyzing suspicious cases related to market conduct violations, contributing to more effective regulatory analysis and oversight.
 - Enhancement of the efficiency and effectiveness of handling investor complaints and reports through a comprehensive upgrade of workflows within the Investor Protection System.
 - Improvement of the reliability and accessibility of CMA digital services and content, along with alignment with government digital standards, through a series of upgrades to the external CMA website. This included transitioning the domain from (org.sa) to (gov.sa), integrating investor awareness platforms, and adopting the unified government website design. These enhancements improved visual consistency, usability, content quality, and overall beneficiary satisfaction.
 - Launch of a unified internal digital platform for CMA employees, providing an integrated portal to streamline access to services, improve operational efficiency, and enhance the employee experience.
 - Launch of several digital services and integrations with government entities, most notably:
 - » Integration with multiple government platforms, including the Service Suspension Platform, the Administrative Enforcement Platform of the Board of Grievances, and the National Violations Platform (EFAA), in addition to enabling various government entities to integrate and utilize investment asset-related services (disclosure, attachment, attachment removal, and enforcement).
 - » Continued activation of data exchange with government entities through the Government Service Bus (GSB), ensuring reliable technical integration and improved data exchange efficiency. The volume of data exchanged increased significantly in 2025 compared to 2024, reaching more than 231 thousand transactions in 2025, compared to approximately 184 thousand transactions in 2024.
 - » Availability of CMA services related to complaints submission, report submission, and complaint inquiry through the first phase of integration with the national application “Tawakkalna”, aiming to expand digital service channels and improve accessibility for beneficiaries.

The Digital Government Authority announced the results of the Digital Transformation Measurement Index for government entities, in which CMA achieved an advanced level within the Integration stage in 2025. CMA was also ranked among the top government entities in the financial and funds sector group, reflecting an improvement compared to the previous year.



4. Human Resources Committee

Pursuant to the Human Resources Committee Regulation issued under CMA Board Resolution No. (5-14-2025), dated 26/07/1445 AH, corresponding to 07/02/2024, the Committee was formed as follows:

 CMA Board Vice-Chairman Mr. Youssef bin Hammad Al-Blihid Chairman of the Committee	 CMA Board Member Mr. Khaled bin Abdulaziz Al-Homoud Vice Chairman	 CMA Board Member Mr. Abdulaziz bin Abdulmohsen bin Hassan Member
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Pursuant to Article Three of the Committee’s Rules of Procedure, the Committee’s functions include the following:

1. Approving the human resources development plan.
2. Recommending approval of the human resources development budget.
3. Approving regulations governing HR development programs.
4. Approving nominations for educational programs and external secondments.
5. Reviewing special HR cases related to employees enrolled in training and educational programs and taking appropriate decisions.
6. Recommending strategies and general directions for human capital development and proposed amendments.
7. Periodic review and monitoring of HR activities to ensure alignment with the human capital strategy.
8. Recommending the general regulatory framework for the Graduate Program.
9. Reviewing succession and nomination plans for senior management positions.
10. Reviewing cases not covered by existing HR policies and recommending appropriate actions.
11. Recommending promotions for employees at Grade 10 and above.
12. Recommending approval of organizational structure changes at department level and above.
13. Recommending approval of the annual workforce plan.
14. Recommending approval of the functional structure of organizational units.
15. Recommending approval of compensation and benefits programs for CMA employees.
16. Recommending the appointment of deputies and general directors reporting to the Chairman.
17. Recommending approval of promotions for deputies and general managers reporting to the Chairman.
18. Recommending approval of performance appraisal mechanisms for supervisory roles.
19. Reviewing the Savings Program and recommending amendments.
20. Recommending increases to the Savings Program budget.
21. Recommending approval of medical insurance terms and benefits.
22. Recommending coverage for emergency medical expenses up to SAR 500 thousand.
23. Recommending approval of the Housing Finance Program.

➤ **27** Meetings

held by the Committee during 2025

➤ **60** Topics

included in its agendas, for which the appropriate decisions and recommendations were made, with 45 decisions issued by the Committee during its meetings.

5. Audit Committee

Pursuant to the Audit Committee Regulation issued under CMA Board Resolution No. (7-107-2025), dated 07/04/1447 AH, corresponding to 29/09/2025, the Committee was formed as follows:



Dr. Murya bin Saad Habbash
Chairman



Mr. Khalid bin Mohammed Al-Khwaiter
Independent Member, Vice Chairman



Mr. Abdulaziz bin Hebdan Al-Hebdan
Independent Member

The Committee shall, in carrying out its duties as defined in its mandate under the authority matrix, adhere to the following responsibilities:

1. Monitoring the work of CMA Internal Audit Department, including the Professional Ethics and Internal Compliance Department, to ensure effective performance of assigned responsibilities.
2. Reviewing any restrictions that may hinder the Internal Audit Department's ability to perform its duties and submitting recommendations to the Board to address them.
3. Reviewing CMA Internal Audit System and preparing related reports with recommendations for submission to the Board.
4. Recommending approval of the internal risk management framework to CMA Board.
5. Reviewing internal risk reports and submitting relevant recommendations to the competent authority.
6. Reviewing key internal risk indicators, monitoring their periodic results, and recommending additions, modifications, or removals as appropriate.
7. Making recommendations to the Board regarding internal risks, particularly those exceeding acceptable levels.
8. Resolving differences in views between the Risk Management Department and other relevant departments regarding risk and control assessments.
9. Reviewing any constraints affecting the Internal Risk Management Department and submitting recommendations to the Board to address them.
10. Approving the Internal Audit Plan and any amendments thereto.
11. Reviewing internal audit reports and monitoring the implementation of corrective actions outlined therein.
12. Reviewing cases of disagreement related to internal audit and compliance matters escalated to the Audit Committee, including—but not limited to—delays in internal audit activities, determining appropriate corrective actions, and ensuring the implementation of Audit Committee decisions.
13. Submitting recommendations to the competent authority regarding the position of Director of the Internal Audit Department, particularly in relation to appointment, promotion, performance evaluation, transfer, termination of service, non-renewal of contract, or resignation.
14. Providing recommendations to the competent authority concerning the development and adoption of internal regulations, rules, and policies (and any amendments thereto) related to the Internal Audit Department. This includes policy manuals, the Internal Audit Charter, the Code of Professional Conduct, and the Authority Matrix.
15. Recommending to the competent authority the approval of financial budgets, staffing decisions, organizational changes, and operational performance indicators related to the Internal Audit Department.

16. Approving the scope of services and technical evaluation criteria for contracting external quality assessment of internal audit activities, conducted every five years.
17. Ensuring the adequacy and appropriateness of CMA arrangements and measures related to the Employee Code of Professional Conduct.
18. Recommending to CMA Board the appointment, remuneration, and termination of the external auditor, noting that the maximum engagement period is five consecutive years, followed by a mandatory cooling-off period of two years before reappointment.
19. Reviewing the external auditor's audit plan.
20. Monitoring the external auditor's work, reviewing findings and challenges encountered, following up on related actions, and providing feedback and recommendations, including holding at least one annual meeting with the external auditor.
21. Reviewing reports submitted by the Finance Department on budget performance, including analysis of variances between actual expenditures and approved estimates.
22. Reviewing CMA's financial statements and final accounts and submitting recommendations to the Board for approval.
23. Examining accounting policies used in preparing CMA's financial statements and final accounts, and providing observations to the Board where necessary.
24. Performing any additional tasks assigned by CMA Board related to the Committee's mandate, and escalating matters requiring attention along with recommended actions to the competent authority.

8 Meetings

held by the Committee during 2025

70 Topics

included in its agendas during 2025

The reports submitted by the Finance Department included performance reports and variance analyses comparing actual expenditures with the approved budget, in addition to the review of CMA's financial statements and final accounts, accompanied by a recommendation to the Board for approval. They also covered internal risk reports within CMA and internal audit reports included in the Committee's agenda, with the objective of verifying the existence and adequacy of the internal control system and ensuring its effective implementation, as well as providing recommendations to enhance and further develop the internal control framework in a manner that supports CMA's objectives and safeguards its interests efficiently and at an appropriate cost. Furthermore, the reports included quarterly follow-ups on the Professional Conduct and Internal Compliance function, for which appropriate recommendations were issued. In total, the Committee issued 48 resolutions, including 8 recommendations submitted to the competent authority.

Third: International Relations

1. International Affairs

CMA continued to strengthen and expand its regional and international relations with counterpart regulatory authorities, organizations, and entities involved in the supervision and regulation of financial markets. This effort aimed to benefit from leading global practices and international expertise in relevant fields, while also supporting the exchange of knowledge, information, and experience, and reinforcing bilateral and multilateral cooperation frameworks.

In this context, CMA collaborated with several regulatory bodies across various domains and participated in international working groups implementing initiatives and projects related to financial markets. It also took part in a number of international conferences and forums dedicated to the development, regulation, and supervision of financial markets during 2025.

Key Achievements and International Participation in 2025:

1. CMA announced the commencement of implementation of the Unified Passporting Regulation for Investment Funds among capital market regulators in GCC countries. This regulation sets out the rules governing the registration and promotion of investment funds across GCC member states. It is derived from the broader framework for cross-border passporting of financial products among GCC capital market regulators.
2. Participation in the Annual Meetings of the International Organization of Securities Commissions (IOSCO), including the Africa/Middle East Regional Committee and the Growth and Emerging Markets Committee. During these meetings, CMA presented key regulatory reforms, highlighted major developments in the Saudi capital market, and showcased initiatives aimed at enhancing investor protection.
3. Participation in IOSCO World Investor Week, alongside numerous regulatory authorities and relevant institutions worldwide, with the objective of strengthening financial literacy and investor protection.
4. Participation in the 19th Annual Meeting of the Council of the Union of Arab Securities Authorities, held virtually on 24 April 2025 (corresponding to 26 Shawwal 1446 AH). The meeting was attended by Their Excellencies and Highnesses, representatives of the authorities member to the Union Council.
5. Participation in the 11th meeting of the Ministerial Committee of Chairs of Capital Market Authorities in GCC countries, held via videoconference on 6 November 2025, as well as the 30th meeting of the Committee of Chairs of GCC Capital Market Authorities, hosted in Kuwait City on 21 April 2025 by the Capital Markets Authority of the State of Kuwait.

6. CMA led, for the fourth consecutive year, the GCC Investor Awareness Program “Mulim” in 2025. This included initiatives such as the GCC Smart Investor Award. The program, launched in 2022 under the GCC General Secretariat, aims to enhance financial literacy and investment awareness across GCC capital markets through coordinated awareness campaigns and initiatives.
7. Participation in the plenary session of the International Forum of Independent Audit Regulators (IFIAR), as well as its ordinary and extraordinary general assemblies, held in Berlin, Germany, from 8–10 April 2025, with the participation of member regulators and major audit firms.

CMA is also a member of the following international and regional organizations:



The Union of Arab Securities Authorities

Abu Dhabi Joining Date: 2007



The International Organization of Securities Commissions (IOSCO)

Madrid Joining Date: 2010



Islamic Financial Services Board

Kuala Lumpur Joining Date: 2017



GCC Financial Markets Integration Project

Riyadh Joining Date: 2010



Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)

Manama Joining Date: 2016



International Forum of Independent Audit Regulators

Tokyo Joining Date: 2019

2. International Indicators

The Kingdom achieved advanced rankings in capital market–related indicators according to the IMD World Competitiveness Yearbook 2025 issued by the International Institute for Management Development (IMD). The Kingdom’s ranking improved in five out of twelve capital market competitiveness indicators, while maintaining its position in two indicators compared to 2024. This reflects the efforts exerted to enhance the efficiency and attractiveness of the Saudi capital market during the past period and to apply international best practices in line with CMA’s endeavors to achieve the objectives of Saudi Vision 2030, under the pillar of a prosperous economy, and to attain advanced positions in a number of global competitiveness indicators..

Table No. (5): The Ranking of the Kingdom of Saudi Arabia in Capital Market–Related Indicators According to the IMD World Competitiveness Yearbook 2025 at the Level of the G20 Countries and Globally

	Index Name	KSA Ranking in G20 Countries	KSA Ranking Globally
1	Capital Market Access Index (ease of access to foreign and local capital markets)	2	5
2	Stock Market Index (ability to provide financing for companies)	2	7
3	Board of Directors Index (effectiveness of boards in overseeing company management)	2	19
4	Capital Market Index (percentage change in index)	11	39
5	Stock Market Capitalization Index (% of GDP)	2	4
6	Value Traded on Stock Market (USD per capita)	9	16
7	Initial Public Offering Index (average 2022–2024)	5	6
8	Shareholder Rights Index (adequacy of shareholder rights application)	2	12
9	Venture Capital Index (availability of venture capital for businesses)	1	3
10	Listing of Local Companies (number of listed local companies)	14	22
11	Merger and Acquisition Activities (deals per listed companies)	14	35
12	Stock Market Capitalization (billion USD)	8	9



Section Two: Regulating the Capital Market

First: Implementing Regulations

Second: CMA Methodology in Issuing and Developing its Implementing Rules and Regulations

First: Implementing Regulations

CMA holds responsibility for establishing, issuing, and approving the implementing regulations that govern the capital market, as well as for issuing related instructions in accordance with the provisions set out in the Capital Market Law, the Companies Law, and other applicable laws and regulations. CMA performs its regulatory and developmental functions in a carefully balanced way to avoid any overlap between these roles. It oversees and develops the capital market, improves and advances the practices of entities and institutions engaged in securities trading, and strengthens frameworks designed to reduce risks associated with securities transactions. In addition, CMA works to promote fairness, efficiency, and transparency, while reinforcing the disclosure principle as stipulated in Article Five of the Capital Market Law.

1. New Implementing Regulations

During 2025, CMA issued three new implementing regulations, as follows:

1. Controls for the Exclusion of Companies Listed in the Saudi Stock Exchange from the Definition of “Non-Saudi” under the Law on Ownership and Investment in Real Estate by Non-Saudis

CMA Board Resolution No. (3-14-2025), dated 22/07/1446 AH (22/01/2025), approved the Controls for the Exclusion of Companies Listed in the Saudi Stock Exchange from the definition of “Non-Saudi,” in accordance with the Law on Ownership and Investment in Real Estate by Non-Saudis.

These Controls are intended to encourage investment, improve the attractiveness and efficiency of the capital market, strengthen its competitiveness at regional and international levels, and support the national economy.

2. Cross-Border Passporting Guide for Investment Funds:

CMA Board Resolution No. (1-46-2025), dated 25/10/1446 AH (23/04/2025), approved the Cross-Border Passporting Guide for Investment Funds.

A key feature of this Guide is the streamlining of procedures for marketing Saudi investment funds within GCC markets through the continued application of the relevant provisions of CMA’s regulations and the Passporting Regulation, provided that the approved application form is duly completed. The Guide further sets out the responsibilities of the passporting fund agent during the submission stage, as well as the obligations that apply after approval of the fund’s cross-border registration.

3. Close-out Netting and related Collateral Arrangements Regulation

CMA Board Resolution No. (4-73-2025), dated 07/01/1447 AH (02/07/2025), approved the Controls for the Exclusion of Companies Listed in the Saudi Stock Exchange.

These Rules are primarily designed to strengthen the stability of the financial system and enhance investor protection by ensuring that qualified financial contracts—where one party is a capital market institution—remain legally enforceable in the event of default by either counterparty. This is to be applied in a manner that preserves the rights of all parties in accordance with the terms of the clearing agreement concluded between them.

2. Amended Implementing Regulations

During 2025, CMA approved several amendments to existing implementing regulations, as follows:

1. **Amendment to the Rules on the Offer of Securities and Continuing Obligations, and the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority (Project for Regulating the Registration and Offering of Depositary Receipts Outside the Kingdom)**
2. **Amendment to the Investment Accounts Instructions, the Rules Governing Foreign Investment in Securities, and the Capital Market Institutions Regulations**

CMA Board Resolution No. (1-53-2025), dated 21/11/1446 AH (19/05/2025), approved the inclusion of a new paragraph, identified as (d), to Article Fifteen of the Rules on the Offer of Securities and Continuing Obligations, originally issued under Board Resolution No. (3-123-2017), dated 09/04/1439 AH (27/12/2017), and subsequently amended by Board Resolution No. (3-114-2024), dated 04/04/1446 AH (07/10/2024). The resolution also approved the addition of the term “Saudi Depositary Receipts” to the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority, initially issued under Board Resolution No. (4-11-2004), dated 20/08/1425 AH (04/10/2004), as amended by Board Resolution No. (3-6-2024), dated 05/07/1445 AH (17/01/2024).

This regulatory framework is intended to govern the registration and public offering of depositary receipts in the Saudi capital market, issued in exchange for shares of companies incorporated in foreign jurisdictions and listed in their respective markets, or whose issuers have undertaken the required steps for listing. It also clarifies that the provisions applicable to the registration and offering of shares under Part Four of the Rules on the Offer of Securities and Continuing Obligations extend to Saudi Depositary Receipts, in addition to formally defining the term within CMA’s glossary.

CMA Board Resolution No. (2-57-2025), dated 28/11/1446 AH (26/05/2025), approved amendments to the Investment Accounts Instructions, revisions to the Rules Governing Foreign Investment in Securities, and a modification of paragraph (c) of Article Thirty-Nine of the Capital Market Institutions Regulations, originally issued under Board Resolution No. (1-83-2005), dated 21/05/1426 AH (28/06/2005), as amended by Board Resolution No. (4-122-2024), dated 13/04/1446 AH (16/10/2024).

These amendments are designed to simplify procedures related to the opening and management of investment accounts, while reinforcing client protection measures for clients of capital market institutions. They also seek to further enhance and develop the regulatory framework governing foreign natural persons’ investment in securities.

3. Amendments to the Investment Funds Regulations, Real Estate Investment Funds Regulations, the Glossary of Defined Terms Used in CMA Regulations and Rules, and the Instructions for Direct Financing Investment Funds

CMA Board Resolution No. (1-54-2025), dated 23/11/1446 AH (corresponding to 21/05/2025), was issued approving amendments to the Investment Funds Regulations, the Real Estate Investment Funds Regulations, the Glossary of Defined Terms Used in CMA Regulations and Rules, and amendments to paragraphs (eighth) and (ninth) of the Instructions for Direct Financing Investment Funds, originally issued under Board Resolution No. (1-35-2022), dated 12/08/1443 AH (corresponding to 15/03/2022).

These amendments are intended to further develop the regulatory framework governing investment funds, with the objective of strengthening the asset management sector and enhancing its competitiveness. This is achieved by identifying regulatory gaps and adopting international best practices, including a comprehensive review and enhancement of both the Investment Funds Regulations and the Real Estate Investment Funds Regulations.

Key aspects of the amendments include:

1. Strengthening requirements related to the establishment of investment funds and their ongoing obligations.
2. Permitting the distribution of investment funds through distribution platforms licensed by CMA.
3. Introducing regulation for voluntary exit mechanisms applicable to fund managers.
4. Amendments to the Rules on the Offer of Securities and Continuing Obligations, the Rules Governing Special Purpose Entities, the Glossary of Defined Terms Used in CMA Regulations and Rules, and the Capital Market Institutions Regulations (Development of the

Regulatory Framework for Debt Instruments Offering Platforms and Investment Therein)

CMA Board Resolution No. (1-94-2025), dated 09/03/1447 AH (01/09/2025), approved amendments to the Rules on the Offer of Securities and Continuing Obligations, the Rules Governing Special Purpose Entities, the Glossary of Defined Terms Used in CMA Regulations and Rules, and selected provisions of the Capital Market Institutions Regulations, specifically paragraph (b) of Article nineteen and paragraph (d) of Article sixty nine. These amendments relate to the framework governing debt instruments offering and investment platforms, and update prior amendments introduced under Resolution No. (1-83-2005) dated 21/05/1426AH (28/06/2005), and Resolution No. (2-57-2005) dated 28/11/1446AH (26/05/2025).

The purpose of these amendments is to enhance the regulatory structure for platforms involved in offering and investing in debt instruments, and this includes:

1. Classifying debt instrument offerings via debt offering and investment platforms as exempt offerings under the Rules on the Offer of Securities and Continuing Obligations.
2. Establishing clear regulatory and licensing requirements for conducting such activities.
3. Enabling capital market institutions to offer debt instruments within the Sukuk and Debt Instruments Market.
4. Expanding financing options for companies and improving sustainability, while broadening investor access to debt instruments.
5. Enhancing requirements for registered functions and safeguarding client funds for capital market institutions licensed to conduct arranging activities within securities-based crowdfunding.

5. Amendments to the Rules Governing Special Purpose Entities and the Glossary of Defined Terms Used in CMA Regulations and Rules

CMA Board Resolution No. (1-94-2025), dated 09/03/1447 AH (01/09/2025), was issued approving amendments to the Rules Governing Special Purpose Entities (SPEs) and the Glossary of Defined Terms Used in CMA Regulations and Rules.

The amendments aim to enhance the attractiveness of Special Purpose Entities (SPEs) as a legal vehicle for the issuance of debt instruments and investment units, by improving governance frameworks, streamlining procedures, and enabling securitization transactions. This supports CMA's strategic objectives of advancing the sukuk and debt capital markets and fostering the growth of the asset management sector.

The key elements of the amendments include the following:

1. Developing the procedures for establishing special purpose entities.
2. Expanding the categories of issuers of debt instruments through special purpose entities and enabling them to undertake securitization transactions.
3. Enhancing investor protection in sukuk and debt instruments issued through special purpose entities.
6. **Amendments to the Rules on the Offer of Securities and Continuing Obligations, the Glossary of Defined Terms Used in CMA Regulations and Rules, the Investment Funds Regulations, and the Real Estate Investment Funds Regulations (Project to Develop Investor Categories Eligible to Invest in the Parallel Market)**

CMA Board Resolution No. (1-135-2025), dated 03/06/1447 AH (24/11/2025), approved amendments to Articles 74 (paragraphs d and e), 79 (paragraph f), 83 (paragraph d), and 85 (paragraphs a, b, c, and d) of the Rules on the Offer of Securities and Continuing Obligations, issued under Board Resolution No. (3-123-2017), dated 09/04/1439 AH (27/12/2017), as amended by Resolution No. (1-94-2025), dated 09/03/1447 AH (01/09/2025).

It also approved amendments to the definition of "Qualified Investor" in the Glossary of Defined Terms Used in CMA Regulations and Rules, originally issued under Board Resolution No. (4-11-2004), dated 20/08/1425 AH (04/10/2004), as amended by Resolution No. (1-94-2025), dated 09/03/1447 AH (01/09/2025). In addition, amendments were made to Article 48 (paragraph a) and Article 49 (paragraph k) of the Investment Funds Regulations, and Article 46 (paragraph b) of the Real Estate Investment Funds Regulations, as previously amended by Resolution No. (1-54-2025), dated 23/11/1446 AH (21/05/2025).

The objective of this initiative is to refine and expand the categories of investors eligible to participate in the parallel market.

Key elements include::

1. Redefining "Qualified Investor" as "Qualified Investor in the Parallel Market."
2. Revising the minimum transaction value required for an individual to qualify as a Qualified Investor in the Parallel Market.
3. Classifying board members and board committee members of companies listed in the parallel market as eligible qualified investors for participation in that market.

3. Implementing Regulations Under Development ¹

As part of its continued efforts to enhance investor confidence and further develop the capital market, CMA is currently preparing a number of regulatory drafts aimed at improving market efficiency, strengthening transparency and governance, and attracting both domestic and international investment. These drafts include the following:

1. Draft Amendments to the Capital Market Law

The proposed amendments aim to remove the provision in the Capital Market Law that requires brokerage firms to maintain a minimum capital of no less than SAR 50 million on an ongoing basis. Instead, the determination of the minimum capital requirement would be delegated to the implementing regulations issued by CMA.

The amendments also propose eliminating the requirement that brokerage firms must be established as joint-stock companies. This would allow the legal form of such firms to be determined through the Authority's implementing regulations

2. Draft Regulatory Framework for the Offering of Special Purpose Acquisition Companies (SPACs) in the Parallel Market

This draft framework aims to permit the offering of Special Purpose Acquisition Companies (SPACs) in the Parallel Market, while setting out the rules, conditions, and requirements governing the submission of applications for the registration and offering of their shares. It also defines the ongoing obligations of such companies, in addition to the requirements and conditions for completing an acquisition or merger with a target company. Furthermore, the framework provides for the redemption of SPAC shares at the discretion of shareholders.

3. Draft Framework for the Offering and Listing of Different Classes of Shares

This draft aims to regulate the offering and listing of various classes of shares, including provisions governing increases in issued capital within the limits of authorized capital for listed companies. It also enhances disclosure requirements relating to different types

and classes of shares.

In addition, it strengthens disclosure obligations relating to redeemable shares, whether such shares are newly offered or already exist within a company, including clear disclosure of redemption terms and conditions. It further introduces disclosure requirements relating to the conversion of shares from one type or class to another, including cases involving convertible shares, along with disclosure of the relevant terms and conditions.

4. Draft Regulatory Framework for the International License to Conduct Securities Business

This draft framework seeks to introduce an International License for conducting securities business and to establish a dedicated regulatory structure that defines the scope, conditions, and requirements of such license. The objective is to enhance the Kingdom's position as a regional and global financial center for securities activities.

5. Draft Framework for the Development of Financing Investment Funds

This draft aims to further develop the regulatory framework governing both private and public financing investment funds, in a manner that provides an additional financing channel to support economic growth. It is intended to meet financing needs, support the expansion of the asset management industry, increase assets under management, and diversify available investment instruments.

6. Draft Regulatory Framework for Robo-Advisory

This draft framework aims to enable capital market institutions to offer robo-advisory services, thereby supporting the growth of

1. Limited to drafts published for public consultations.

financial technology within the financial sector. It is intended to provide innovative and efficient advisory solutions for investors, enhance overall market efficiency, and promote the expansion of financial services through modern technologies.

7. **Draft Regulatory Framework to Allow Non-Resident Foreign Investors to Invest Directly in the Main Market**

The draft aims to amend the regulations governing foreign investment in securities to allow non-resident foreign investors to invest directly in shares listed on the Main Market. The objective is to broaden market access by enabling all categories of foreign investors to invest in listed securities.

8. **Draft Instructions for Simplified Investment Funds and Amendments to the Glossary of Defined Terms Used in the Regulations and Rules of the Capital Market Authority**

This draft introduces a new category of investment funds and establishes the regulatory framework governing them, providing greater flexibility for fund managers and unitholders in determining the key terms of their contractual arrangements. It is intended to better address the investment needs of the targeted client segments for these funds.

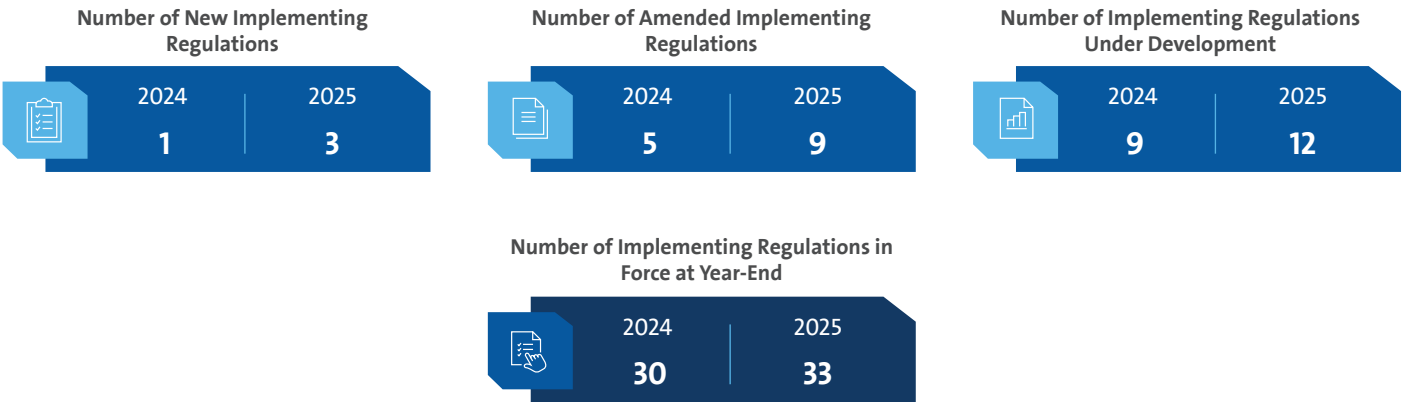
9. **Draft Amendments to the Implementing Regulation of the Companies Law Applicable to Listed Joint-Stock Companies**

This draft aims to introduce controls governing the dismissal of board members by the general assembly, in addition to enhancing the regulatory framework for determining distributable profits.

10. **Draft Rules Governing the Ownership of Real Estate in the Kingdom by Listed Companies, Investment Funds, and Special Purpose Entities**

This draft framework seeks to regulate the mechanisms through which listed companies established under the Companies Law, licensed investment funds, and special purpose entities may own real estate in the Kingdom and acquire other in rem rights over property, including in Makkah Al-Mukarramah and Al-Madinah Al-Munawwarah. It aims to enhance capital market efficiency, increase its attractiveness to investors, and strengthen its regional and international competitiveness.

Issued, Amended, and Under-Development Regulations for the Year 2025



Second: CMA Methodology in Issuing and Developing its Implementing Rules and Regulations



As part of its mandate to regulate and develop the capital market, CMA undertakes public consultations on any draft involving new implementing regulations prior to their issuance, as well as on amendments and enhancements to existing regulations. This process incorporates the views, suggestions, and feedback of experts and relevant stakeholders.

► **16** Public Consultations
for draft regulations in 2025

► **1185** Comments
received during 2025

CMA Methodology for Handling Public Consultation Feedback

1. Organizing and categorizing all submitted responses according to the relevant provisions of the draft implementing regulations.
2. Carrying out detailed legal and technical reviews of the responses.
3. Introducing amendments to the draft implementing regulations based on the outcomes of these reviews.

In addition, CMA publishes a summary of the key observations raised during public consultations, along with its corresponding views, on the Public Consultation Platform (Istitlaa).

Classification of Public Consultation Responses Completed During 2025

➤ 136

responses for which corrective or remedial actions were proposed

➤ 281

responses deemed inappropriate from legal and technical perspectives

➤ 197

responses consisting of inquiries or drafting suggestions that did not require amendments to the draft

➤ 389

responses already addressed under the law, the implementing regulations, or within the draft itself

➤ 103

responses whose review was not completed during 2025

➤ 79

responses considered unrelated to the draft

03

► Chapter 03: Capital Market Developments

Section One: Securities Offerings and Registration, Corporate Actions, and Investment Products

Section Two: Securities Business



Section One: Securities Offerings and Registration, Corporate Actions, and Investment Products

First: Securities Offerings and Registration, and Corporate Actions

Second: Assets Under Management

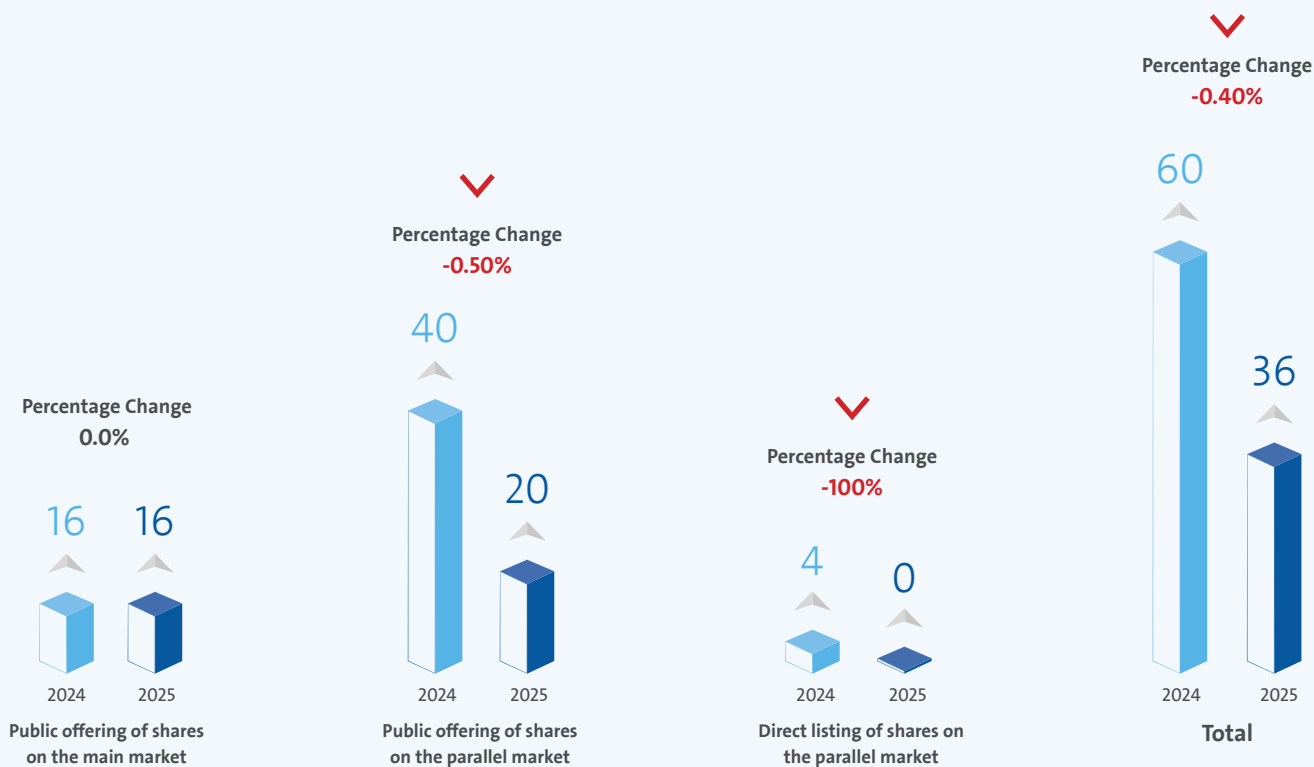
Third: Foreign Investment in the Saudi Capital Market

First: Securities Offerings and Registration, and Corporate Actions

1. Offering and Registration of Shares

In 2025, the number of public offering and share registration applications approved by CMA in both the main and parallel markets declined by 40.0% compared to 2024, reaching a total of 36 applications. This decrease was primarily driven by a reduction in public offering and direct listing applications in the parallel market.

Chart (1): Total Number of CMA-Approved Public Offering Applications on the Main and Parallel Markets



In 2025, shares of 15 companies were offered for public subscription in the main market, while 24 companies conducted public offerings in the parallel market. In addition, the market recorded 23 private placements of shares.

Table (6): Saudi Capital Market Offerings

Type	2024		2025	
	Total Value (SAR million)	Number	Total Value (SAR million)	Number
Value of Initial Public Offerings (main and parallel markets)	13,227.0	40	18,652.3	39
Value of Secondary Public Offerings (main market)	46,310.0	1	0.0	0
Private Placements ¹	4,043.0	22	7,958.0	23
Rights Issues ²	7,824.0	8	7,290.0	2
Offerings with Suspension of Rights Issues	427.7	1	0.0	0
Total	71,831.7	72	33,900.3	64

1. This includes notifications of completed private placements and combined proceeds.

2. This includes companies that completed their rights issue offerings in 2024 and 2025.

» Initial Public Offering of Shares

In 2025, the financial market experienced a decline in the number of corporate offerings. Nevertheless, proceeds from Initial Public Offerings (IPOs) of shares offered to the public increased by 41.0% compared to 2024.

Table (7): Companies that Offered Part of Their Shares for Public Subscription During 2025

Market	Company Name	IPO Proceeds (SAR Million)	% of Shares Offered to Issued Shares	Over-Subscription (Times)		Individual Subscribers (Thousand Subscribers)
				Individuals ¹	Institutions ²	
Main Market	Al Mousa Health	1,688.0	30.0%	4.1	103.1	396.0
	Nice One Beauty (E-Marketing)	1,212.8	30.0%	7.9	139.4	418.1
	Derayah Financial	1,498.4	20.0%	15.1	162.2	586.4
	Arab Agricultural & Industrial Investment	450.0	30.0%	30.2	208.4	499.0
	Umm Al Qura Development & Construction	1,961.8	9.1%	20.0	241.1	1,048.5
	United Carton Industries	600.0	30.0%	8.9	126.4	396.6
	Flynas	4,100.4	30.0%	3.5	98.5	666.1
	Specialty Medical	1,875.0	30.0%	1.4	64.7	317.8
	Al-Andeya Sports	257.4	30.0%	5.3	44.1	259.7
	Manezel Marketing Group	408.0	30.0%	2.0	9.7	77.4
	Dar Al Majed Real Estate	1,260.0	30.0%	2.8	106.9	307.0
	Shary Trading	252.0	30.0%	6.5	85.6	81.0
	Al Masar Al Shamil Education	599.0	30.0%	1.2	102.9	95.7
	Ittihad Gronenfelder Saadi Holding	300.0	30.0%	0.7	61.6	78.8
	Al Ramez Real Estate	900.0	30.0%	0.4	11.1	31.6
Nomu – Parallel Market ³	Hamad Bin Saidan Real Estate	57.2	15.0%	0.9	0.2	0.8
	Abdulaziz Al Tuwaijri Trading	25.0	20.0%	1.2	0.0	0.2
	National Panels Industry	18.0	20.0%	0.9	0.2	0.8
	Hawiya Auctions	31.2	12.0%	2.1	1.0	1.1
	Naf Feed Industry	30.4	20.0%	0.4	0.7	0.4
	Wajd Al Hayat Trading	14.3	20.0%	1.6	0.2	0.3

1. Over-subscription is calculated by dividing the number of shares subscribed for by individuals by the number of shares allocated to them.

2. Over-subscription is calculated by dividing the number of shares subscribed for by institutions by the number of shares allocated to them.

3. In the Parallel Market, over-subscription figures reflect subscriptions by qualified investors, whether individuals or institutions. Accordingly, individual subscribers in the Parallel Market are considered qualified investors.

Market	Company Name	IPO Proceeds (SAR Million)	% of Shares Offered to Issued Shares	Over-Subscription (Times)		Individual Subscribers (Thousand Subscribers)
				Individuals ¹	Institutions ²	
Nomu – Parallel Market ⁴	Shomooa Al Madi ³	30.8	14.8%	1.3	0.7	1.5
	Lamsat	34.5	7.4%	6.6	4.4	1.3
	Hedab Al Khaleej Trading	41.6	10.7%	1.2	0.5	1.2
	Al Shehaily Metal Industries	40.0	20.0%	1.0	1.4	0.9
	Basmat Adeem Medical	17.6	20.0%	14.2	5.6	1.3
	Itmam Consulting	45.0	14.3%	1.2	0.6	0.8
	Maintenance Machines	60.5	30.0%	0.7	0.8	0.6
	Al Khuzamy Trading	45.2	10.7%	0.5	0.6	0.5
	Future Vision Health Training	14.0	20.0%	4.4	0.8	0.8
	Anmat Technology Trading	47.5	11.6%	1.0	1.9	0.9
	Accelerated Solutions (Telecom & IT)	81.0	10.7%	1.1	0.3	1.1
	Adeer Real Estate	85.0	20.0%	3.7	3.1	0.9
	Nisbat Al Mukhtassa Trading	50.0	25.0%	5.9	2.7	2.1
	Al Waqt Entertainment Events	16.0	20.0%	1.2	0.3	0.4
	Asas Makeen Real Estate Dev.	80.0	10.0%	6.1	13.4	1.5
	Dukhoon Al Wataniya Trading	48.4	20.0%	0.9	0.2	0.5
	Jamjoom Fashion Trading	345.7	30.0%	0.3	4.2	0.3
	Sahat Al-Majd Trading	30.6	11.1%	1.0	0.1	0.4
Total		18,652.3				5,280.2

1. Over-subscription is calculated by dividing the number of shares subscribed for by individuals by the number of shares allocated to them.

2. Over-subscription is calculated by dividing the number of shares subscribed for by institutions by the number of shares allocated to them.

3. Offered in 2024 and subsequently listed in 2025.

4. In the Parallel Market, over-subscription figures reflect subscriptions by qualified investors, whether individuals or institutions. Accordingly, individual subscribers in the Parallel Market are considered qualified investors.

In 2025, one company registered its shares for direct listing on the parallel market, with a market value upon listing of approximately SAR 480.0 million.

Table (8): Companies that Registered Their Shares for Direct Listing on the Parallel Market in 2025

Company Name	Offering Value upon Listing (SAR million)
Tawareat Medical Care	480.0
Total	480.0

Table (9): Individual Subscriptions by Subscription Channels on the Main Market (Before Returning Over-Subscribed Amounts)

Subscription Channel	Number of Subscribers			Value Before Returning Over-Subscribed Amounts (Million SAR)		
	2024	2025	% of Total	2024	2025	% of Total
Phone Banking	223,577	0	0.0%	460.0	0.0	0.0%
Electronic Channels	6,340,511	5,248,684	99.8%	16,441.6	15,662.6	97.3%
Bank Branches	53,511	11,087	0.2%	430.5	441.0	2.7%
ATMs	890,857	0	0.0%	2,184.6	0.00	0.0%
Total	7,508,456	5,259,771	100.0%	19,516.7	16,103.6	100.0%

2. Corporate Actions

Table (10): Number of Transactions and Percentage Change in the Capital of Listed Companies by Capital Adjustment Method for 2025

	Rights Issue Shares	Issuing Shares with Suspension of Right Issues	Bonus Shares	Capital Reduction	Acquisition	Debt Conversion (Transfers)
Number of Transactions	2	0	31	4	4	2
Percentage Change	7%	-	28%	-7%	4%	68%

3. Sukuk and Debt Instruments Offerings

In 2025, the total value of outstanding issuances in the debt market increased by approximately 5.7% compared to 2024.

Table (11): Debt Market Size¹

Item	2022	2023	2024	2025
Total Outstanding Issuances Value (SAR million)	738,708.2	760,457.1	834,786.4	882,430.8
Number of Outstanding Issuances	137	1,672	4,675	7,146
Traded Value (SAR million)	21,476.6	19,939.2	23,364.1	48,392.5
Funds Raised During the Period (SAR million)	130,832.5	77,077.5	114,734.0	114,186.0

The total value of outstanding issuances of government debt instruments increased by approximately 6.8% in 2025 compared to 2024.

Table (12): Key Statistics of Government Debt Instruments Issuances

Item	2022	2023	2024	2025
Total Outstanding Issuances Value (SAR million)	611,891.0	634,075.7	696,691.1	744,373.0
Number of Outstanding Issuances	91	87	80	57 ²
Traded Value (SAR million)	11,890.2	17,489.1	19,959.0	42,558.6
Funds Raised (SAR million)	76,492.0	45,611.0	70,856.0	58,344.0

1. This includes all domestic issuances, whether listed and unlisted.

2. This is based on data available from Tadawul.

The volume of funds raised through corporate debt issuances increased by approximately 25.5% in 2025 compared to 2024.

Table (13): Corporate Debt Issuances

Item	2022	2023	2024	2025
Total Outstanding Issuances Value (SAR million)	126,367.0	124,749.9	134,410.5	132,371.5
Number of Outstanding Issuances	46	47	61	118
Number of Issuers	21	22	25	33
Traded Value (SAR million)	9,586.4	2,450.1	3,405.2	5,833.9
Funds Raised (SAR million)	53,900.0	29,950.0	40,430.0	50,726.0

The total value of outstanding issuances of debt instruments offered through crowdfunding platforms also recorded strong growth, increasing by approximately 54.3% by the end of 2025 compared to 2024.

Table (14): Debt Instruments Issued via Debt Crowdfunding Platforms

Item / Year	2022 ¹	2023	2024	2025
Total Outstanding Issuances Value (SAR million)	-	1,631.5	3,684.8	5,686.2
Number of Outstanding Issuances	-	1,538	4,534	6,971
Number of Active Issuers	-	304	607	1,009
Funds Raised (SAR million)	440.5	1,516.5	3,447.8	5,116.0

1. Debt crowdfunding platforms were introduced in 2022; accordingly, data for the listed items were not available in the year of launch.

Table (15): Approvals for Public Offerings of Corporate Debt Instruments in 2025

Company	Program Size (SAR)	Approval Date
Rawasi Al-Binaa Investment Company	500,000,000	07-01-2025
Aqasim Factory for Chemical and Plastic Materials	500,000,000	15-01-2025
Al Rajhi Bank	10,000,000,000	30-04-2025
Arabian Centers Company	4,500,000,000	16-09-2025
Bidaya Finance Company	1,000,000,000	29-09-2025
Raya Finance Company	500,000,000	29-12-2025
Emkan Finance Company	5,000,000,000	31-12-2025

Chart (2): Number of Sukuk and Debt Instruments Listed on the Saudi Stock Exchange (Tadawul)

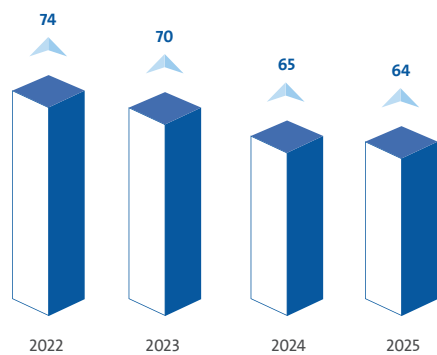


Chart (3): Total Value of Listed Sukuk and Debt Instruments on the Saudi Stock Exchange (Tadawul) - SAR Million

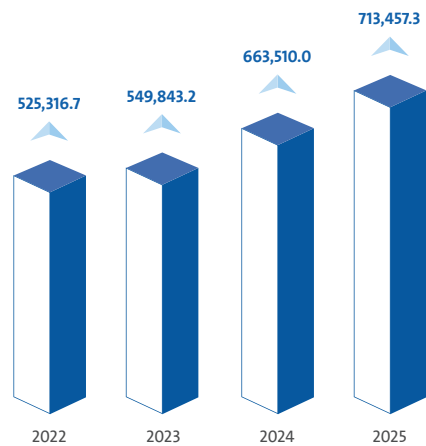


Chart (4): Number of Transactions in Listed Sukuk and Debt Instruments on the Saudi Stock Exchange (Tadawul)

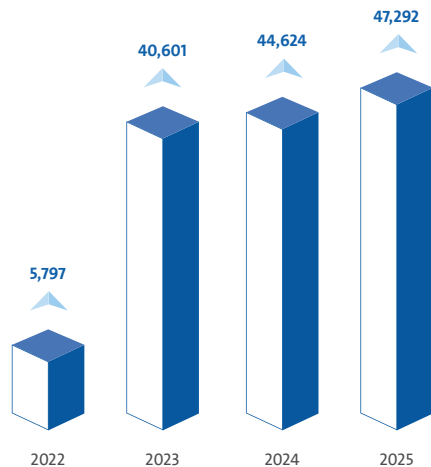
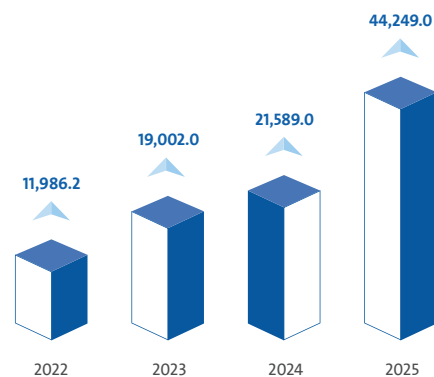


Chart (5): Traded Value of Listed Sukuk and Debt Instruments on the Saudi Stock Exchange (Tadawul) - SAR Million



4. Development of the Sukuk and Debt Instruments Market

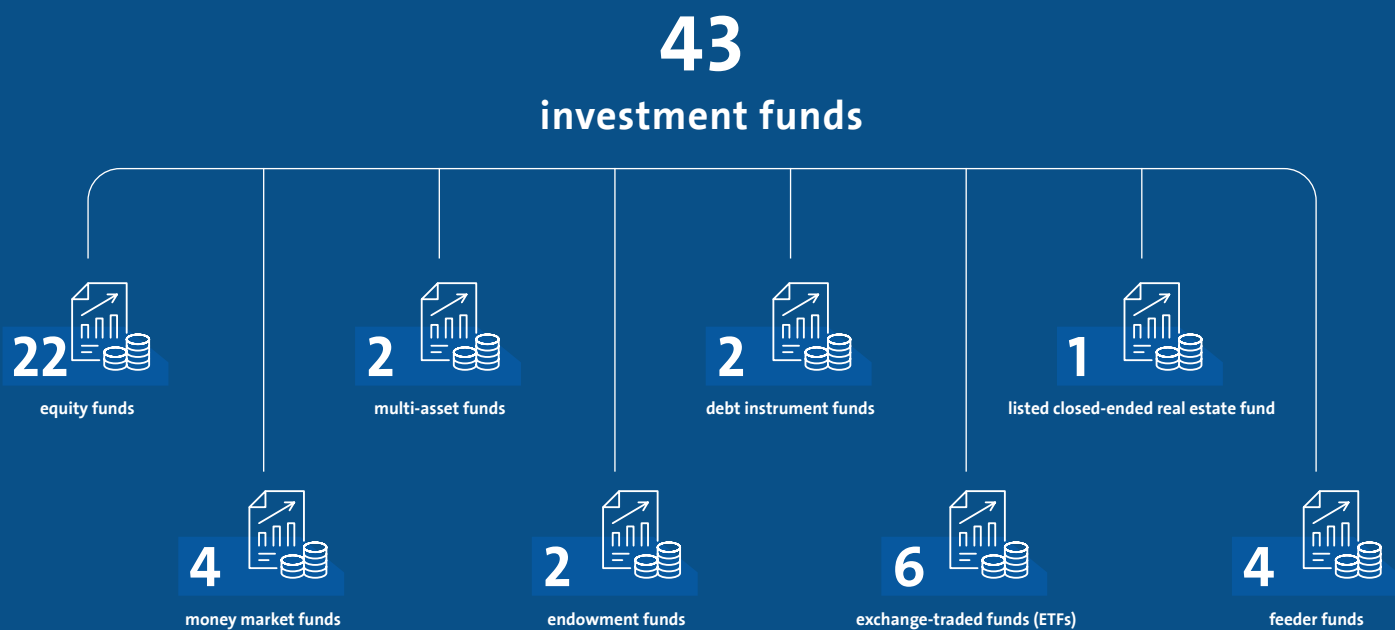
The sukuk and debt instruments market experienced a number of notable positive developments during 2025, including the following:

- Launching an over-the-counter (OTC) trading service for listed debt instruments allowing bilateral settlement through custodians. This development aims to simplify settlement procedures and broaden investment opportunities. In addition, a Debt Instruments Subscription Management System was launched to help reduce issuance costs for issuers offering debt instruments, whether through public or private placements. Moreover, the Tradeweb platform—an alternative trading system (ATS)—was introduced to provide execution solutions for debt instruments, facilitate trading processes, improve investor access, and enhance overall market efficiency. A market-making framework was also implemented to encourage investor participation, increase trading volumes, and support more effective price discovery.
- CMA also approved and issued the Guidelines for Green, Social, Sustainable, and Sustainability-Linked Debt Instruments, with the objective of enhancing disclosure standards and clarifying the key principles and frameworks governing such instruments. These guidelines contribute to directing funding toward projects that support sustainability objectives. In parallel, the regulatory framework for special purpose entities (SPEs) was further developed to strengthen the securitization market and increase the attractiveness of asset-backed and asset-linked debt instruments, particularly through improved governance structures and more streamlined establishment procedures.
- Furthermore, a regulatory framework was published to enable capital market institutions licensed to carry out “arranging” activities to offer debt instruments in the sukuk and debt market via securities-based crowdfunding platforms. This has been recognized as one of the exempt offering cases under the Rules on the Offer of Securities and Continuing Obligations. The framework builds on a testing phase conducted within the FinTech Lab since the second quarter of 2021, and the activity is now formally permitted under the securities business license for arranging.
- In addition, previous investment restrictions imposed on public investment funds with respect to private debt instruments were removed. As a result, such funds are now able to invest more broadly, without being subject to requirements such as listing, credit ratings, or government guarantees. This change supports portfolio diversification and expands available investment opportunities.
- Saudi Arabia’s SAR-denominated government issuances were also added to the watchlist of the J.P. Morgan Government Bond Index – Emerging Markets (GBI-EM), reflecting the Kingdom’s status as a prominent issuer within emerging markets. This inclusion enhances the visibility of the Saudi capital market, strengthens its international standing, and contributes to improving its attractiveness, efficiency, and competitiveness at both regional and global levels.
- As part of efforts to encourage issuers to obtain credit ratings from CMA-licensed rating agencies, CMA extended its fee exemption initiative. This initiative covers CMA fees as well as fees imposed by Tadawul and Edaa for debt instrument offerings, provided that issuers or the instruments themselves obtain and publicly disclose a valid credit rating from a CMA-licensed agency. The initiative has been extended through 2027, subject to the applicable conditions published on CMA’s website.

Second: Assets Under Management

1. Issuance of Investment Products

In 2025, CMA approved the offering of a range of investment products, including:



During the same year, CMA received:

➤ **483** requests
concerning amendments to investment products, including both notifications and applications for approval. All of these requests were processed and finalized, resulting in a 100% completion rate.

➤ **709** completed notifications
related to private placements of investment funds.

The total value of assets under management increased by 18.1% by the end of 2025.

Table (16): Total Value of Assets Under Management

Item (SAR million)	2024	2025	Annual Change (%)
Total Assets of Investment Funds	699,054.5	884,447.5	26.5%
Total Assets of Discretionary Portfolios Under Management	353,874.7	359,640.3	1.6%
Total Assets Under Management	1,052,929.2	1,244,087.8	18.1%

2. Investment Funds

By the end of 2025, the total value of assets held by investment funds increased by 26.5% compared to the previous year. This growth was accompanied by a rise in the number of subscribers, which reached approximately 1.7 million, representing an increase of 1.2% compared to 2024.

Table (17): Investment Funds Sector Indicators¹

Item	2024			2025			Annual Change (%)
	Public	Private	Total	Public	Private	Total	
Number of Funds	325	1,224	1,549	356	1,715	2,071	33.7%
Number of Subscribers	1,571,635	152,405	1,724,040	1,577,818	167,667	1,745,485	1.2%
Asset Value (SAR million)	174,449.9	524,604.6	699,054.5	220,817.1	663,630.4	884,447.5	26.5%

1. This includes Exchange-Traded Funds and Traded Real Estate Investment Trusts.

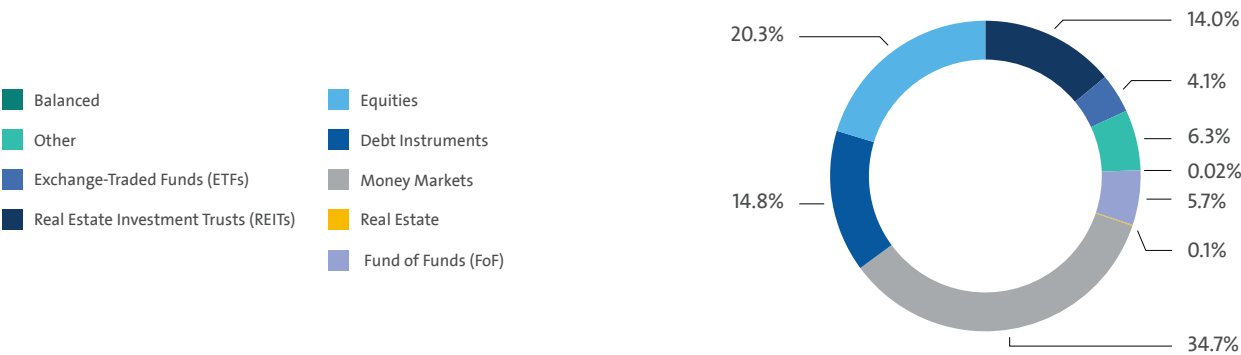
2.1 Public Investment Funds

By the end of 2025, publicly offered investment funds accounted for 25.0% of the total value of fund assets. The number of subscribers to these funds also increased significantly, rising by 0.4% to reach 1,577,818 subscribers.

Table (18): Public Investment Funds Indicators by Type of Investment

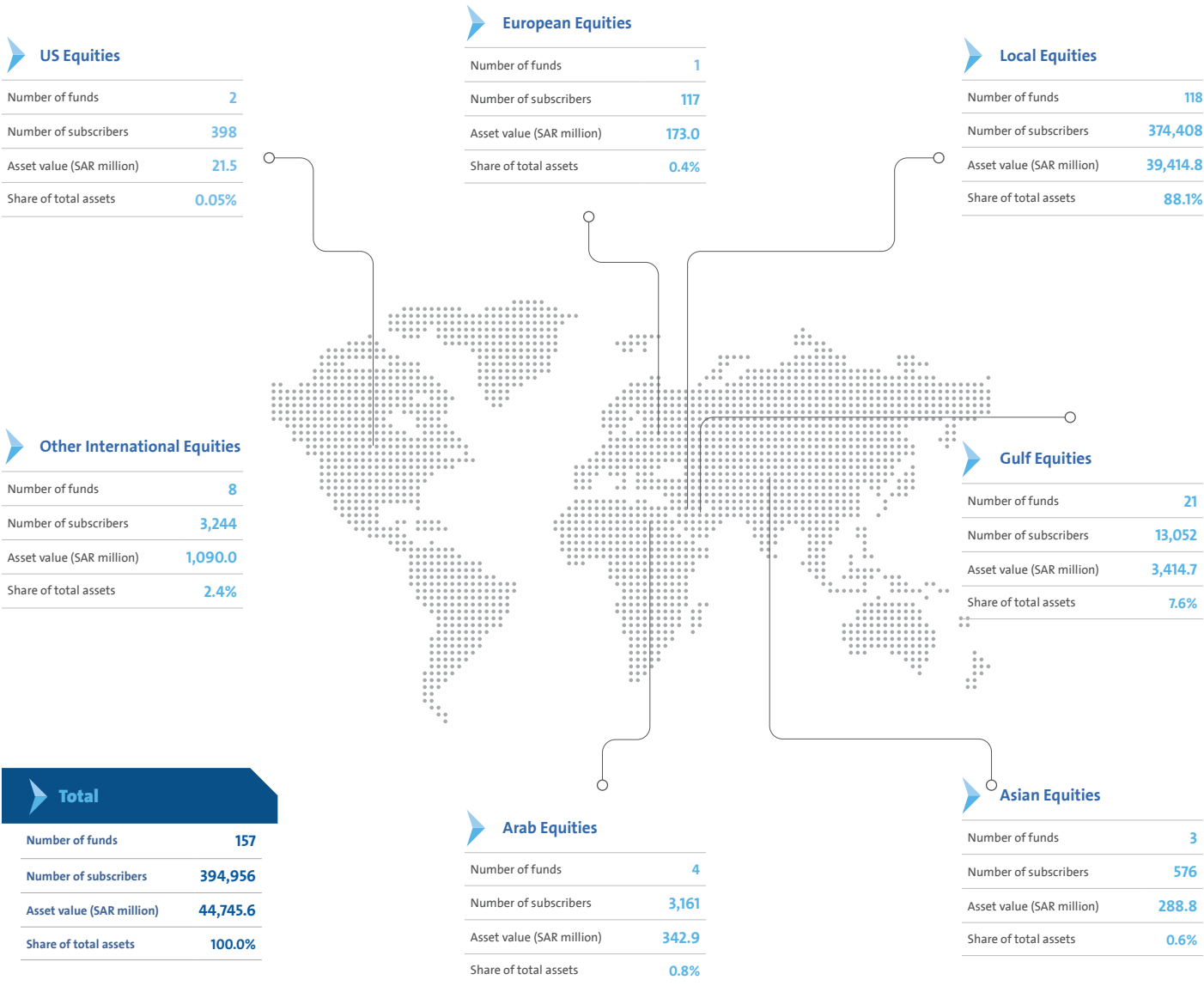
Type of Investment	Number of Funds			Subscribers			Asset Value (SAR million)		
	2024	2025	Change (%)	2024	2025	Change (%)	2024	2025	Change (%)
Equities	144	157	9.0%	410,796	394,956	-3.9%	44,812.1	44,745.6	-0.1%
Debt Instruments	21	21	0.0%	11,632	15,464	32.9%	23,599.8	32,755.0	38.8%
Money Markets	47	51	8.5%	66,978	94,752	41.5%	48,929.4	76,680.5	56.7%
Real Estate	3	3	0.0%	1,966	1,954	-0.6%	239.7	191.4	-20.2%
Fund of Funds (FoF)	30	31	3.3%	85,075	88,807	4.4%	10,408.3	12,479.4	19.9%
Balanced	1	1	0.0%	412	605	46.8%	45.9	41.5	-9.7%
Exchange-Traded Funds (ETFs)	12	19	58.3%	23,780	32,242	35.6%	6,697.2	9,067.5	35.4%
Real Estate Investment Trusts (REITs)	20	20	0.0%	513,588	488,417	-4.9%	29,314.2	30,933.5	5.5%
Other	47	53	12.8%	457,408	460,621	0.7%	10,403.4	13,922.7	33.8%
Total	325	356	9.5%	1,571,635	1,577,818	0.4%	174,449.9	220,817.1	26.6%

Chart (7): Distribution of Public Investment Funds Assets by Investment Type (2025)



2.1.1 Public Funds Invested in Equities

Indicators of Public Equity Funds classified geographically Focus (2025)



2.2 Private Investment Funds

By the end of 2025, private investment funds—whose units are offered through private placements—accounted for 75.0% of the total assets of investment funds. The number of subscribers in these funds also increased by 10.0%, reaching a total of 167,667 subscribers.

Table (19): Private Investment Funds Indicators Classified by Type of Investment¹

Type of Investment	Number of Funds			Subscribers			Asset Value (SAR million)		
	2024	2025	Change (%)	2024	2025	Change (%)	2024	2025	Change (%)
Equities	190	218	14.7%	3,130	3,494	11.6%	196,114.2	206,307.3	5.2%
Private Equities	200	247	23.5%	12,052	13,210	9.6%	27,509.4	36,028.2	31.0%
Venture Capital	34	40	17.6%	834	1,400	67.9%	4,003.9	3,279.3	-18.1%
Debt Instruments	37	49	32.4%	2,581	3,864	49.7%	14,446.6	22,125.2	53.2%
Money Markets	12	14	16.7%	494	546	10.5%	4,012.7	5,167.7	28.8%
Real Estate	551	909	65.0%	108,130	116,610	7.8%	232,996.0	355,960.9	52.8%
Commodities	4	3	-25.0%	4	2	-50.0%	426.2	342.7	-19.6%
Multi-Asset	127	133	4.7%	734	1,406	91.6%	39,876.2	21,359.2	-46.4%
Feeder	26	35	34.6%	280	2,094	647.9%	1,967.6	5,040.8	156.2%
Finance	40	62	55.0%	24,165	25,039	3.6%	3,219.4	7,956.7	147.1%
Endowment	3	5	66.7%	1	2	100.0%	32.5	62.5	92.2%
Total	1,224	1,715	40.1%	152,405	167,667	10.0%	524,604.6	663,630.4	26.5%

1. This includes funds in offering period.

3.2 Exchange-Traded Funds (ETFs)

The number of subscribers to exchange-traded funds (ETFs) increased by 35.6% compared to the previous year.

Table (20): Exchange-Traded Funds

Fund Name	Asset Value (SAR million)			Number of Subscribers		
	2024	2025	Change (%)	2024	2025	Change (%)
Yaqeen30	47.9	37.9	-20.8%	3,154	3,257	3.3%
Yaqeen Petrochemical	6.8	3.9	-42.9%	1,149	1,300	13.1%
Alawwal Invest MSCI Tadawul 30 Saudi ETF	8.0	413.2	5,065.6%	820	990	20.7%
Alinma Saudi Government Sukuk ETF – Short Maturity	431.8	420.4	-2.6%	1,371	1,949	42.2%
Albilad Saudi Sovereign Sukuk ETF	76.6	66.1	-13.6%	4,465	4,554	2.0%
Albilad Gold ETF	40.5	146.5	261.7%	5,676	10,269	80.9%
Albilad MSCI US Equity ETF	12.1	12.6	4.3%	1,494	1,930	29.2%
Albilad MSCI US Tech ETF	13.2	23.8	80.3%	1,659	2,324	40.1%
Albilad MSCI Saudi Growth ETF	17.1	274.9	1,508.0%	1,121	1,695	51.2%
Albilad CSOP MSCI Hong Kong China ETF	4,219.6	4,909.1	16.3%	1,165	1,833	57.3%
Yaqeen S&P ESG MENA ETF	10.0	10.4	3.8%	1	508	50,700.0%
SAB Invest Hang Seng Hong Kong ETF	1,813.6	2,463.1	35.8%	1,705	1,046	-38.7%
Albilad MSCI Saudi Equity ETF	-	285.5	-	-	587	-
Total	6,697.2	9,067.5	35.4%	23,780	32,242	35.6%

4.2 Real Estate Investment Traded Funds (REITs)

By the end of 2025, the number of subscribers in real estate investment traded funds (REITs) declined by 4.9% compared to the previous year, reaching approximately 488 thousands subscribers..

Table (21): Real Estate Investment Traded Funds (REITs)

Fund Name	Asset Value (SAR million)			Number of Subscribers		
	2024	2025	Change (%)	2024	2025	Change (%)
Riyad REIT	3,013.6	2,601.2	-13.7%	26,461	25,392	-4.0%
Al Jazira Mawten REIT	84.8	88.7	4.6%	5,404	5,404	0.0%
Jadwa REIT Al Haramain	735.3	759.4	3.3%	10,918	11,122	1.9%
Taleem REIT	857.3	864.9	0.9%	9,927	9,888	-0.4%
Al Maather REIT	884.5	898.8	1.6%	10,361	9,647	-6.9%
Musharaka REIT	1,606.0	1,542.8	-3.9%	12,624	12,051	-4.5%
Mulkia REIT	1,642.3	1,599.4	-2.6%	30,498	27,430	-10.1%
Al-Aziziya REIT	424.7	402.8	-5.2%	8,850	8,638	2.4%
Al-Ahli REIT 1	2,016.6	2,008.1	-0.4%	13,838	14,144	2.2%
Derayah REIT	1,527.3	1,652.5	8.2%	28,812	29,055	0.8%
Al-Rajhi REIT	3,155.5	3,185.4	0.9%	124,560	118,563	-4.8%
Jadwa REIT Saudi	2,338.2	2,271.6	-2.8%	14,414	15,095	4.7%
Sedco Capital REIT	2,473.6	3,462.0	40.0%	77,880	72,283	-7.2%
Alinma Retail REIT	1,071.7	1,658.6	54.8%	14,673	15,371	4.8%
MEFIC REIT	997.1	987.7	-0.9%	13,632	11,693	-14.2%
Bonyan REIT	2,006.0	2,137.0	6.5%	14,318	13,682	-4.4%
Alkhabeer REIT	2,025.8	2,042.7	0.8%	29,720	28,040	5.7%
Alwaha REIT	196.6	257.8	31.1%	87	273	213.8%
Alinma Hospitality REIT	1,052.8	1,140.2	8.3%	43,582	39,881	-8.5%
Alistithmar AREIC Diversified REIT	1,204.4	1,371.9	13.9%	23,029	20,765	-9.8%
Total	29,314.2	30,933.5	5.5%	513,588	488,417	-4.9%

3. Discretionary Portfolios (Privately Managed Portfolios)

The total value of assets in discretionary portfolios increased by 1.6% by the end of 2025, reaching SAR 359.4 billion.

Table (22): Asset Value of Discretionary Portfolios by Type of Investment

Investment Type	Asset Values (SAR million)		Change (%)
	2024	2025	
Local Equities	166,798.3	137,745.5	-17.4%
International Equities	10,835.3	17,930.4	65.5%
Debt Instruments	21,068.9	30,705.7	45.7%
Investment Funds	28,341.7	50,566.2	78.4%
Others	126,830.5	122,693.5	-3.3%
Total	353,874.7	359,640.3	1.6%

Third: International Investors¹ in the Saudi Capital Market

Main Market

The main equity market continued to experience growth in international investment activity. By the end of 2025, net international investments amounted to approximately SAR 225.2 billion, representing an increase of 10.2% compared to the end of 2024.

International investors' ownership in the main market also rose, reaching 14.0% of free-float shares, compared to 12.4% in the previous year. Consequently, the total value of international holdings increased to around SAR 490.2 billion by the end of 2025.

Chart (7): Net International Investments² in the Main Market (SAR billion) up to the End of 2025

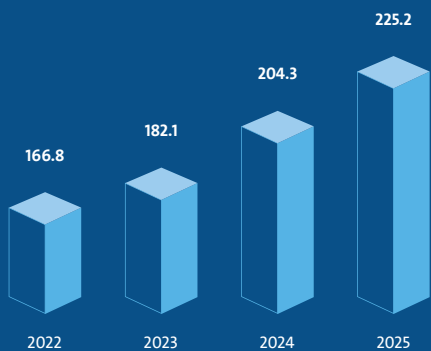


Chart (8): Value of International Investors' Ownership in the Main Market (SAR billion) up to the End of 2025

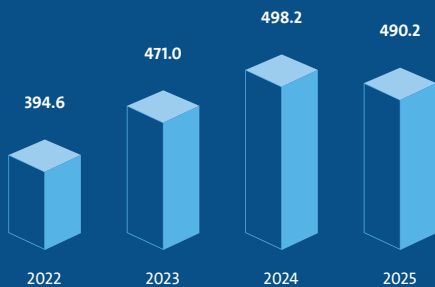
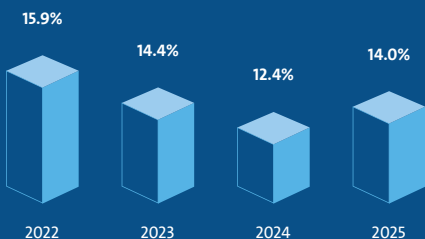


Chart (9): Percentage of International Ownership of Free-Float Shares in the Main Market up to the End of 2025

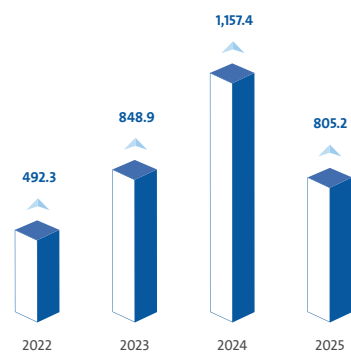


1. "International investors" refers to all categories of non-Saudi investors, including both international investors and nationals of Gulf Cooperation Council (GCC) countries.

2. "Net international investment" denotes the net outcome of purchase and sale transactions. The figures presented in the chart from 2019 onward cover all categories of non-Saudi investors, excluding international residents within the Kingdom.

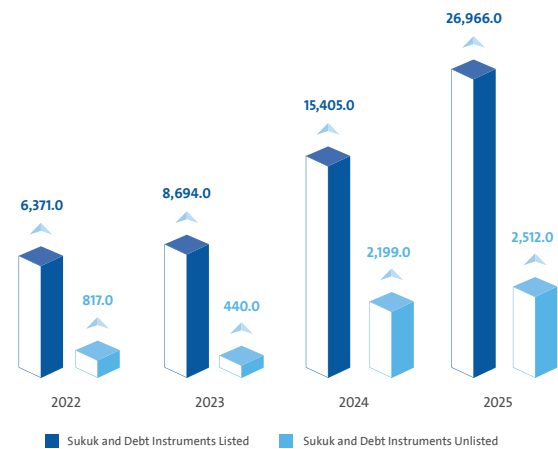
Parallel Market

Chart (10): Value of International Investors’ Ownership in the Parallel Market (SAR million) at the End of 2025



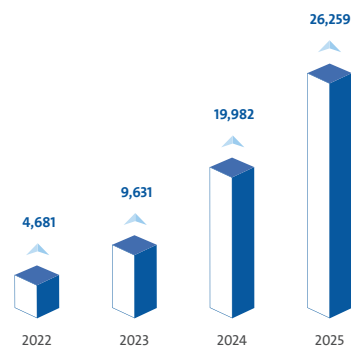
Sukuk and Debt Instruments Market

Chart (11): Value of International Investors’ Ownership in the Sukuk and Debt Instruments Market (Listed and Unlisted) (SAR million) at the End of 2025



Investment Funds

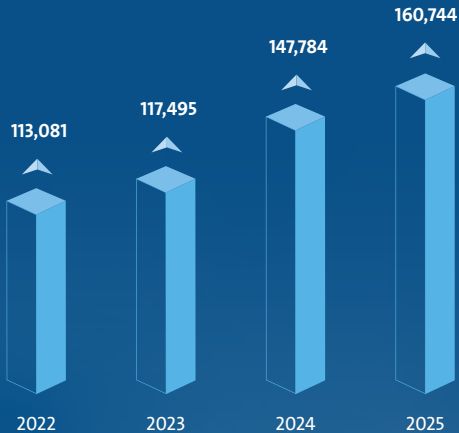
Chart (12): Value of International Investors’ Ownership in Public Investment Funds¹ (SAR million) at the End of 2025



1. International investors’ ownership in privately offered funds amounted to SAR 15.133 billion and SAR 17.799 billion for the years 2024 and 2025, respectively.

The number of international investors also increased, reaching 160,744 investors by the end of 2025, compared to 147,784 investors in 2024—representing a growth of 8.8%.

Chart (13): Number of International Investors in the Capital Market ¹



1. The number of international investors includes those investing in the Main Market, the Parallel Market, the Sukuk and Debt Instruments Market, Exchange-Traded Funds (ETFs), and listed closed-ended investment funds.



Section Two: Securities Business

First: Licenses

Second: Inspection, Capital Adequacy, Anti-Money Laundering, and Combating Terrorist Financing

Third: Performance of Capital Market Institutions

Fourth: Registered Accounting Firms and Certified Public Accountants

First: Licenses

1. Decisions Regarding Licensing to Conduct Securities Business

Table (23): Number of Licensing Decisions by Type

Type of Decision		2025	Annual Change (%)
New Licenses		32	28.1%
License Amendments	Addition of Activity	8	-52.9%
	Cancellation of Activity	3	50.0%
Cancellation of Activity		2	100.0%
License Revocation		1	0.0%
Total		44	4.3%

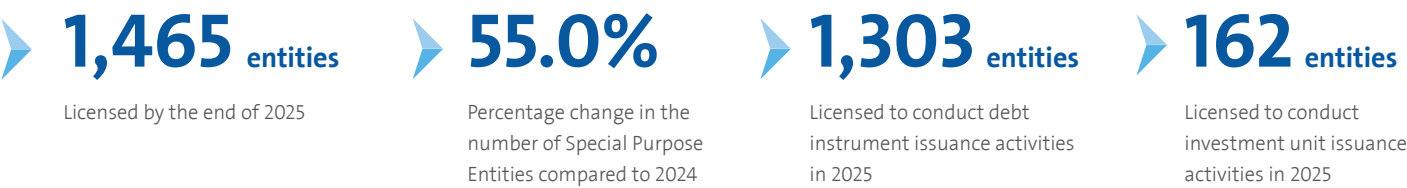


2. Credit Rating Licenses

Credit rating licenses, classified by operational status:



3. Special Purpose Entities (SPEs)



4. FinTech Products in the Saudi Capital Market

As part of its mandate to advance financial technology in the Kingdom, CMA continues to establish and refine a legislative and regulatory framework that supports the growth of FinTech products within the capital market. In parallel, the Authority develops mechanisms aimed at attracting innovative business models and advanced technologies that generate new avenues for financing and investment. These efforts contribute to strengthening the diversity and depth of the financial sector, in alignment with the objectives of the Financial Sector Development Program. In support of the Kingdom’s ambition to become a global hub for financial technology, the inaugural Money20/20 Middle East conference was hosted, bringing together a wide range of leading regulatory bodies, policymakers, investors, technology specialists, and academics. The event drew more than 38,000 visitors, 451 participating entities, and 1,051 investors from both domestic and international markets.

As part of its ongoing work to enhance the regulatory landscape for the FinTech sector, CMA oversaw the graduation of the debt instruments offering and investment model from the FinTech Lab in 2025, following the approval of its regulatory framework to operate within the Sustainable securities business environment pursuant to a CMA Board resolution dated 01/09/2025. Additionally, on 09/07/2025, CMA Board approved the publication of a draft regulatory framework for robo-advisory services via the Istitlaa platform, as a step toward its finalization and formal adoption.

Further advancing these efforts, five FinTech companies successfully graduated from the FinTech Lab in 2025 and were subsequently authorized to operate within the established regulatory environment. With the continued expansion of equity crowdfunding activities, the need arose for an effective mechanism to facilitate investor exits from such platforms. In response, and as part of the FinTech Lab’s role in supervising licensed FinTech firms and addressing sector developments, a new experimental permit was introduced for a share ownership transfer business model.

Table (24): FinTech Lab Rounds

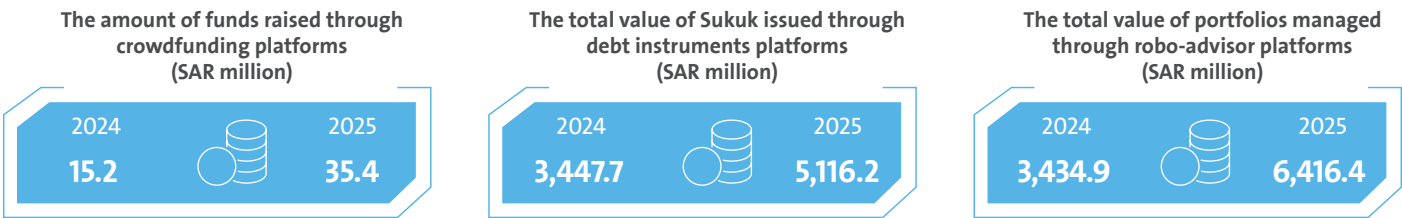
Round	Fourth Round	Fifth Round	Sixth Round	Seventh Round	Eighth Round	Ninth Round ¹
End Date	30/11/2020	15/12/2021	15/08/2022	23/11/2023	31/11/2024	
Number of Applicants	58	95	76	81	69	53

1. Work is currently in progress to update the FinTech Experimentation Permit Instructions, including enhancing the mechanism for assessing permit applications submitted to CMA. Under the revised approach, applications for FinTech experimentation will be reviewed on a continuous basis, replacing the previous FinTech Lab model in which applications were evaluated in defined rounds.

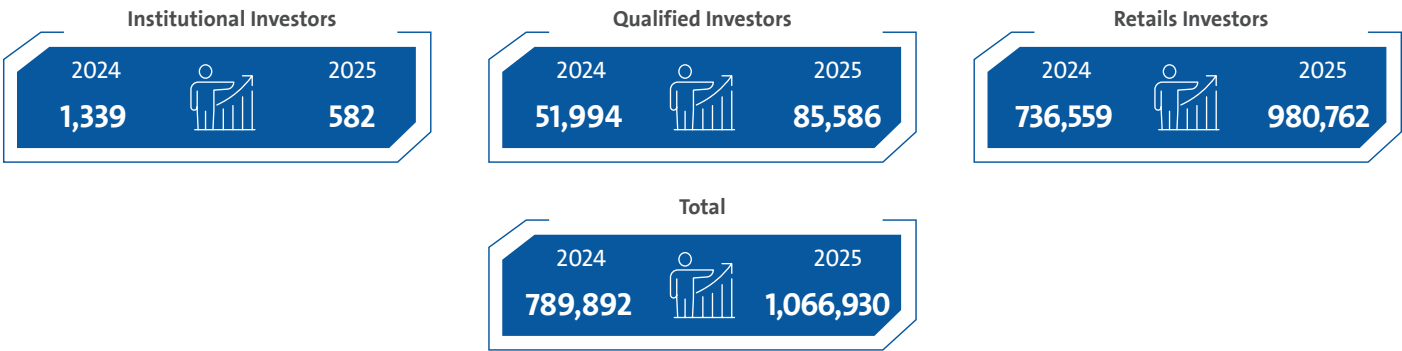
In 2025, CMA issued permits to ten FinTech companies. These included three permits for the share ownership transfer model, two permits for the distribution of investment funds and real estate investment funds, two permits for advisory services using artificial intelligence, two permits for the robo-advisory model, and one permit for the social trading model. As a result, the total number of active permits increased to 47.

Table (25): Licenses for Financial Technology Experimental Models

Financial Technology Model	Number of Permits 2024	Number of Permits 2025
Crowdfunding	1	1
Robo-Advisory ¹	11	10
Debt Offering and Investment Platforms ²	17	12
Distributed Ledger Technology for Securities Issuance and Safekeeping	0	0
Social Trading	2	3
Distribution Platforms for Investment Funds and REITs	14	15
AI-Powered Advisory Model	1	3
Share Ownership Transfer	0	3
Total number of Permits	46	47



Number of investors benefiting from the services of FinTech companies, categorized by group ³



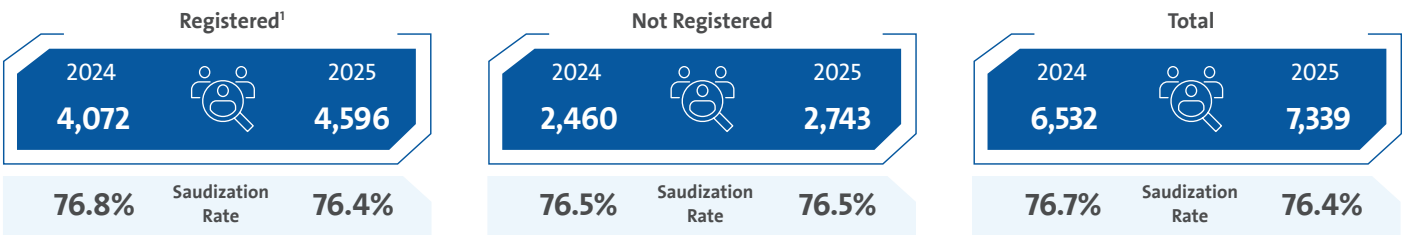
1. The decline in the number of robo-advisory model permits in 2025 is due to the graduation of this model from the FinTech Lab, which enabled certain authorized companies to obtain licenses and operate within the established regulatory framework.

2. The decrease in permits for the debt-offering and investment model in 2025 is likewise attributed to its graduation from the FinTech Lab, allowing a number of authorized firms to transition to licensed operations within the regulatory environment.

3. The figures include all investors benefiting from FinTech services provided by capital market institutions.

5. Workforce in the Capital Market Sector

Capital Market Institution Employees



Employees Working in Market Infrastructure Institutions and Saudization



Employees Working in Licensed FinTech Companies and Saudization Rate



1. A "registered person" is an individual who is registered with CMA to carry out a function that requires formal registration.
2. The decline in the number of employees at FinTech companies in 2025 is attributable to the graduation of five FinTech firms from the FinTech Lab and their transition to operating within the sustainable regulatory environment during the year.

Second: Inspection, Capital Adequacy, Anti-Money Laundering, and Counter- Terrorism Financing

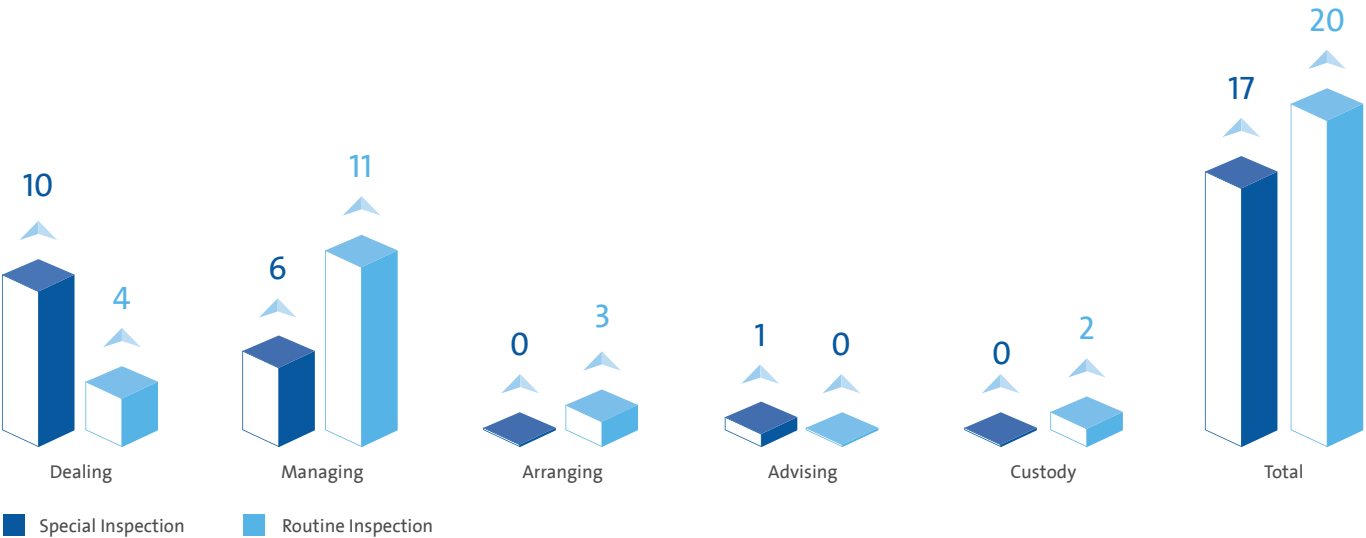
1. Inspection

Table (26): Inspection of Capital Market Institutions

Item	2024	2025
Institutions subject to routine inspections	9	12
Institutions subject to special inspections	35 ¹	19 ²
Institutions subject to thematic inspections	16	16 ³

Inspection activities conducted on capital market institutions are allocated according to the different categories of licenses held by these institutions. In 2025, inspection activities covered a total of 37 licenses, comprising 20 routine inspections and 17 special inspections.

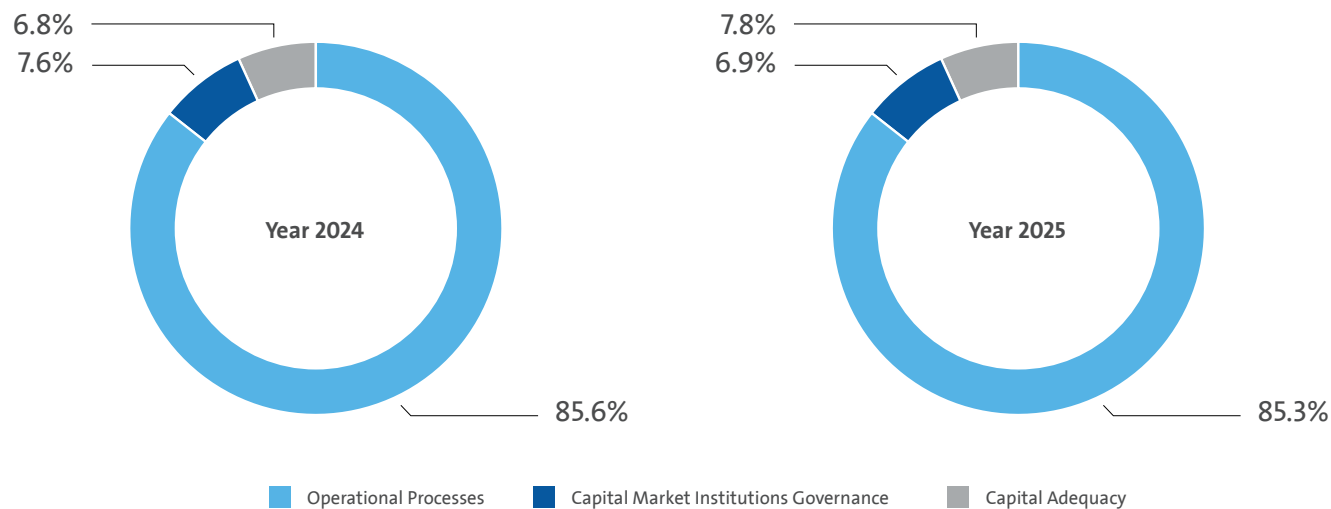
Chart (14): Number of Licenses Covered by Inspection Activities in 2025



1. Covering 49 cases and 10 field inspections.
2. Covering 20 cases and 8 field inspections.
3. The number of capital market institutions covered by thematic inspections in 2025 represents a continuation of the thematic inspection activities carried out in 2024.

In 2025, routine inspections of capital market institutions resulted in a range of observations related to their compliance with the laws and regulations enforced by CMA.

Chart (15): Percentage of Observations from Routine Inspections, by Subject Matter



2. Capital Adequacy

» Capital Adequacy of Capital Market Institutions

To assess capital adequacy, capital market institutions are classified based on their licensed securities business activities into the following categories:

1. Capital Market Institutions Licensed for Dealing and/or Managing and/or Custody Activities

➤ **25.5%**

Capital Adequacy Ratio (2025)

➤ **49,850 ₪ million**

Total Working Capital Base (2025)

➤ **195,803 ₪ million**

Total Risk-Weighted Assets (2025).

Table (27): Capital Adequacy Requirements for Capital Market Institutions Licensed for Dealing and/or Managing and/or Custody Activities

Item	Saudi-Affiliated Banks		Saudi		Regional		International		Average / Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Capital Adequacy Ratio ¹	28.1%	26.7%	17.3%	16.4%	21.9%	26.1%	78.4%	63.2%	26.3%	25.5%
Capital Base (SAR Million)	29,663	35,057	7,613	7,902	1,876	2,323	3,728	4,568	42,880	49,850
Total Risk-Weighted Assets ² (SAR Million)	105,422	131,414	44,078	48,251	8,581	8,913	4,755	7,224	162,837	195,803
Credit Risk ³ (SAR Million)	86,665	106,812	27,725	32,075	3,159	3,827	1,402	2,089	118,952	144,802
Market Risk ⁴ (SAR Million)	3,899	8,766	776	801	1,368	1,053	232	377	6,274	10,996
Operational Risk ⁵ (SAR Million)	14,858	15,837	6,380	7,391	1,410	1,702	2,380	4,307	25,028	29,237
Concentration Risk (SAR Million)	0	0	9,197	7,984	2,644	2,332	741	452	12,582	10,767

2. Capital Market Institutions Licensed for Arranging and/or Advising Activities

Capital adequacy regulations require capital market institutions licensed to conduct arranging and/or advisory activities to maintain, at all times, a capital base of no less than 25% of the capital requirements based on expenses.

Table (28): Capital Adequacy Requirements for Institutions Licensed for Arranging and/or Advising

Item	Arranging and/or Advising	
	2024	2025
Capital Adequacy Ratio	247.9%	185.5%
Capital Base (SAR Million)	284	364
Capital Requirement Based on Expenses (SAR Million)	115	196

The capital adequacy ratio for institutions licensed for arranging and/or advising declined to 185.5% by the end of 2025, compared with 247.9% at the end of 2024.

- 1. The presentation method of the capital adequacy ratio is in accordance with the Basel Accords.
- 2. The value covers the total of credit risk, market risk, operational risk, and concentration risk.
- 3. The risk of loss to capital market institutions arising from changes in the creditworthiness of issuers of securities, counterparties, and debtors.
- 4. The risk of loss to capital market institutions arising from changes in levels and volatility in the market values of assets, liabilities, and financial instruments.
- 5. The risks faced by capital market institutions arising from deficiencies or weaknesses in the procedures of the capital market institution.

3. Capital Market Institutions Licensed for Investment Management Activities

Capital (financial) adequacy rules require investment management institutions to maintain, at all times, a capital base of not less than 50% of expense-based capital requirements.

Table (29): Capital Adequacy Requirements for Institutions Licensed for Investment Management

Item	Investment Management	
	2024	2025
Capital Adequacy Ratio	118%	123%
Capital Base (SAR Million)	145	231
Capital Requirement Based on Expenses (SAR Million)	123	188

The capital adequacy ratio for investment management institutions increased to 123.0% by the end of 2025, compared to 118% at the end of 2024.

3. Anti-Money Laundering and Counter-Terrorism Financing

Table (30): Activities Related to Anti-Money Laundering and Counter-Terrorism Financing, Classified by Requesting Entity

Type of Incoming Requests	Number in 2024	Number in 2025	Change (%)
Requests received from government entities	6,733	9,112	35.3%
Requests and inquiries from capital market institutions	163	312	91.4%
Total	6,896	9,424	36.7%

Table (31): Routine Inspection Visits Related to Anti-Money Laundering and Counter-Terrorism Financing

Type of Activity	Number in 2024	Number in 2025	Change (%)
Visits	10	44	340.0%

Table (32): Violations Detected for Non-compliance with Regulatory Requirements, Regulations, and Instructions Related to Anti-Money Laundering and Counter-Terrorism Financing, Classified by Type of Violation

Laws and Regulations in Which Violations Were Identified	Number of Violations
Anti-Money Laundering Law and its Implementing Regulations	52
Counter-Terrorism Crimes and Financing Law	1
Rules for Implementing Targeted Financial Sanctions	0
CMA regulations, instructions, and circulars related to Anti-Money Laundering and Counter-Terrorism Financing ¹	61 ²

1. The Capital Market institutions regulations, the instructions on investment accounts, and the relevant CMA circulars.
2. Seven (7) of these cases are still under review and processing

Third: Capital Market Institutions Performance

1. Performance Indicators of Capital Market Institutions

By the end of 2025, the net profit of capital market institutions amounted to approximately SAR 10.2 billion, reflecting an increase of 15.9% compared to the previous year. Capital market institutions affiliated with Saudi banks generated profits of about SAR 7.3 billion, representing 71.8% of the total profits recorded by capital market institutions in 2025.

Table No. (33): Performance Indicators of Capital Market Institutions (SAR Million)

Item	Institutions Affiliated with Saudi Banks		Saudi Institutions		Regional Institutions		International Institutions		Institutions Licensed for Arranging/Advisory		Institutions Licensed for Investment Management		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Total Paid-Up Capital	7,290	7,290	5,847	6,117	1,446	1,656	3,189	3,720	340	426	154	250	18,266	19,460
Total Assets	56,814	71,543	10,930	12,724	2,703	3,442	4,906	6,504	569	780	379	683	76,300	95,677
Total Liabilities	22,538	31,026	2,281	3,022	436	730	839	1,243	230	293	179	329	26,502	36,643
Total Ownership Rights	34,276	40,517	8,649	9,703	2,267	2,712	4,067	5,261	339	487	200	354	49,798	59,034
Revenues	11,243	12,315	3,586	4,166	949	903	1,305	2,622	139	373	262	491	17,484	20,870
Profit / Loss	6,513	7,355	1,585	1,759	396	338	291	657	18	56	32	78	8,834	10,243

2. Revenue Sources of Capital Market Institutions

Revenues generated by capital market institutions from asset management activities reached approximately SAR 7,1 billion, accounting for 33,9% of total revenues, Investment-related revenues also recorded a growth of 29,2% during 2025.

Table No: (34): Revenue Sources of Capital Market Institutions (SAR Million)

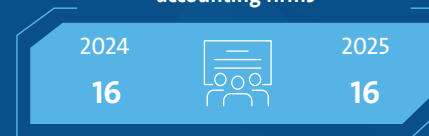
Item	Institutions Affiliated with Saudi Banks		Saudi Institutions		Regional Institutions		International Institutions		Institutions Licensed for Arranging/Advisory		Institutions Licensed for Investment Management		Total	
	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025	2024	2025
Brokerage	1,670	1,322	530	630	111	102	247	534	0	0	0	0	2,558	2,588
Asset Management	3,318	4,001	1,986	2,431	290	351	111	123	0	0	106	176	5,811	7,081
Investment Banking Services	744	393	268	224	154	118	180	562	125	148	45	48	1,516	1,493
Investment Income	4,587	5,918	648	680	104	177	167	206	9	5	28	175	5,543	7,162
Other	925	681	155	201	290	155	600	1,196	5	220	83	91	2,056	2,546
Total	11,243	12,315	3,586	4,166	949	903	1,305	2,622	139	373	262	491	17,484	20,870

Fourth: Registered Accounting Firms and Certified Public Accountants

Number of CMA-registered Certified Public Accountants (CPAs)



Number of CMA-registered accounting firms



Number of workshops held for CMA-registered accounting firms



Number of accounting firms subject to oversight visits



Number of violations observed in accounting firms registered by CMA



1. The number of accounting firms that participated in the workshops was 72.

2. This includes 197 violations related to regulatory provisions and professional standards.

3. This includes 328 violations related to regulatory provisions and professional standards.

04

► Chapter 04: Investor Protection

Section One: Investor Awareness

Section Two: Surveillance

Section Three: Disclosure and Governance in the Capital Market

Section Four: Complaints, Reports, Violations of Regulations and Rules Enforced by CMA, as well as Prosecution, Penalties, and Requests Related to Investors' Assets



Section One: Investor Awareness

First: Media Programs

Second: Corporate Communications Programs

Third: Investment Culture Programs

Fourth: Beneficiary Experience

Since its establishment, CMA has placed significant emphasis on communication initiatives and the promotion of financial literacy, recognizing their importance in achieving its strategic objectives at the local, regional, and international levels. This focus reflects CMA's role in supporting the national economy, as well as its ongoing efforts to enhance financial and investment awareness. CMA seeks to increase understanding of the regulations and rules under its supervision and works to keep market participants updated on the latest decisions and announcements related to the sector. Such efforts help build trust, deepen knowledge, and equip participants with the skills needed to manage investment instruments effectively.

Moreover, CMA's media activities contribute to investor protection by raising awareness of risks, improper practices, and illegal activities that may involve manipulation or fraud. To support these objectives, CMA has developed multiple channels dedicated to investor education in the capital market, through which it has implemented the following key programs:

First: Media Programs

- CMA produced a broad array of press releases, media articles, and publications in both Arabic and English, distributed across local, regional, and international platforms. It also shared more than 1,400 posts across various social media channels.
- In 2025, CMA released over 260 press statements and official announcements, which were published on its website and circulated to capital market participants through media outlets, social media platforms, and the Saudi Stock Market (Tadawul) website. Additionally, more than 23,246 articles and reports related to the Saudi capital market and its regulatory environment were monitored and analyzed across local and international media.
- CMA carried out 7 interviews with different media outlets, in addition to participating in numerous conferences, seminars, forums, and media and awareness workshops. It also issued several reports that continuously track and analyze information circulating in traditional and social media about the capital market.
- CMA launched more than 85 communication campaigns across social media, digital platforms, and various media channels. These initiatives aimed to promote accurate concepts, provide updates on capital market developments, and sustain effective engagement with target audiences by sharing CMA decisions and announcements. They also focused on raising awareness of CMA programs, services, and systems, as well as those of the capital market, while highlighting factors that support the national economy and underscore the importance of the Saudi capital market.
- Media and advertising campaigns helped drive increased traffic to CMA's digital portal, which recorded over 2.9 million visitors in 2025.

Second: Corporate Communications Programs

CMA participated in several prominent local and international conferences and events, with representation from countries including the United States, the United Kingdom, Japan, Hong Kong and the United Arab Emirates, among others. It also engaged in various local forums aimed at enhancing public awareness of the capital market and communicating its development story. In addition, a number of sideline meetings were conducted to explore opportunities for collaboration and to gather insights from investors and other stakeholders interested in the capital market.

- CMA organized 330 institutional meetings and workshops with capital market stakeholders to discuss key topics that support market development. These meetings provided a platform to exchange perspectives and identify solutions to existing challenges. Workshops were conducted both prior to and following the issuance of rules and regulations to ensure stakeholder engagement and proper understanding of new or updated frameworks. Additional awareness workshops were also held on various topics relevant to the capital market, with total participation exceeding 19,000 attendees.
- In collaboration with the Capital Market Institutions Committee, CMA organized the Capital Market Institutions Forum, which aimed to advance the development of the capital market and provide institutions with opportunities to engage in specialized discussions. The forum attracted more than 720 participants. Furthermore, CMA took part in 6 pavilions at meetings and conferences held within the Kingdom, addressing topics such as capital market developments, encouraging listings, broader economic issues, CMA regulations, and other related subjects.

Third: Investment Culture Programs

In 2025, CMA demonstrated notable progress in promoting investment awareness and financial literacy across society through a range of initiatives introducing new perspectives. These efforts were driven in particular through its flagship programs, «Thameen» and «Smart Investor». CMA also played a distinguished role within the framework of the «Mulim» Program, which brings together the efforts of securities regulators across GCC countries toward a unified objective. In addition, CMA launched several initiatives designed to strengthen financial literacy and investor awareness among targeted groups, as follows:

1. Awareness Campaigns:

CMA advanced investment awareness through 9 major campaigns implemented under the «Thameen» and «Smart Investor» programs, generating total viewership exceeding 24 million educational hours across various program channels. These campaigns addressed a wide range of topics, including financial planning, investment, and the rights and obligations of investors. CMA also developed a comprehensive educational library comprising more than 551 awareness messages and 21 diverse educational videos, which has become a key reference for interested audiences. The campaigns achieved a reach of over 378 million impressions and 155 million views, and their impact extended to global initiatives such as «Global Money Week» and «World Investor Week», further strengthening CMA's international presence in promoting financial literacy.

2. University Meetings

CMA places strong emphasis on enhancing financial literacy among young people. In this context, it hosted 18 university events in 2025 under the «Thameen» program, delivering a wide range of knowledge to more than 1,500 students from universities and colleges across the Kingdom. These included faculties of Law, Economics, Business, Finance, and Accounting.

3. Community Engagements

CMA participated in major events such as the Biban Expo, Money 20/20, the Financial Academy Forum, and the Global Insurance Conference and Exhibition (INGATE 2025). During these engagements, it interacted with more than 12,000 visitors, offering valuable insights into investment activities and the «Thameen» program.

4. Digital Knowledge Portal

To reach a broad spectrum of audiences, CMA developed dedicated digital platforms tailored to different user groups. The «Thameen» website (thameen.gov.sa) provides access to an extensive library of educational content, including booklets, lectures, videos, and other awareness materials designed for specific audiences. Likewise, the «Smart Investor» website (si.gov.sa) offers educational resources targeting younger users, such as «Educational Tools», the «Smart Investor» animated series, and editions of the «Smart Investor» magazine. Together, these platforms recorded more than 1 million visits in 2025.

5. Awareness Program Pages on Social Media Platforms

CMA's social media accounts serve as an effective channel for direct communication with target audiences. Through these platforms, CMA regularly publishes tailored awareness messages designed to address the needs of different audience segments. Users can follow the latest updates via the «Thameen» account (@thameensa) and the «Smart Investor» account (@siorgsa).

6. The Gulf Investment Awareness Program «Mulim»

In 2025, the Gulf Smart Investor Award in its third season saw the crowning of 44 winners across the award's four tracks: video, drawing, photography, and writing. Three winners from the Individuals and University Students categories were recognized in each track, in addition to five winners from the School Students category in each track.

The third season recorded a significant increase in competitiveness, exceeding 96.9% compared to the second season, driven by the rise in the number of submissions from 45,000 in the previous season to more than 88,000 submissions in the third season.

Building on this success, the fourth season of the Gulf Smart Investor Award was launched in the same year through promotional campaigns across the Gulf Cooperation Council countries, as part of ensuring the award's continuity and expanding its regional impact. This contributed to enhancing the participation of various target groups and encouraging the production of creative awareness content in financial and investment literacy fields. The total number of submissions across all tracks reached more than 260,000.

Fourth: Beneficiary Experience

In its efforts to enhance investor satisfaction with the services provided in the financial market, and in alignment with international best practices for measuring beneficiary satisfaction with both internal and external services, CMA works—through the Beneficiary Experience Department—to assess beneficiaries’ experiences with its services. This includes the development of an index to measure beneficiary experience and satisfaction, as well as the level of effort required from users to complete services.

These indicators are designed to support service improvement and development initiatives by evaluating service quality and measuring beneficiary satisfaction, in addition to gathering suggestions for enhancement and advancement. This is achieved through engaging beneficiaries across all categories using various tools, including satisfaction surveys, focus groups, and workshops that enable them to share their views and feedback through their responses.

Based on the outcomes of beneficiary engagement, the Beneficiary Experience Department prepares periodic reports that reflect the level of satisfaction with service quality. These reports help identify key challenges and improvement opportunities, as well as develop plans to address them in a way that supports continuous improvement efforts aimed at increasing overall satisfaction with services.

Among the department’s responsibilities is the development of tailored beneficiary journeys for both external and internal services, contributing to the design of user-centric services that enhance beneficiary satisfaction with the services provided. These efforts have led to positive results in beneficiary satisfaction levels with CMA’s services in 2025.

86.5%

**Overall beneficiary satisfaction
rate with CMA’s services for the
year 2025**



Section Two: Surveillance

First: Surveillance of Trade Activities

Second: Listed Companies with Accumulated Losses of 20% or More of Their Capital

First: Surveillance of Trade Activities

Table (35): Key Developments in Surveillance of Trades and Transactions

Item	Number in 2024	Number in 2025	Change (%)
Surveillance System Alerts ¹	39,981	47,502	18.8%
Intensive Monitoring of Trades Suspected of Violating Regulations	736	724	-1.6%
Surveillance Inquiries	44	29	34.1%
Suspected Violations	4	11	175.0%

Table (36): Intensive Monitoring of Trades and Transactions Suspected of Violating Laws and Regulations Enforced by CMA, by Source

Source of Intensive Monitoring	2024		2025		Change (%)
	Number	(%)	Number	(%)	
Market Surveillance ²	233	31.7%	221	30.5%	-5.2%
Alerts ³	503	68.3%	503	69.5%	0.0%
Total	736	100%	724	100%	-1.6%



- 1. «Surveillance System Alerts» refer to notifications generated by the automated surveillance system (SMARTS) regarding suspected securities-related violations.
- 2. «Market Surveillance» refers to identifying suspicious activities in the capital market through direct monitoring and analysis.
- 3. «Alert» refers to suspicious activities detected through signals generated by the SMARTS system when unusual trading patterns occur.

Second: Listed Companies with Accumulated Losses of 20% or More of Their Capital

In an effort to enhance investor protection and reduce risks in the capital market, CMA has implemented procedures and guidelines specifically addressing listed companies whose accumulated losses reach 20% or more of their capital.

Table (37): Listed Companies with Accumulated Losses of 20% or More of Their Capital¹

Accumulated Losses (%)	Number in 2024	Number in 2025
Companies with accumulated losses of 20% or more but less than 35% of their capital	10	7
Companies with accumulated losses of 35% or more but less than 50% of their capital	6	8
Companies with accumulated losses of 50% or more	7	12
Total	23	27

1. The accumulated losses data for 2025 is based on the interim financial statements for the third quarter, covering the period ending 30 September 2025. This is due to the deadline for issuing the annual financial statements for 2025 falling on 31 March 2026, which is after the issuance of this report.



Section Three: Disclosure and Governance in the Capital Market

First: Disclosure

Second: Governance of Listed Companies

Third: Sustainability

First: Disclosure

1. Financial Statements of Listed Companies

Table (38): Number of Notes Included in the Auditor's Report on Annual Financial Statements of Listed Companies¹

Note Type	2024	2025
Number of listed companies	298	335
Disclaimer of opinion	0	0
Qualified opinion	8	9
Emphasis of matter	29	33
Other matter	40	45
Total	77	87

By the close of 2025, violations connected to the financial statements of listed companies amounted to 594 violations.

2. Announcements of Listed Companies

Table (39): Announcements Published on the Tadawul Website, Classified by Type of Key Developments

Type of Announcement	2024		2025		Change (%)
	Number	% of Total	Number	% of Total	
Financial results	1,101	17.3%	1,238	16.8%	12.4%
Board recommendation to increase share capital through rights issue	10	0.2%	5	0.1%	-50.0%
Board recommendation to increase share capital through bonus shares	26	0.4%	40	0.5%	53.8%
Board recommendation to reduce share capital	8	0.1%	7	0.1%	-12.5%
Invitations to attend general assembly meetings and related results announcements	1,083	17.0%	1,235	16.7%	14.0%
Dividend distributions	271	4.2%	329	4.5%	21.4%
Clarifying announcements	538	8.4%	544	7.4%	1.1%
Changes in board of directors or senior management composition	346	5.4%	453	6.1%	30.9%
Approval of new products	32	0.5%	18	0.2%	-43.8%
Other significant developments or events	2,965	46.5%	3,515	47.6%	18.5%
Total	6,380	100.0%	7,384	100.0%	15.7%

1. CMA collects all auditor opinions included in audit reports, reviews them in detail, and initiates legal actions where this is deemed necessary.

Second: Governance of Listed Companies

1. Boards of Directors of Listed Companies

Article (16) of the Corporate Governance Regulations specifies the conditions governing the composition of boards of directors, which include the following requirements:



The size of the board must be aligned with the company’s scale and the nature of its operations, provided that this does not conflict with the provisions of paragraph (A) of Article (17) of the Regulations.



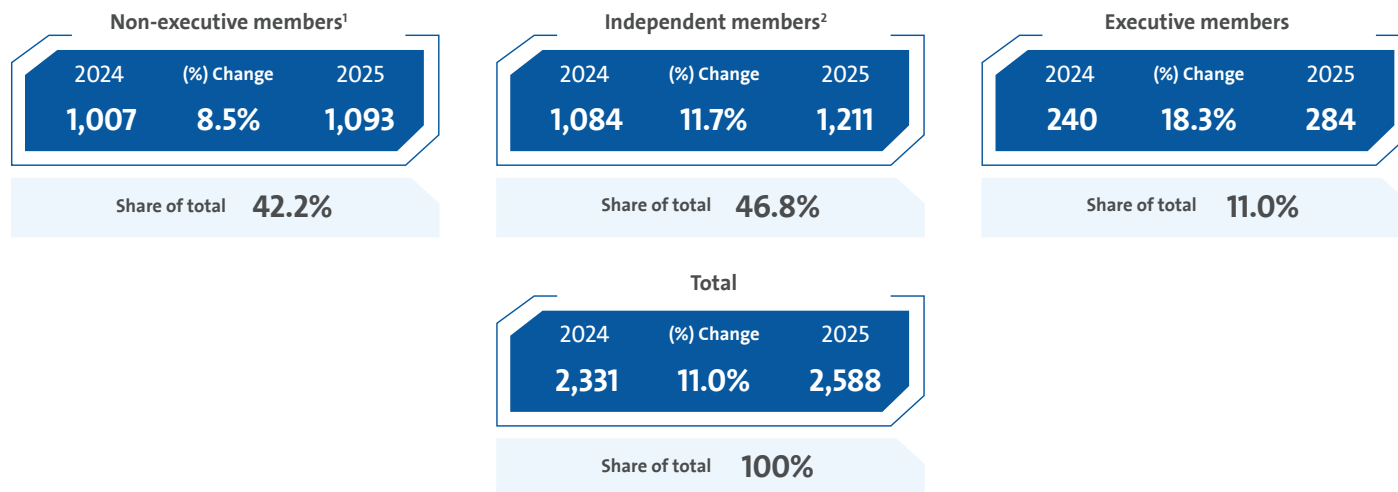
The majority of board members are required to be non-executive directors.



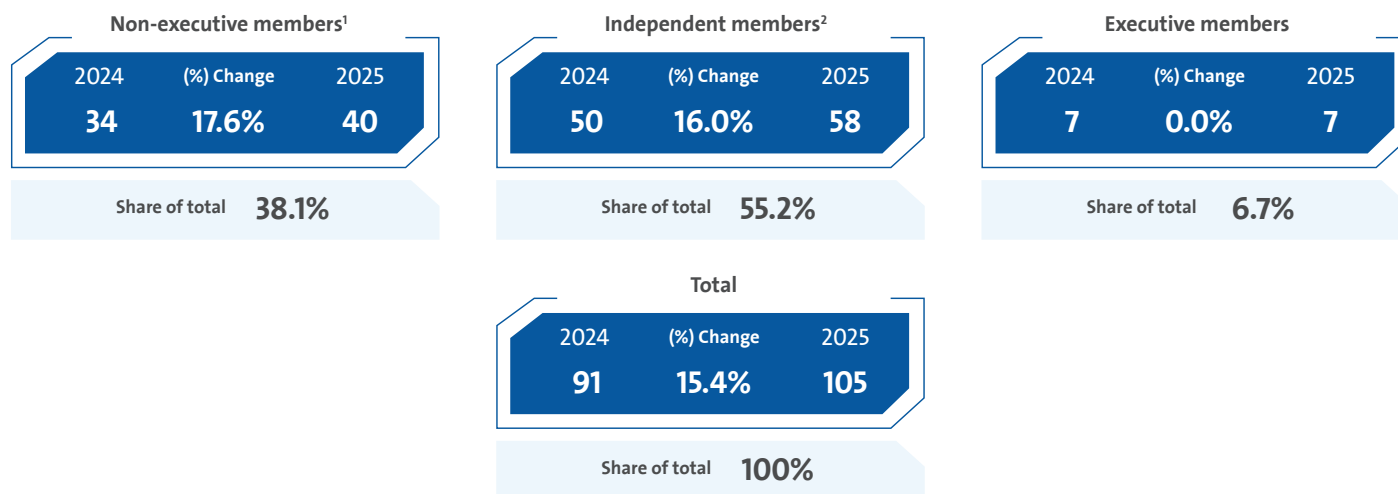
Independent members must constitute no fewer than two members or one-third of the board, whichever is higher.

In 2025, non-executive and independent directors together represented 89.0% of all board seats in listed companies.

Composition of Boards of Directors of Listed Companies by Membership Type



Resignations of Board Members of Listed Companies by Membership Type



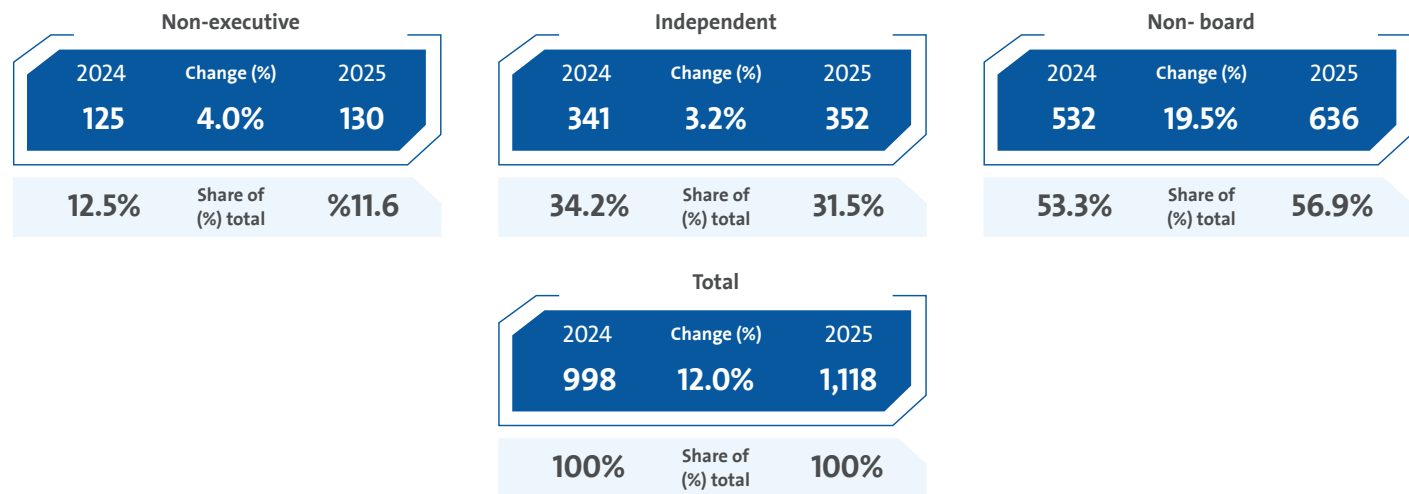
1. Non-executive member: A board member who does not manage the company on a full-time basis and does not participate in daily operational activities.

2. Independent board member: A non-executive member with full independence in judgment and decision-making, and who is not subject to any independence impairments outlined in Article 19 of the Corporate Governance Regulations.

2. Main Committees of Listed Companies

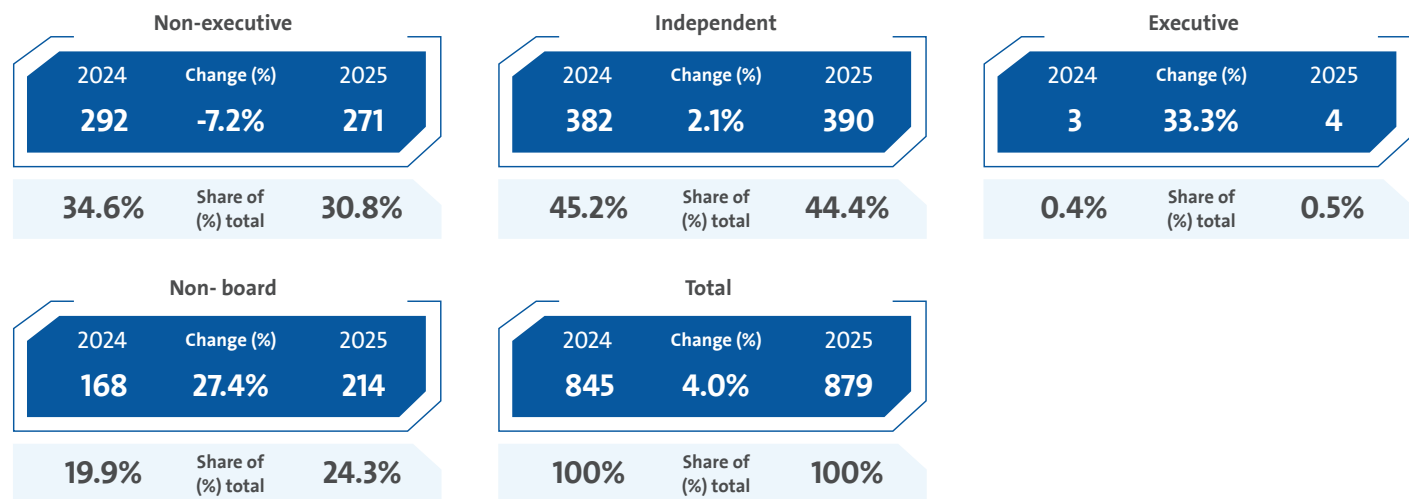
2.1 Audit Committee

Number of seats in listed companies' Audit Committees, classified by membership type:



2.2 Remuneration and Nomination Committee

Number of seats in listed companies' Remuneration and Nomination Committees, classified by membership type:



3. Enhancing Corporate Governance Compliance

In alignment with its objectives of strengthening compliance with the Corporate Governance Regulations, increasing awareness of these Regulations, and improving governance practices among listed companies and capital market participants, CMA actively engaged in a variety of international and local platforms. This included participation in meetings, workshops, and other engagement activities throughout 2025.

Table (40): CMA Participation in Enhancing Corporate Governance Compliance in 2025

Participation Type	Title	Number	Venue
Meeting	CMA meeting with listed companies in the education sector	1	Capital Market Authority
Workshop	Post-listing support workshop in the Saudi financial market	2	Virtual
Workshop	Workshop on “Capital Market Development, Corporate Governance, and Corporate Sustainability” in cooperation with the OECD	1	Virtual
Workshop	Development program for members of Nomination and Remuneration Committees	1	Leadership Development Center, Saudi Electricity Company
Meeting	CMA meeting with listed companies in the technology and communications sector	1	Intercontinental Hotel – Main Hall – Riyadh
Workshop	Workshop for students of the Executive Master’s Program in Corporate Governance and Capital Market Law at the Arab East Colleges for Graduate Studies	1	Virtual
Workshop	Participation in CMA’s 14 th Annual Forum marking International Anti-Corruption Day 2025	1	Virtual
Workshop	Audit Committees and Internal Control workshop	1	Capital Market Authority
Meeting	49 th meeting of the OECD Corporate Governance Committee	1	OECD Headquarters, Paris
Meeting	50 th meeting of the OECD Corporate Governance Committee	1	OECD Headquarters, Paris

Third: Sustainability

Sustainability represents a key pillar of Saudi Vision 2030 and its ambitious executive programs. Within the context of the financial market, it is no longer sufficient for investors and issuers to have general awareness of sustainability concepts; rather, a comprehensive understanding of global developments in this field has become essential and increasingly important. This is due to the growing integration of Environmental, Social, and Governance (ESG) criteria into investment decision-making processes in financial markets, as well as the significant impact these concepts have had on financing patterns, which have begun to evolve accordingly. In recognition of the importance of sustainability and its practices within the financial market sector, CMA collaborates with all relevant public and private entities to implement the Corporate Sustainability Strategy approved by the Council of Ministers, which comprises a number of strategic initiatives.

As part of implementing one of these initiatives, CMA issued in 2025 the “Guidelines for Issuing Green, Social, Sustainability, and Sustainability-Linked Debt Instruments.” These guidelines define the core principles and frameworks governing such instruments, enhancing the efficient allocation of funds toward projects that contribute to building a sustainable future and supporting national efforts to facilitate financing for projects aligned with national sustainability objectives. CMA is also committed to increasing awareness of existing and emerging sustainable finance topics in the market and works in coordination with relevant local and international organizations specializing in sustainable finance. In this regard, during 2025, CMA organized and participated in several workshops and awareness sessions, as follows:

1. Workshop: “From Bridging Gaps to Growth: Achieving Sustainability Readiness in the Kingdom” - Held in February 2025 in collaboration with the Ministry of Economy and Planning, and targeting listed and private companies. The workshop addressed sustainability frameworks, environmental and social indicators and data sources, the regional distribution of sustainable investments, and sustainable finance initiatives in the Kingdom.
2. Meeting: “Enabling Sustainable Debt Instruments in the Financial Market” - Held in October 2025 and targeting listed companies and capital market institutions. CMA presented its regulatory directions related to the Guidelines for Issuing Green, Social, Sustainability, and Sustainability-Linked Debt Instruments, in addition to discussing recent regulatory developments, future directions to enhance sustainable finance, and key challenges facing the market for such instruments.
3. Workshop: “The Nonprofit Sector and Waqf Investments” Held in November 2025 as part of the Annual Capital Market Institutions Forum, and targeting capital market institutions. The workshop aimed to raise awareness of the importance of the nonprofit sector and its economic impact, highlight the role of waqf investments in supporting financial sustainability, and emphasize the role of the financial market in enabling these investments.
4. Internal Knowledge Session: “The Sustainability Journey at CMA: Objectives and Practices” - Held in December 2025 for CMA employees, focusing on the concept of sustainability in the financial market sector, its ecosystem, and its role in supporting sustainability practices and initiatives. The session formed part of CMA’s efforts to enhance knowledge sharing and raise internal awareness of sustainability practices and their contribution to market efficiency, attractiveness, and long-term sustainability.

Sustainability Disclosure in Listed Companies

As part of improving the information and data environment related to sustainability in the Saudi capital market sector, the Authority conducts an annual survey of sustainability-related disclosure data and information for listed companies. The results showed significant progress in the number of listed companies disclosing sustainability information in the Main Market, reaching 125 companies in 2025, compared to 94 companies in 2024.

Table (41): Developments in Sustainability Disclosure for Listed Companies in the Saudi Capital Market ¹

Item	2024	2025	Change (%)
Number of disclosing companies in the Main Market	94	125	33.0%
Percentage of total companies listed in the Main Market	44%	54%	22.7%
Number of disclosing companies in the Parallel Market	12	16	33.3%
Percentage of total companies listed in the Parallel Market	11.5%	15.5%	34.8%

1. Percentages exclude traded Real Estate Investment Trusts. The reporting year corresponds to the preceding fiscal year.

Looking at sustainability disclosure rates in the capital market by sector for 2025, the pharmaceuticals, banking, and telecommunications sectors ranked highest with disclosure rates of 100%, followed by the energy sector at 85.7%.

Table (42): Companies Disclosing Sustainability Information in the Main and Parallel Markets in 2025, by Sector¹

Sector	Number of Companies in the Sector	Number of Disclosing Companies	% of Total
Pharmaceuticals	3	3	100.0%
Banks	10	10	100.0%
Telecommunications	4	4	100.0%
Energy	7	6	85.7%
Utilities	7	5	71.4%
Real Estate Management & Development	18	10	55.6%
Transportation	10	5	50.0%
Basic Materials	66	33	50.0%
Consumer Goods Retail & Distribution	10	4	40.0%
Healthcare	23	9	39.1%
Capital Goods	27	10	37.0%
Food Production	27	9	33.3%
Luxury Goods Retail Distribution	12	4	33.3%
Consumer Services	21	7	33.3%
Financial Services	13	4	30.8%
Durable Goods	7	2	28.6%
Commercial & Professional Services	18	5	27.8%
Applications & Technology Services	15	4	26.7%
Media & Entertainment	5	1	20.0%
Insurance	27	6	22.2%
Household & Personal Products	3	0	0.0%
Total	333	141	42.3%

1. Percentages exclude traded Real Estate Investment Trusts



Section Four: Complaints, Reports, Violations of Regulations and Rules Enforced by CMA, as well as Prosecution, Penalties, and Requests Related to Investors' Assets

First: Investor Complaints and Reports, and Violations of Laws and Regulations Enforced by CMA

Second: Prosecution, Sanctions, and Penal Judgments for Violations

Third: Requests Related to Investors' Assets

First: Investor Complaints and Reports, and Violations of Laws and Regulations Enforced by CMA

1. Contact Center



Official Channels for Receiving Reports:

-  **Investor Protection Office**
Riyadh – King Fahd Road – CMA Headquarters
-  **Phone**
8002451111
-  **Website**
cma.gov.sa
-  **Application Tawakkalna**
-  **Email**
Violation.Reports@cma.gov.sa
info@cma.gov.sa
-  **Saudi Post**
P.O. Box 87171 – ZIP Code 11642

Official Channels for Receiving Complaints:

-  **Website**
investorprotection.cma.gov.sa
-  **Application Tawakkalna**

2. Investor and Market Participant Reports

In line with its commitment to protecting investors, preserving market integrity, and strengthening confidence among capital market participants, CMA has continuously worked to eliminate barriers that may hinder individuals from submitting complaints and reports. Since its inception, CMA has assumed responsibility for receiving investor reports and complaints related to suspected violations of laws and regulations under its supervision. To support this function, CMA has established several official reporting channels designed to ensure ease of access, inclusiveness, and transparency for all stakeholders.

Table (43): Number of Reports Received by Subject

Report Subject	2024	2025	Change (%)
Activities and Services of Capital Market Institutions	129	257	99.2%
IPO Subscriptions and Priority Rights Issue	17	26	52.9%
Dividends and Share Distributions	65	58	-10.8%
Violations of the Capital Market Law and Regulations	166	194	16.9%
Conducting securities business without a license	193	196	1.6%
Listed Companies	204	393	92.6%
FinTech Companies	24	64	166.7%
Other (including financial fraud, money laundering and related crimes, unclassified reports, and reports outside CMA's jurisdiction)	352	626	77.8%
Total	1,150	1,814	57.7%

Table (44): Number of Reports by Reported Entity

Reported Entity	2024	2025	Change (%)
CMA-Supervised Entities	442	841	90.3%
Market Infrastructure Institutions	41	25	-39.0%
Natural Person (Individual)	367	322	-12.3%
Company/Institution	256	597	133.2%
Unspecified	44	29	34.1%
Total	1,150	1,814	57.7%

3. Investor and Market Participant Complaints

CMA is responsible for receiving complaints in accordance with the duties and mandates assigned to it under the Capital Market Law (CML), as well as the regulations and rules it enforces. A key aspect of this responsibility is the protection of securities investors from unfair or fraudulent conduct, including fraud, deception, misrepresentation, and market manipulation. To carry out this mandate effectively, CMA has introduced a number of measures, including the establishment of many electronic channels for submitting investor complaints, in addition to monitoring of violations of the Capital Market Law and its implementing regulations.

Table (45): Number of Complaints Received, Classified by Subject

Complaint Subject	2024	% of Total	2025	% of Total	Change (%)
Activities and Services of Capital Market Institutions	3,542	32.2%	4,218	33.5%	19.1%
Dividends and Share Distributions	1,893	17.2%	1,191	9.5%	-37.1%
IPO Subscriptions and Priority Rights Issue	411	3.7%	392	3.1%	4.6%
Listed Companies	574	5.2%	1,382	11.0%	140.8%
FinTech Companies	415	3.8%	884	7.0%	113.0%
Violations of the Capital Market Law and its Implementing Regulations	2,496	22.7%	1,886	15.0%	-24.4%
Conducting Unlicensed Securities Business	464	4.2%	851	6.8%	83.4%
Other	1,211	11.0%	1,775	14.1%	46.6%
Total	11,006	100.0%	12,579	100.0%	14.3%

Table (46): Number of Complaints by Party Complained Against

Party Complained Against	2024	% of Total	2025	% of Total	Change (%)
CMA-Supervised Entities	7,759	70.5%	8,357	66.4%	7.7%
Natural Person (Individual)	1,907	17.3%	2,174	17.3%	14.0%
Company/Establishment	807	7.3%	1,446	11.5%	79.2%
Market Infrastructure Institutions	12	0.1%	152	1.2%	1,166.7%
CMA	521	4.7%	450	3.6%	-13.6%
Total	11,006	100.0%	12,579	100.0%	14.3%

Table (47): Complaints Processed by CMA

Complaint Status	2024	2025	Change (%)
Under Process	474	728	53.6%
Settled	8,963	8,512	-5.0%
Grievant Notified to Proceed with the Complaint to the CRSD	948	1,154	21.7%
Other	621	2,185	251.9%
Total	11,006	12,579	14.3%

Class Action Lawsuits

Class actions refer to lawsuits initiated by a group of individuals whose claims are based on the same legal grounds, facts, and requested remedies. During 2025, CMA handled six class actions and facilitated the submission of joining requests by affected individuals within the statutory deadlines specified in the “Regulations for Proceedings before the Committee for the Resolution of Securities Disputes.”

➤ 1,088 applicants



participated in two class actions filed against several officials of a company whose listing was cancelled.

➤ 469 applicants



joined four class actions filed against companies that conducted securities activities without a license.

4. Compensation Funds

Following the adjudication of unlawful gains exceeding SAR 1.29 billion through several rulings issued by the Committees for the Resolution of Securities Disputes, CMA established three compensation funds in 2025 to redress harm suffered by investors as a result of confirmed violations. These funds represent a developed institutional mechanism for activating statutory powers and enhancing their effectiveness in safeguarding investor rights and promoting fairness within the financial market.

This initiative was implemented pursuant to paragraph (d) of Article (59) of the Capital Market Law, issued under Royal Decree No. (M/30) dated 2/6/1424 AH and later amended by Royal Decree No. (M/16) dated 19/1/1441 AH. This provision authorizes CMA to set procedures for compensating affected individuals and to establish dedicated funds financed from unlawful gains deposited into CMA’s account.

Within this framework, CMA established and administered compensation funds in accordance with distribution plans approved by the Committee for the Resolution of Securities Disputes. Compensation was provided to affected investors in cases involving shares of: Watani Iron and Steel Company (Watani Steel) ,Dar Al Arkan Real Estate Development Company (Dar Al Arkan), Al Kathiri Holding Company (Al Kathiri). The total number of beneficiaries from these compensation initiatives exceeded 20,000 investors. This comprehensive institutional approach underscores CMA’s commitment to enhancing the effectiveness of its regulatory tools in recovering illicit gains and redirecting them toward compensating affected parties. It also reinforces the principles of integrity and justice while strengthening the credibility of the Saudi capital market as a fair and attractive investment environment governed by high standards of governance and compliance.

5. Taking Action Against Violations of Laws and Regulations Enforced by CMA

Paragraph (c) of Article (5) of the Capital Market Law authorizes CMA, through its designated members and staff, to undertake the investigations necessary to enforce the provisions of the Law and its associated regulations. This authority includes the power to summon witnesses, collect evidence, and request the submission of relevant records, documents, and materials required for the purposes of an investigation. In addition, CMA is empowered to examine and inspect records and documents regardless of who holds them, in order to determine whether a violation of the Capital Market Law, its implementing regulations, or the rules issued by CMA has occurred or may potentially occur.

Table (48): Taking Action Against Violations of Laws and Regulations Enforced by CMA¹

Case Status	2024		2025		Change (%)
	Number	% of Total	Number	% of Total	
Under Process	104	46.2%	173	54.7%	66.3%
Process Completed	121	53.8%	143	45.3%	18.2%
Total²	225	100%	316	100%	40.4%

1. CMA prioritizes high-impact cases that require enhanced oversight or specialized investigative procedures, as well as urgent cases that demand immediate attention due to their nature or potential consequences.
2. The figures include cases received during the reporting year as well as cases carried over from previous periods.

6. Classification of Violations of Laws and Regulations Enforced by CMA

Table (49): Filed and Finalized Violation Cases within CMA Jurisdiction, Classified by Type¹

Type of Violation	Filed			Finalized ²		
	2024	2025	Change (%)	2024	2025	Change (%)
Rules on the Offer of Securities and Continuing Obligations	16	11	31.3%	17	14	-17.6%
Corporate Governance Regulations	25	30	20.0%	19	25	31.6%
Merger and Acquisition Regulations	1	5	400.0%	0	1	100.0%
Real Estate / Investment Funds Regulations	22	31	40.9%	12	20	66.7%
Capital Market Institutions Regulations	37	44	18.9%	24	19	-20.8%
Credit Rating Agencies Regulations	0	0	0.0%	0	0	0.0%
Investment Accounts Instructions	3	0	-100.0%	3	0	-100.0%
Corporate Advertising Instructions	2	0	-100.0%	2	0	-100.0%
Special Purpose Entity Regulations	1	0	-100.0%	0	1	100.0%
Capital Adequacy Regulations	1	2	100.0%	3	2	-33.3%
Market Conduct Regulations	3	18	500.0%	7	8	14.3%
Securities Business Regulations	17	43	152.9%	7	13	85.7%
Rules for Registering Auditors of Entities Subject to CMA Supervision	9	1	-88.9%	11	1	-90.9%
Listing Rules	0	1	100.0%	0	1	100.0%
CMA Board Resolutions	1	1	0.0%	2	1	-50.0%
CMA Circulars	0	4	400.0%	0	1	100.0%
Regulations and Procedures Issued Pursuant to the Companies' Law Relating to Listed Joint Stock Companies	6	27	350.0%	1	25	2,400.0%
Securities Central Counterparties Regulations	0	0	0.0%	0	0	0.0%
Procedures and Instructions for Listed Companies with Accumulated Losses of 20% or More of Their Capital	0	0	0.0%	0	0	0.0%
Companies Law	8	5	-37.5%	5	5	0.0%
Anti-Money Laundering Law and Combating the Financing of Terrorism Law and Their Implementing Regulations	2	3	50.0%	0	5	500.0%
Capital Market Law	5	0	100.0%	6	1	-83.3%
Instructions for the Book-Building Process and Allocation Method in Initial Public Offerings	1	0	-100.0%	1	0	-100.0%
Securities Exchanges and Depository Centers Regulations	0	0	0.0%	0	0	0.0%
Instructions for Shariah Governance in Capital Market Institutions	0	0	0.0%	1	0	-100.0%
Total	160	226	41.3%	121	143	18.2%

1. A single case may involve more than one reported violation; in such cases, classification is based on the most significant violation.

2. The figures include cases carried over from the previous year.

Second: Prosecution, Sanctions, and Penal Judgments for Violations

As part of CMA’s ongoing efforts to protect investors, strengthen confidence in the capital market, and facilitate effective compensation mechanisms that support market growth and stability, the Committees for the Resolution of Securities Disputes (CRSD) prioritized—starting in 2025—the completion of all cases registered prior to that year. As a result, decisions were issued for all such cases, totaling 807 decisions, reflecting an increase of 35.2% compared to 2024. Similarly, the Appeals Committee for the Resolution of Securities Disputes (ACRSD) issued final and binding rulings on all appeals submitted during 2025, reaching 495 decisions, an increase of 11.7% over the previous year. Only 22 appeals remained pending, all of which were filed in December 2025. The average litigation period improved significantly, reaching 4.5 months, outperforming the 2025 target of 6 months.

In terms of compensation, the total value awarded to affected investors in civil cases for which final decisions were issued by the CRSD during 2025 amounted to SAR 124,680,091.82, benefiting 445 individuals. The proportion of CRSD decisions granting compensation to claimants also rose notably, reaching 61.3% (475 out of 775 civil-case decisions) in 2025, compared to 48.3% (260 out of 538 decisions) in 2024.

During 2025, the CRSD achieved several key milestones. Most notably, CMA Secretariat introduced a series of enhancements to its electronic system, including improvements to internal processes for submitting responses, correspondence, appeals, petitions, and arbitration requests. Additional upgrades were made to monitoring dashboards used by committee chairpersons and administrative staff, alongside the activation of a feature enabling the closure of the pleading stage prior to drafting decision proposals.

Among other significant developments, the Secretariat launched the Business Reports Service, designed to support decision-making and enhance the monitoring of case progress. It also developed and introduced an electronic registry for classifying case subjects and decisions, serving as a structured reference for judicial precedents. Looking ahead, the Secretariat is preparing to introduce a major advancement in its digital services: the Digital Decision Issuance System, scheduled for launch in early 2026. This system is expected to represent a significant technological step forward in the field of securities dispute resolution.

Table (50): CRSD and ACRSD Electronic System Transactions

Electronic System Transactions	2024	2025	Change (%)
Number of CRSD Electronic System Transactions	27,748	37,994	36.9%
Number of ACRSD Electronic System Transactions	1,856	3,224	73.7%
Total	29,604	41,218	39.2%

1. Cases Pending Before CRSD and Filed by or Against CMA

CMA represents itself in litigation before the Committee for the Resolution of Securities Disputes (CRSD) in cases involving violations of laws and regulations under its jurisdiction, whether such cases are initiated by or against CMA. CMA also has the right to appeal CRSD decisions before the Appeals Committee for the Resolution of Securities Disputes (ACRSD), whose rulings are final and enforceable.

Table (51): Number of Pending Cases Before the CRSD and ACRSD Filed by or Against CMA, by Case Type ¹

Type of Case	CRSD				ACRSD			
	2024		2025		2024		2025	
	By CMA	Against CMA	By CMA	Against CMA	By CMA	Against CMA	By CMA	Against CMA
Violation of the Companies Law	0	0	0	4	0	0	0	2
Violation of the Rules on the Offer of Securities and Continuing Obligations	0	1	0	0	0	0	0	0
Violation of the Capital Market Institution Regulations	0	1	0	0	0	0	0	0
Violation of the Corporate Governance Regulations	0	7	0	0	0	1	0	0
Claims Filed Against CMA Board Decisions/Resolutions or CMA Actions, Instructions, and Circulars	0	2	0	3	0	1	0	0
Total	0	11	0	7	0	2	0	2

1. No cases related to violations of the Market Conduct Regulations were registered before either the CRSD or the ACRSD during the period 2024–2025; accordingly, this regulation has not been included in the table data for the current year. The figures for 2024 related to violations of the Market Conduct Regulations differ from those published in the 2024 Annual Report due to data reclassification and a subsequent review of the underlying records.

2. Cases Pending Before Other Judicial Authorities Filed by or Against CMA

Table (52): Number of Cases Pending Before Other Judicial Authorities Filed by or Against by CMA

Judicial Body	Case Type	2024	2025
Administrative Court	Administrative / Enforcement	7	6
Enforcement Court – General Judiciary	Enforcement	1	1
Labor Court	Labor-related	1	0
Administrative Enforcement Court – Board of Grievances ¹	Enforcement	147	193
General Court	Enforcement	0	0
Total		156	200

3. Statements of Claim and Defense in Cases Filed by or Against CMA

CMA is responsible for preparing statements of claim, defense submissions, and appeal briefs in cases filed by or against it before competent judicial bodies.

Table (53): Number of Statements of Claim, Defense, and Grievances in Cases Filed by or Against CMA

Statements of Claim / Defense / Grievances	2024	2025	Change (%)
Statements of Claim in Cases Filed by CMA	149	31	79.2%
Statements of Defense in Cases Filed Against CMA	102	70	31.4%
Briefs of Appeal Against Decisions and Judgments Issued by Competent Judicial Bodies	33	25	24.2%
Grievances Against CMA Board Resolutions	43	50	16.3%
Total	327	176	-46.2%

1. On 4 December 2024, it became possible to submit enforcement requests through the electronic platform of the Board of Grievances.

4. Final Verdicts in Cases Filed by or Against CMA

Table (54): Final Verdicts in Cases Filed by or Against CMA

Classification	2024			2025		
	Filed by CMA	Filed against CMA	Total	Filed by CMA	Filed against CMA	Total
Final Verdict in Favor of CMA	1	55	56	2	24	26
Final Verdict Against CMA	0	1	1	0	0	0

5. Cases and Violations Referred by CMA to the Public Prosecution

Since the issuance of High Order No. 4690 dated 06/02/1435 AH, which transferred the powers of investigation and prosecution of criminal offences from relevant entities and committees to the Public Prosecution, CMA has referred a total of 240 cases to the Public Prosecution up to the end of 2025.

Of these, 1 case is currently under review before the CRSD and ACRSD, while another 14 cases remain ongoing and under review by the Public Prosecution. In addition, 225 cases have been fully resolved and closed..

Table (55): Number of Violations Referred by CMA to the Public Prosecution

Violated Article	2024	2025
Article 31: Conducting securities business without a license	5	5
Article 49: Manipulation and deception practices	5	6
Article 50: Insider trading	0	3
Article 260: The Companies Law	3	0
Article 2: The Anti-Money Laundering Law	0	0
Total	13 ¹	14

1. 12 cases of violations were referred to the Public Prosecution in 2024. It should be noted that one case can include multiple violations.

6. Follow-up on Enforcement of Sanctions Decisions

CMA is responsible for overseeing the enforcement of decisions issued by its Board, as well as interim decisions issued by the Committees for the Resolution of Securities Disputes (CRSD) concerning the imposition or lifting of precautionary attachment orders, in addition to final rulings issued by the Appeals Committees for the Resolution of Securities Disputes (ACRSD) in securities-related disputes involving violations of the laws and regulations enforced by CMA. This oversight is implemented through two main steps:

- a) Notifying the violator and the relevant authorities responsible for executing the sanctions imposed; and
- b) Following up on the enforcement process to ensure full implementation of the sanctions.

7. Classification of Sanctions Decisions Issued by CMA Against Violators of Laws and Regulations

Table (56): Number of Violators of Laws and Regulations Enforced by CMA Against Whom Sanctions Have Been Issued for Enforcement in 2025¹

Category	Number of Violators	Enforced	Enforced (%)	Under Follow-up	Under Follow-up (%)
Investor	97	62	63.9%	35	36.1%
Capital Market Institution / Registered Individual	44	42	95.5%	2	4.5%
Listed Company	6	6	100.0%	0	0.0%
Senior Executives/Board Members	108	89	82.4%	19	17.6%
Total	255	199	78.0%	56	22.0%

1. The enforceable decisions for 2025 include data from Q4 2024 through Q3 2025, excluding Q4 2025, as enforcement actions for that quarter are carried out after the end of the year.

Table (57): Number of Violations of the Laws and Regulations Enforced by CMA Against Which Sanction Decisions Have Been Issued for Enforcement in 2025¹

Law / Regulation	Number	Enforced	Enforced (%)	Under Follow-up	Under Follow-up (%)
Rules on the Offer of Securities and Continuing Obligations	18	18	100.0%	0	0.0%
Corporate Governance Regulations	52	37	72.2%	15	28.8%
Merger and Acquisition Regulations	1	1	100.0%	0	0.0%
Real Estate / Investment Funds Regulations	14	14	100.0%	0	0.0%
Capital Market Institutions Regulations	22	20	90.9%	2	9.1%
Credit Rating Agencies Regulations	0	0	0.0%	0	0.0%
Investment Accounts Instructions	2	2	100.0%	0	0%
Capital Adequacy Regulations	3	3	100.0%	0	0.0%
Market Conduct Regulations	81	54	66.7%	27	33.3%
Securities Business Regulations	15	7	46.7%	8	53.3%
Rules for Registering Auditors of Entities Subject to CMA Supervision	1	1	100.0%	0	0.0%
Listing Rules	0	0	0.0%	0	0.0%
CMA Board Resolutions	2	2	100.0%	0	0.0%
CMA Circulars	3	3	100.0%	0	0.0%
Implementing Regulations of the Companies Law for Listed Joint Stock Companies	0	0	0.0%	0	0.0%
Securities Central Counterparties Regulations	0	0	0.0%	0	0.0%
Companies Law	38	35	92.1%	3	7.9%
Anti-Money Laundering Law and Combating the Financing of Terrorism Law and Their Implementing Regulations	3	2	66.7%	1	33.3%
Total	255	199	78.0%	56	22.0%

1. The enforceable decisions for 2025 include data from Q4 2024 through Q3 2025, excluding Q4 2025, as enforcement actions for that quarter are carried out after the end of the year.

Table (58): Classification of Penalties Issued by CMA Board and the Committee for the Resolution of Securities Disputes

Sanction Type	2024		2025		Change (%)
	Number ¹	% of Total	Number ¹	% of Total	
Financial Penalty	216	83.7%	244	83.8%	13.0%
Banning from engaging in brokerage, portfolio management, investment advisory, or any registered function	4	1.6%	4	1.4%	0.0%
Banning from working in listed companies	17	6.6%	2	0.7%	-88.2%
Banning from buying shares of listed companies	13	5.0%	33	11.3%	153.8%
Imprisonment	7	2.7%	4	1.4%	-42.9%
Other ³	1	0.4%	4	1.4%	300.0%
Total	258	100.0%	291	100.0%	12.8%

1. Decisions scheduled for implementation in 2024 include those issued from Q4 2023 through Q3 2024, excluding Q4 2024 as their execution takes place after year-end.
2. Decisions scheduled for implementation in 2025 include those issued from Q4 2024 through Q3 2025, excluding Q4 2025 as their execution takes place after year-end.
3. "Other" includes administrative and precautionary sanctions.

8. Financial Penalties Against Violators of Laws and Regulations Enforced By CMA¹

Table (59): Total Amount of Financial Penalties Issued by CMA and CRSD Against Violators of Laws and Regulations Enforced by CMA

Law/Regulation	2024			2025		
	Fines and Financial Penalties to Be Collected (SAR)	Fines and Financial Penalties Collected (SAR)	Percentage of Collected Amount	Fines and Financial Penalties to Be Collected (SAR)	Fines and Financial Penalties Collected (SAR)	Percentage of Collected Amount
Rules on the Offer of Securities and Continuing Obligations	2,585,000	2,435,000	94.2%	780,000	780,000	100.0%
Corporate Governance Regulations	3,550,000	2,470,000	69.6%	1,960,000	1,080,000	55.1%
Merger and Acquisition Regulations	0	0	0.0%	10,000	10,000	100.0%
Real Estate/Investment Funds Regulations	2,180,000	2,180,000	100.0%	1,410,000	1,410,000	100.0%
Capital Market Institutions Regulations	3,090,000	3,090,000	100.0%	6,095,000	5,475,000	89.8%
Credit Rating Agencies Regulations	0	0	0.0%	0	0	0.0%
Investment Accounts Instructions	0	0	0.0%	7,630,000	7,630,000	100.0%
Capital Adequacy Regulations	40,000	40,000	100.0%	80,000	80,000	100.0%
Market Conduct Regulations	648,726,538.93	482,633,367.32	74.4%	138,920,451.90	78,231,913.75	56.3%
Securities Business Regulations	2,940,000	513,711	17.5%	14,640,000	3,070,937.10	21.0%
Rules for Registering Auditors of Entities Subject to CMA Supervision	10,000	10,000	100.0%	10,000	10,000	100.0%
Listing Rules	0	0	0.0%	0	0	0.0%
CMA Board Resolutions	60,000	10,000	16.7%	15,000	15,000	100.0%
CMA Circulars	0	0	0.0%	50,000	50,000	100.0%
Implementing Regulations of the Companies Law for Listed Joint Stock Companies	50,000	50,000	100.0%	0	0	0.0%
Securities Central Counterparties Regulations	120,000	120,000	100.0%	0	0	0.0%
Companies Law	40,430,000	29,458,487	72.9%	7,220,000	5,800,032	80.3%
Anti-Money Laundering Law and Combating the Financing of Terrorism Law and their implementing regulations	0	0	0.0%	280,000	210,000	75.0%
Total	703,781,539	523,010,565	74.3%	179,100,451.9	103,852,883.3	58.0%

1. The amounts due for collection (enforceable decisions) for the year 2025 include those issued from Q4 2024 through Q3 2025, excluding Q4 2025 as their execution takes place after year-end.

Table (60): Total Amount of Financial Penalties Issued by CMA and the CRSD Against Violators of Laws and Regulations Enforced by CMA, Classified by Violator Type¹

Violator	2024			2025		
	Fines and Financial Penalties to Be Collected (SAR)	Fines and Financial Penalties Collected (SAR)	Percentage of Collected Amounts	Fines and Financial Penalties to Be Collected (SAR)	Fines and Financial Penalties Collected (SAR)	Percentage of Collected Amounts
Investor	524,105,781.93	365,286,319.64	69.7%	154,371,701.9	82,114,100.9	53.2%
Board Member / Senior Executive	173,750,757	151,799,245	87.4%	9,442,500.0	7,092,532.5	75.1%
Registered Individual	600,000	600,000	100%	950,000.0	380,000.0	40.0%
Listed Company	220,000	220,000	100%	150,000.0	150,000.0	100.0%
Capital Market Institution	5,105,000	5,105,000	100%	14,186,250.0	14,116,250.0	99.5%
Total	703,781,538.9	523,010,565.12	74.3%	179,100,451.9	103,852,883.4	58.0%

9. Decisions Issued in Favor of Plaintiffs in Civil Cases

Table (61): Decisions Issued in Favor of Plaintiffs in Civil Cases

Description	2024	2025
Decisions issued in favor of plaintiffs in civil cases	260	475
Total number of decisions issued in civil cases	538	775
Percentage	48.3%	61.3%

Table (62): Decisions Issued in Favor of Plaintiffs, Classified by Defendants

Classification	2024	2025
Against persons conducting securities business without a license	90	292
Against violators of the Market Conduct Regulations and Article (49) of the Capital Market Law	43	32
Against capital market institutions	49	81
Against a listed company and its board members and executives	19	22
Individuals and unlisted companies	58	46
Class action	1	2
Total	260	475

Table (63): Average Litigation Duration (2024–2025)

Description	2024 (months)	2025 (months)
Average duration of litigation	4.41	4.5

1. The amounts due for collection (enforceable decisions) for the year 2025 include those issued from Q4 2024 through Q3 2025, excluding Q4 2025 as their execution takes place after year-end.

10. Amounts Awarded in Civil and Penal Cases Under Final Decisions Issued by the CRSD

Table (64): Compensation Amounts, Number of Beneficiaries, and Litigation Costs Awarded Under Final CRSD Decisions (SAR)

Year	Number of Beneficiaries	Compensation	Litigation Costs	Total
2024	921	389,016,840.3	1,510,569.0	390,527,409.3
2025	445	124,680,091.8	1,805,340.3	126,485,432.1

Table (65): Compensation Amounts Awarded Under Final CRSD Decisions

Classification	2024	2025
Against individuals conducting securities business without a license	137,124,177.9	79,254,318.0
Against violators of the Market Conduct Regulations and Article (49) of the Capital Market Law	3,078,561.3	2,932,110.7
Against capital market institutions	98,622,059.0	26,961,353.2
Against a listed company	4,029,800.5	1,447,265.4
Class action	90,833,430.5	0.0 ¹
Other ²	55,328,811.2	14,085,044.6
Total	389,016,840.3	124,680,091.8

Table (66): Illicit Gains and Financial Penalties Awarded Under Final CRSD Decisions

Year	Illicit Gains	Financial Penalties	Total
2024	156,045,711.4	151,235,000.0	307,280,711.4
2025	97,469,633.6	28,520,750.0	125,990,383.6

1. The compensation amounts reported for 2025 under final decisions issued by the CRSD exclude compensation related to two class actions adjudicated during the year, as these rulings are not yet final and are still under review by the Appeals Committee (ACRSD).

2. This includes compensation granted to investors in claims against individuals and unlisted companies.

Third: Requests Related to Investors’ Assets

Table (67): Requests Issued by Judicial and Government Authorities and Stakeholders Concerning Investors’ Assets

Requesting Entity	2024	2025	Change (%)
Ministry of Justice	1,974,906	2,549,448	29.1%
Government entities	1,774	22,951	1,193.7%
Investors / Heirs	12,168	10,407	-14.5%
Total	1,988,848	2,582,806	29.9%

Table (68): Number of Judicial Orders Received via the “Nafith” Platform

Type of Order	2024	2025	Change (%)
Disclosure and attachment	1,149,557	1,582,480	37.7%
Release of attachment	720,134	795,875	10.5%
Enforcement	103,748	170,813	64.6%
Total	1,973,439	2,549,168	29.2%

Table (69): Number of Requests Received by CMA, Classified by Request Type

Type of Request	2024	2025	Change (%)
Disclosure	26,204	255,743	876.0%
Attachment	1,138,266	1,359,369	19.4%
Release of attachment	720,342	796,752	10.6%
Estate division	190	374	96.8%
Sale	103,798	170,546	64.3%
Other	48	22	-54.2%
Total	1,988,848	2,582,806	29.9%

05

► Chapter 05: CMA Financial Disclosure

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Second: Statement of Financial Position as of December 31, 2025

Third: Statement of Financial Performance for the Year Ended December 31, 2025

Fourth: Statement of Changes in Net Assets for the Year Ended December 31, 2025

Fifth: Statement of Cash Flows for the Year Ended December 31, 2025

Sixth: Notes to the Financial Statements as of December 31, 2025

Capital Market Authority

Financial Statements

For the year ended 31 December 2025

Together with
Independent Auditor's Report

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Independent Auditor's Report

To your Excellences and Highnesses, the Chairman and Board of Directors of Capital Market Authority

Opinion

We have audited the financial statements of Capital Market Authority ("the Authority"), which comprise the statement of financial position as at 31 December 2025, the statements of financial performance, changes in net assets, and cash flows for the year then ended, and notes to the financial statements, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at 31 December 2025, and its financial performance and cash flows for the year then ended in accordance with the International Public Sector Accounting Standards ("IPSAS").

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 Financial Statements section of our report. We are independent of the Authority 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 are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with the Code's requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the information included in the Authority's annual report but does not include the financial statements and our auditor's report thereon. The Authority's annual report is expected to be made available to us after the date of this auditor's report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, when made available to us, 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 Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IPSAS and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority'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 Authority or to cease operations, or has no realistic alternative but to do so.

Those charged with governance, i.e. Audit Committee and Board of Directors, are responsible for overseeing the Authority's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 ISAs 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 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 Authority'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 Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, then we are required to draw attention in our auditor's report to the related disclosures in the 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 Authority to cease to continue as a going concern.
- » Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 of Capital Market Authority ("Authority").

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

Riyadh, 27 Ramadan 1447H

Corresponding to: 16 March 2026



KPMG Professional Services Company

Naif Abulrahman Edrees

License No. 457

Capital Market Authority
Statement Of Financial Position
As At 31 December 2025

(All amounts are rounded to the nearest Saudi Riyal unless otherwise stated)

	Note	31 December 2025	31 December 2024
Assets			
Current assets			
Cash and cash equivalents	6	112,213,223	4,604,169
Term deposits	7	3,872,000,000	4,392,000,000
Receivables	8	16,379,272	58,836,163
Advances and other current assets	9	662,151,322	659,205,758
Advances to employees		20,766,104	14,939,828
Total current assets		4,683,509,921	5,129,585,918
Non-current assets			
Non-current portion of advances to employees		51,082,258	31,313,473
Non-current portion of advances		--	144,950,000
Property and equipment	10	205,276,718	210,761,318
Projects under construction	11	996,470,109	1,011,621,999
Intangible assets	12	31,064,162	11,938,411
Right-of-use assets	13	174,140,936	--
Total non-current assets		1,458,034,183	1,410,585,201
Total assets		6,141,544,104	6,540,171,119
Liabilities			
Current liabilities			
Suppliers and payables	14	2,263,731	657,060
Accrued expenses and other current liabilities	15	578,563,956	733,467,245
Current lease liability	16	15,060,685	--
Total current liabilities		595,888,372	734,124,305
Non-current liabilities			
Non-current lease liabilities	16	1,549,294	--
End of service benefits provision	17	527,931,395	440,946,486
Total non-current liabilities		529,480,689	440,946,486
Total liabilities		1,125,369,061	1,175,070,791

	Note	31 December 2025	31 December 2024
Net assets			
Expenditure reserve	18	1,267,100,238	1,296,918,944
General reserve	18	2,102,294,254	1,905,938,569
Cash surplus	18	219,888,353	574,125,926
Accumulated surplus of revenue over expenses		1,426,892,198	1,588,116,889
Total net assets		5,016,175,043	5,365,100,328
Total assets and liabilities		6,141,544,104	6,540,171,119

The accompanying notes (1) through (25) form an integral part of these financial statements.

Capital Market Authority
Statement Of Financial Position
As At 31 December 2025
(All amounts are rounded to the nearest Saudi Riyal unless otherwise stated)

Revenue:		31 December 2025	31 December 2024
Securities trading commission	19	779,998,736	1,128,306,815
Tadawul services and Authority's activities	19	169,496,315	174,467,038
Violations of Capital Market Law and its implementing regulations	19	208,403,489	261,203,791
Deposit returns	19	251,469,577	249,856,954
Total revenue		1,409,368,117	1,813,834,598
Expenses:			
Employees' salaries and benefits	20	(711,732,819)	(651,055,645)
General and administrative expenses	21	(278,566,979)	(209,871,396)
Employees' training and scholarship		(68,949,922)	(60,433,257)
Professional and consultancy services		(50,565,913)	(31,530,153)
Depreciation and amortization	13,12,10	(33,844,108)	(17,409,226)
Total expenses		(1,143,659,741)	(970,299,677)
Other expenses		(3,039,782)	(360,783)
Net surplus of revenue over expenses for the year		262,668,594	843,174,138

The accompanying notes (1) through (25) form an integral part of these financial statements

Capital Market Authority
Statement Of Financial Position
As At 31 December 2025
(All amounts are rounded to the nearest Saudi Riyal unless otherwise stated)

	Note	Expenditure reserve	General reserve	Cash surplus	Accumulated surplus of revenue over expenses	Total
As At 31 December 2024						
Balance at 1 January 2024		1,155,886,296	1,776,203,184	44,433,530	1,609,174,139	4,585,697,149
Transferred to Ministry of Finance during the year	18	--	--	(44,433,530)	--	(44,433,530)
Net revenue surplus over expenses		--	--	--	843,174,138	843,174,138
Effect of changes in actuarial assumptions	17	--	--	--	(19,337,429)	(19,337,429)
Reverse of expenditure reserve and general reserve to accumulated surplus over expenses		(1,155,886,296)	(1,776,203,184)	--	2,932,089,480	--
Cash surplus before reserve allocations	18	--	--	3,776,983,439	(3,776,983,439)	--
Transferred to expenditure reserve	18	1,296,918,944	--	(1,296,918,944)	--	--
Transferred to general reserve	18	--	1,905,938,569	(1,905,938,569)	--	--
Balance as at 31 December 2024		1,296,918,944	1,905,938,569	574,125,926	1,588,116,889	5,365,100,328
As At 31 December 2025						
Balance at 1 January 2025		1,296,918,944	1,905,938,569	574,125,926	1,588,116,889	5,365,100,328
Transferred to Ministry of Finance during the year	18	--	--	(574,125,926)	--	(574,125,926)
Net revenue surplus over expenses		--	--	--	262,668,594	262,668,594
Effect of changes in actuarial assumptions	17	--	--	--	(37,467,953)	(37,467,953)
Reverse of expenditure reserve and general reserve to accumulated surplus over expenses		(1,296,918,944)	(1,905,938,569)	--	3,202,857,513	--
Cash surplus before reserve allocations	18	--	--	3,589,282,845	(3,589,282,845)	--
Transferred to expenditure reserve	18	1,267,100,238	--	(1,267,100,238)	--	--
Transferred to general reserve	18	--	2,102,294,254	(2,102,294,254)	--	--
Balance as at 31 December 2025		1,267,100,238	2,102,294,254	219,888,353	1,426,892,198	5,016,175,043

The accompanying notes (1) through (25) form an integral part of these financial statements.

Capital Market Authority
Statement Of Cash Flows
For The Year Ended 31 December 2025
(All amounts are rounded to the nearest Saudi Riyal unless otherwise stated)

	Note	31 December 2025	31 December 2024
Cash flows from operating activities			
Net revenue surplus over expenses for the year		262,668,594	843,174,138
Non-cash movement:			
Depreciation and amortization	13,12,10	33,844,108	17,409,226
Losses on disposal of property, equipment and intangible assets		26,428	357,640
Current service cost	17	46,409,386	35,142,520
Commission cost	17	22,913,122	22,369,765
Revenue from deposits returns	19	(251,469,577)	(249,856,954)
Interest on lease liabilities	16	148,803	--
Expected credit losses	21	2,746,846	--
Changes in:			
Receivables		41,240,090	(3,522,795)
Advances to employees		(25,595,061)	(2,226,990)
Advances and other current assets		(12,235,673)	(9,978,859)
Suppliers and payables		1,606,671	(2,901,401)
Accrued expenses and other current liabilities		(154,903,289)	295,124,482
End of service benefits paid	17	(19,805,552)	(35,363,321)
Collected deposits returns revenue	7	247,519,356	240,738,296
Cash flows from operating activities		195,114,252	1,150,465,747

	Note	31 December 2025	31 December 2024
Investing activities			
Additions of property and equipment and projects under construction	11,10	(14,563,511)	(12,282,013)
Additions to intangibles assets	12	(3,549,728)	(1,268,300)
Proceeds from disposal of property and equipment		424,791	26,969
Cash flows from (used in) investing activities		(17,688,448)	(13,523,344)
Financing activities			
Transferred to Ministry of Finance	18	(574,125,926)	(44,433,530)
Payment of lease liabilities	16	(15,690,824)	--
Cash flows from (used in) financing activities		(589,816,750)	(44,433,530)
Change in cash and cash equivalents during the year		(412,390,946)	1,092,508,873
Cash and cash equivalents at the beginning of the year		4,396,604,169	3,304,095,296
Cash and cash equivalents at the end of the year	7,6	3,984,213,223	4,396,604,169
Significant non-cash transactions:			
Transferred from projects under constructio to advances	11.9	--	702,835,382
Transfer from advances to right of use assets		144,950,000	--
Transfer from prepaid expenses to right of use assets		11,710,286	--

The accompanying notes (1) through (25) form an integral part of these financial statements.

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Capital Market Authority (“CMA” or “Authority”) was incorporated under “Capital Market Law” issued by Royal Decree (M/30) dated 2 Jumada’ II 1424H, corresponding to 1 August 2003 which stipulates that an authority will be incorporated in the Kingdom of Saudi Arabia under the name of the “Capital Market Authority”. The Authority was incorporated and started to carry out duties assigned thereto under Royal Decree A/114 dated 13 Jumada’ I 1425H, corresponding to 1 July 2004 by appointing the board of CMA.

Capital Market Authority is a governmental authority with financial and administrative independence and reports directly to the Prime Minister. The authority is responsible for the issuance of the regulations, rules and instructions and the application of the provisions of the Capital Market Law in achieving the following:

- » Regulate the issuance of financial securities and its control and dealing thereof.
- » Regulate and monitor work and activities of entities that are subject to the supervision and control of the Authority.
- » Protect the public and investors of securities from unfair and unsound practices.
- » Maintain fairness, efficiency, and transparency in transactions of securities.
- » Regulate and control full disclosure of information related to securities and their issuers.
- » Regulate the applications of attorney, purchase and public offering of stocks.
- » Authorizing the establishment of a special purpose entity, organizing and monitoring its activities, and issuing the rules regulating this.
- » Regulating mortgage of securities and implementing them.

Pursuant to CMA’s Board decision No. 2/5/2004 dated 23 Jumada II 1425H (corresponding to 9 August 2004), the financial year of the Authority begins on the eleventh day of Capricorn month every year (corresponding to January 1) and ends on the tenth day of Capricorn month of the following fiscal year (corresponding to 31 December).

The headquarter of the Authority is located at King Fahad Road, Riyadh, PO Box 87171, Riyadh 11642.

2. BASIS OF PREPARATION

a) Statement of compliance

The financial statements of the Authority have been prepared in accordance with the International Public Sector Accounting Standards (IPSAS) according to the decision of the Authority’s Board of Directors No. 4-67-2018 dated 27 Ramadan 1439H (corresponding to 11 June 2018).

b) Basis of measurement

The financial statements have been prepared on a going concern basis using the accrual basis of accounting in accordance with the historical cost basis, except for the defined benefits plan, which is measured at present value of future obligations using projected unit credit method.

c) Presentation and functional currency

These financial statements are presented in Saudi Riyals (SR) which is the functional and presentation currency of the Authority.

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

3-1 Presentation of assets and liabilities

The same twelve-month normal operating cycle was applied to the classification of assets and liabilities. The Authority classifies an asset under current assets when it is:

- a) Expected to be realized or held for sale or depreciated in the ordinary course of business of the Authority;
- b) Held primarily for trading;
- c) Expected to be realized within twelve months subsequent to the date of the financial statements; or
- d) Cash or cash equivalents, unless it is restricted from being exchanged or used to settle a liability within at least twelve months after the date of financial statements.

The Authority classifies all other assets as non-current.

The Authority classifies a liability under current liabilities when it meets any of the following criteria:

- a) It is expected to be settled in the ordinary course of business;
- b) It is held primarily for trading;
- c) It should be settled within twelve months after the date of financial statements; or
- d) The Authority has no unconditional right to defer the settlement of the liability for at least twelve months after the date of financial statements.

The Authority classifies its financial liabilities as current when they are due to be settled within twelve months after the date of financial statements even if:

- a) The original term was for a period longer than twelve months; and
- b) An agreement to refinance, or to reschedule payments, on a long-term basis was completed after the date of the financial statements and before the financial statements were approved for issuance.

The Authority classifies all other liabilities as non-current liabilities.

3-2 Cash and cash equivalents

For the purpose of the financial position statement, cash and cash equivalents include the current accounts at banks and other short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash, and which are not subject to significant risk due to changes in value.

The deposits with original maturities of more than three months and less than twelve months are separately presented in the financial position statement under current assets.

For the purpose of presentation in the statement of cash flows, cash and cash equivalents comprise the current accounts at banks and term deposits.

3-3 Financial instruments

Financial assets

Initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of an entity and a financial liability or equity instrument of another entity. Financial assets within the scope of IPSAS 29 Recognition and Measurement: The Authority classifies financial assets at initial recognition as financial assets carried at fair value through surplus or deficit, loans and receivables, held-to-maturity investments or available-for-sale financial assets, as appropriate.

The Authority's financial assets include cash and cash equivalents, term deposits, receivables, and advances to employees.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification. All financial assets of the Authority are included under category of "advances to employees and other receivables".

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Losses arising from impairment are recognized in the surplus or deficit.

Derecognition

The Authority derecognizes a financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets when:

- » The rights to receive cash flows from the asset have expired, or
- » The Authority has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party; and either: (a) The Authority has transferred substantially all the risks and rewards of the asset; or (b) The Authority has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

The Authority assesses at each reporting date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is deemed to be impaired if, and only if, there is objective evidence of impairment as a result of one or more events that has occurred after the initial recognition of the asset (an occurrence of 'loss event') and that loss occurrence has an impact on the estimated future cash flows of the financial asset or the group of financial assets that can be reliably estimated.

Evidence of impairment may include the following indicators:

- » The debtors or a group of debtors are experiencing significant financial difficulties;
- » Default or delinquency in interest or principal payments;
- » The probability that debtors will enter bankruptcy or other financial reorganization; and
- » Observable data indicates a measurable decrease in the estimated future cash flows (e.g. changes in arrears or economic conditions that correlate with defaults).

The Authority first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, or collectively for financial assets that are not individually significant. If the Authority determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment. Assets that are individually assessed for impairment and for which an impairment loss is, or continues to be, recognized are not included in a collective assessment of impairment.

If there is objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets carrying value and the present value of estimated future cash flows (excluding future expected credit losses that have not yet been incurred). The present value of the estimated future cash flows is discounted at the financial asset's original effective interest rate.

Credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss provision is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For receivables and exchange and non-exchange transactions, the Authority applies the simplified approach in calculating the expected credit losses (ECL). Therefore, the Authority's management does not track changes in credit risks, but instead recognizes a loss provision based on the lifetime ECL at each reporting date. The Authority management has established a provision matrix that is based on its historical credit loss exposure, adjusted for forward-looking factors specific to the debtors and the economic environment.

In certain cases, the Authority may also consider a financial asset to be in default when internal or external information indicates that the Authority is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Authority management. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IPSAS 29 are classified as financial liabilities at fair value through surplus or deficit or loans and borrowings, as appropriate.

The Authority determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings, are added directly to transaction costs. The Authority's financial liabilities include suppliers, payables from exchange transactions, accruals and other current liabilities.

Subsequent measurement

The measurement of financial liabilities depends on their classification. All financial liabilities of the Authority are classified as loans and borrowings, and are measured at amortized cost. The financial assets of the Authority are subsequently measured the amortized cost using the effective interest method.

The amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate.

Derecognition

The financial liabilities are derecognized when the obligation under the contract is discharged, cancelled, or expired. 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 a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying values is recognized in surplus or deficit.

Offsetting of financial instruments

The financial assets and financial liabilities are offset, and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Fair values of financial instruments

The Authority measures the fair values of financial assets and financial liabilities for recognition and/or disclosure purposes. The Authority measures the fair value of the financial instrument using the quoted price in an active market. In the absence of an active market for the financial instrument, the Authority determines the fair value using a valuation technique. The objective of using the valuation technique is to determine the transaction price that would have been agreed upon at the measurement date between freely acting parties motivated by normal operating factors. The assessment techniques include the use of market exchange transactions between informed parties acting freely and willingly, if any, reference to the current fair value of another substantially similar instrument, discounted cash flow analysis, and option pricing models. The selected valuation technique is based on maximizing the use of market inputs and minimizing the use of the Authority-specific inputs. The assessment techniques takes into account all factors that market participants would consider when setting a price and is consistent with accepted economic methodologies for pricing financial instruments.

When measuring the fair value of an asset or a liability, the Authority uses observable market 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 capital market for similar assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., derived from prices).

Level 3: inputs for the asset or liability are not based on observable market data (unobservable inputs).

Advances to employees

The Authority determines the fair value of the advances by referring to the interest rates in an active market. When the Authority cannot determine the fair value by referring to the active market, it uses one of the valuation techniques. The fair value can be determined using a valuation technique by deducting all future cash proceeds using the market prevailing interest rate for a similar advance.

3-4 Property and equipment

Property and equipment are measured at cost less accumulated depreciation and accumulated impairment loss, if any. Cost includes expenditure that is directly attributable to the acquisition of the asset. The depreciable property and equipment are depreciated on straight line basis.

When significant parts of property and equipment are required to be replaced at intervals, the Authority recognizes such parts as individual assets with specific useful lives and impaired accordingly. Likewise, when a major inspection is performed, its cost is recognized in the carrying value of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognized as expenses when incurred. When an asset is acquired in a non-exchange transaction against nil or nominal consideration, the asset is measured at fair value unless the exchange transaction does not entail a commercial substance and the fair value of the received and waived assets is not reliably measurable where the cost is used. The following are the useful lives of the assets that are depreciated:

Years	2025*	2024
Buildings	40	33,33
Decorations and enhancements	10	5
Furniture and office equipment	7-10	5-10
Motor vehicles	5	4
Computers	4	3

* The assets’ residual value and its useful life are reviewed, and adjusted prospectively, if appropriate, at the end of each financial year. Accordingly, estimated useful lives for certain assets were amended during 2025, guided by the asset life guideline prepared by the Ministry of Finance.

An asset’s carrying value is written down immediately to its recoverable amount, or recoverable service amount, if the asset’s carrying amount is greater than its estimated recoverable amount or recoverable service amount.

The Authority derecognizes items of property and equipment and/or any significant part of assets upon disposal or when no future economic benefits or service potential is expected from its continuing use. Any gain or loss arising on disposal of assets (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is recognized in the statement of financial performance when the asset is derecognized.

Projects under construction

The projects in progress are recognized at cost less accumulated impairment losses (if any). The cost is transferred to property, equipment / intangible assets when they are available for use for the purpose for which they were created, the depreciation / amortization calculation is then initiated.

3-5 Intangible assets

Intangible assets acquired separately are initially recognized at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

The useful lives of the intangible assets are assessed as either finite or infinite.

The intangible assets with a finite life are amortized over their useful life as follows:

Years
Computer software
5

Intangible assets with a finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired.

The amortization year and the amortization method for the intangible asset with finite useful lives are reviewed at least at the end of each reporting year. The changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization year or method, as appropriate, and are treated as future changes in accounting estimates. The amortization expense of the intangible assets with finite lives is recognised in the statement of financial performance in line with the function of the intangible assets.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying value of the asset and are recognised in the statement of the financial performance when the asset is derecognized

3-6 Impairment of assets

The Authority assesses at the end of each financial year whether there is an indication that a non-cash-generating asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Authority estimates the asset's recoverable amount which is equal to the asset's fair value less costs of disposal or value in use, whichever is greater. To calculate the value in use, the Authority adopts the depreciation replacement cost approach.

Where the carrying value of an asset exceeds its recoverable service amount, the asset is considered impaired and is written down to its recoverable service amount.

For each asset, an assessment is made at each financial reporting date as to whether there is any indication that previously recognized impairment losses no longer exist or may have decreased. If such indication exists, the Authority estimates the asset's recoverable service amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable service amount. The reversal is limited so that the carrying value of the asset does not exceed its recoverable service amount, nor exceed the carrying value, net of depreciation, had no impairment loss been recognized for the asset in prior years. The impairment loss reversal is recognized in the statement of the financial performance

3-7 Employees' benefits

Post-employment benefits

Defined benefit plans

The Authority has post-employment benefit plans which are defined benefit for its employees and are unfunded. The defined benefit obligations are reassessed on a regular basis by the Authority management using the projected unit credit method. The present value of defined benefit obligations are identified by deducting the estimated future cash flows using interest rates of high quality companies bonds denominated in the currency in which accruals shall be paid and contained terms approximate the related obligation terms. The Authority has used approximate rates for governmental bonds. The net interest cost is calculated through applying a discount rate on net balance of defined benefit obligations and is included in employees' benefits account in statement of financial performance.

The re-measurement gains or losses resulted from settlement of experience and changes in actuarial assumptions are recognized in the statement of changes in net assets in the year in which they occur. The changes in the present value of the defined benefit obligations resulting from the plan amendments are immediately included in the statement of financial performance for the previous service cost

Defined contribution plans

The contributions of the Pension Branch of the General Organization of Social Insurance are accounted for as payments for defined contribution plans and they are accordingly recognized as expenses when employees perform services making them eligible for such contributions. These contributions are regularly paid, so they are measured at their undiscounted amounts.

Short-term Employees' Benefits

Employees' benefits that are expected to be fully settled before twelve months after the end of the period of financial statements in which the employees provide the related services, including wages, salaries, and social insurance hazard branch subscriptions; paid annual leave and paid sick leave; and benefits in kind (such as medical insurance, housing, and vehicles) for current employees. When an employee provides a service to the Authority during the accounting period, the undiscounted amount of short-term employee benefits expected to be paid for that service is recognized as (a) a liability (accrued expense) less any amount already repaid; and (b) an expense.

Employees' benefit costs are recorded as an expense, unless a standard requires or permits the inclusion of the benefits in the cost of an asset.

3-8 Reserves

Pursuant to Article fourteenth of the Capital Market Law, the Authority transfers, at each financial year, the surplus from sources it charged to the Ministry of Finance after deducting all current and capital expenditure it needed (expenditure reserve), and after making (general reserve) equal to double total of its expenditure set out in its previous year.

3-9 Revenue

The Authority classifies its revenue into revenue with binding arrangement which are recognized during a period of time, and revenue without a binding arrangement which are recognized at a point in time according to the type of revenue and nature of the activity.

Revenues without a binding arrangement

Fees, fines and penalties

The Authority recognizes revenues from fees when the event occurs and the asset recognition criteria are met unless a revenue-associated condition exists and this condition results in a future liability, the deferred revenues rather than revenue are recognized.

The Authority recognizes revenues from fines and penalties when reliably confirming the expected economic benefits received or receivable by the Authority as a result of violating the laws or regulations, where the revenues from the fines and penalties on individuals are recognized when the revenues and timing of their collection can be measured reliably. When the revenues and timing of their collection cannot be measured reliably, the revenues are recognized when collected.

Trading commissions

Fees charged by the Authority for its services are recorded under notifications received from the Saudi Tadawul Group Holding Company (Tadawul). The trading commissions in the main stock market represent the largest portion of the revenue of trading commissions and the Authority's share of the trading revenue is 3 bps of the performed transaction value in accordance with the Authority Board's resolution No. (1-41-2022).

Rendering of service

The Authority recognizes revenue from rendering of services when the outcome of the transaction can be estimated reliably. Where the outcome cannot be measured reliably, revenue is recognized only to the extent that the expenses incurred are recoverable.

Revenues with a binding arrangement

Revenue from deposits returns

Revenue from deposits is accrued using the effective yield method. The effective yield deductions estimate the future cash gains during the expected life of the financial asset to net carrying value of that asset. This revenue method is applied to the balance of the principal amount to determine the revenue of deposits at each year.

3-10 Leases

Upon signing any contract, the Authority determines whether the contract is, or contains, a lease, whereby the right to control the use of an identified asset is transferred for a specified period of time in exchange for consideration. The Authority applies the recognition exemption for short-term leases (less than twelve months) and low-value leases (less than SR 50,000), and recognizes its lease payments as expenses on a straight-line basis.

Right of use assets:

The value of the right of use asset is measured as the sum of the present value to the total lease value, any initial direct costs, and an estimate for the costs necessary to dismantle and remove the underlying asset, net of the lease incentives received. Right of use assets are depreciated on a straight-line basis over the shorter of the lease period and the estimated useful life of the assets.

Lease liabilities:

Lease liabilities are measured using the present value of the unpaid lease payments at the date of the lease, and using the interest rate implicit in the lease. If not specified, the government borrowing rate shall be used as per the data of the Ministry of Finance. Right of use assets are depreciated on a straight-line basis over the shorter of the lease period and the estimated useful lives of the assets.

3-11 Contingent liabilities

The Authority does not recognize the contingent liabilities, but discloses the details of the contingent liabilities in the notes to the financial statements, unless the resources with future economic benefits are highly likely to outflow.

3-12 Contingent assets

JI The Authority does not recognize the contingent assets, but discloses the details of a contingent asset whose existence is contingent on the occurrence or non-occurrence of one or more uncertain future events not completely within the Authority control in the notes to the financial statements. Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statements. If it has become virtually certain that an inflow of economic benefits will occur, the asset and the related income are recognised in the financial statements for the year in which the change occurs.

3-13 Related parties

The Authority regards a related party as a person or an entity with the ability to exert control individually or jointly, or to exercise significant influence over the Authority, or vice versa. The Authority related parties include the main members of the Authority's board, Saudi Tadawul Group Holding Company (Tadawul), and the Financial Academy.

3-14 Foreign currency translation

Transactions in foreign currencies are translated to Saudi Riyals at the ruling rate of exchange on the date of the transaction. Financial assets and liabilities denominated in foreign currencies, if any are translated to Saudi Riyals at the rate of exchange ruling at the statement of financial position date. Profits and losses resulted from foreign currency exchange are included in the statement of financial performance.

3-15 Provisions

Provisions are recognized when the Authority has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits or service potential will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where the Authority expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset only when the reimbursement is virtually certain.

4. KEY JUDGEMENTS AND ESTIMATES

The preparation of the financial statements in conformity with IPSAS requires the management to make judgments, estimates and assumptions impacting the amounts of income, expenses, assets and liabilities shown in the financial statements and their accompanying disclosures and disclosures on the contingent liabilities and assets. However, uncertainties about these assumptions and estimates may result in material adjustments to the carrying value of assets or liabilities that may be affected in the future periods.

Estimates and assumptions

The following are the key assumptions taken into account in estimating the impact of future circumstances on the figures shown in the financial statements and the and related disclosures at the financial statements preparation date, that are associated with significant risks that may cause material adjustments to the carrying values of assets and liabilities during the next financial year. The Authority based its assumptions and estimates on parameters available when the financial statements were prepared. However, existing circumstances and assumptions about future developments may change due to market changes or circumstances arising beyond the control of the Authority. Such changes are reflected in the assumptions when they occur.

Estimates related to the useful lives and residual values

Management reviews and assesses the useful lives and residual values of fixed assets at the end of each financial period, based on the following indicators:

- » The nature of assets, their adaptability to changes in technology and processes.
- » The nature of the processes in which the asset is deployed.
- » Availability of funding to replace the assets.
- » Changes in the market in relation to the asset.

Any adjustment to these estimates is considered as a change in the accounting estimates and is treated prospectively according to the requirements of IFRS. During 2025, the useful lives of property and equipment have been re-assessed based on the current usage, the aforementioned indicators, and the regulatory guide regarding estimated useful lives of the government entities assets. The value of the impact on the statement of financial performance during 2025 amounted to SR 330,000. The value of the impact on the net surplus for the period in the next years is estimated as follows:

Year	2026	2027	2028
Estimated impact on net surplus for the period	2,055,569	1,930,103	1,756,394

Impairment of non-financial assets and non-cash generating assets

The Authority reviews and tests the carrying value of non-cash-generating assets when events or changes in circumstances suggest that there may be a reduction in the future service potential that can reasonably be expected to be derived from the asset. Where indicators of possible impairment are present, the Authority undertakes impairment tests, which require the determination of the fair value of the asset and its recoverable service amount. The estimation of these inputs into the calculation relies on the use estimates and assumptions. Any subsequent changes to the factors supporting these estimates and assumptions may have an impact on the reported carrying value of the related asset.

Provisions

Provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material.

Measurement of employee defined benefits obligation

Cost of defined employees' benefits obligations and post-employment benefits are identified using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include identification of the discount rate, salary future increase, employees' turnover and mortality rates. Due to complexity of assessment, key assumptions and its long-term nature make the defined benefits obligation highly sensitive to the changes in those assumptions.

The Authority conducts actuarial assessment annually and assumptions are reviewed at the date of the annual financial statements.

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The Authority assesses advances and receivables from exchange and non-exchange transactions at the end of each financial year. In determining whether an impairment loss should be recorded in surplus or deficit, the Authority evaluates the market indicators to determine if they are indicative of the impairment of the advances and receivables.

Where specific impairments have not been identified, the impairment for receivables from exchange and non-exchange transactions is calculated on a portfolio basis, based on historical loss ratios, adjusted for general economic conditions and other indicators present at the reporting date that are associated with the default. These annual loss ratios are applied to the advances balances in the portfolio and changed to the year of presenting the estimated loss.

5. NEW STANDARDS OR AMENDMENTS AND FORTHCOMING REQUIREMENTS

The following are the new International Public Sector Accounting Standards (IPSAS) issued but not effective till the issuance date of the financial statements. The Authority intends to adopt such standards at their effective date.

IPSAS 48 "Transfer Expenses"

The objective of this standard is to establish the principles to be applied by the transferor (entity) to report useful information to users of financial statements about the nature, amount, timing and uncertainty of expenditures and cash flows arising from transfer expenses.

To achieve the stated objective, the entity is required to consider the terms of the transaction and all relevant facts and data to determine the type of transfer expenses; it also specifies the accounting requirements to account for the transfer expenses.

The standard is applied on or after 1 January 2026, and earlier application is permitted. As at the date of approval of these financial statements, the Authority has not applied the standard and does not expect a material impact upon application.

IPSAS 49 "Retirement Benefit Plans"

The objective of this standard is to specify the accounting and reporting requirements for public sector retirement benefit plans, which provide retirement benefits to public sector employees and other eligible participants.

The standard is applied on or after 1 January 2026, and earlier application is permitted. As at the date of approval of these financial statements, the Authority has not applied the standard and does not expect a material impact upon application.

It is also noteworthy that during 2025, the following standards have been adopted for the first time on a prospective basis, without restating the comparative figures. The initial application did not result in any material impact on net assets or the results for the year, except for certain reclassifications and adjustments to the timing of revenue recognition in accordance with the new requirements. The relevant accounting policies were also updated to reflect the new recognition and measurement approach.

IPSAS 43 “Leases”

The standard is applied on or after 1 January 2025. The Authority has adopted the standard as of that date. As a result, it recognized right-of-use assets as disclosed in note (13) and recognized lease liabilities as described in note (16).

IPSAS 44 “Non-Current Assets Held for Sale and Discontinued Operations”

The standard is applied on or after 1 January 2025. The Authority has applied the standard as of that date, and there is no impact resulting from its application.

IPSAS 45 “Property, Plant and Equipment”

The standard is applied on or after 1 January 2025. The Authority has applied the standard as of that date, and there is no impact resulting from its application. The Authority’s management will continue to apply the historical cost model.

IPSAS 46 “Measurement of Assets and Liabilities”

The standard is applied on or after 1 January 2025. The Authority has applied the standard as of that date, and there is no material impact from its application.

IPSAS 47 “Revenues”

The objective of this standard is to establish the principles that an entity should apply to provide useful information to users of financial statements about the nature, amount, timing and uncertainty of revenue and cash flows arising from revenue transactions.

To achieve the stated objective, the entity is required to consider the terms of the transaction and all relevant facts and data to determine the type of revenue transaction; it also specifies the accounting requirements to account for the revenue transaction.

The standard is applied on or after 1 January 2026, and earlier application is permitted. The Authority has early adopted the standard effective from 1 January 2025. The impact of adopting the standard was limited to the re-presentation and reclassification of revenue items, with no material financial impact on the financial statements.

6. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
Cash at bank (current accounts)	16,213,223	4,604,169
Deposits for less than three months	96,000,000	--
	112,213,223	4,604,169

7. TERM DEPOSITS

	31 December 2025	31 December 2024
Term deposits	3,872,000,000	4,392,000,000
	3,872,000,000	4,392,000,000

Term deposits represent the value of deposits with local banks that can be redeemed without restriction or cost and at different interest rates depending on prevailing interest rates. The commission on these deposits collected during the year ended 31 December 2025 amounted to SR 247,519,356 (31 December 2024: SR 240,738,296) (note 19).

8. RECEIVABLES

	31 December 2025	31 December 2024
Saudi Tadawul Group Holding Company (Tadawul) (Note 23)	16,759,648	58,445,706
Other customers	836,425	390,457
Provision for expected credit losses	(1,216,801)	--
	16,379,272	58,836,163

Movement in total provision for expected credit losses for receivables during the year was as follows:

	31 December 2025	31 December 2024
At the beginning of the year	--	--
Provided during the year	1,216,801	--
At the end of the year	1,216,801	--

9. ADVANCES AND OTHER CURRENT ASSETS

	31 December 2025	31 December 2024
Other receivables*	557,885,382	557,885,382
Prepaid expenses	53,675,535	60,976,032
Accrued income	50,201,947	37,151,725
Employees' prepaid expenses	1,918,503	3,192,619
Expected credit losses	(1,530,045)	--
	662,151,322	659,205,758

* The balance of other receivables consists of the due from King Abdullah Financial District Development & Management Company ("KAFFD") of SR 557.9 million, which is the amount expected to be recovered from the amounts previously paid for the Authority's previous building in the King Abdullah Financial District after deducting the value of the agreements referred to in note 11.

10. PROPERTY AND EQUIPMENT

	Lands	Buildings	Decorations and enhancements	Furniture and office equipment	Motor vehicles	Computers	Total 2025	Total 2024
Cost								
At 1 January 2025	114,700,000	132,300,020	87,675,481	84,299,168	1,749,150	57,307,615	478,031,434	470,256,747
Additions	--	--	166,461	813,313	460,000	2,655,367	4,095,141	6,653,568
Transferred from projects under construction (note 11)	--	--	--	--	--	878,388	878,388	2,294,549
Disposals	--	--	(31,477)	(3,283,379)	(468,050)	(1,040,950)	(4,823,856)	(1,173,430)
At 31 December 2025	114,700,000	132,300,020	87,810,465	81,829,102	1,741,100	59,800,420	478,181,107	478,031,434
Accumulated Depreciation:								
At 1 January 2025	--	51,266,258	86,732,754	75,218,060	558,971	53,494,073	267,270,116	256,212,352
Depreciation	--	3,884,733	396,202	2,517,893	241,405	2,966,677	10,006,910	11,846,585
Disposals	--	--	(31,459)	(3,275,870)	(27,630)	(1,037,678)	(4,372,637)	(788,821)
At 31 December 2025	--	55,150,991	87,097,497	74,460,083	772,746	55,423,072	272,904,389	267,270,116
Net carrying amount								
At 31 December 2025	114,700,000	77,149,029	712,968	7,369,019	968,354	4,377,348	205,276,718	
At 31 December 2024	114,700,000	81,033,762	942,727	9,081,108	1,190,179	3,813,542		210,761,318

11. PROJECTS UNDER CONSTRUCTION

	Balances as at 1 January 2025	Additions	Transferred to intangible assets (note 12)	Transferred to property and equipment (Note 10)	Balances as at 31 December 2025
Advances to purchase assets (11.A)	987,791,467	--	--	--	987,791,467
Computer equipment, software and other fixtures	23,830,532	10,468,370	(24,741,872)	(878,388)	8,678,642
	1,011,621,999	10,468,370	(24,741,872)	(878,388)	996,470,109

On February 2024, the Authority management signed an agreement with King Abdullah Financial District Company ("KAFD"), including land and an alternative building for the Authority in the King Abdullah Financial District in Riyadh.

The total value of this project is SR 987.8 million, including the value of land and building of SR 767.1 million and the works of executing and equipping the building of SR 220.7 million. It was also agreed to lease parking lots for the Authority employees at the King Abdullah Financial District for 99 years at a value of SR 145 million. The remaining balance of the amounts previously paid is expected to be recovered against the previous building of the Authority in the King Abdullah Financial District after deducting the value of the agreements referred to of SR 557.9 million (note 9).

12. INTANGIBLE ASSETS

	2025	2024
Cost		
Balance at the beginning of the year	79,764,864	76,233,273
Additions	3,549,728	1,268,300
Transferred from projects under construction (note 11)	24,741,872	2,263,291
Disposals	(49,000)	--
Balance at the end of the year	108,007,464	79,764,864
Accumulated amortization		
Balance at the beginning of the year	67,826,454	62,263,812
Amortization charged during the year	9,165,848	5,562,641
Disposals	(49,000)	--
Balance at the end of the year	76,943,302	67,826,453
Net carrying amount	31,064,162	11,938,411

13. RIGHT-OF-USE ASSETS

	Buildings	Motor vehicles	Car parking	Other	Total 2025
Cost					
At the beginning of the year	--	--	--	--	--
Additions during year*	39,997,256	1,979,671	144,950,000	1,885,359	188,812,286
At the end of the year	39,997,256	1,979,671	144,950,000	1,885,359	188,812,286
Accumulated depreciation					
At the beginning of the year	--	--	--	--	--
Charged during the year	13,260,257	658,232	276,560	476,301	14,671,350
At the end of the year	13,260,257	658,232	276,560	476,301	14,671,350
Carrying amount	26,736,999	1,321,439	144,673,440	1,409,058	174,140,936

* Right of use assets include fully prepaid lease rentals.

14. SUPPLIERS AND PAYABLES

	As at 31 December 2025	As at 31 December 2024
Services providers	1,386,732	218,852
Other	876,999	438,208
	2,263,731	657,060

15. ACCRUED EXPENSES AND OTHER CURRENT LIABILITIES

	As at 31 December 2025	As at 31 December 2024
Regulatory accruals (*)	394,930,378	619,620,730
Employees' payables	97,559,861	96,410,080
Accrued expenses	83,803,886	15,296,497
Other	2,269,831	2,139,938
	578,563,956	733,467,245

(*) The balance represents the value of a regulatory obligation in accordance with the Capital Market Law and has been approved by the Authority's Board of Directors and it is related to the accruals expected to be paid during 2026.

16. LEASE LIABILITIES

	As at 31 December 2025	As at 31 December 2024
a) Current lease liabilities	15,060,685	--
b) Non-current lease liabilities	1,549,294	--
	16,609,979	--
Movement in lease liabilities during the year was as follows:		
Balance at the beginning of the year	--	--
Additions during the year	32,152,000	--
Interest on lease liabilities	148,803	--
Lease payments	(15,690,824)	--
Balance at the end of the year	16,609,979	--
Present value of minimum lease payments for finance lease is as follows:		
Less than one year	15,060,685	--
Later than one year but not later than two years	1,011,169	--
More than 2 years and less than 3 years	538,125	--

17. END OF SERVICE BENEFITS PROVISION:

The movements in the present value of the defined benefits obligation is as follows:

	2025	2024
Defined benefits obligation at the beginning of the year	440,946,486	399,460,093
Current service cost	46,409,386	35,142,520
Commission cost	22,913,122	22,369,765
Benefits paid	(19,805,552)	(35,363,321)
Actuarial Loss	37,467,953	19,337,429
Defined benefits obligation at the end of the year	527,931,395	440,946,486

The actuarial assumptions used in the calculation of provision for end-of-service benefits (an unfunded defined benefits plan) are as follows:

	31 December 2025	31 December 2024
Discount rate	4.75%	5.2%
Salary increase rate	4%	5%
Employee turnover rate	8.5%	8%

The value expected for end-of-service based on the program for each staff is as follows:

- » Future salary is expected on deemed rate for salary increase.
- » Current actuarial value is identified using rules of the plan, deemed discount rate, mortality rates and employees' turnover rate.
- » After such, defined obligation is allocated over years of service expected for the employee with identifying the expected obligation equally over each year of past service for calculating defined benefits obligation.

Sensitivity analysis for material actuarial assumptions is as follows:

	Provision as at 31 December 2025	Movement %
Key assumptions	527,931,395	0.0%
Discount rate basis +0.5%	511,448,876	(3.1%)
Discount rate basis -0.5%	545,388,507	3.3%
Salary growth rate basis +0.5%	545,431,502	3.3%
Salary growth rate basis- 0.5%	511,255,462	(3.2%)
Employee's turnover rate 110%	528,590,872	(0.1%)
Employee's turnover rate 90%	527,186,019	0.1%

	Provision as at 31 December 2025	Movement %
Key assumptions	440,946,486	0.0%
Discount rate basis +0.5%	421,699,278	(4.4%)
Discount rate basis -0.5%	461,612,876	4.7%
Salary growth rate basis +0.5%	460,367,060	4.4%
Salary growth rate basis- 0.5%	422,665,307	(4.1%)
Employee's turnover rate 110%	440,191,710	(0.2%)
Employee's turnover rate 90%	441,687,039	0.2%

The above sensitivity analysis was determined by extrapolating the impact on the defined benefits obligation as a result of reasonable changes in key assumptions that occur at the end of the financial reporting period. The sensitivity analysis is based on a change in key assumptions, keeping all other assumptions constant. The sensitivity analyses may not be representative of an actual change in the defined benefits obligation as it is unlikely that changes in assumptions would occur in isolation from one another. The following table shows expectations of undiscounted obligations for employees' end-of-service benefits for a period of five years based on assumptions and employees data used in calculation of obligations at 31 December 2025:

Expected returns to be paid in the upcoming years (undiscounted)	Amount
Within one year	73,813,246
25- years	233,029,060
6 to 10 years	202,537,794
More than ten years	236,896,589

The Authority conducts an actuarial assessment of employee benefits at the end of each financial year.

18. RESERVES

Article 14 of the Capital Market Law stipulates that the surplus from the resources charged by the Authority shall be transferred to the Ministry of Finance after the creation of the reserves:

- » An expenditure reserve equal to all current and capital expenditures in the Authority budget for the next year, which amounted to SR 1,267,100,238 as at 31 December 2025 (2024: SR 1,296,918,944).
- » A general reserve equivalent to double the total expenditures of the Authority shown in its previous year, which amounted to SR 2,102,294,254 as at 31 December 2025 (2024: SR 1,905,938,569).

The reserves described above are made by deducting the cash surplus from the Authority’s resources as at the end of the year, thus the movement on the cash surplus is as follows:

	2025	2024
Cash surplus before reserve allocations	3,589,282,845	3,776,983,439
Less:		
Expenditure reserve	(1,267,100,238)	(1,296,918,944)
General reserve	(2,102,294,254)	(1,905,938,569)
Cash surplus balance	219,888,353	574,125,926

CMA records surplus cash within net assets. During 2025, the Authority transferred SR 574,125,926 of cash surplus to the Ministry of Finance (2024: SR 44,433,530).

19. REVENUE

All the Authority’s revenues do not have a binding arrangement except for the revenue of the deposits returns. The allocation of revenue is as follow:

	2025	2024
Securities trading commission	779,998,736	1,128,306,815
Tadawul services and Authority's activities	169,496,315	174,467,038
Violations of Capital Market Law and its implementing regulations	208,403,489	261,203,791
Deposits returns	251,469,577	249,856,954
	1,409,368,117	1,813,834,598

20. EMPLOYEES’ SALARIES AND BENEFITS

	For the year ended 31 December 2025	For the year ended 31 December 2024
Salaries	297,348,613	252,852,580
Employees’ allowances	126,304,412	127,348,472
Employees bonus	73,206,956	87,233,974
End of service benefits	69,322,508	57,512,284
Medical insurance	51,677,479	44,161,839
Authority’s share in saving program	37,030,410	31,829,296
Social security	34,682,431	31,215,337
Business trips and conferences	7,649,702	6,701,713
Other	14,510,308	12,200,150
	711,732,819	651,055,645

21. GENERAL AND ADMINISTRATIVE EXPENSES

	For the year ended 31 December 2025	For the year ended 31 December 2024
Financial Sector Development Initiatives *	133,729,069	68,851,432
Maintenance	42,346,716	40,015,838
Subscriptions	34,795,622	29,848,288
Public Services	18,890,708	18,781,677
Graduate development program	15,860,261	14,902,843
Rentals	759,770	13,406,753
Committees' members remuneration	14,092,550	13,356,100
Media & public relations	12,149,683	7,663,247
Operational contracts expenses	1,843,088	2,156,509
Expected credit losses	2,746,846	--
Other	1,352,666	888,709
	278,566,979	209,871,396

* Financial Sector Development Initiatives item as at 31 December 2025 includes SR 122.5 million (31 December 2024: SR 38.9 million) (Note 23), which CMA bears from the budget deficit approved for the Financial Academy in accordance with Cabinet Decision No. (538).

22. CONTINGENCIES

Capital commitments

Capital commitments as at 31 December 2025 are SR 6.6 million (31 December 2024: SR 7.4 million), with related contracts totaling SR 15.8 million (31 December 2024: SR 30.7 million), of which SR 9.2 million has been executed (31 December 2024: SR 23.3 million).

Lease liabilities

The Authority as a lessee

Future minimum lease payments under non-cancellable operating leases as at the end of reporting year as follows:

	As at 31 December 2025	As at 31 December 2024
Within one year	15,747,631	1,433,089
More than 1 year, but not more than 5 years	1,706,188	2,701,580
	17,453,819	4,134,669

23. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

23-1 Due from a related party

Name of related party	Note	Nature of relationship	Balances as at 31 December 2025	Balances as at 31 December 2024
Saudi Tadawul Group Holding Company (Tadawul) (*)	8	Supervisory and organizational relationship	15,542,847	58,445,706

23-2 Related parties transactions

Transaction values for the year ended			
Name of related party	Nature of transaction	31 December 2025	31 December 2024
Saudi Tadawul Group Holding Company (Tadawul)	Authority's revenues through Tadawul	903,548,736	1,258,376,815
	proceeds from Tadawul	945,234,794	1,253,027,792
Financial academy	Proceeds from the Academy	--	1,168,918
	Academy's budget support	122,510,000	38,900,000

(*) The balance due from Saudi Tadawul Group Holding Company (Tadawul) mainly represents what the Authority charges for services related to the Saudi Stock Exchange that are uncollected as at the date of the statement of financial position, where claims are issued for fees and commissions for trading shares and other securities. These are collected by Saudi Tadawul Group Holding Company (Tadawul) on behalf of the Authority in addition to the annual fees for the services provided by the Authority related to the stock exchange. In accordance with Capital Market Authority Law and in order to apply Article 22, Saudi Tadawul Group Holding Company is subject to supervision of the Authority in addition to the regulatory relationship that represents the following:

- » The regulations and rules of Tadawul, Edaa and Muqassa shall specify the conditions and requirements of the membership in each of them.
- » Tadawul, Edaa and Muqassa - each within its own purview - shall present the names of the candidates for the membership of their board of directors to Authority's Board to obtain its approval of their nomination before the shareholders' General Assembly elects them.
- » The regulations and instructions approved by the Board of the Authority shall specify the procedures related to convening the meetings of the boards of directors of the Tadawul, Edaa and Muqassa, their decision making process, plans for conducting their activities, the powers and responsibilities entrusted to their board of directors and chief executive officer, and all other related administrative and financial affairs

23-3 Authority's key management personnel remunerations

	For the year ended 31 December 2025	For the year ended 31 December 2024
Short-term key management personnel benefits	11,087,601	8,521,307
End of service benefits	465,945	508,202
	11,553,546	9,029,509

The number of CMA's key personnel during the year was 5 (2024: 5 employees), all of them are full-time employees.

24. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments comprise cash and cash equivalents, receivables, other current assets, payables and other current liabilities. To assess their fair value, it has assumed that they are equal to their carrying value due to their nature and short-term maturity.

Fair value

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 primary market for assets or liabilities, 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 to the Authority.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial assets takes into account a market participant's ability to generate economic benefits from the asset's best and highest use or by selling it to another market participant that would utilize the asset in its highest and best use.

The Authority 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.

The Authority uses following hierarchy for determining and disclosing the fair value of financial instruments:

- » Level 1: quoted prices in active markets for the same instrument (i.e. without modification)
- » Level 2: quoted prices in active markets for similar assets and liabilities or other valuation techniques for which all significant inputs are based on observable market data.
- » Level 3: valuation techniques that have not identified any of their significant inputs based on observable market data.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Authority 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 financial year.

For the purpose of fair value disclosures, the Authority has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the assets or liabilities and the levels of the fair value hierarchy, as explained above.

Classification of financial instruments	As at 31 December 2025	As at 31 December 2024
Financial assets at amortized cost		
Cash and cash equivalents	112,213,223	4,604,169
Term deposits	3,872,000,000	4,392,000,000
Receivables	16,379,272	58,836,163
Advances to employees	71,848,362	46,253,301
	4,072,440,857	4,501,693,633
Financial liabilities at amortized cost		
Suppliers and payables	2,263,731	657,060
	2,263,731	657,060

The fair values of financial assets and liabilities approximate their carrying values.

Risks

The Authority has exposure to the following risks as a result of its use of the financial instruments:

Interest risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument may fluctuate because of changes in prevailing market interests rate. Financial instruments are exposed to the change in value risk as a result of changes in interest rates of the financial assets and liabilities with variable interest. A reasonably possible change of 100 basis points in interest rates at the financial reporting date would have increased (decreased) financial performance by the amounts shown below. The analysis assumes that all other variables remain constant.

Item	Increase /(decrease) in basis points	Effect of increase/ (decrease) on statement of financial performance	
		31 December 2025	31 December 2024
Term deposits	100+	42,692,611	40,295,833
	100-	(42,692,611)	(40,295,833)
Advances to employees	100+	(1,728,536)	(996,957)
	100-	1,661,952	1,034,807

Foreign currency risk

It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Authority has no material receivables, payables, or binding commitments denominated in foreign currencies. The Authority has no revenues in foreign currency. Most of the Authority’s foreign currency purchases are denominated in US dollars and the Authority is not exposed to currency risk from these transactions as Riyal is pegged to US dollar. Purchases in other foreign currencies are immaterial. Accordingly, the Authority does not hedge against foreign currency risk. (If the Authority is exposed to material foreign currency risks, it shall disclose the significant exposures, the methods of managing these risks (if any) and their impact on the surplus or deficit and financial position in accordance with IPSAS 30).

Liquidity risk

Liquidity risk is the risk that the Authority will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk management process followed by the Authority includes to ensure as possible from the availability of sufficient liquidity to meet its liabilities as they fall due.

The Authority has no receivables for more than a year.

Credit risk

Credit risk is the risk that one party to a financial instrument or client contract will fail to discharge an obligation and cause the other party to incur a financial loss. For financial assets classified as “receivables”, the maximum exposure to credit risk is the carrying value of the financial assets.

Credit quality for financial assets

Saudi Tadawul Group Holding Company (Tadawul) is the Authority’s largest customer as at 31 December 2025, from which the due balance amounted to the amount recorded under receivables (note 8).

Aging analysis of accounts receivables was as follows: At 31 December 2025:

	As at 31 December 2025	As at 31 December 2024
Neither past due nor impaired less than 90 days	16,379,272	57,612,870
Past due above 90 days	1,216,801	1,223,293
Provision for expected credit losses	(1,216,801)	--
	16,379,272	58,836,163

The management believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payments behavior and extensive analysis of customers’ credit risk, including underlying customers’ credit ratings if they are available. The Authority has cash and cash equivalents of SR 3.98 billion as at 31 December 2025 (31 December 2024: SR 4.40 billion) deposited with banks of sound credit rating.

25. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were approved by the Authority’s Board of Directors on 20 Ramadan 1447H (corresponding to 9 March 2026).

06

➤ Chapter 06: CMA Financial Disclosure

The Statistical Appendix to the Annual Report is available on the Capital Market Authority's website: www.cma.gov.sa

To access the Open Data of the Statistical Appendix, please visit the following link:
<https://opendata.cma.gov.sa/Pages/default.aspx>

Conclusion

This report examines the initiatives and accomplishments of the Capital Market Authority (CMA) throughout 2025, a year marked by notable progress in the capital market. During this period, CMA advanced the implementation of its 2024–2026 strategy, which focuses on promoting financing and investment, strengthening the capital market ecosystem, and safeguarding investor interests.

As part of its ongoing strategic efforts, CMA approved a regulatory framework for issuing Saudi Depositary Receipts (SDRs) backed by foreign equities, with the objective of expanding the depth of the Saudi capital market and reinforcing its contribution to capital formation. In 2025, CMA also authorized the inclusion of additional investor categories in the parallel market and granted approval for the launch of the first service provider operating under the Alternative Trading System (ATS) for sukuk and debt instruments.

CMA maintained its work on enhancing regulatory structures by introducing provisions that allow companies listed in the Saudi capital market to be excluded from the “non-Saudi” classification under the Law of Real Estate Ownership and Investment by Non-Saudis. It also issued the Investment Funds Cross-Listing Guide, along with the Final Netting Regulation and its related collateral arrangements.

Additionally, CMA enacted several amendments to its executive regulations, including updates to the Rules on the Offer of Securities and Continuing Obligations, the Real Estate Investment Funds Regulations, the Special Purpose Entities Regulations, and the Rules Governing Foreign Investment in Securities.

On the investor protection front, CMA intensified its efforts by establishing compensation funds to improve the effectiveness of mechanisms for redressing affected parties within the capital market. These efforts were complemented by continued enforcement actions against market violations, initiatives to enhance financial awareness and literacy among the public, and the handling of investor complaints.

Looking ahead, CMA aims to sustain the development of the capital market in ways that strengthen investor protection and ensure market stability, while fostering an investment climate that supports the continued growth of the national economy

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