

SAUDI ARABIA CAPITAL MARKETS 2026

The Saudi IPO Experience

Insights from Leaders of Listed Companies

BDO Dr. Mohamed Al-Amri & Co. | Kingdom of Saudi Arabia

A market coming of age

Foreword



Welcome to the BDO Saudi IPO Experience Survey, a look at the Kingdom's capital markets through the eyes of the executives who have actually taken their companies public.

Over the last five years, Tadawul has moved from a domestically anchored exchange to one of the world's top ten in terms of market capitalisation. Vision 2030, PIF-led privatisations, and the maturity of Nomu have combined to produce a listing pipeline that is now among the deepest globally.

But the numbers only tell part of the story. To understand what it takes to bring a company to the market in Saudi Arabia; the readiness burden, the cost surprises, the post-listing realities, we surveyed 24 senior executives from companies that have listed on the Main Market and Nomu. Their answers, set against a market context of record IPO activity, form the substance of this report.

Gihad Al-Amri
Managing Partner

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A decade of transformation

Is the Saudi Market living up to its hype?

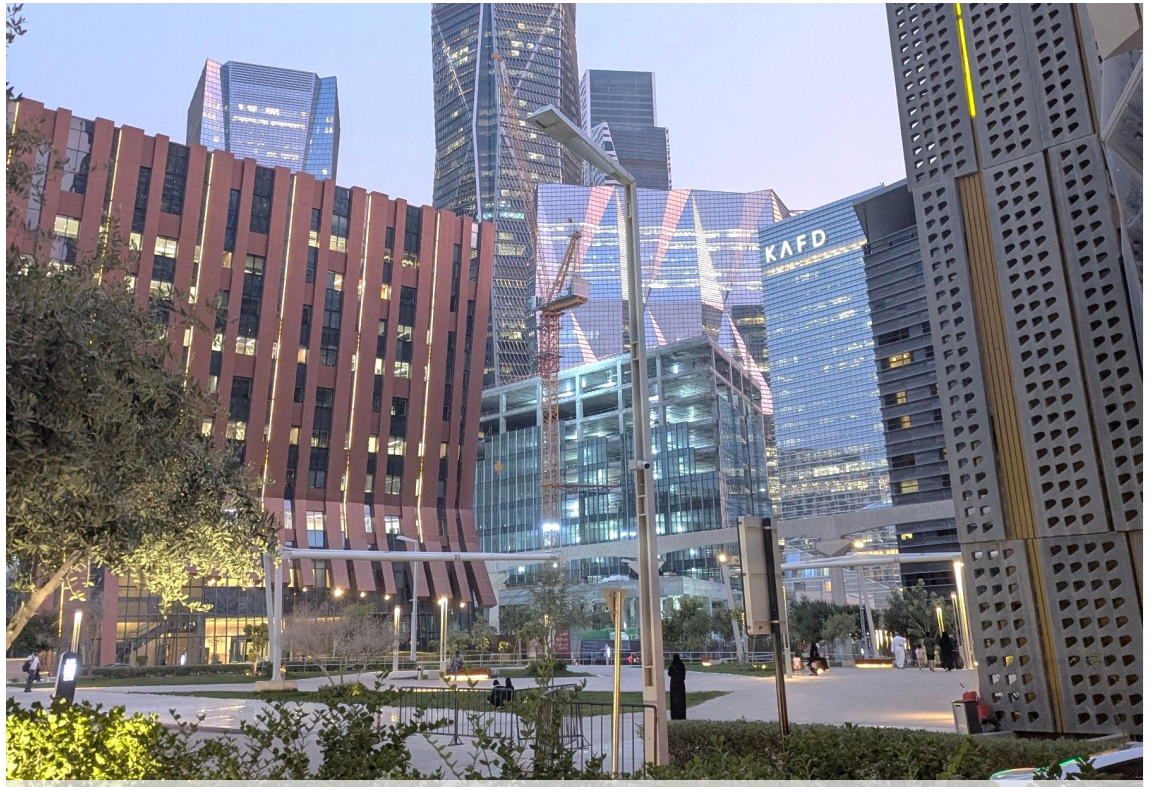
Tadawul has become the largest stock exchange in the Middle East and the 9th largest among the 67 member exchanges of the World Federation of Exchanges, closing FY25 at a market capitalization of approximately SAR 8.8 trillion (USD 2.4 trillion).

The exchange ended the year with 266 companies on the Main Market and 126 on the Parallel Market (Nomu). Foreign equity ownership continued climbing, reaching over SAR 590 billion by Q3 2025, while international investments in the Main Market reached approximately SAR 519 billion during the same period.

Between 2014 and 2025, the Main Market hosted 104 IPOs, raising a combined ~ USD 68 billion, a run anchored by the December 2019 listing of Saudi Aramco, still the largest IPO in global history at USD 25.6 billion (USD 29.4 billion including the over-allotment option), later followed by a further USD 11.2 billion secondary offering in June 2024, the largest EMEA equity capital markets transaction since 2000.

The Nomu Parallel Market, launched in 2017, has emerged as the SME on-ramp with 23 new listings in 2025 alone.

Saudi Arabia again led the GCC in IPO proceeds in FY25, raising a combined USD 4.1 billion (USD 3.7 billion on the Main Market across 13 IPOs, plus USD 336 million on Nomu across 23 IPOs) — 79% of the GCC's total USD 5.1 billion.

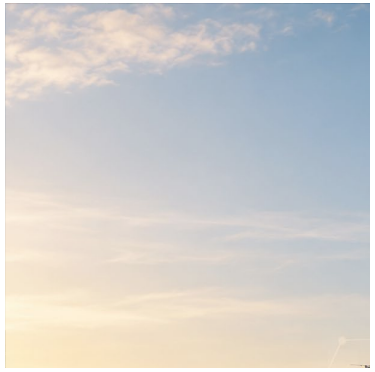


Sources: Saudi Exchange, CMA, Arab News

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A decade of transformation

Is the Saudi Market living up to its hype?



SAR 8.8tn
Tadawul market cap, end-2025

266+
Main Market listed companies

36
KSA IPOs in 2025 (13 Main + 23 Nomu)





USD 4.1b
KSA IPO proceeds 2025

USD 68b
Cumulative Main Market IPO raise, 2014-25

126+
Nomu listings since 2017







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Executive summary

The upside is real. So is the readiness gap.

83%
Say raising growth capital was their #1 IPO objective

88%
Cite CMA/Tadawul regulatory compliance as the toughest readiness workstream

67%
Found the total IPO cost higher than they had budgeted for

88%
Say the IPO strengthened corporate governance, brand visibility & market credibility

46%
Experienced market demand exceeding valuation expectations

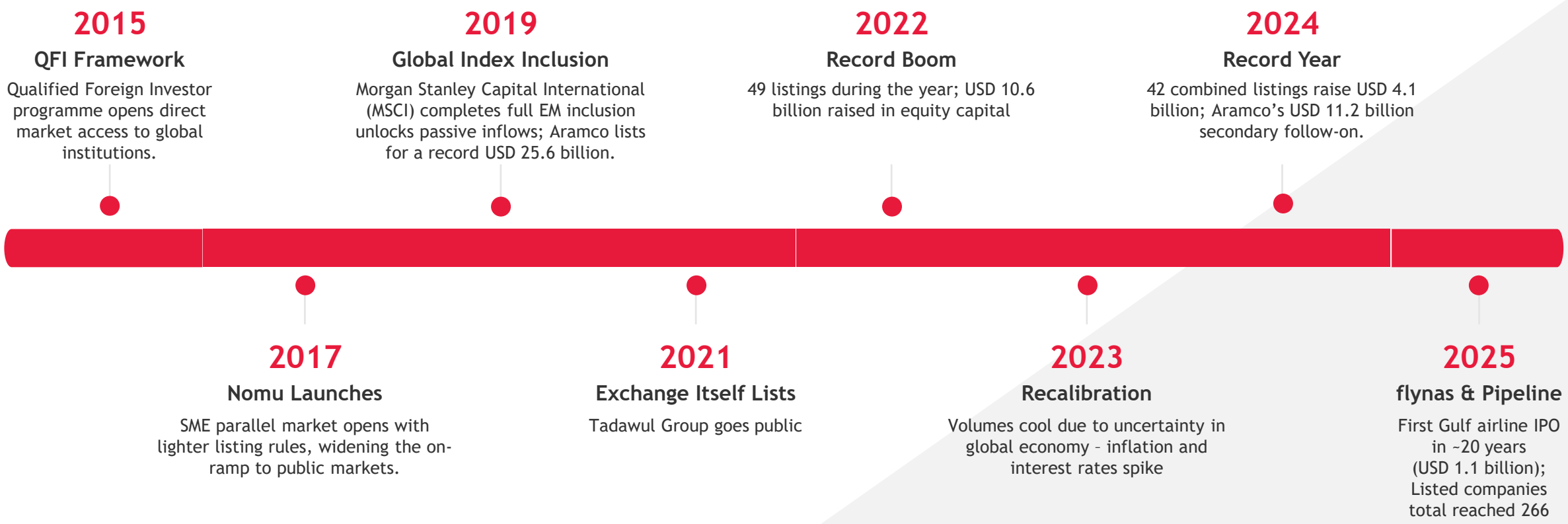
The bottom line:

Saudi IPO issuers are overwhelmingly positive about the outcome — but almost universally wish they had invested in strengthening financial reporting systems and controls earlier.

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The Saudi IPO market

From closed market to a global top 10



Sources: Saudi Tadawul Group; PRNewswire/CNBC; Investing.com; Arab News

The Saudi IPO market

Largest Main Market IPOs — last 5 years

01

Nahdi Medical Company

- **Year: 2022**
- **Sector:** Consumer / Pharmacy Retail
- **Proceeds (USD): 1.36 b**
- **Proceeds (SAR): 5.10 b**

02

ADES Holding Company

- **Year: 2023**
- **Sector:** Energy / Oil & Gas Services
- **Proceeds (USD): 1.22 b**
- **Proceeds (SAR): 4.57 b**

03

ACWA Power International

- **Year: 2021**
- **Sector:** Utilities / Renewables
- **Proceeds (USD): 1.20 b**
- **Proceeds (SAR): 4.53 b**

04

Flynas

- **Year: 2025**
- **Sector:** Transportation / Airlines
- **Proceeds (USD): 1.09 b**
- **Proceeds (SAR): 4.10 b**

05

Saudi Tadawul Group

- **Year: 2021**
- **Sector:** Financial Services / Exchange
- **Proceeds (USD): 1.01 b**
- **Proceeds (SAR): 3.78 b**

Sources: Argaam, Tadawul Group, Reuters, Forbes

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The Saudi IPO market

Historical benchmark



أرامكو السعودية
saudi aramco

Saudi Aramco

December 2019
Saudi Aramco's IPO marked a historic milestone for Saudi Arabia's capital markets.

The offering raised **USD 25.6 billion**, increasing to **USD 29.4 billion including the greenshoe option**, making it the **largest IPO in global history**.

Sources: Argaam, Tadawul Group, Reuters, Forbes

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The Saudi IPO market

Largest Nomu (Parallel Market) IPOs — last 5 years

01

Arabian International Healthcare Holding (Tibbiyah)

- **Year: 2022**
- **Sector:** Healthcare
- **Proceeds (USD): 109 m**
- **Proceeds (SAR): 410 m**

02

Jamjoom Fashion Trading

- **Year: 2025**
- **Sector:** Apparel and Lifestyle
- **Proceeds (USD): 92 m**
- **Proceeds (SAR): 346 m**

03

Saudi Top for Trading Company

- **Year: 2022**
- **Sector:** Consumer Retail
- **Proceeds (USD): 131 m**
- **Proceeds (SAR): 117 m**

04

Saudi Networks for Communications

- **Year: 2022**
- **Sector:** Telecom Network Services
- **Proceeds (USD): 29 m**
- **Proceeds (SAR): 107 m**

05

First Avenue for Real Estate Development

- **Year: 2024**
- **Sector:** Real Estate Development
- **Proceeds (USD): 26.3 m**
- **Proceeds (SAR): 98.5 m**

Sources: Argaam, Tadawul Group, Reuters, Forbes

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About the survey

24 IPO leaders. 13 questions. Real answers.

24
IPO leaders surveyed

13
Structured questions

5 years
Look-back window

2
Markets covered (Main + Nomu)

Methodology

In 2025, BDO conducted a survey of 24 senior executives, Chairs, CEOs, CFOs and Board members, from companies that have completed IPOs on Tadawul's Main Market or the Nomu Parallel Market over the last five years.

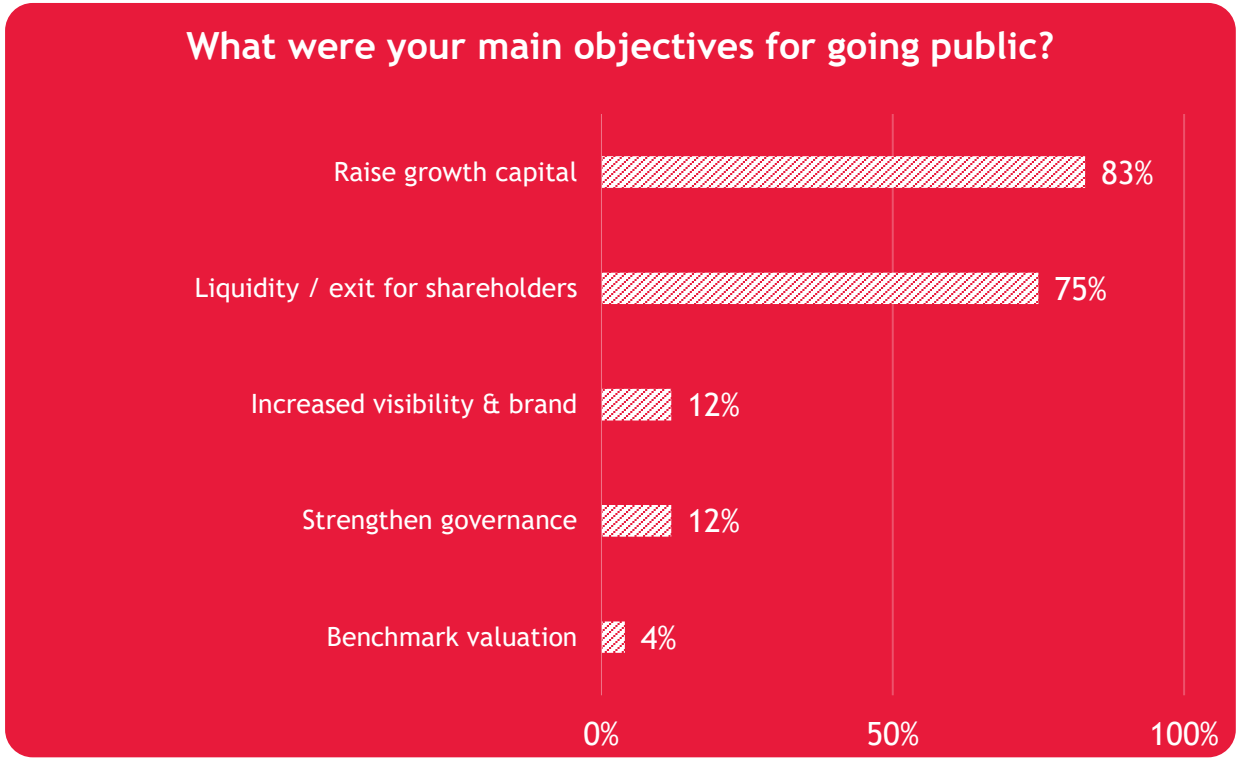
Respondents were asked 13 questions spanning the full IPO lifecycle: motivations for going public, readiness challenges, cost expectations, investor engagement, quality signals, post-listing impact, and lessons learned.

The survey was conducted anonymously. Sectors represented include consumer, healthcare, financial services, real estate, industrials and technology. The following sections present the aggregate results, question-by-question.

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Question 01

Why did you go public?



Key takeaway

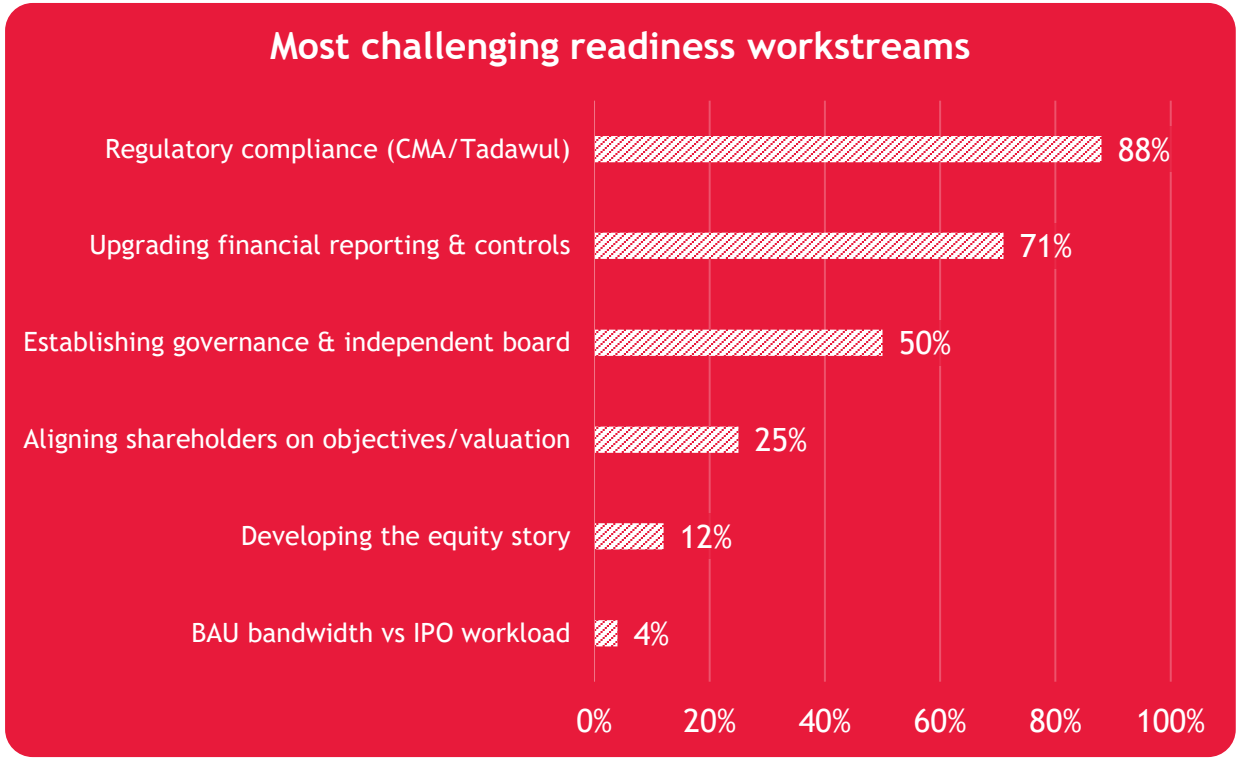
Growth-capital raising and shareholder liquidity together account for over 95% of stated objectives. Visibility, governance and benchmarking are often cited by advisors are secondary drivers.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Respondents could select up to 2 objectives.

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Question 02

Where did readiness challenge the most?



Key takeaway

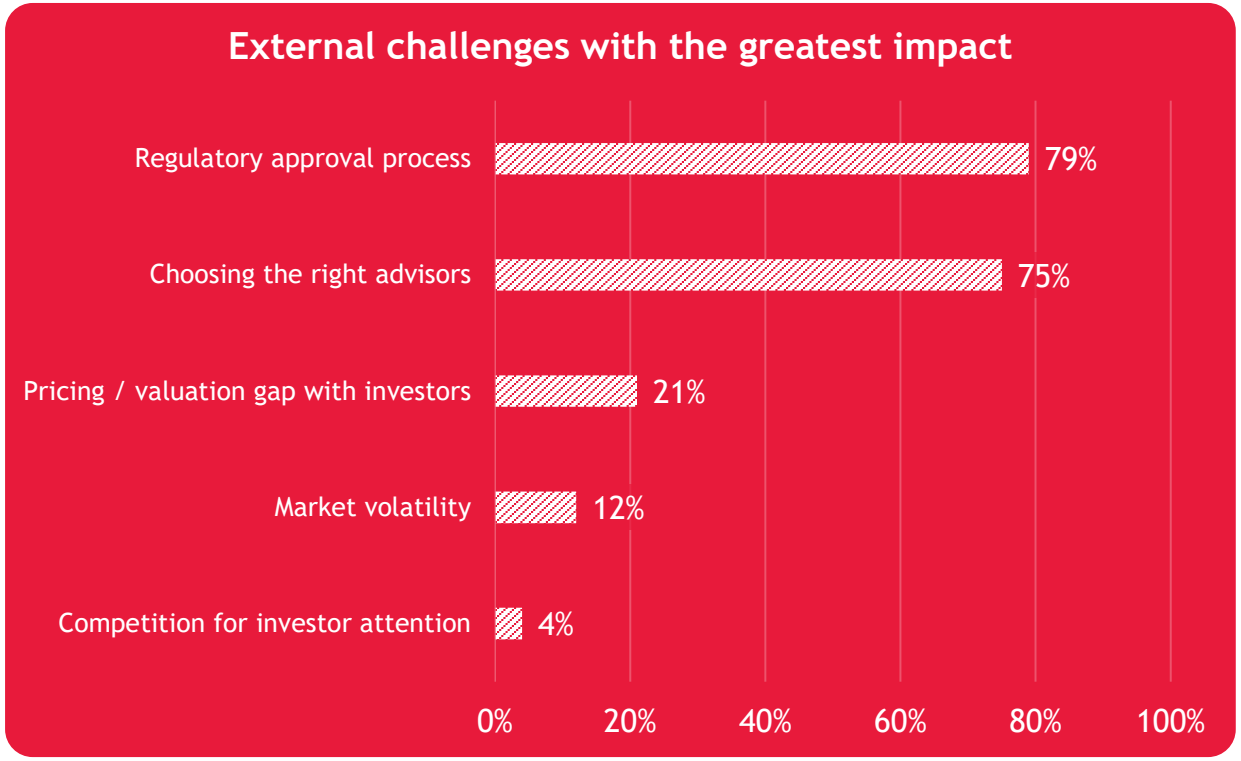
The regulatory filing burden is universal with 88% flag it as a top-3 pain point. But the deeper story is operational: seven in ten had to materially upgrade financial reporting infrastructure, and half had to rebuild the board.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select up to 3.

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Question 03

External challenges: advisors and approvals



Key takeaway

The two dominant external challenges are regulatory approval and advisor selection as the pre-IPO decisions. Getting them wrong is expensive; getting them right is the single largest lever on timeline certainty.

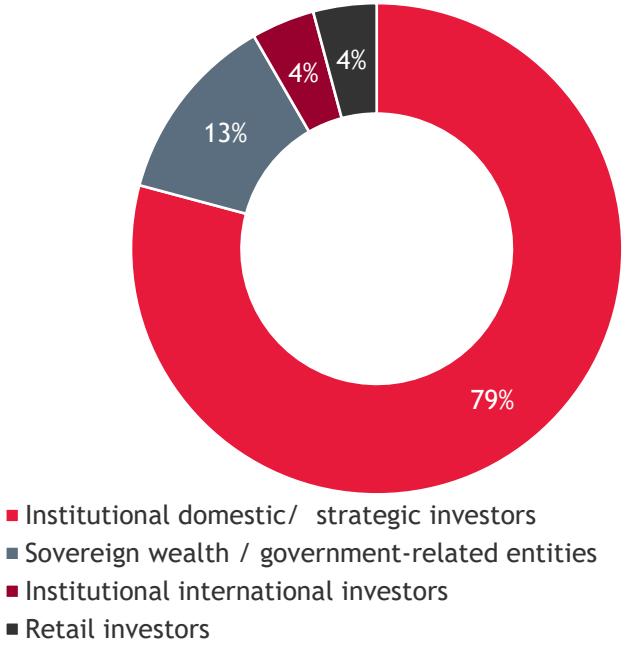
Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select up to 3.

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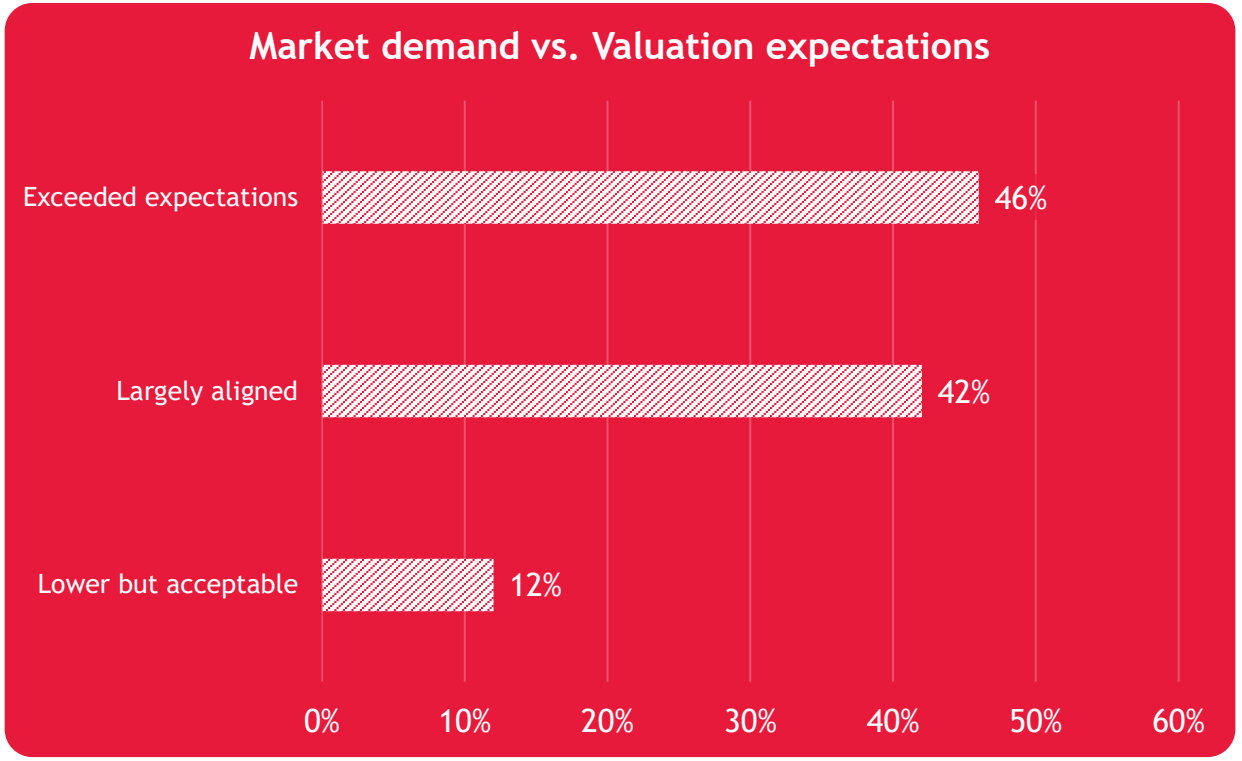
Question 04 and 05

Demand Dynamics: Investor Mix and Valuation Fit

Most influential investor group in IPO success



Market demand vs. Valuation expectations



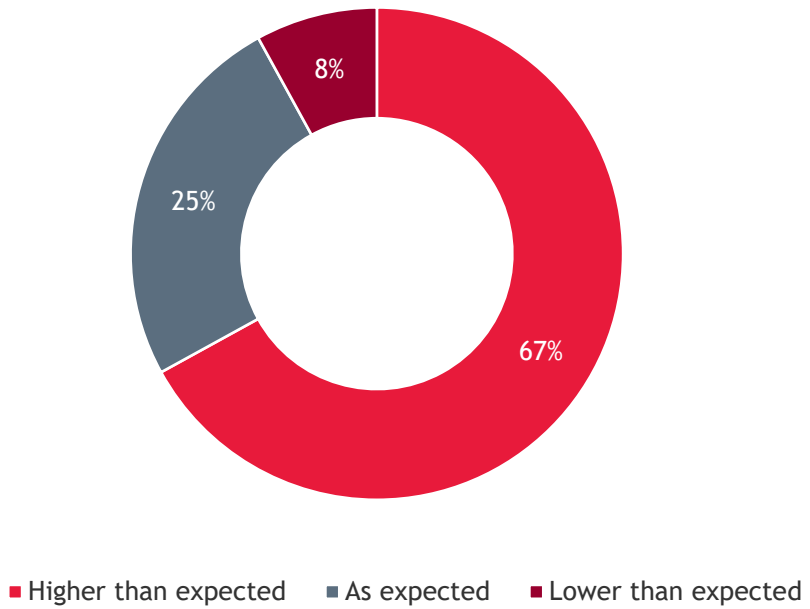
Source: BDO Saudi IPO Experience Survey 2025 (n=24).

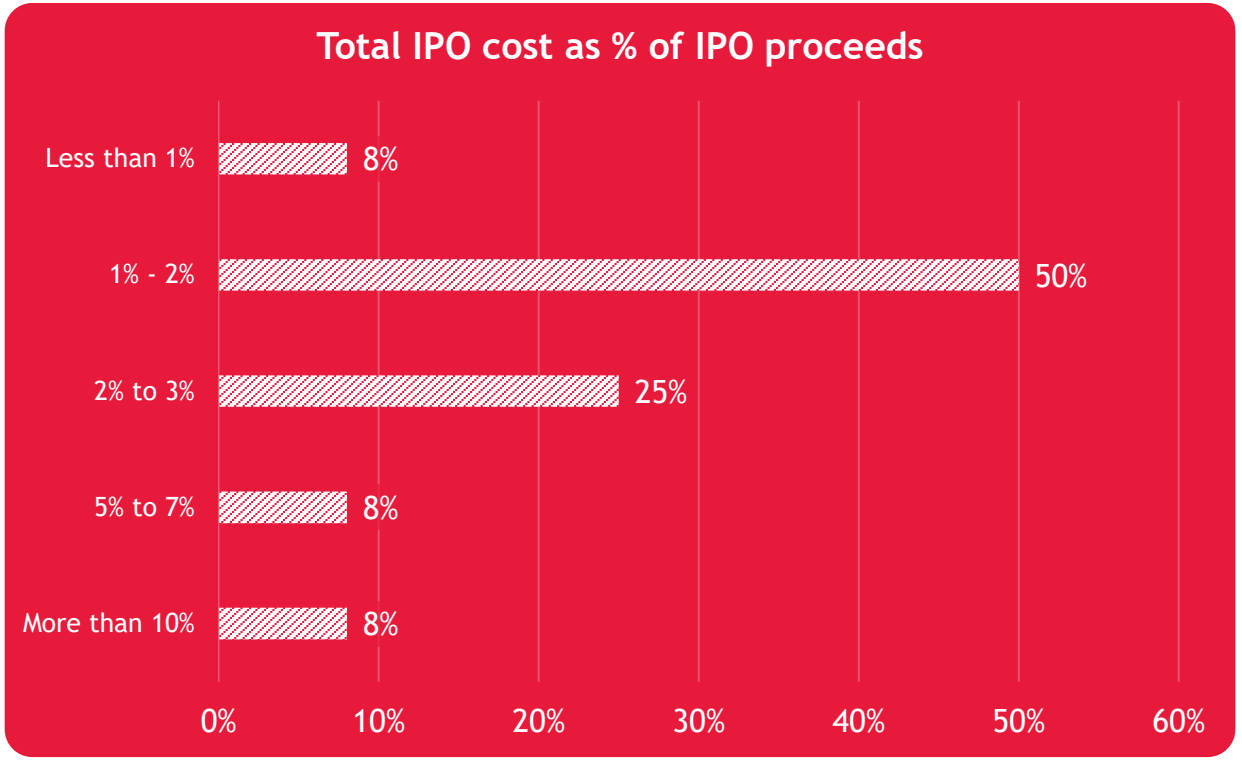
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Question 06 and 07

What did it actually cost?

Were IPO costs aligned with expectations?



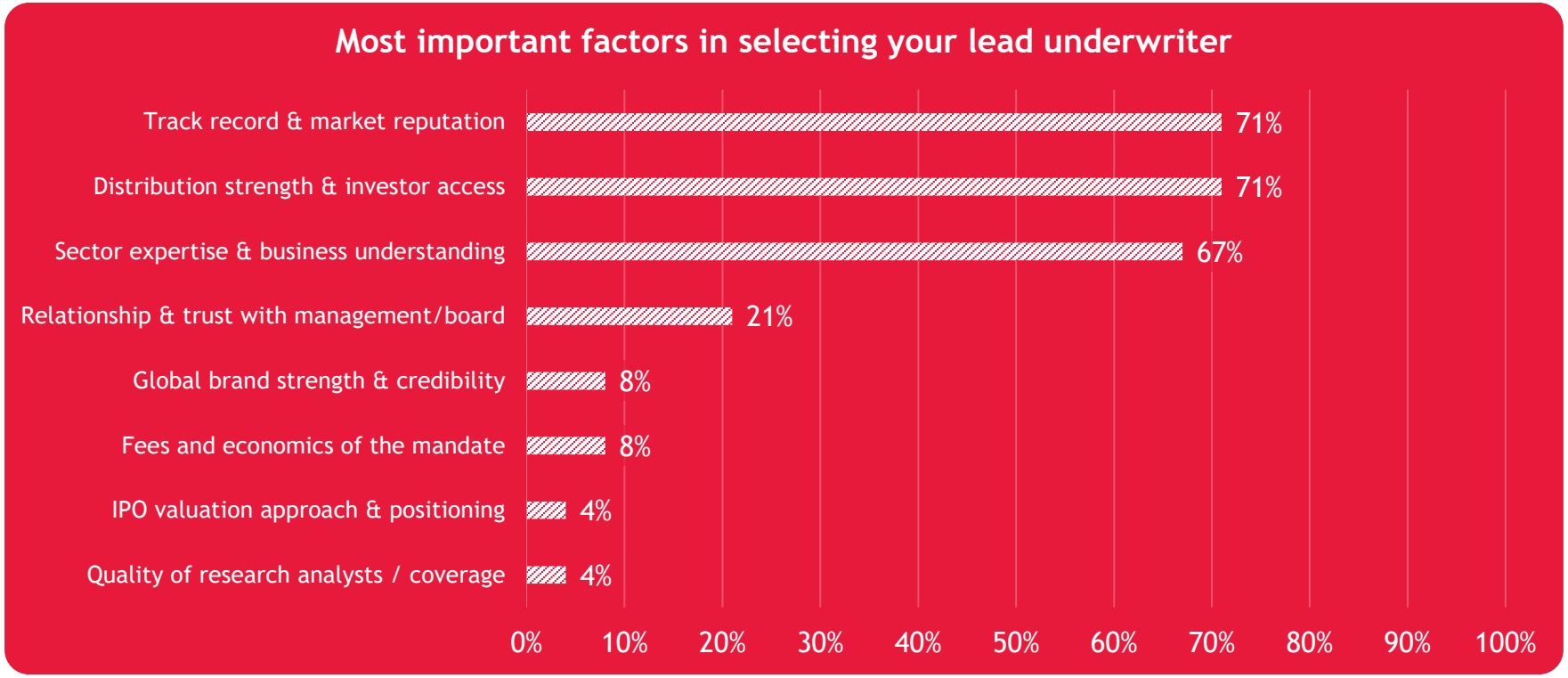


Source: BDO Saudi IPO Experience Survey 2025 (n=24).

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Question 08

What matters when picking a lead underwriter?



Key takeaway

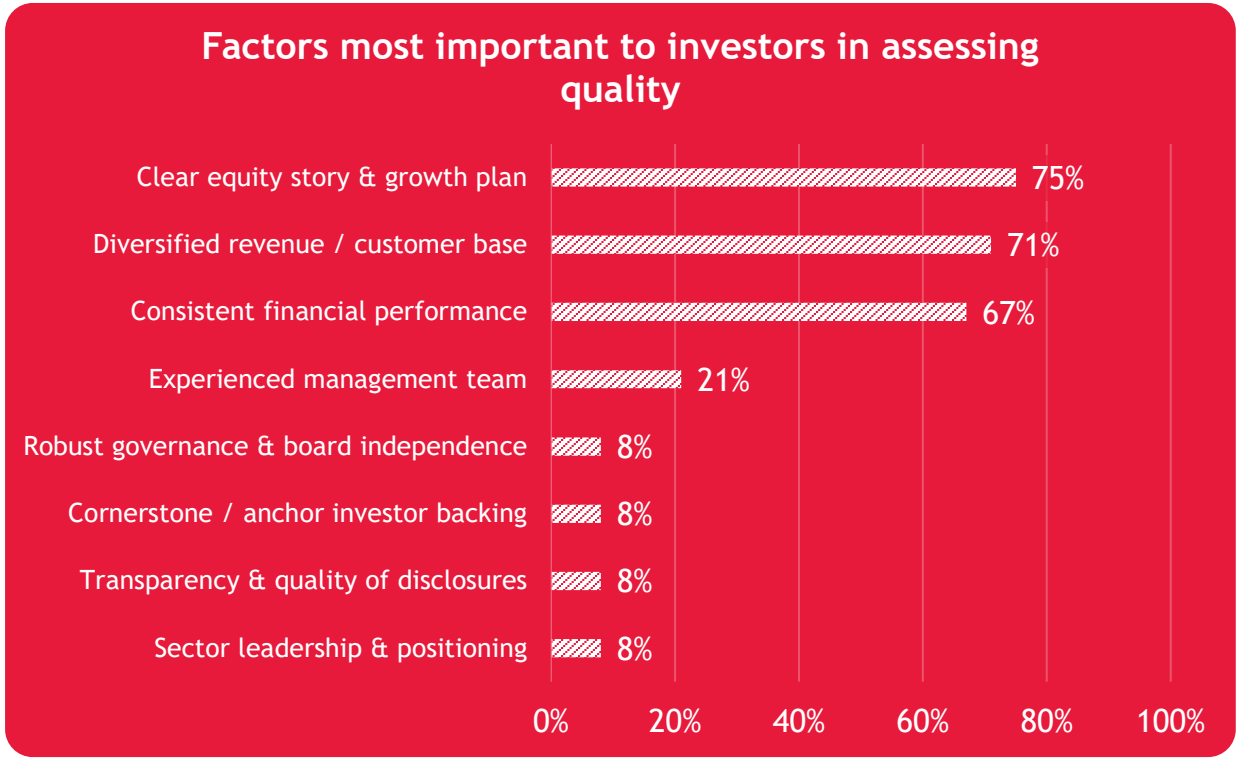
The top three factors; reputation, distribution, sector expertise appear in over two-thirds of responses. Fees rank near the bottom, signaling that issuers overwhelmingly buy execution certainty, not price.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select up to 3.

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Question 09

What did investors look for?



Key takeaway

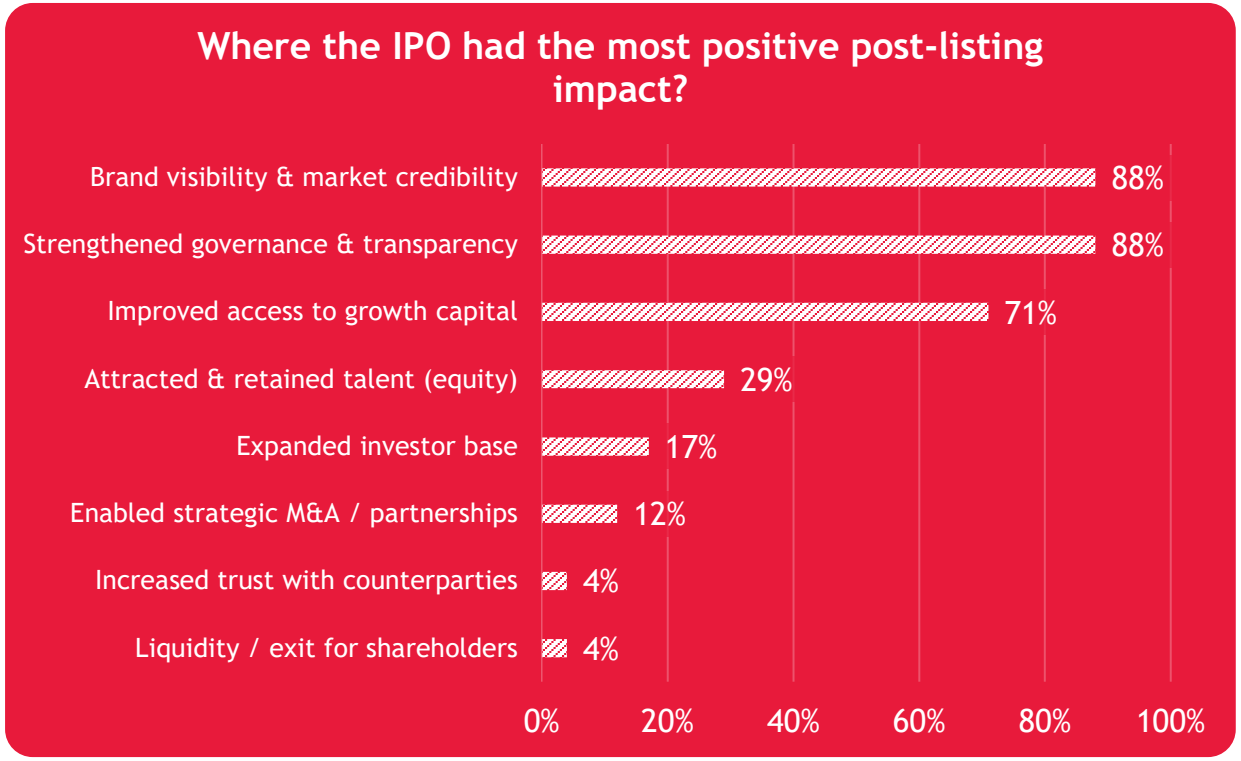
Three signals dominate: a coherent equity story, revenue diversification and a track record of performance. Governance and cornerstone backing rank lower, a possible blind spot given growing MSCI-linked institutional flows.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select up to 3.

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Question 10

Where did the IPO create the most value?



Key takeaway

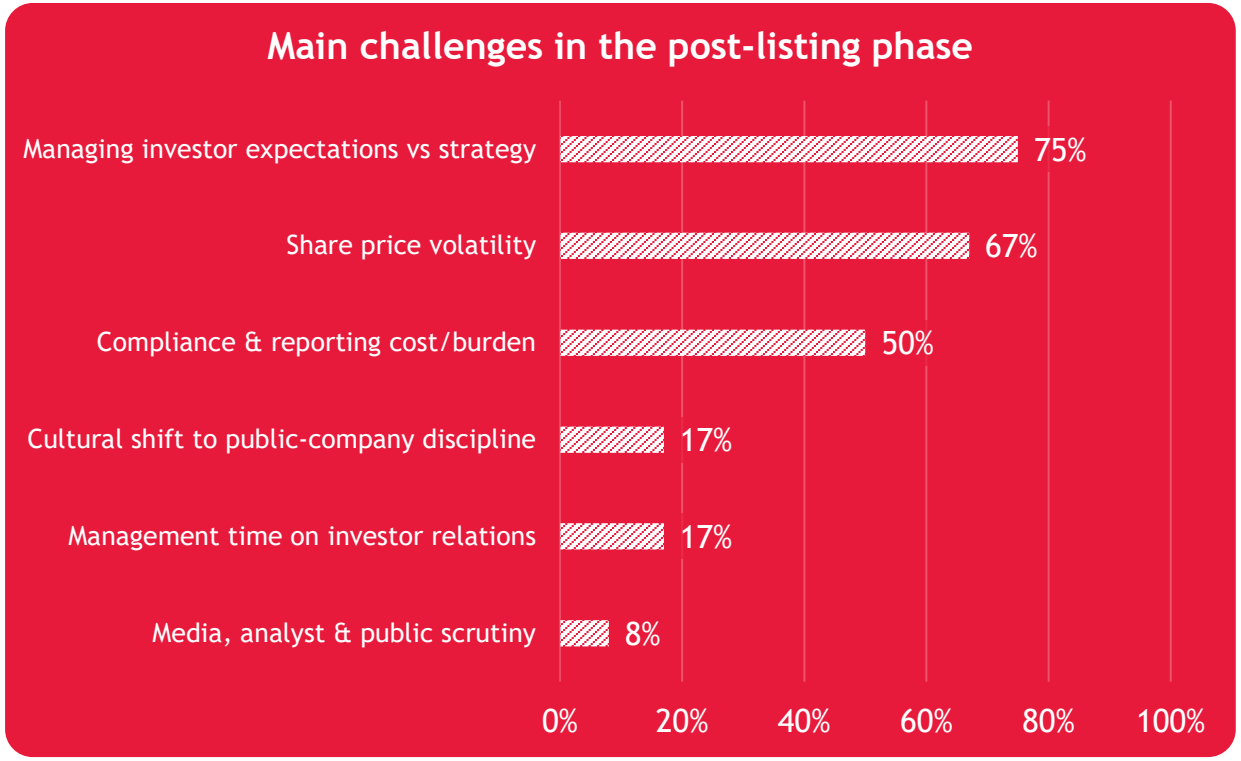
The IPO delivers on its 'soft' promises: nine in ten report gains in brand credibility and governance discipline. Only three in ten, however, saw material talent-attraction benefits, an area where equity-linked incentive structures may be under utilised.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select.

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Question 11

The other side of the ledger: post-listing drag



Key takeaway

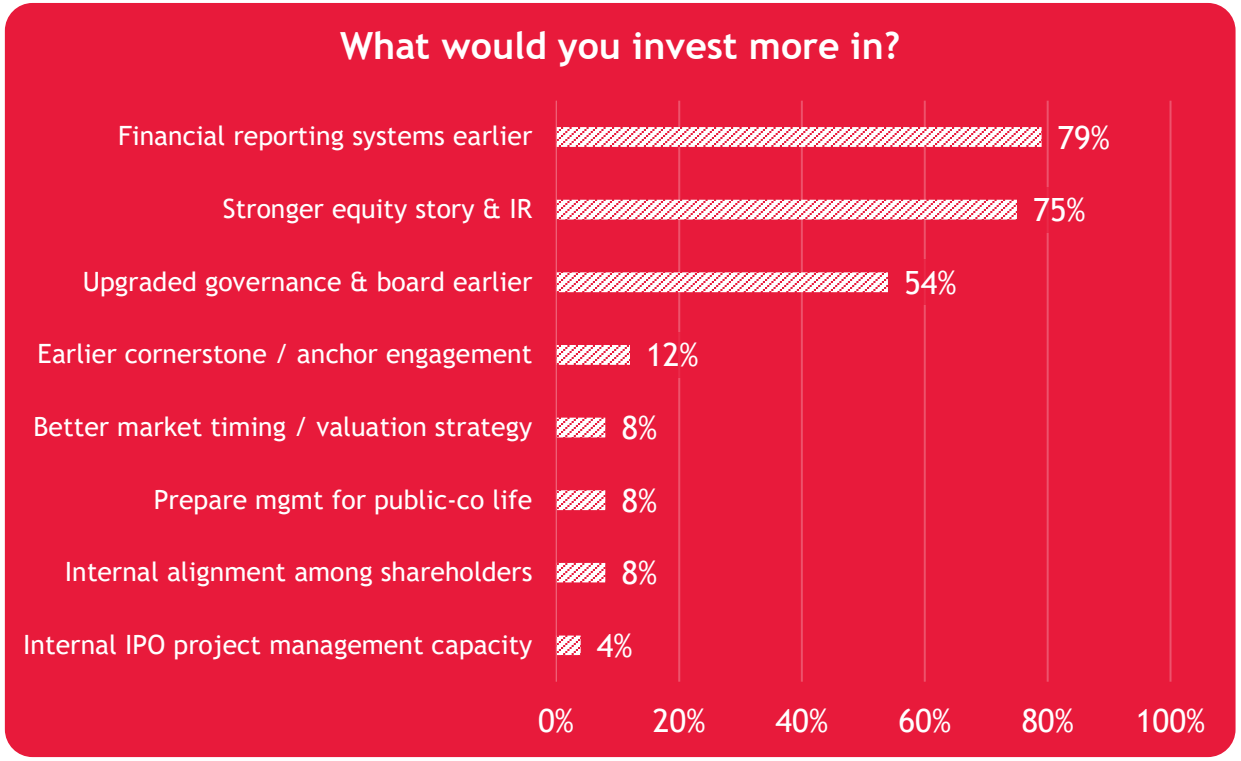
Three-quarters cite the tension between quarterly investor expectations and long-term strategy as their biggest post-IPO challenge. Compliance cost, while significant, is a distant third. Issuers absorb it more easily than the cultural shift.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select.

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Question 12

If you could restart the journey…



Key takeaway

The single loudest message from 24 IPO CEOs: build the reporting muscle and the equity story 12–18 months earlier. These aren't glamour workstreams but the ones that determine whether your book-build actually clears.

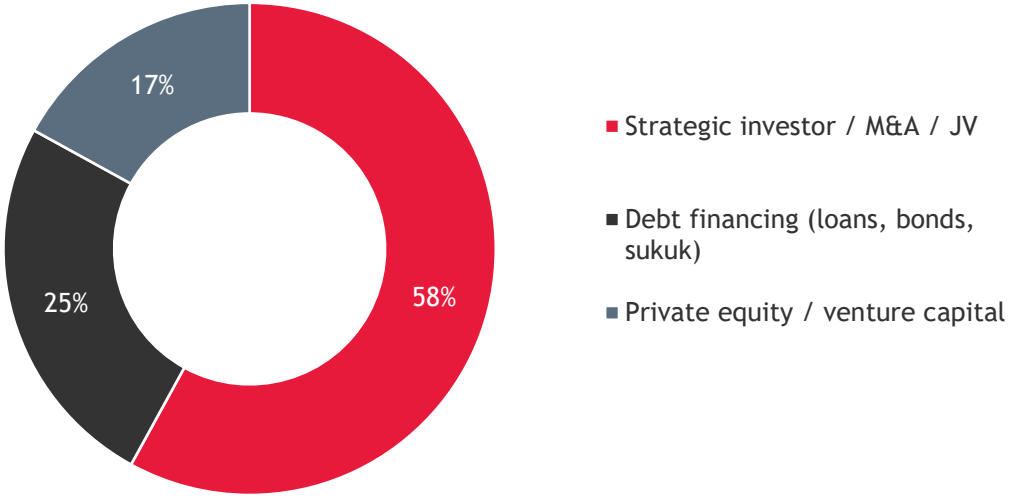
Source: BDO Saudi IPO Experience Survey 2025 (n=24). Multi-select up to 3.

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Question 13

The road not taken

Alternative most seriously considered instead of an IPO



Key takeaway

Strategic partnerships dominate — 58% of issuers weighed a trade sale, JV or strategic minority stake before choosing an IPO. This tracks with a broader GCC trend where family-owned businesses view the IPO as one liquidity route among several, not as the default.

Debt (sukuk in particular) sits second at 25%, reinforcing the depth of the Saudi debt capital market as a legitimate alternative for well-rated issuers.

At 17%, private equity consideration remains modest today, signaling substantial untapped potential as the Saudi PE market deepens and ownership attitudes evolve.

Source: BDO Saudi IPO Experience Survey 2025 (n=24). Single-select.

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Conclusion

Five takeaways for the next generation of Saudi IPOs

01

Start earlier than you think

79% of issuers wish they had invested more in financial reporting readiness before the timetable started, not after. 12–18 months is the practical minimum.

02

Build a clear equity story

A compelling equity story built on a credible growth plan didn’t just reassure investors, but what drove demand beyond expectations for almost half of issuers surveyed.

03

Budget for cost overruns

Two-thirds ran over estimated cost budget. Nomu-scale deals should assume 2%+ of proceeds in total transaction cost as a working baseline.

04

Prepare for the post-listing shift, not just the listing

75% cite investor-expectation management as the biggest post-IPO challenge. Build the Investor Relations (IR) function before you need it, not after your first quarterly meeting.

05

Keep the alternatives live until you don't need them

58% seriously weighed a strategic sale before choosing to list. Optionality is a discipline, not a sign of indecision.

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Talk to us

The BDO Capital Markets team in Saudi Arabia advises companies through every phase of the IPO journey — from readiness assessment and financial reporting uplift, through prospectus support, to post-listing reporting and controls.



Gihad Al-Amri
Managing Partner

Email: g.alamri@bdoalamri.com
Mobile: +966 50 527 0946



Abdur Rab Sharjeel
Senior Director, Head of Advisory

Email: a.sharjeel@bdoalamri.com
Mobile: +966 55 754 0579



Muhammad Assad Butt
Senior Director, Head of Deal Advisory

Email: m.butt@bdoalamri.com
Mobile: +966 55 547 4692

IPO & Capital Markets team

Syed Waseem Iqbal
Assistant Manager, Deal Advisory
Email: s.iqbal@bdoalamri.com
Mobile: +966 53 528 1767

Zain Jawed
Senior Manager, Deal Advisory
Email: j.zain@bdoalamri.com
Mobile: +966 53 229 0870

Sahresh Shahzad
Practice Coordinator, Deal Advisory
Email: s_shahzad@bdoalamri.com
Mobile: +973 3942 6972

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