



THIRTEENTH ANNUAL REPORT

Financial Year (2023/2024)
State of Kuwait



بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



His Highness Sheikh
Meshal Al-Ahmad Al-Jaber Al-Sabah
The Amir of the State of Kuwait



His Highness Sheikh
Sabah Khalid Al-Hamad Al-Sabah
The Crown Prince of the State of Kuwait



His Highness Sheikh
Ahmad Abdullah Al-Ahmad Al-Sabah
Prime Minister of the State of Kuwait



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CMA Board of Commissioners



Prof. Ahmad A. Al-Melhem

Chairman of CMA Board of Commissioners -
Managing Director



Othman I. Al-Issa

Vice Chairman of the Board of
Commissioners



Abdulmohsen H. Al-Mazidi

Member of the Board of
Commissioners



Ahmed A. Al-Qadhi

Member of the Board of
Commissioners



Message of the Chairman of CMA Board of Commissioners



I am delighted to introduce the thirteenth issue of the CMA's annual report to those interested in economic affairs, with a specific focus on securities activities. The CMA has made it a tradition to issue this report at the conclusion of each financial year, outlining the activities, tasks, accomplishments, and developments achieved in the financial market during the past financial year.

It is worth mentioning that the financial year (2023/2024) covered in our report coincided with the launch of the CMA's third strategy for the financial years (2023/2024-2026/2027). This year witnessed the launch of numerous initiatives of that strategy within its three pillars (Capital Markets Development, Cooperation and Communication, Institutional Enablement), especially the initiatives that align with long-term strategic directions, which extend beyond the development of the financial market sector in the State of Kuwait. Their aim is to elevate the local financial market to the ranks of advanced emerging markets. Furthermore, they target enhancing sustainable socio-economic development and fulfilling the role entrusted to the CMA in achieving Kuwait's Vision 2035.

I will highlight the key initiatives undertaken within the pillars, leaving the detailed review and accomplishments of tasks to the report's sections, along with the overview of the CMA's activities in various legislative, regulatory, supervisory, and awareness fields. I will also present the key directions and future visions of the CMA for the coming years.

In the framework of "Capital Markets Development" as the first of those pillars, the past financial year witnessed the launch of several highly important initiatives aimed at achieving financial inclusion and transitioning to sustainable financial economies and markets. Among the notable initiatives was the commencement of the initial implementation phase of securities-based financial technology services, along with the launch of the first set of services, including two services: Securities-Based Crowdfunding Service and Digital Financial Advisor. I firmly believe that this initiative holds exceptional importance due to its developmental targets that extend beyond its direct objectives – emphasizing the provision of financial services to a broader community segment, diversifying investment products and services, establishing new financing and investment channels, enhancing liquidity levels, supporting entrepreneurs and innovators in financial technology. Ultimately, it aims to achieve societal financial inclusion, consolidate it, enhance attractive features of the local investment environment, and contribute to diversifying the national economy.

Moving on to the second pillar, "Cooperation and Communication," several initiatives were undertaken to enhance the legislative framework of the CMA to comprehensively cover various aspects of sustainable finance activities within the securities sector. Following the preparation of a study on the legislative, regulatory, and infrastructural requirements



for implementing sustainability principles, legislative amendments were made to encompass the requirements of sustainable finance, including provisions for dealing with green, social, and sustainable bonds and sukuk. Additionally, amendments were made to allow for the integration of sustainability considerations, including environmental, social, and governance issues, into the operational processes of companies.

In a related context, the CMA began efforts to develop a roadmap for advancing the Islamic financial industry in capital markets. The aim is to establish appropriate regulatory frameworks to introduce and develop Islamic investment instruments, further diversifying and innovating the market, providing more competitive investment opportunities in the local market, and promoting Islamic finance as one of the pillars of sustainable economic development financing.

Within the framework of the CMA's efforts to enhance the legislative and regulatory efficiency of capital markets, a study was conducted on the economic mechanism of the Small and Medium-sized Enterprises (SMEs) market in Kuwait. Feasibility studies for the establishment of a new trading platform for these types of companies were also explored, aiming to expand the range of investment opportunities and provide financial channels for these companies through the capital market.

On the local level, the CMA signed several memoranda of understanding with various national entities, including the Kuwait Competition Protection Agency, Communication and Information Technology Regulatory Authority, the Insurance Regulatory Unit, and the Ministry of Commerce and Industry. Additionally, coordination efforts with various national academic and community entities were undertaken to enhance financial inclusion facets within the community.

At the regional level, the CMA continued its participation in meetings of the Heads of GCC Capital Markets Authorities Committee to further integrate financial markets. Additionally, efforts within the joint Gulf awareness program "Mulim" were pursued.

Internationally, the active participation of the CMA in the International Organization of Securities Commissions (IOSCO) and its committees resulted in the CMA's membership in the Board of Directors of the organization for two consecutive years. Efforts were intensified in the framework of the same pillar initiatives to enhance awareness through the National Financial Inclusion and Investment Awareness project, as well as the completion of the establishment procedures of the Capital Markets Academy, which will soon start its operations.

As for the third pillar of the strategy, which is "Institutional Enablement", I will briefly point out the key achievements made within its framework. For the fourth consecutive year, the CMA has made significant progress in enhancing its internal governance practices to levels that qualified it to acquire first place in the ranking of entities with an independent budget in terms of meeting governance requirements, especially with the CMA'S adopting a self-governance system that takes into account international standards and is consistent with the comprehensive and effective governance system for the public sector targeted by Kuwait Vision 2035. The CMA also obtained the ISO 22301 certification, due to its commitment to applying the highest levels of business continuity management. Moreover, the CMA had many achievements relevant to human resources capacity building and enhancing the internal work environment by providing qualifying and training programs. Some of CMA employees obtained a certificate of preparing a certified trainer, and a distinctive approach was taken in certifying some of its employees, reflecting the directions of the upcoming phase, whose mechanism and objectives were announced through the "Comprehensive Training Guide," bearing the motto "Towards New Paths", which was launched in CMA first training forum.

Within the same pillar, the CMA has made significant progress in its digital transformation strategy, aiming to digitize all its services within a few years to enhance communication with stakeholders,



achieve effective interaction with them, and provide services through the latest available technological means without the need for them to visit in person, facilitating necessary procedures and saving their time and effort.

As this annual report includes, for the first time, a part on the performance of the Strategic Plan (2023/2024), I will only provide a summary of the main initiatives undertaken by the CMA as part of its current strategy during its initial years. I believe that its remaining years will lay the foundation for a transformative phase that embodies the visions and future directions of the CMA. This phase will primarily focus on developmental strategies aimed at enhancing financial inclusion within the community, fostering the local Islamic finance industry, launching more financial technology-based products and services, and solidifying the principles of responsible sustainable finance. The goal is to elevate the local capital market to the level of advanced emerging markets and transform it into a sustainable market in collaboration with our partners within the financial markets system, positioning it as the "core" of the required transition towards a sustainable economy.

When reflecting on the preceding financial year, we acknowledge the somber occasion marked by the passing of the late Amir, His Highness Sheikh Nawaf Al-Ahmad Al-Jaber Al-Sabah. His loss has left a deep void, and our grief can only be tempered by the assurance that the mantle of leadership will be passed on to the most qualified successor to lead our beloved State of Kuwait.

Before concluding my message, I would like to commend the efforts of the previous CMA Board members and extend my appreciation to the current Board members, as well as the hard work of all CMA employees and partners within the financial markets industry, which have been instrumental in achieving the successes witnessed by the CMA, both past and ongoing.

In conclusion, I express, on behalf of myself and my fellow Board members and colleagues at the CMA, sincere appreciation and gratitude to our wise leadership, represented by His Highness the Amir of the country, Sheikh Mishal Al-Ahmad Al-Jaber Al-Sabah, may God protect him, and to His Highness the Crown Prince, Sheikh Sabah Al-Ahmad Al-Jaber Al-Sabah, may God protect him, and to His Highness the Prime Minister, Sheikh Ahmad Abdullah Al-Ahmad Al-Jaber Al-Sabah, for their continuous support to the CMA.

Prof. Ahmad A. Al-Melhem

Chairman of the Board of Commissioners and Managing Director



Section One

Establishment, Core Objectives, Vision, Mission, Institutional Values

- ▶ Establishment
- ▶ Core Objectives
- ▶ Vision, Mission, Institutional Values
- ▶ CMA Organizational Structure

Establishment

Law No. 7 of 2010

- ▶ Law of CMA's Establishment
- ▶ Issued on February 21, 2010
- ▶ Published in the Official Gazette on February 28, 2010



Law No. 108 of 2014

- ▶ Amending Some Provisions of Law No. 7 of 2010
- ▶ Issued on July 23, 2014
- ▶ Published in the Official Gazette on August 10, 2014

Law No. 22 of 2015

- ▶ Amending Some Provisions of Law No. 7 of 2010
- ▶ Issued on May 4, 2015
- ▶ Published in the Official Gazette on May 10, 2015

▶ Article 2 of Law No. 7 of 2010

An independent Authority that has legal personality shall be established and shall be under the oversight of the Minister of Commerce and Industry, and shall be called the "Capital Markets Authority".

▶ Article 1-1 of Module Two of the Executive Bylaws

The Authority is a corporate entity, and it is independent financially and administratively. It is supervised by the Competent Minister. The Authority has the right to litigate, conclude contracts, own real estate and movable assets and to conduct all legal acts in order to achieve its objectives.



CMA Core Objectives





Vision

To provide a safe and enabling regulatory environment to advance the State of Kuwait's capital markets into developed markets that contribute to the national economy

Mission

To promote the supervisory, controlling, and regulatory systems to develop safe, attractive, and competitive capital markets in the State of Kuwait; based on the principles of fairness, transparency, and integrity and in line with the best international practice

Institutional Values

Responsibility

Undertaking the responsibility of implementing the law and the bylaws that govern the capital markets

Justice

Justice and equality in implementing the laws and regulations on all entities that are subject to CMA's supervision without prejudice or discrimination

Integrity

Commitment to honesty, integrity and professional ethics



Transparency

The CMA ensures the society's right of knowledge according to its law and governing rules

Excellence

Commitment of doing our work with a high degree of proficiency and literalism

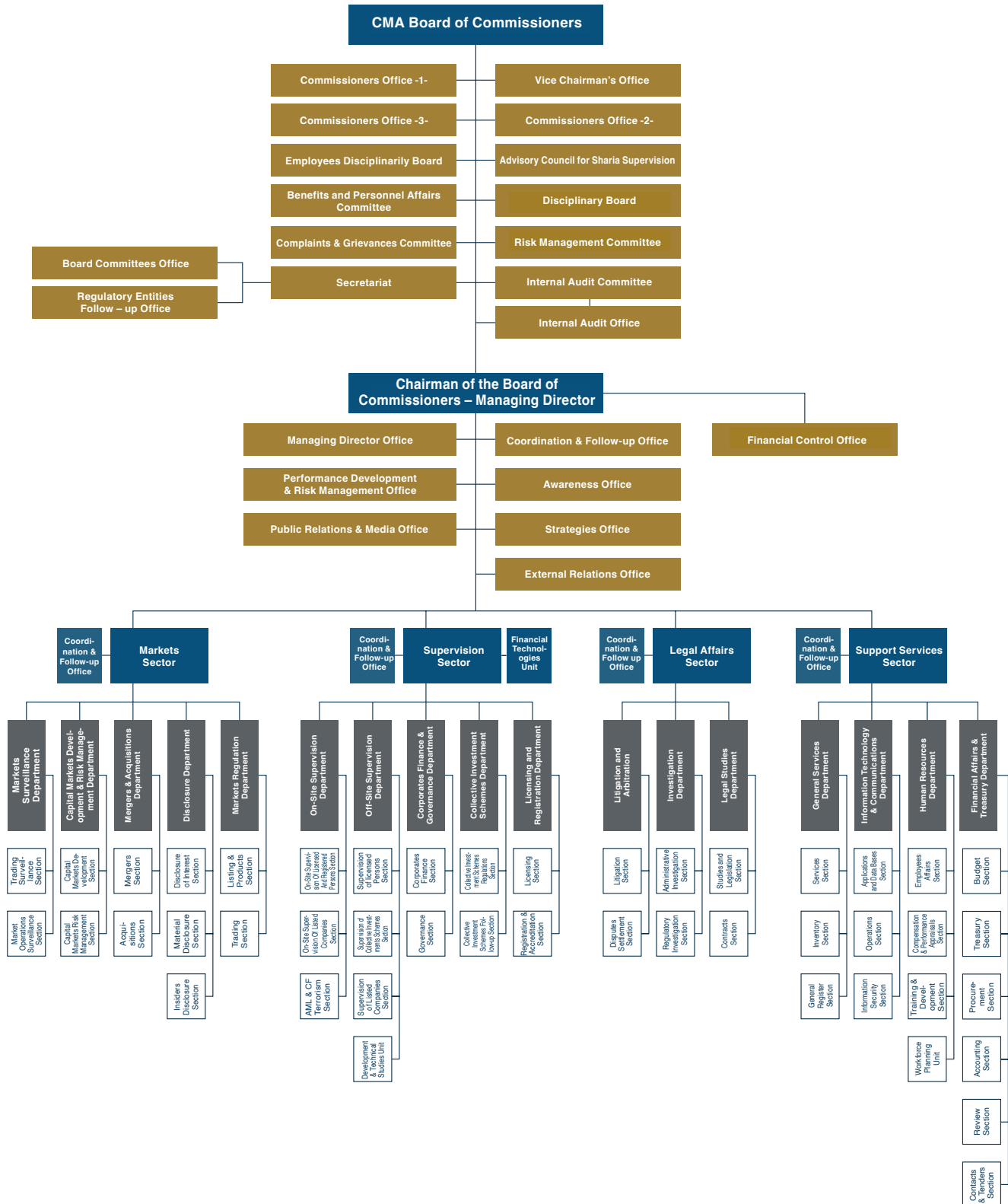
Efficiency

Optimize the available resources of the CMA to meet obligations internally and externally

Partnership

Work as a team and partnership with the other regulatory entities and those that are licensed by the CMA

Organizational Structure





Section Two

Performance of CMA Board of Commissioners and Secretariat, and Audit and Financial Control Tasks

- ▶ CMA Board of Commissioners
- ▶ Committees that Form Part of CMA Board of Commissioners
- ▶ Secretariat of the Board of Commissioners
- ▶ Audit and Financial Control Tasks



► CMA Board of Commissioners

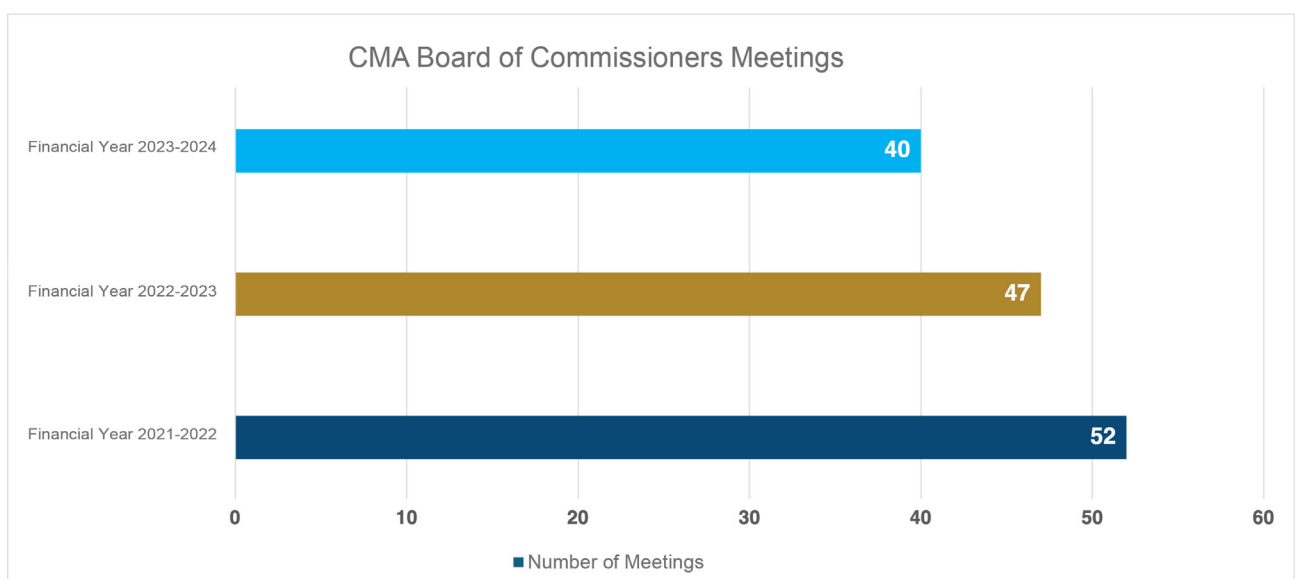
► Board Formation

The formation of the CMA Board of Commissioners during the Financial year (2023/2024) was as follows:

 Prof. Ahmad A. Al-Melhem Chairman	 MR. Abdulmohsen H. Al-Mazidi Member
 MR. Othman I. Al-Issa Vice Chairman	 MR. Ahmed A. Al-Qadhi Member

► Board Meetings and Resolutions

The CMA Board of Commissioners held (40) meetings, during which approximately (303) topics were discussed. Throughout these meetings, (318) resolutions were issued, which varied in nature between regulatory, legislative, and legal resolutions. Additionally, there were resolutions related to government entities, and international authorities and organizations.



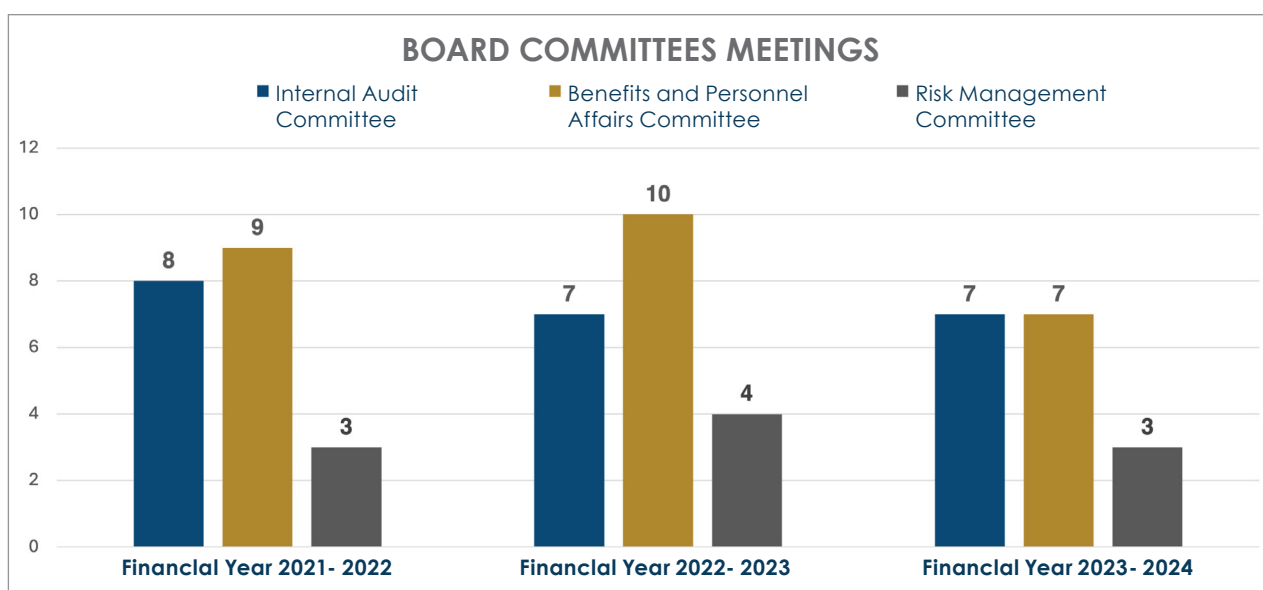
Article (12) of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities and its amendments stipulates that "The Board shall convene at least eight (8) times a year upon an invitation from the Chairman or a request filed by at least two Commissioners."



► Committees that Form Part of CMA Board of Commissioners

The number of committees that form as part of the CMA Board of Commissioners are 3 permanent committees. The following table and figure illustrate the number of meetings of the committees during the financial year that ended on 31/03/2024 compared to the previous years:

Financial Year	Internal Audit	Benefits and Personnel Affairs	Risk Management
2023/2024	7	7	3
2022/2023	7	10	4
2021/2022	8	9	3



► Secretariat of the Board of Commissioners

The activities of the Secretariat of the Board of Commissioners may be shown through the work of its administrative units, as illustrated in the following diagram that presents the organizational structure of the Secretariat:





► Board of Commissioners Secretariat

It is responsible for preparing and coordinating the meetings of the Board and its committees. It also records, documents, and archives the minutes of the meetings, as well as any recommendations, directives, assignments or decisions issued by them. It notifies the relevant authorities accordingly and follows up on their implementation. Additionally, it follows up the work of the Board Committees Office and the Regulatory Entities Follow-up Office.

► Regulatory Entities Follow-up Office

It is responsible for coordinating between the relevant organizational units within the CMA and the regulatory bodies in the country. During the last financial year, the Office received (207) requests from those bodies, which it reviewed and responded to.

► Board Committees Office

It is responsible for direct overview of the meetings of the committees that form as part of the Board of Commissioners previously mentioned. In addition to that, it oversees the work of the CMA Employees Disciplinary Board and follows up its decisions and recommendations.

► Audit and Financial Control Tasks

► Internal Audit Office

► Implemented Tasks

- Executing the annual audit plan approved by the Internal Audit Committee for the financial year (2023/2024).
- Reviewing the periodical and annual financial information of the CMA and its reports.
- Carrying out periodic follow-ups on internal audit reports.
- Reviewing and expressing opinion on internal issues, such as renewing the contract for auditing and reviewing the financial statements with the CMA's external auditor.
- Exchange of experiences in the field of internal audit with the Internal Audit and Risks Office at the Insurance Regulatory Unit.

► Financial Control Office

► Implemented Tasks

Type of Procedure	The Financial Year (2022/2023)	The Financial Year (2023/2024)
Payment Vouchers	849	931
Revenue Vouchers	1765	1491
Accounting Settlement Bonds	210	243
Deposits	17	19
Purchase Orders	111	117
Contracts	81	80
Total	3033	2881
Corrective Actions	34	46
Attending Committees' Meetings	41	41
Abstention	0	0
Other tasks	7	7

Corrective Actions of the Observations

Type of Procedure	Payment Vouchers	Revenue Vouchers	Contracts	Accounting Settlements	Total
Number	11	22	11	2	46



Section Three

Strategic Field

- ▶ Strategic Planning
- ▶ Third Strategic Plan (2023/2024-2026/2027)
- ▶ Performance of the Implementation Plan
- ▶ Implementation Development of Performance Indicators of the Strategic Plan
- ▶ Alignment of CMA's Strategy with the Development Plan
- ▶ Strategic Plan for Digital Transformation

► Strategic Planning

The CMA considers strategic planning as one of the key pillars of success in achieving its long-term vision and goals. It is a continuous process that keeps pace with changes in the work environment and directs its resources to effectively carry out its responsibilities in regulating securities activities as per its establishment law. At the same time, it contributes to realizing the State of Kuwait's development vision and the growth of the national economy.

The strategic planning unit is responsible for:

- Preparing, managing, and developing the CMA's strategic plans and implementation plans. It is also responsible for the governance of its projects' management and monitoring and evaluating their performance to support the achievement of its strategic objectives.
- Preparing periodic reports and publications related to the strategy.
- Instilling a culture of strategic planning among the organization's employees, developing its methodology, and holding several workshops related to operational plans for its various sectors. Additionally, it includes training programs in "Project Management" and "Planning Skills" to enhance employees' knowledge.
- Coordinating with many local entities on aspects related to the strategy, such as:
 - General Secretariat of the Supreme Council for Planning and Development regarding following up on the CMA's projects included in the development plan and the country's development plan, as these efforts previously resulted in the inclusion of several projects, such as: establishing a knowledge entity specialized in the capital markets sector, and the capital market development.
 - Entities concerned with including the CMA's projects in the government's work program, and following up with the General Secretariat of the Supreme Council for Planning and Development in this regard.
 - Entities concerned with the national strategy to enhance integrity and combat corruption.
 - Ministry of Commerce and Industry regarding statistical statements and responses to parliamentary inquiries.
 - Regional and international entities, such as the International Organization of Securities Commissions (IOSCO), financial markets regulators in the Gulf Cooperation Council countries (the passporting initiative for investment funds and their associated services), Union of Arab Securities Commissions (fin-tech and challenging cyber risks, a guide to the uses of artificial intelligence and automated learning among union members).

► CMA's Third Strategic Plan for the Years (2023/2024-2026/2027)

The CMA adopted a new methodology within the framework of preparing its third strategy, aiming to develop its strategic planning practices in line with leading international best practices, in parallel with preparing its digital transformation strategy, which it launched in October 2021.

The CMA began preparing its third strategy in March 2022 and announced its launch on April 2, 2023, after going through several stages, summarized in the following figure:

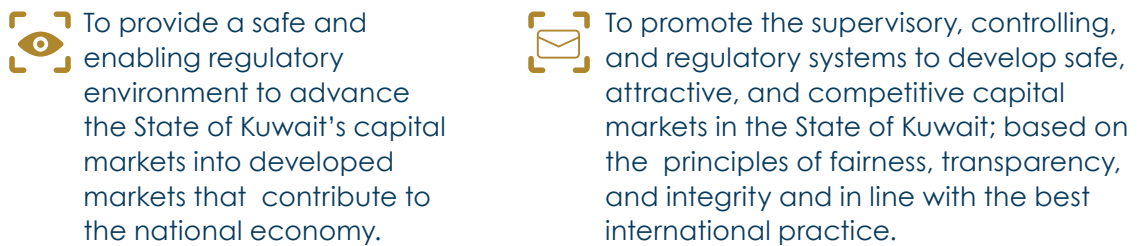




In the process of preparing its strategy, the CMA relied on five key directives, which included the following:

- CMA Objectives stipulated in its establishment law and its executive bylaws and their amendments.
- Standards of the International Organization of Securities Commissions (IOSCO).
- State's development plan (Kuwait Vision 2035).
- Stakeholders from relevant international and local parties.
- Reports of international indicators related to financial markets.

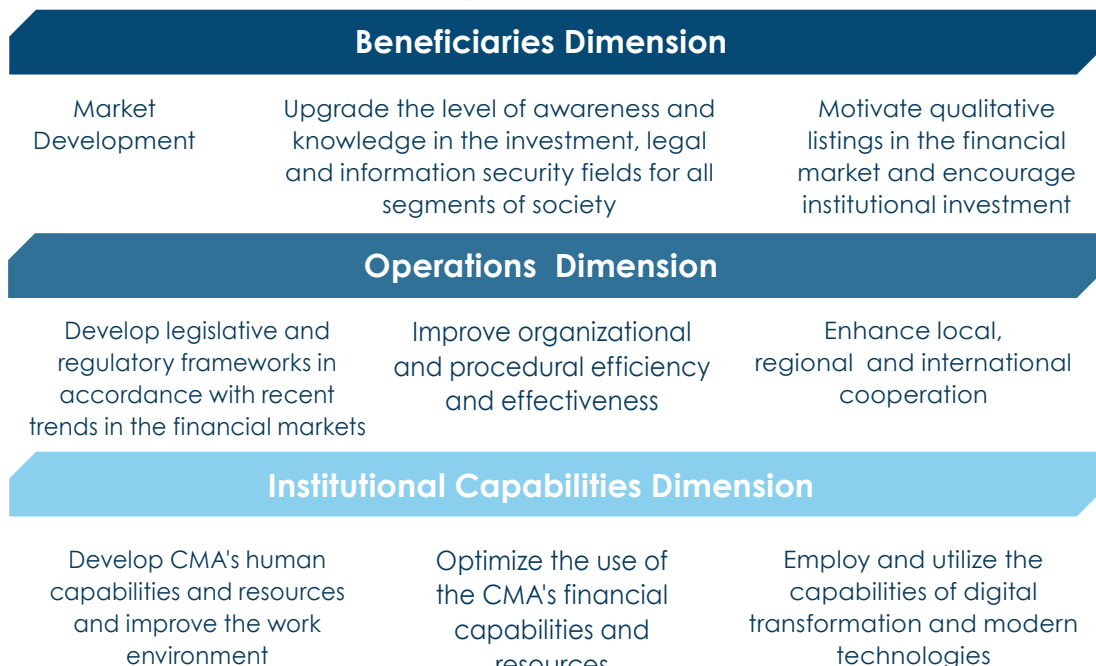
As for the Strategy's vision, mission, pillars, objectives, is summarized by the following image:



Pillars



Strategic Objectives





Capital Markets Development Pillar	Market Development	Develop Legislative and Regulatory Frameworks in Accordance with Recent Trends in the Financial Markets	Motivate Qualitative Listings in the Financial Market and Encourage Institutional Investment
	Main Initiatives	Main Initiatives	Main Initiatives
	<ul style="list-style-type: none"> Develop an infrastructure related to supervision systems, share trading, clearing, settlements, custody of securities and qualifying brokers. 	<ul style="list-style-type: none"> Encourage practices compatible with the principles of sustainability and sustainable financing and work on its development 	<ul style="list-style-type: none"> Establish a specialized market for SME's sector in cooperation with relevant parties
	<ul style="list-style-type: none"> Prepare applicable regulatory frameworks to create and develop investment instruments (Islamic and conventional) 	<ul style="list-style-type: none"> Initiating regulatory frameworks for Fin-Tech in accordance with modern trends and work on their development 	<ul style="list-style-type: none"> Examining the requirements for promoting foreign investment (Global Asset Managers) and international entities operating in the financial markets sector and developing regulatory frameworks and facilities of attraction
	<ul style="list-style-type: none"> Prepare a study on the requirements for developing local financial markets in cooperation with all relevant parties 	<ul style="list-style-type: none"> Updating current legislative, regulatory and supervisory practices in line with emerging topics and practices related to financial markets 	<ul style="list-style-type: none"> Promote the qualitative listing processes of large foreign entities, public sector institutions, family companies and unlisted shareholding companies in cooperation with relevant parties
		<ul style="list-style-type: none"> Develop a mechanism for updating regulatory regulations in the CMA and improving the experience of those dealing with it 	

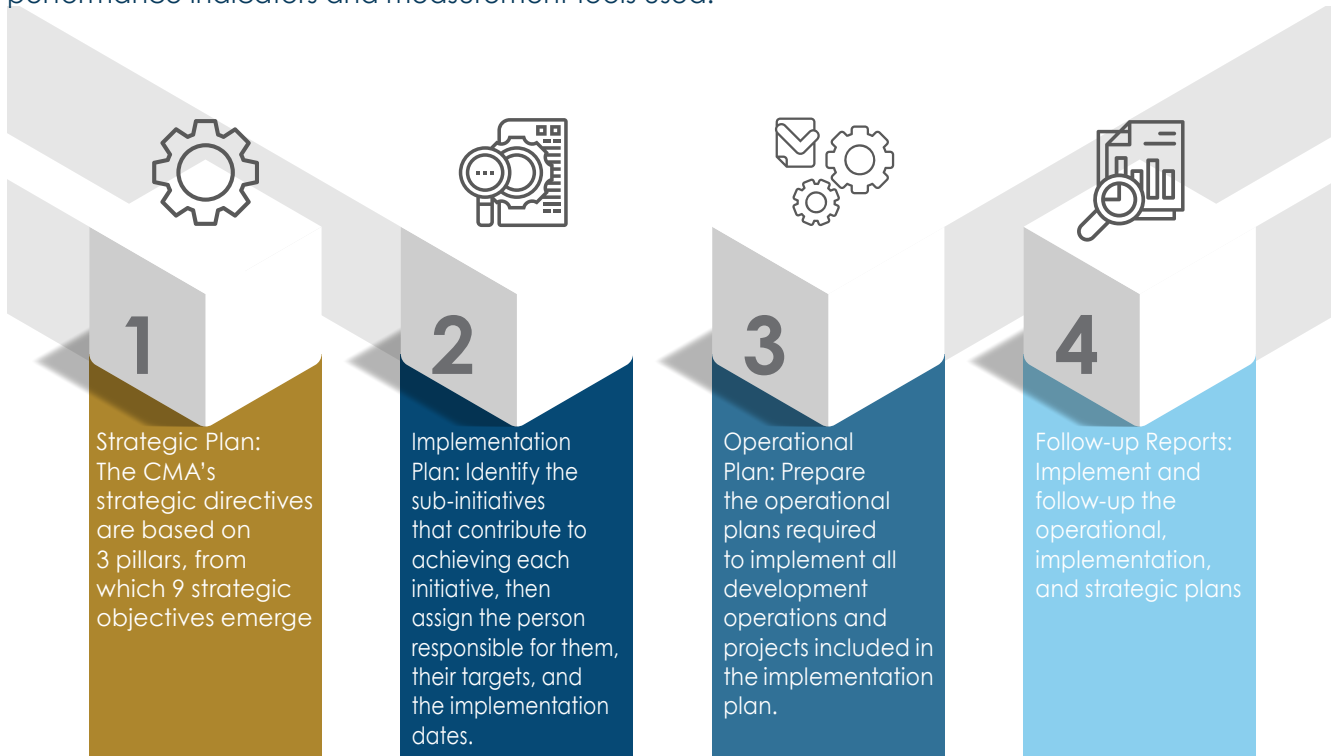
Cooperation and Communication Pillar	Enhance Local, Regional and International Cooperation	Upgrade the Level of Awareness and Knowledge in the Investment, Legal and Information Security Fields for all Segments of Society
	Main Initiatives	Main Initiatives
	<ul style="list-style-type: none"> Conclude and initiate memorandum of understanding and cooperation agreements and fulfilling obligations with local authorities 	<ul style="list-style-type: none"> Develop awareness and educational programs directed at current and future investors and licensed persons in the field of securities activities through various available awareness channels
	<ul style="list-style-type: none"> Conclude and initiate memorandum of understanding and cooperation agreements and fulfilling regional and international obligations 	<ul style="list-style-type: none"> Complete the procedures for establishing and operating the Capital Markets Academy - Kuwait
	<ul style="list-style-type: none"> Participate in the work of committees, working teams and major international specialized conferences 	<ul style="list-style-type: none"> Develop CMA's media image

Institutional Enablement Pillar	Improve Organizational and Procedural Efficiency and Effectiveness	Develop CMA's Human Capabilities and Resources and Improve Internal Work Environment	Optimize the Use of CMA's Financial Capabilities and Resources	Employ and Utilize the Capabilities of Digital Transformation and Modern Technologies in the CMA's Operations
	Main Initiatives	Main Initiatives	Main Initiatives	Main Initiatives
	<ul style="list-style-type: none"> Developing internal governance to improve work efficiency 	<ul style="list-style-type: none"> Develop training mechanisms and specialized programs to raise the level of performance of all employees in the CMA 	<ul style="list-style-type: none"> Planning the CMA's resources in the optimal manner 	<ul style="list-style-type: none"> Adopt digital transformation trends in the CMA's operations
	<ul style="list-style-type: none"> Adopt effective administrative and organizational standards and practices 	<ul style="list-style-type: none"> Establishing the permanent headquarters of the Capital Markets Authority 		<ul style="list-style-type: none"> Enabling the necessary technical solutions and infrastructure to manage the CMA's institutional and digital goals
		<ul style="list-style-type: none"> Instilling the institutional and legal culture and strategic values of the CMA and motivating employees 		<ul style="list-style-type: none"> Planning the areas of information security and cybersecurity according to best practices efficiently and effectively
				<ul style="list-style-type: none"> Planning the areas of business continuity according to best practices efficiently and effectively



► Performance of the Implementation Plan of CMA Strategy

The implementation plan for the CMA's strategy is its tool for converting its strategic directions into a clear action plan distributed over its years. Its sub-initiatives are distributed among the organizational units concerned with implementation, in order to monitor their performance periodically through the performance indicators and measurement tools used.



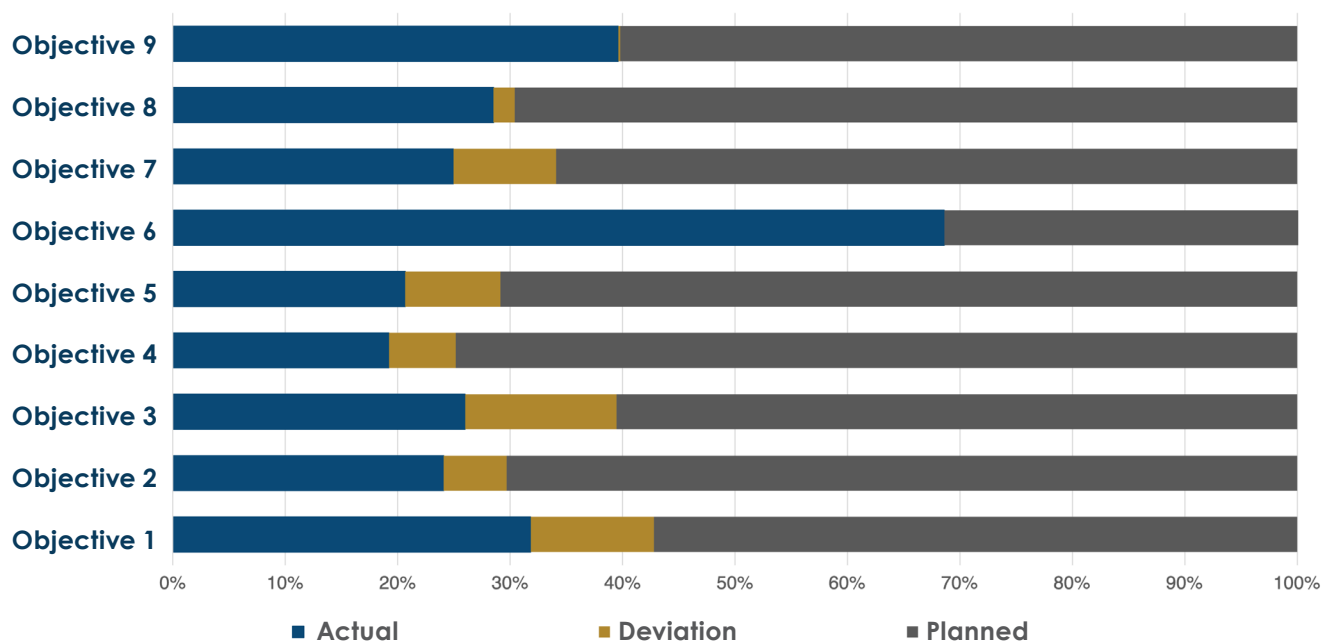
The following table summarizes the development of the strategy's implementation during its first year, as follows:

No.	Pillars	Strategic Objectives	Main Ini- tiatives	Devel- opment Works	Projects	Imple- mented %
1	Capital Markets Development	Market development	3	7	4	32%
		Develop legislative and regulatory frameworks in accordance with recent trends in the financial markets	4	33	0	24%
		Motivate qualitative listings in the financial market and encourage institutional investment	3	4	0	26%
Total			10	44	4	-
2	Cooperation and Communication	Enhance local, regional and international cooperation	3	5	0	19%
		Upgrade the level of awareness and knowledge in the investment, legal and information security fields for all segments of society	3	5	1	21%
Total			6	10	1	-

No.	Pillars	Strategic Objectives	Main Initiatives	Development Works	Projects	Implemented %
3	Institutional Enablement	Improve organizational and procedural efficiency and effectiveness	2	16	1	69%
		Develop CMA's human capabilities and resources and improve internal work environment	3	5	1	25%
		Optimize the use of CMA's financial capabilities and resources	1	5	0	29%
		Employ and utilize the capabilities of digital transformation and modern technologies in CMA's operations	4	15	16	40%
Total			10	41	18	-
Strategy's			26	95	23	-

By the end of the financial year (2023/2024), the first years of the strategic plan will end, i.e. 25% of its full strategic cycle. The percentage of completion of the entire strategic plan has reached 32.7%, with the completion of (26) sub-initiatives out of a total of (118) initiatives

Summary of Strategic Objectives Achievements





► Implementation Development of Performance Indicators of the Strategic Plan

The first financial year of the third strategic plan witnessed the implementation of (13) performance indicators out of the total (29) strategic plan indicators, i.e. 44.8%. The following table shows the implemented performance indicators as follows:

Pillar	Strategic Objective	Strategic Objective Performance Indicators				
		No.	Indicator	Brief on Indicator and Objective	Objective	Implemented
Capital Markets Development	Develop legislative and regulatory frameworks in accordance with recent trends in the financial markets	1	Number of companies that issue sustainability reports	Measure the awareness, compliance, and transparency in terms of sustainability within the voluntary application of these standards	Positive Increase	9
		2	Number of Legislations, amended or new	Measure the number of Legislations to be reviewed or developed or issued based on the practical reality of implementation in line with the related developments	5	5
	Motivate qualitative listings in the financial market and encourage institutional investment	3	Percentage of foreign trades' growth in comparison to the total trades	Measure the attractiveness of the local market to foreign investors and their trust in it	15%+	17.2%
Cooperation and Communication	Enhance local, regional and international cooperation	4	Number of MOU's, new local agreements and amended ones	Measure the CMA's related efforts in the joint cooperation with counterparts in a multi-party work environment to achieve shared objectives	4	4
		5	Levels of representing the CMA in the membership of committees and work teams of international organizations	Measure CMA's active participation in the framework of international organizations to enhance the reputation of the CMA on the international level, and contributing to obtaining new experiences	18	18
	Enhance local, regional and international cooperation	6	Participating in international conferences and events	Measure the objectives of the CMA's external participation in decision making and exchange of information, and expanding the CMA's network of relations with international organizations, and follow-up on recent related trends	29	29
	Upgrade the level of awareness and knowledge in the investment, legal and information security fields for all segments of society	7	Awareness Indicator	A composite indicator that includes specialized sub-indicators for measurement of the awareness efforts' effectiveness to raise the awareness of the targeted audience	90%=>	97.5%



Pillar	Strategic Objective	Strategic Objective Performance Indicators				
		No.	Indicator	Brief on Indicator and Objective	Objective	Implemented
Institutional Enablement	Improve organizational and procedural efficiency and effectiveness	8	Number of the internal regulatory frameworks, reviewed and developed	Measure the efficiency of regulatory enablement plan to improve the operational efficiency and maintain active regulatory environment, upgraded and in line with international standards	5	5
		9	Number of the administrative governance practices, reviewed and implemented	Measure the administrative governance practices, reviewed and implemented, and the level of its impact on the improvement of the CMA's performance and excellence in the administrative field	4	4
	Develop CMA's human capabilities and resources, and improve internal work environment	10	Training quality indicator	A composite indicator that includes specialized sub-indicators to measure the efficiency and effectiveness of the training and development's efforts at the CMA	90%=>	100%
	Optimize the use of CMA's financial capabilities and resources	11	Approved budget utilization efficiency ratio	Measure the CMA commitment to the actual expenses compared to the planned budget, and reducing the deviation between actual results and estimated budget	80%=>	92%
		12	Information Security Indicator	A composite indicator contains specialized sub-indicators relevant to information security in accordance with ISO27001 indicator	90%=>	100%
	Employ and utilize the capabilities of digital transformation and modern technologies	13	Business Continuity Indicator	A composite indicator contains specialized sub-indicators related to the CMA's business continuity in accordance with ISO22301 indicator	90%=>	94.9%

► Alignment of CMA's Strategy with the Development Plan

► Strategic Plan Objectives

The CMA is keen to align its strategic plans with "Kuwait Vision 2035", as they contribute – directly and indirectly - to achieving a number of pillars of such Vision, especially those relevant to (diversified sustainable economy, governmental effective management, creative human capital, distinguished international position). This is achieved by enhancing the efficiency and competitiveness of the Kuwaiti investment environment and economy, attracting foreign investments, developing specialized human capital in the financial markets sector, developing institutional work, and establishing a distinguished international reputation in the field of financial markets.



Pillar	No.	Strategic Plan Objectives	Governmental Effective Management	Diversified Sustainable Economy	Creative Human Capital	Distinguished International Position
Capital Markets Development	1	Market development				
	2	Develop legislative and regulatory frameworks in accordance with recent trends in the financial markets				
	3	Motivate qualitative listings in the financial market and encourage institutional investment				
Cooperation and Communication	4	Enhance local, regional and international cooperation				
	5	Upgrade the level of awareness and knowledge in the investment, legal and information security fields for all segments of society				
	6	Improve organizational and procedural efficiency and effectiveness				
Institutional Enablement	7	Develop CMA's human capabilities and resources and improve internal work environment				
	8	Optimize the use of CMA's financial capabilities and resources				
	9	Employ and utilize the capabilities of digital transformation and modern technologies				

The CMA's strategic projects are divided into two types: projects that were completed during the last financial year, and other projects that are still ongoing. We summarize these projects in the following table, before presenting further details:

► Strategic Projects

No.	Project	Program	Development Plan	Completion %	Planned Completion Date
1	Project of Completion of the Establishment of the Capital Markets Academy – Kuwait	-		16%	January 2028
2	Establishment of the Permanent Headquarters for the CMA	-	-	44%	April 2027
3	Qualification of New Financial Products	Market Development		96%	June 2024
4	Qualification of Capital Markets Infrastructure (CCP, CSD, SSF)			81%	June 2024
5	Qualification of Securities Service Providers			97%	June 2024
6	Execution of Sub-accounts and Developing Surveillance Systems			82%	June 2024
7	Digital Transformation Projects	Digital Transformation	-	45%	July 2024
8	Strategic Planning Methodology Development	-	-	100%	Completed- November 2023

* The completion rate is currently being recalculated based on data from the implementing partners, and the approved project plans are being updated. Accordingly, the completion rate is expected to decrease.

► **Project: Completion of the Establishment of the Capital Markets Academy – Kuwait**

During the past financial year, a company was appointed to offer consulting services to assist in the administrative, financial and operational fields of the academy. At the time of preparing the report, the organizational structure, tasks and competencies are being reviewed in preparation for their approval.

The training hall at the CMA's headquarters is equipped according to the specifications of the Chartered Institute for Securities & Investment (CISI). Initial approval was obtained from Prometric Company to use its system in the CMA's training hall, in order to benefit from the space available at the CMA's headquarters temporarily until the permanent headquarters is completed.

► **Project: Establishment of the Permanent Headquarters for the CMA**

The project's completed activities include awarding the tender, reviewing the draft supervision contract, signing the contract with the consultancy office, and issuing notice of commencement of work. Additionally, the project execution contract (construction, completion and maintenance of the headquarters) was signed with the winning company, and a notice of commencement of work was issued. The casting of the building's retaining wall was completed, and the third phase of excavation work is being completed at the time of preparing the report.

► **Project: Enterprise Resource Planning (ERP)**

The two main deliverables that were completed include the "Developed Policies and Procedures Document", and the "Detailed enterprise architecture design for the project scope". The third main deliverable "Technical specifications booklet for the Enterprise Resource Planning System (ERP)" was delivered as well. The tender was launched, the offers were technically evaluated, the best offer was selected, and the project is now in the award and contracting stage.

► **Project: Development and Automation of External CMA Services**

The project was completed according to the concluded works, and the remaining works will be completed according to other implementation options. Lessons learned and experiences gained were documented according to the procedures followed.

► **Project: Development of the Electronic Disclosures System (iFSAH 2.0)**

The main deliverable "the integrated and risk-based audit methodology" was completed during the initial phases of the project. At the time of preparing this report, the second phase of the user acceptance tests (UAT) is being completed with stakeholders through collective testing workshops for the following main deliverables: Capital Adequacy portal, development of the system's disclosure portals, development of the application programming interfaces for the process of linking with Bursa Kuwait Company's system, along with the screens, control panels and the related staging database. Work is underway to follow up on receiving the deliverable "design, development and preparation of content and introductory materials for the iFSAH system, identification of smart electronic tools and applications (Business Intelligence Tools), delivery of statistical and aggregate reports" from the consulting office and the developing company.

► **Project: Qualification of New Financial Products**

The project team is currently providing feedback on the eighth draft of Bursa Kuwait Rulebook regarding exchange-traded funds (ETFs), bonds and sukuk, in addition to the sixth draft of Kuwait Clearing Company Rulebook regarding ETFs, bonds and sukuk, in preparation to send it to the Exchange.



► **Project: Qualification of Capital Markets Infrastructure (CCP, CSD, SSF)**

Work is being carried out- at the time of preparing this report- to fulfil and approve central counterparty rules (KCH Rulebook) and central depository rules (KCSD Rulebook). Kuwait Clearing Company is also modifying its automated systems to comply with the requirements of the central counterparty, specifically those related to risk management and transitioning to net settlement for members. They are also focusing on interlinking with settlement banks and the central bank. Work is proceeding to transfer licenses to the new entities (CCP, CSD, SSF) associated with the Kuwait Clearing Company, as new companies have been established for this purpose.

► **Project: Qualification of Securities Service Providers (Exchange Members and Clearing Members)**

The end of the past financial year witnessed the monitoring procedures for the progress of the extensive market testing carried out by Kuwait Clearing Company on brokers registered with the securities exchange (applicants for licensing the activity of a qualified broker registered with the Exchange). The purpose is to ensure the readiness and safety of the systems of the license applicants to meet the technical requirements of this activity.

► **Project: Execution of Sub-Accounts and Developing Surveillance Systems**

The project is working on the requirements of the new sub-accounts, as special tests were performed for the new investment instruments (bonds, sukuk and ETFs) for the SMARTS automated surveillance system. Some observations were monitored, and work is being conducted to correct them for retesting.



► Strategic Plan for Digital Transformation

The average actual accomplishment rate of the main initiative related to adopting the CMA's digital transformation directions for its work and its project to develop the electronic disclosure system iFSAH 2.0 reached 29%, (calculating the average rate of accomplishment of those initiatives), at the end of the financial year subject of this report.

The following table summarizes the most important sub-initiatives for digital transformation:

No.	Project -Initiative	Planned Completion Date	Description	Accomplished %
1	Enterprise Resource Planning Project (ERP)	August 2024	Keeping up with international standards, business automation, raise efficiency of task performance and data usage	73%
2	Development of the Electronic Disclosures System Project (iFSAH 2.0)	March 2024	Optimize the benefits from the XBRL platform, enhance the disclosure and transparency levels	88%
3	Alignment of Technical Capabilities Initiative	March 2024	Achieve effective governance to ensure business quality in the information technology field related to digital transformation	67%
4	Automated Assistant Initiative	November 2024	Using artificial intelligence technologies to provide interactive service for users interacting with the CMA	55%
5	Link external work system Initiative	March 2025	Creating electronic linking channels with entities complementing the capital markets system	28%
6	Main Data Management Initiative	October 2024	Managing digital assets of documents and preparing the technical environment for electronic linking and integration	21%
7	Digital Certification Initiative	December 2024	Linking the services provided by the CMA with the digital certification environment.	47%
8	Enablement Initiative	March 2024	Improving the technical efficiency of CMA's employees	82%
9	Support Platforms and Applications Initiative	November 2024	Organizing the process of serving users of the CMA's systems	33%
10	Digital by Default Initiative	March 2027	Designing and modelling the CMA's operations electronically	24%
11	Business Flexibility Initiative	December 2024	Achieving a cloud computing model that helps increase productivity, improve services, and reduce costs	43%



Section Four

Sustainability

- ▶ Sustainability
- ▶ Sustainability Pathways at the CMA
- ▶ Institutional Sustainability of the CMA
- ▶ Sustainability of the Securities Activities Sector
- ▶ Social and Environmental Sustainability

► Sustainability

Undoubtedly, the world has faced significant challenges since the beginning of the new millennium, which have intensified sharply over the past decade, manifesting in various forms of instability across many countries: politically, socially, environmentally, and economically. This has led to a renewed and stronger emphasis on integrated environmental, social and governance (ESG) factors into economic, commercial, and financial activities. This integration is seen as crucial for achieving the necessary economic and social development rates to establish the social stability that most countries desperately need, subsequently to maintain and even enhance these rates. In other words, sustainable development has become a necessity, not an option, for policy-makers. It has, in fact, become a lifeline for human societies in our current time.



In the same context, the transition to “sustainable” economies and financial markets has become critical for solidifying the foundations of the required economic development. This has necessitated regulatory authorities of capital markets to adopt best practices related to sustainable financing aspects within capital market ecosystems.

The CMA has adopted “Sustainable Development” as one of its four main pillars in its second strategy (2018-2023) and has undertaken several initiatives to lay the groundwork for sustainability. In its current strategy (2023-2027), two of its three main pillars focused on sustainability, namely Capital Markets Development and Institutional Enablement. The CMA has also made “Encouraging and developing practices in accordance with the principles of sustainability and sustainable financing” one of its primary initiatives, in addition to adopting other sub-initiatives that fall under this main initiative.

► Sustainability Pathways at the CMA

In line with global efforts to promote sustainable finance, the CMA has been working to support the pillars of sustainable development across its various dimensions. Starting with institutional sustainability and sustainability of its practices, the CMA has expanded its focus to include the sustainability of securities activities undertaken by entities under its supervision, and ultimately, to community sustainability. This has led the CMA to coordinate efforts with the stakeholders, particularly its partners in the capital markets ecosystem, to continuously develop sustainability mechanisms.





► Institutional Sustainability

The CMA considers “Institutional Enablement” to be its primary tool for achieving the desired sustainability targets in its other pathways (sustainability of securities activities sector, contributing to social and environmental sustainability). This has driven the CMA to invest in human capital by building the internal capacities of its employees, enhancing their skills and competencies, adopting best administrative and organizational practices, streamlining its work procedures, strengthening its institutional governance, utilizing modern technologies in its operations, and improving its digital transformation and technological enablement capabilities. Ultimately, this will help create a conducive and motivating work environment.

Through “Institutional Enablement”, which the CMA has made one of the pillars of its current strategy, it aims to enhance organizational and procedural efficiency and effectiveness, develop the CMA's human resources and capabilities, improve the internal work environment, optimize the use of the CMA's financial resources, and employ and utilize the digital transformation enablers and modern technologies in its work. To achieve this, the CMA has initiated 18 projects, 10 main initiatives, and 41 development activities.

► Human Resources

The CMA continuously strives to provide a conducive, safe and healthy internal work environment that possesses all the necessary elements to enable its members to fully perform their assigned tasks, and to enhance their skills and develop their capabilities.

► Efficiency and Qualification

- To achieve its objectives related to enhancing the efficiency of its services for its stakeholders, the CMA is working on two parallel tracks: attracting the best qualified national human resources to perform its various tasks related to securities activities as required, including hiring distinguished graduates from its program for qualifying newly graduated Kuwaitis on the one hand, and adopting a special enablement plan to enhance their skills and competencies through distinguished training programs on the other hand.
- The last financial year witnessed the preparation of the workforce plan for the financial year (2024/2025), and the appointment of (4) employees in various sectors of the CMA. Conversely, the procedures for the end of service of (8) employees were completed, and their status was settled according to the Public Institution for Social security Law. The annual evaluation of the CMA's employees was also conducted, in addition to the implementation of a flexible working hours system.

Data on the distribution of the CMA's employees according to their qualifications are as follows:

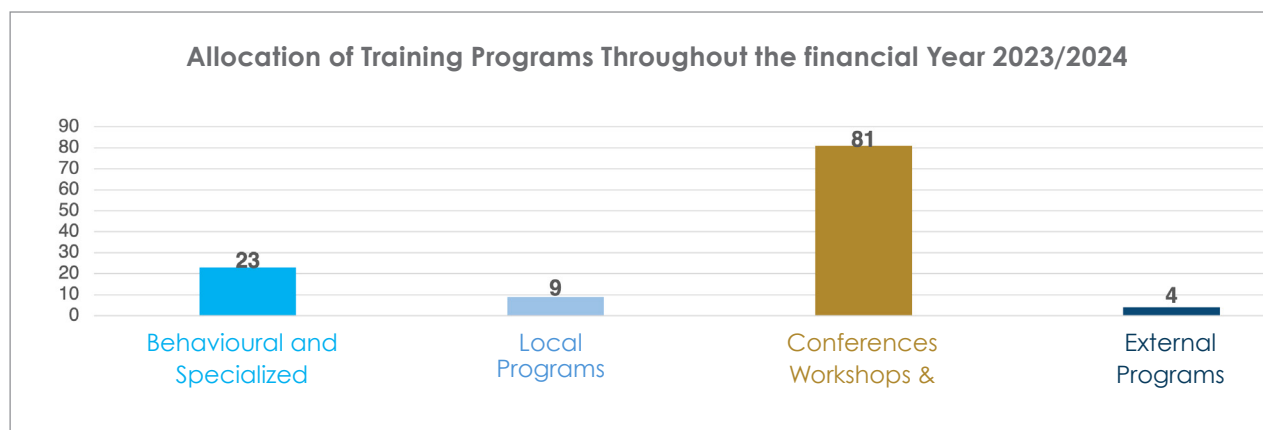
Statement	Doctorate	Master's Degree	Bachelor's Degree	Below Bachelor's Degree	Total
Number	6	97	258	72	433
Percentage	1.4%	22.4%	59.6%	16.6%	100%

It is worth noting that 8 members of the CMA have obtained various professional certificates, as detailed in the following table:

No.	Professional	Number
1	Certified Internal Auditor “CIA”	2
2	Certified Financial Analyst “CFA”	6
Total		8

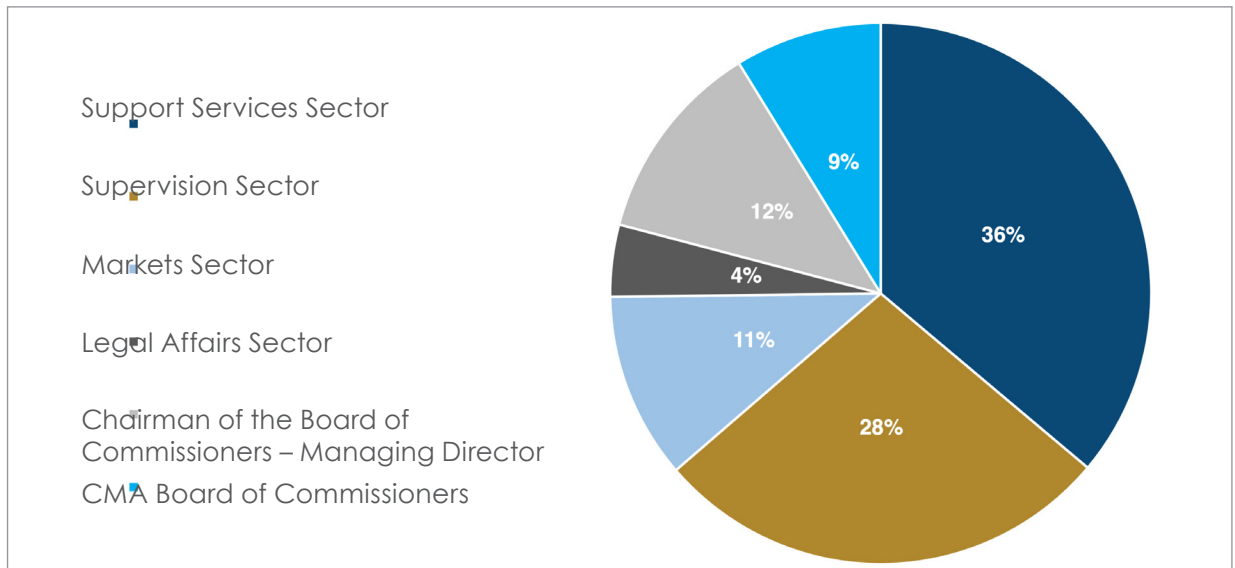
It is also worth noting 10 members of the CMA have received approvals to pursue further studies, including 7 for a master's degree, and 3 for the CIA professional certificate.

- The CMA has approved the study for standardizing job titles, updating job description cards, adjusting the responsibilities of some organizational units.
- The CMA provides health insurance for its employees and grants them paid sick leave, in addition to maternity leave for female employees. On October 15, 2023, the CMA organized a medical examination day for its members in co-operation with the Medical Services Directorate at the Kuwaiti National Guard. It also organized a health awareness lecture on early breast cancer detection on January 10, 2024, in cooperation with the Cancer Aware Nation (CAN).
- The CMA is keen to continuously improve the efficiency of its members through training and qualification programs in various areas of its work: legislative, regulatory, financial, legal, administrative and behavioural, in addition to specialized professional certification programs. Some of these programs are implemented by trainers from within the CMA.
- The financial year subject of this report witnessed the preparation of a comprehensive training guide for the financial year (2024/2025), and the organization of the CMA's first training forum on the launch of that guide. It also contributed to qualifying students in the university sector, worked on developing the information portal for the Gulf financial markets, and prepared a study on the training gap and improving methods of measuring quality and training return, and launched opinion polls on the experience of the first leadership development program. In addition to preparing training track programs for the CMA's employees for the following financial year, an introductory video was launched for the financial year (2024/2025) training plan entitled "New Paths" with the aim of clarifying the CMA's new training work methodology according to a well-studied future vision.
- In the financial year subject of the report, the training and professional development regulations were adopted, along with the approval of the training plan for the following financial year. Also, 117 training programs were implemented, 23 of them were specialized qualifying programs for its members, distributed as follows:





The number of the CMA's members participating in these programs is 512 employees distributed across its various sectors as follows:



The past financial year witnessed the following developments in the areas of training and qualification:

- Participation in the Global Certificate Program for Regulators of Securities Markets in coordination with the International Organization of Securities Commissions (IOSCO) and in cooperation with Harvard Law School.
- Implementation of all training and qualification programs listed in the approved training plan for the financial year (2023/2024).
- Organizing several training workshops (Operational Risk Management, Principles of Environmental and Social Governance (ESG), and reporting standards issued by the International Sustainability Standards Board: "Reporting Standards ESG Foundations and ISSB", qualification and training programs in cooperation with: the Central Agency for Information Technology, the Kuwait Institute for Judicial and Legal Studies, Project Management, Islamic Financial Industry and Sharia Supervision, Artificial Intelligence in Financial Institutions, Leadership and Management Skills).
- Implementing the Project Management training program and a Planning Skills workshop. The five-day program, which took place from December 3-7, 2023, targeted project managers at the CMA and aimed to provide them with the most important concepts related to project management, its stages, and how to professionally handle changes and manage risks.



► Conducive Work Environment

- “Empowering women and providing them with opportunities to hold leadership positions”, “gender equality and non-discrimination”, and “respect for human rights” are some of the CMA’s mechanisms for achieving the desired sustainable work environment.

Distribution of CMA Employees by Gender

Statement	Male	Female	Total
Number	255	178	433
Percentage	58.9%	41.1%	100%

Distribution of CMA Employees by Nationality

Statement	Kuwaiti	Non-Kuwaiti	Total
Number	371	62	433
Percentage	85.7%	14.3%	100%

- The CMA has been continuously updating its work environment to keep pace with the latest technological developments, enabling tasks to be performed in the best possible manner, while ensuring compliance with information security requirements and necessary information awareness. The CMA has made significant strides in automating its services for stakeholders and has obtained the ISO 22301 certification for excellence in business continuity management.
- The CMA has made substantial progress in implementing its Enterprise Resource Planning (ERP) project, which is now 73% complete. The project aims to ensure compliance with international standards, automate the procedures of its organizational units, enhance data flexibility and interoperability, and improving levels of efficiency and productivity.

► Corporate Governance

Recognizing governance as a fundamental requirement for the development of public sector and a cornerstone of sound management worldwide, and in line with Kuwait Vision 2035, which aims to adopt a comprehensive and effective governance system for the public sector at all levels, the CMA has been committed since its inception to establish governance principles. This has been done through two main approaches: applying governance rules to the entities subject to its supervision, while simultaneously adopting a self-governance system aimed at applying governance standards to itself in all areas of its operations. As a role model, the CMA has developed a code of ethics for its commissioners and employees, defining the rules of conduct and ethical values that must be adhered to. It has also implemented a full disclosure policy for its commissioners and employees to prevent conflicts of interest and misuse of inside information. Additionally, the CMA has ensured its independence, the efficiency of its audit and supervision processes, and the management of its operational risks, as well as the confidentiality of its information and data, to protect the rights of stakeholders and enhance trust in the CMA in line with its values.

The CMA’s efforts have led to ranking first among independent budgetary entities subject to the supervision of the State Audit Bureau, with a compliance rate of 95.6%.

► Governance of Entities Under CMA’s Supervision

The CMA has made giant steps during the last financial year within its efforts to establish sound governance practices. This was achieved through monitoring companies’ compliance with governance requirements and disseminating a culture of corporate governance through various awareness-raising means. The most prominent of these efforts include:



- Issuing Circular No. (7) of 2023 Regarding Combination of Some of the Audit Offices Services Provided Pursuant to Law No. 7 of 2010, as well as issuing Circular No. (17) of 2023 to all Insurance Companies Listed on Boursa Kuwait Securities Exchange Subject to the Provisions of Module Fifteen (Corporate Governance).
- Receiving corporate governance report compliance forms electronically through the CMA's system and its electronic portal, and reviewing and analysing their results.
- Receiving corporate governance implementation follow up forms for the year 2023, electronically through the CMA's system and its electronic portal, and reviewing and analysing their results.
- Responding to inquiries and conveying an opinion on relevant initiatives and observations (internal and external).
- Reviewing the requirements of the corporate governance portal within the framework of the electronic disclosure system project.
- Participating in events and meetings related to governance, including:
 - A remote meeting held by the Governance and Ethics Board - AAOIFI (Accounting and Auditing Organization for Islamic and Financial Institutions).
 - A workshop on implementing the national framework and guide for corporate governance.
 - A panel discussion panel dedicated to corporate governance at the third forum of the International Anti-Corruption Day.

► Business Continuity

The CMA achieved ISO 22301 certification for business continuity management during the last financial year. This pursuit of certificate aligns with the CMA's commitment to implement best international practices and adhering to the highest standards of business continuity management. Notably, this certificate covers all of the CMA's operations both its primary and backup data centers.

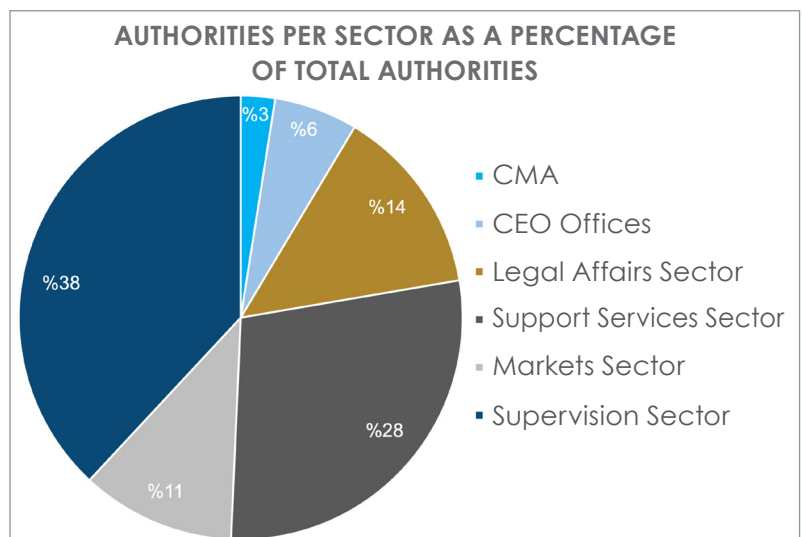
The attainment of this certification - following multiple periodic assessments to ensure readiness - underscores the soundness of the CMA's organized and effective approach, its ability to manage disruptions, restore critical operations, and maintain essential processes in the face of emergencies.

The CMA's achievement of this certification was the result of the review conducted by international auditors from "Bureau Veritas", which confirmed the CMA's compliance with the certification standards. This enhances the confidence of investors and partners in the Kuwaiti financial market and reinforces the CMA's commitment to delivering its services at the highest levels of efficiency and security, even in times of crisis.

► Performance Development & Risk Management

Authority Matrix:

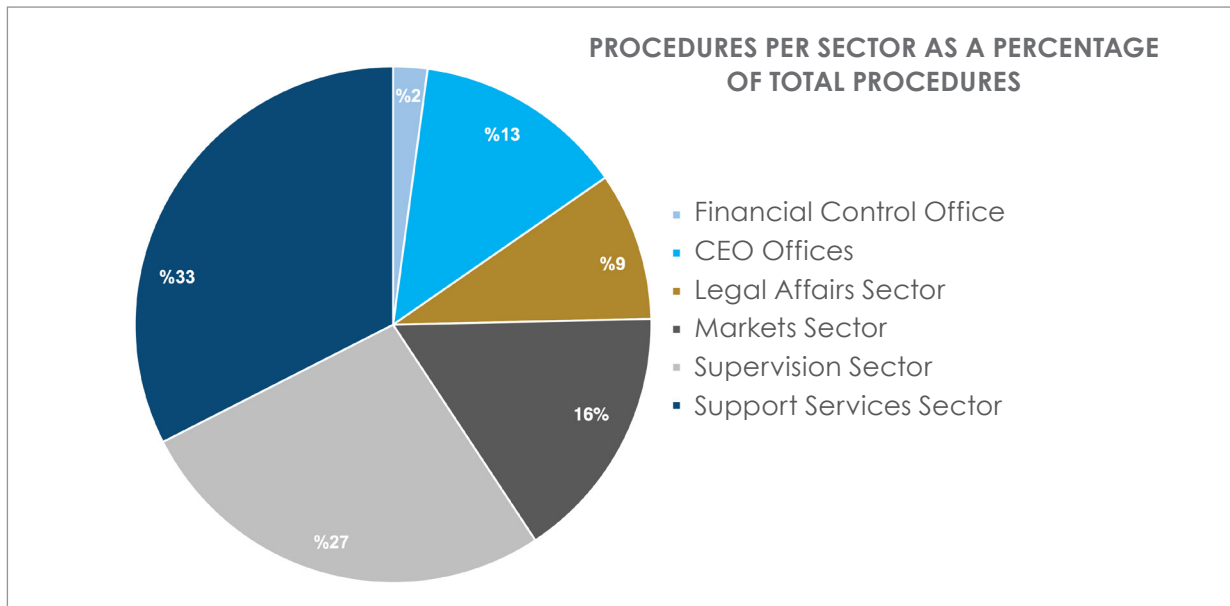
The CMA matrices were updated to conform with the updates of the applicable rules and regulations. CMA's authorities have totalled 644 authorities, of which 165 authorities are under the Board of Commissioners, representing 26% of CMA's total authorities, which confirms the decentralization of its business management.



► Business Procedures Manual:

The Procedures Manuals of the organizational units were developed according to the applicable regulations of the CMA, bringing the total number of manuals to 280, as summarized in the following table:

No.	Sector/Organizational Unit	No. of Business Procedures Manuals
1	Financial Control Office	6
2	Offices Reporting to the Managing Director	37
3	Legal Affairs Sector	26
4	Markets Sector	45
5	Supervision Sector	75
6	Support Services Sector	91
Total		280



► Key Performance Indicators (KPIs):

The total number of Operational Key Performance Indicators (OpKPI) at the end of 2023 reached 294 indicators divided across all sectors as follows:

No.	Sector	No. of Indicators
1	Offices Reporting to the Managing Director	28
2	Legal Affairs	27
3	Markets	52
4	Supervision	111
5	Support Services	76
Total		294

The results achieved for 2023 in terms of operational performance indicators are according to the following table:



No.	Sector	Indicators Results
1	Offices Reporting to the Managing Director	%98.8
2	Legal Affairs	%99.0
3	Markets	%98.8
4	Supervision	%99.3
5	Support Services	%99.3
Average Annual Results		%99.1

► Operational Risk Management

The CMA has reviewed and evaluated the operational risks of a number of its organizational units, in preparation for conducting and re-evaluating the risk register report by following up on the results of plans to reduce operational risks and precautionary measures on a regular basis and updating their cases continuously. In addition, a report was prepared to follow up the operational risk register for the organizational units, reclassification of the specified risk levels in accordance with the matrix of operational risks.

► Evaluation of Performance Indicators

The CMA announced the results of the operational performance indicators of its work related to the services provided to the public for the year 2023, which are as follows:

No.	Activity	Operational Key Performance Indicators (Percentage of Completion)	Incoming Applications (Numbers)	Targeted Period (Days)	Percentage of Completion within the Period	Percentage of Completion out of period
1	Licensing	Applications for Securities Activities License	9	90	%100	-
		Applications for Renewing Securities Activities License	29	60	%100	-
		Applications for Cancellation of Securities Activities License	2	60	%100	-
		Applications for the Incorporation of a Collective Investment Scheme	5	108*	%100	-
		Applications for Marketing the Units of Collective Investment Scheme Incorporated outside the State of Kuwait	32	50*	%100	-
		Applications for Approving Actual Control	1	53*	%100	-
2	Registration and Approval	Applications for the Nomination of Registered Positions and Chairman of the Board Position	438	30	%100	-
		Applications to Update the Licensed Persons' Data Upon their Request (Cancellation/ Registration of Registered Positions and Employment Positions)	845	5*	%99.6	% 0.4
		Approval/Disapproval of Applications to Update the Licensed Persons Data Upon their Request (Notation)	72	10*	%100	-
		Applications for Issuance of a Data Certificate for a Licensed Person or Registered Person with the CMA	19	5*	%100	-
		Applications for Registering an Auditor	2	30	%100	-
		Applications for Renewal of Registering an Auditor	7	30	%100	-



No.	Activity	Operational Key Performance Indicators (Percentage of Completion)	Incoming Applica- tions (Num- bers)	Targeted Period (Days)	Percent- age of Comple- tion within the Period	Percent- age of Comple- tion out of period
3	Regulat- ing of Collective Invest- ment Schemes	Applications for Amending the Articles of Association	64	27*	%100	-
		Applications to Approve the Employ- ment of the Fund's Administrative Authority	72	24*	%100	-
		Application for the Approval of Appoint- ing a Replacement for the Fund's Man- ager	1	27*	%100	-
		Applications to Renew the Term of a Local Investment Fund	3	17*	%100	-
		Applications for the Approval to Pur- chase or Sell Real Estate to Related Parties of the Fund	1	10*	%100	-
4	Follow-up of Collective Invest- ment Schemes	Applications for Local Fund Liquidation and Appointment of a Liquidator	2	57*	%100	-
5	Cor- porate Finance	Applications to Increase the Capital of a Shareholding Company, in Cash or in Kind	7	7*	%100	-
		Applications to Increase Capital by Distributing Bonus Shares to a Shareholding Company	17	5*	%100	-
		Applications to Reduce the Capital of a Shareholding Company	10	7*	%100	-
		Reviewing Applications of Capital Re- structuring for a Shareholding Company	1	10*	%100	-
		Applications to Purchase or Sell Treasury Shares of a Shareholding Company	144	5*	%100	-
		Applications to Approve a Prospectus for a Public or Private Offering	20	10*	%100	-
		Applications to Issue Debt Instruments (Bonds / Sukuk)	5	10*	%100	-
		Applications to Issue Preferred Shares	1	15*	%100	-
		Applications to Approve the Agenda of the Meeting for the Authority of Bonds/ Sukuk Holders.	5	3*	%100	-
6	Markets Regula- tion "List- ing and Products"	Reviewing Applications for Voluntary Withdrawal	2	30*	%100	-



No.	Activity	Operational Key Performance Indicators (Percentage of Completion)	Incoming Applications (Numbers)	Targeted Period (Days)	Percentage of Completion within the Period	Percentage of Completion out of period
7	Mergers and Acquisitions	Reviewing Executing a Merger	4	15*	%100	-
		Reviewing Applications for Approval to Execute the Merger Process	2	12*	%100	-
		Reviewing Applications for the Publishing of a Mandatory Acquisition Offer	1	10*	%100	-
		Reviewing Applications for the Exemption from a Mandatory Acquisition Offer	1	23*	%100	-
		Applications for Executing an Acquisition Offer	1	5*	%100	-
		Applications for the Publishing of a Partial Purchase Offer	1	10*	%100	-
		Applications for Approval to Executing a Partial Purchase Offer	1	5*	%100	-

► Notes:

- **Operational Performance Indicator:** the percentage of completion of the tasks specified in the activity.
- **Target period:** the number of business or calendar days targeted for the completion of the activity which is the subject of the indicator (from the date of fulfilling all the requirements).
- **Execution during the period:** the percentage of completed applications within the target period to the total number of applications received during the measurement period.
- **Execution out-of-period:** the percentage of applications completed after the targeted period has elapsed to the total number of applications received during the measurement period.

***Business day**

Digital Transformation

- In line with the development plan and achieving Kuwait Vision 2035, which is one of the main pillars of the CMA's strategic plan, the CMA's digital transformation strategy was launched pursuant to Board of Commissioners Resolution No. (B.C.R. 1-38) of 2021. In an effort to achieve the objectives of the Capital Markets Authority's digital transformation strategy, which in turn serves the ninth strategic objective of the Capital Markets Authority's third strategic plan "Employ and utilize the capabilities of digital transformation and modern technologies," the implementation plan for the digital transformation strategy was developed to implement its initiatives and adopt modern technologies that achieve internal operational excellence in support of flexible and smart regulatory and supervisory systems that provide integrated services that help improve the business environment and enhance the efficiency of its regulatory and supervisory tasks.



CMA's Digital Transformation Strategy																							
Digital Transformation Initiatives		2023				2024				2025				2026				2027					
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
1	Capable																						
2	Support for Platform and Application Initiative																						
3	Aligning of Technical Capabilities Initiative																						
4	A Pioneering Corporate Identity																						
5	Automated Assistant Initiative																						
6	Linking with the External Business System																						
7	Integration																						
8	Digital by Default																						
9	Main Database Management																						
10	Documents Management																						
11	Knowledge Management																						
12	Business Flexibility Management																						
13	Digital Certification																						
14	Extra Digital Services																						
15	Institutional Resource Management Project																						

The following summarises the main tasks implemented within the framework of the strategy since launching:

Developing the storeroom requests system

To organize the process of identifying and linking the locations and quantities of resources available at the CMA's storerooms and preparing detailed reports.

Developing the legal sector operations

To automate work procedures related to the fields of supervision and monitoring and taking measures related to the implementation of laws.

Evaluating portfolios of technical applications

To direct the CMA's resources to achieve the optimal proceeds on the available technical solutions, by classifying them according to their technical characteristics into portfolios and evaluating their financial impact.

A guide for managing technical contracts

To ensure ideal contracting operations by organizing the procedures for following up on the management and implementation of technical contracts according to a comprehensive guide for basic regulations.

Developing technical competencies

To raise the level of technical competencies to manage and implement the work included in the CMA's strategic plan and the ICT strategy.

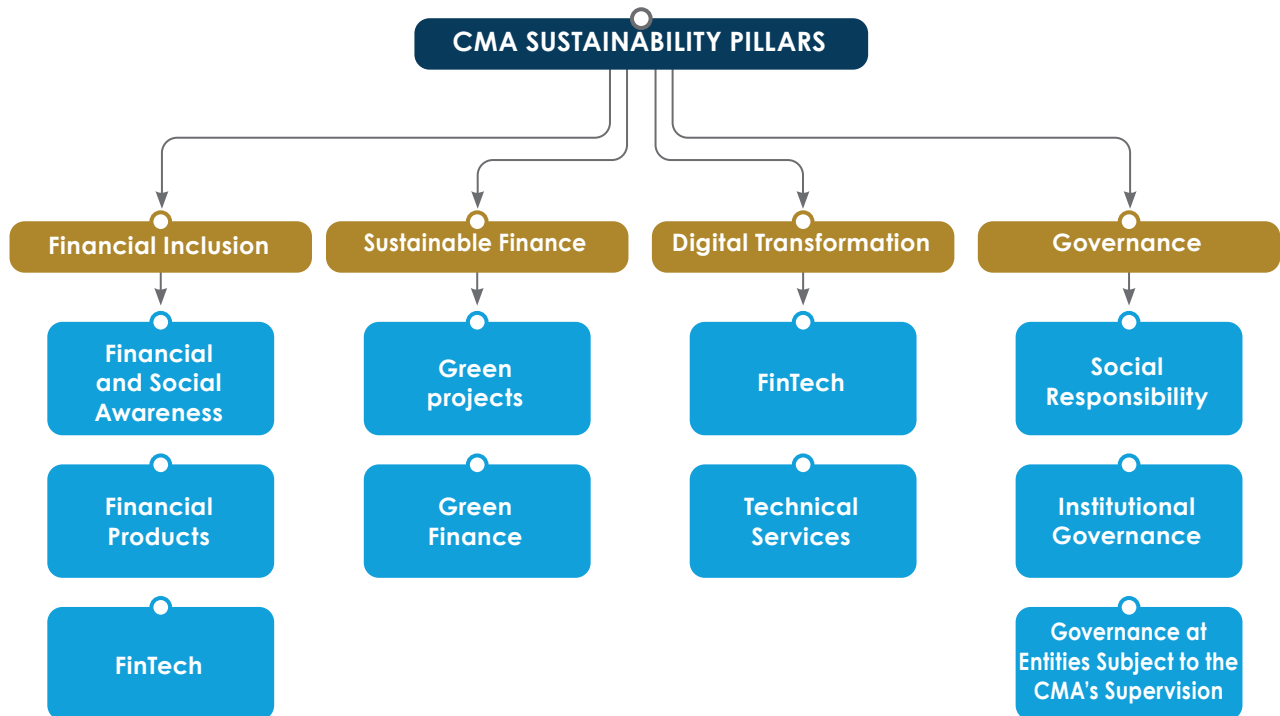
Developing and automating external services

To raise the level of services provided to entities subject to the CMA's supervision by developing a platform through which digital models are available to organize the mechanism for submitting and following up on requests.



► Sustainability of the Securities Activities Sector

As we mentioned earlier, the CMA seeks to continue its efforts within the framework of sustainable development, it has made “capital market development” and “institutional enablement” main pillars of its current strategy. It has also adopted several initiatives aimed at consolidating and encouraging “practices compatible with the principles of sustainability and sustainable financing and working to develop them,” in addition to other initiatives that it seeks to achieve successively, all of which fall within the framework of specific pillars, summarized in the following figure:



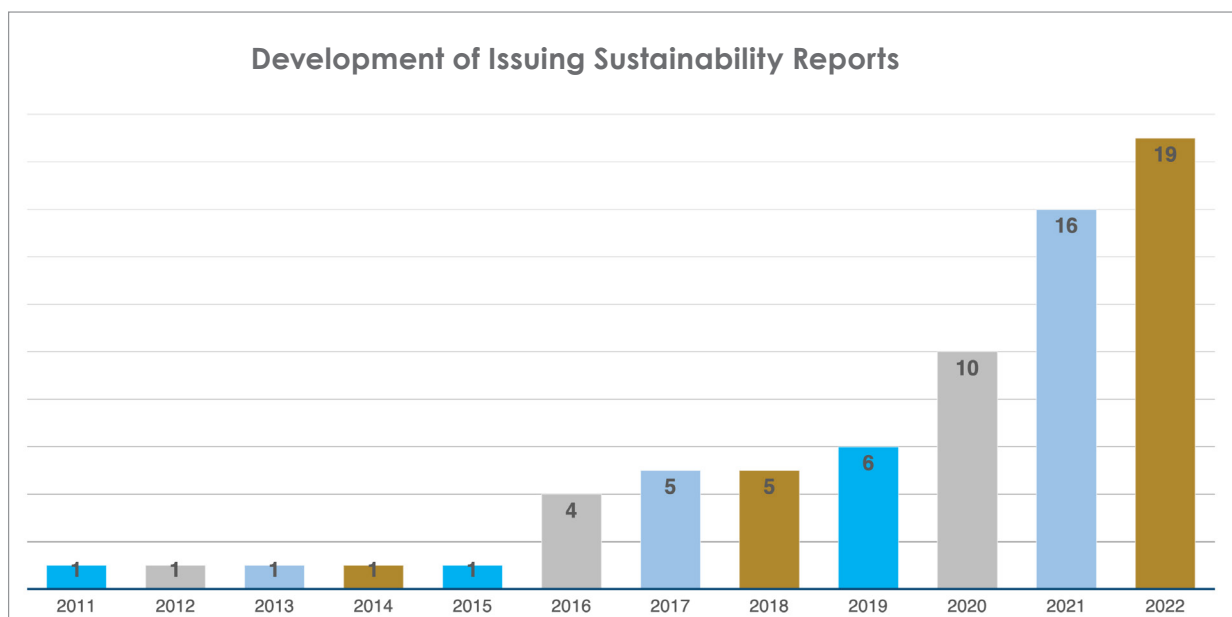
The starting point in this context was to work on developing the legislative system at the CMA to include regulatory frameworks for various aspects of sustainable financing in a comprehensive manner. The CMA formed a working group to review and fulfil the requirements of the legislative and regulatory infrastructure necessary to establish the foundations of practices related to sustainability. In this setting, an extensive survey was conducted to analyse the reality of sustainable development in the State of Kuwait. The regulatory frameworks and efforts related to sustainable financing were also compared with similar regulatory bodies. Moreover, opinion polls were conducted for its planned legislative amendments, which focused on several related fields, such as risk management, listing rules, in addition to some provisions of collective investment schemes, and corporate governance. Numerous legislative amendments were made to Module Eleven of the Executive Bylaws, which varied between revising some of its provisions and adding new legislative provisions aimed at providing the necessary frameworks for green and social debt instruments (sustainable sukuk and bonds), as well as short-term debt instruments, and debt instruments within the program in preparation for assigning it to finance or refinance green, environmentally friendly projects.

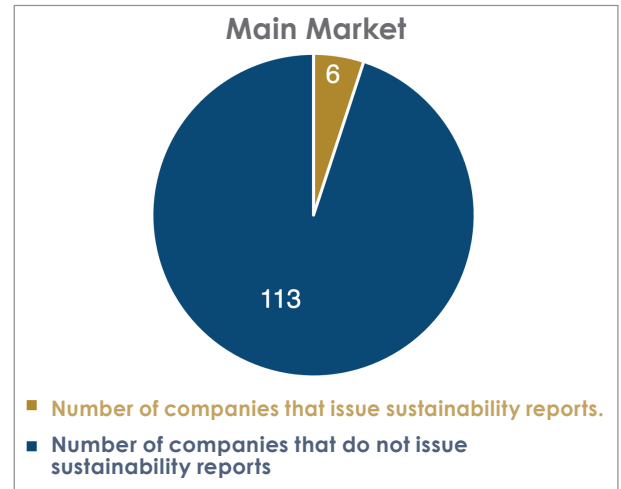
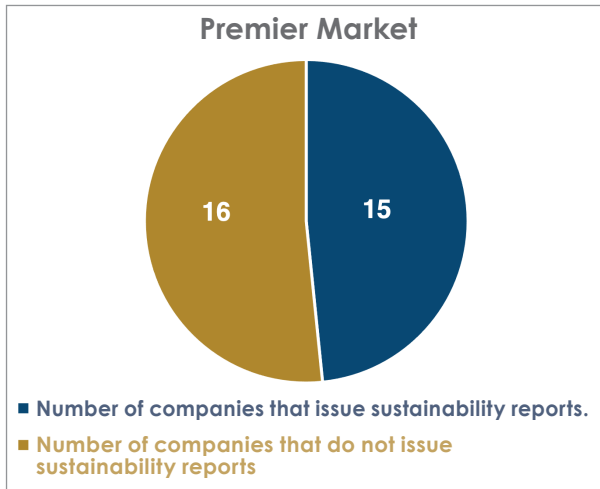
At a later stage, the CMA worked to introduce an expanded legislative package of additions and amendments to the modules of the Executive Bylaws of Law No. 7 of 2010 Regarding the Establishment of the Capital Markets Authority and Regulating Securities Activities. These additions and amendments were represented by the issued Resolution No. (28) of 2022 Regarding Amending Provisions for Dealing in Securities (provisions related to green, social and sustainable bonds and sukuk), as well as Resolution No. (136) of 2022 Regarding the Requisites of Sustainable Finance, as the two resolutions included provisions related to six modules of the Executive Bylaws referred to above, according to the following:



Module	Description
Module One (Glossary)	Adding definitions for the terms "sustainability", "sustainable fund", "green bonds", "green sukuk", "social bonds", "social sukuk", "sustainable bonds" and "sustainable sukuk"
Module Six (Policies & Procedures of Licensed Persons)	Adding a text stipulating that risk management systems can include sustainability elements represented by environmental, social and governance aspects
Module Eleven (Dealing In Securities)	Adding rules regulating issuance of sukuk, green, social and sustainable bonds
Module Twelve (Listing Rules)	Adding regulatory rules for the sustainability report for listed companies, and preparation of a comprehensive guide for these reports by the Securities Exchange, with the possibility of issuing instructions by the CMA regarding the obligation to apply the disclosure of the reports of applying sustainability standards to one of the markets that have been divided.
Module Thirteen (Collective Investment Schemes)	Adding the "Sustainable Fund" to the fund types and adding a new appendix that includes investment controls in sustainable funds.
Module Fifteen (Corporate Governance)	Adding provisions related to the possibility of including sustainability considerations represented by environmental, social and governance issues in corporate operations, and developing a plan to include these factors in the comprehensive strategy and main business plans, as well as the Board of Directors' awareness of sustainability risks.

In the same context, and specifically with regard to the sustainability of the securities activities sector, the CMA supported the directions of the Boursa Kuwait Securities Exchange to enhance the issuance of listed companies of their sustainability reports on a voluntary basis, and Resolution No. (136) of 2022 was issued Regarding the Requisites of Sustainable Finance, which stipulated provisions including amendments to Module Twelve "Listing Rules" referred to in the previous table*. This is in an effort to gradually shift towards more sustainable financial markets with the possibility of setting a regulatory requirement for the disclosure of sustainability reports that are currently considered "optional" and not "mandatory". The CMA is currently preparing a study to explain the ability of listed companies to comply with preparing and publishing sustainability reports, in light of which the appropriate date can be determined to make them mandatory.





► Qualifying and Technical Directions

► Professional Qualifications Program for Registered Employment Positions

The project was completed in March 2020, and the cooperation agreement signed - after the project was completed - with the Chartered Institute for Securities and Investment (CISI) is a renewal of the previous agreement between the two parties. It aims at continuing the professional qualifications program for registered employment positions, and provide ongoing local examinations for CMA's Law and regulations to complete the international technical examination that the Institute provides. The CMA aims to enhance the professional competence, technical ability and legal knowledge of those occupying registered employment positions amid licensed persons, as well as to improve the efficiency of financial institutions and local markets and contribute to reaching an attractive investment environment that holds the required components.

It is worth noting that the program, which involves three required qualifications related to the financial sector (technical, supervisory, specialized), grants those who pass the examinations the CISI/KCMA Professional Qualifications Program Award certificate accredited by the CMA and the CISI Institute. It is a certificate equivalent to the academic qualifications required for registered employment positions, such as a PHD, master's degree, and university qualifications. It also reduces the requirements for practical experience required to fill a registered employment position according to the rules of competence and integrity.

► Fintech Regulatory Framework Project

The last financial year witnessed vital developments in the path of the CMA's strategic project to establish a regulatory framework for financial technologies, it falls within the framework of the CMA's approach to adopting the early use of technology in designing and providing financial services and products in a way that contributes to diversifying available investment products, finding new investment channels, achieving financial inclusion, protecting people dealing in securities activities and protecting their rights, and supporting entrepreneurs and innovators in the field of financial technologies, we summarize the most prominent of these developments as follows:

- Establishing a specialized Unit for Financial Technologies at the CMA in July 2023. It began its tasks by reviewing the implementation of the resolutions to issue Module Nineteen (Financial Technologies) of the Executive Bylaws of the law establishing the CMA and searching for the best ways to work in accordance with the provisions of the Module after adapting it to the local business environment.
- The Unit worked within the joint working team to start the CMA's regulatory framework for financial technologies and met with those concerned with providing financial technology services and worked on designing the initial implementation phase of the Module.
- The Unit participated in the membership of several international organizations related to financial technology services, such as the Global Financial Innovation Network, the Financial Technology

working group (Africa and Middle East - IOSCO), and the working team for enhancing cooperation in the fields of financial technology at the Union of Arab Securities Authorities.

- The Unit participated in nine awareness and introductory events related to financial technologies and the services provided by the CMA. The events varied between seminars, conferences, and meetings.
- The initial implementation phase of the provisions of Module Nineteen (Financial Technologies) commenced on January 2, 2024, and will conclude on July 1, 2025. The first set of these services included the following services: (Securities-Based Crowdfunding, Digital Financial Advisor).
- In conjunction with the launch of the initial application phase, the CMA implemented a large-scale awareness campaign with the aim of introducing these services. This campaign included implementing awareness workshops for the public and in universities. A special publication was also prepared on the subject, infographics, motion graphics, and dozens of awareness messages were launched through the CMA's social media accounts. In addition to publishing press releases, news, and several articles in the CMA's electronic awareness magazine.



► Project of Completing the Establishment Procedures of the Capital Markets Academy

The project represents an educational approach with long-term strategic goals to advance the qualification, knowledge and awareness related to securities activities, which will naturally leave positive impact on our economy and society general.

The "Academy" is an educational and training institution in the field of securities markets, with an independent, non-profit legal personality, subject to the oversight and supervision of the CMA. It aims to develop the knowledge economy related to the securities activities sector, qualify human cadres working in that sector, and improve their capabilities in a way that helps raise the efficiency of local capital markets, and enables the CMA to achieve one of its most prominent goals related to educating the public about securities activities and the benefits, risks and obligations associated with investing in this activity and encouraging its development.

During the last financial year, Resolution No. (5) of 2023 was issued to restructure the team to complete the procedures for establishing the Academy, where it was entrusted with the tasks of preparing the requirements and specifications necessary to provide the administrative cadre for the Academy to complete those procedures.

In the same context, the tenth phase of the project related to concluding "agreements with international professional entities" was also initiated during the last financial year, where - at the time of preparing



the report - preparations are ongoing to implement that phase and sign several memorandums of understanding with local and international universities, starting with the American International University. The CISI accredited examination center was prepared in its final form at the CMA's headquarters according to the internationally required conditions and requirements, in addition to working on enlisting the CMA's programs for recent graduates within the Academy's programs and approving an estimated budget to begin implementing the program's qualifying and training stages starting with the financial year (2024/2025).

► Social and Environmental Sustainability

► Social Sustainability

► Developing the Islamic Industry in the Financial Markets

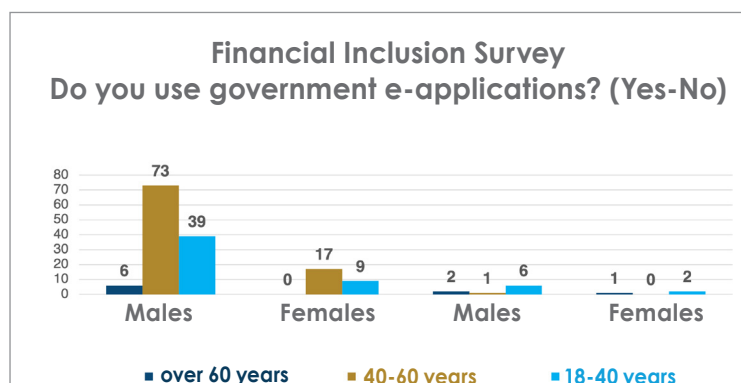
As part of CMA's endeavour, throughout the last financial year, to implement the initial stages of planning a roadmap to develop the Islamic financial industry in the State of Kuwait, it took a number of measures in this regard, for example:

- The CMA's current strategy, which was launched at the beginning of the financial year (2023/2024), specifically in its first pillar (capital markets development), targeted objectives related to developing the Islamic financial industry in the capital markets, regulating investment products and tools in their various traditional and Sharia-compliant forms, and activating channels for issuing and trading debt instruments in a manner that meets the aspirations of various investors.
- The Sharia Supervisory Advisory Board - which is CMA's main reference for all issues related to the resolutions and activities in accordance with the provisions of Islamic Sharia - continued its tasks, as it held 34 meetings during the last financial year, discussed 5 proposals for developing capital markets in the State of Kuwait, and prepared 7 studies that addressed issues of Sharia foundations related to securities activities, in addition to issues of valid investment, forbidden profits, and corporate governance.
- The Islamic Financial Markets Development Team organized a visit by the Islamic Development Bank team to the CMA's headquarters in March 2023, as part of the coordination required to prepare a study to develop a roadmap for developing the Islamic financial industry in the financial markets.
- The end of the preceding financial year witnessed the signing of a memorandum of understanding between the CMA and the Islamic Development Bank Institute with the aim of finding an appropriate framework for coordinating technical cooperation between the two parties in areas of common interest, especially in terms of conducting the necessary studies and research to analyse the current status of the Islamic financial industry in the State of Kuwait, benchmarking with international best practices and coming up with the required recommendations to implement the relevant initiative, preparing a roadmap for developing the Islamic financial industry in the State of Kuwait, and benefiting from knowledge, qualification and training programs.
- The CMA's participation in several events and cooperation with international organizations concerned with financial and Islamic industry issues, including:
 - Participation in the training program (Islamic debt and equity markets) organized by the Standing Committee for Economic and Commercial Cooperation of the Organization of Islamic Cooperation (COMCEC) with the participation of the Organization of Islamic Cooperation (OICEF) in Borsa Istanbul.
 - Participation in a Webinar on the topic (Big Data Analytics in Islamic Finance) organized by the General Council for Islamic Banks and Financial Institutions (CIBAFI).
 - Participation in questionnaires by exchanging data and information with the Islamic Financial Services Board (IFSB) as a member of the Board.
 - Coordination of efforts with the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI), where in this context the 2023 General Assembly meeting, and other several meetings and events that addressed various topics were attended.

► Financial Inclusion

► FinTech

In terms of financial technologies related to financial inclusion, during the last financial year, the first set of financial technology services organized by the CMA came into force by setting the regulatory framework for financial technologies in accordance with Module Nineteen (Financial Technologies) of the Executive Bylaws of Law No. 7 of 2010. This framework includes two services: Securities-Based Crowdfunding, Digital Financial Advisor. The set is expected to contribute to enriching the investment environment by creating new investment and financing channels, in addition to providing services to broader segments of society, which helps achieve and consolidate financial inclusion in society.



► National Project to Enhance Financial Inclusion and Investment Awareness

The national project to enhance financial inclusion and investment awareness witnessed the implementation of several activities that we will briefly mention, as follows:

- Analysing the Capital Markets Authority the Financial Inclusion in Kuwait through an opinion poll on that launched on CMA's website. It lasted from (March - May 2023). The poll and its results were evaluated, and the necessary recommendations were gathered to work on its content.
- Implementing seven awareness workshops, six were university workshops and one was an educational workshop, in addition to ten awareness workshops targeting investors.
- Implementing eleven awareness campaigns that addressed various issues, such as financial fraud and inclusion, investment fundamentals, financial technologies, and the Gulf Smart Investor Award.
- Issuing an awareness publication on "Financial Fraud".
- Publishing five articles in the CMA's electronic awareness magazine aimed at introducing the project's directions.
- Broadcasting ninety-six awareness messages on the CMA's social media accounts.
- Holding seven conferences and coordination meetings with several national entities to coordinate aspects of cooperation to implement joint initiatives within the framework of the project.
- Statistics on the developments in implementing the project since its initiation in 2017 as a national project to enhance financial literacy before its conversion into a project to enhance financial inclusion until the end of the last financial year indicate the following:

Statement	Workshop	Schools- Universities	Students	Teachers	Total Recipients
Educational Field					
Intermediary level	100	27	1590	-	1590
Highschool level	100	31	1381	20	1401
Applied Science	1	1	38	-	38
University level	27	8	-	-	-
Total	228	67	3009	20	3029
Society Field					
Other events	Awareness publications	Awareness campaigns	Workshop	Awareness Messages	
	29	35	78	2171	



► CMA Qualifying Program for Fresh Graduates

- No procedures were made for the project. It was initiated by the CMA on the financial year (2013/2014) with the aim of upgrading and qualifying national competencies in line with the needs of the labour market and in accordance with the development orientations of the State.
- The training program of the CMA attracts distinguished recent graduates in several majors related to capital markets (finance, economics, accounting, administrative sciences, financial mathematics, law, others).
- The CMA completed the implementation of seven programmes to date, it included 140 trainees, 74 of which were appointed at the CMA.

CMA's Training Programs for Fresh Kuwaiti Graduates				
Program	Financial Year	Number of participating Trainees	Number of Trainees Employed at the CMA	External Training Entity
First	2013-2014	20	11	Malaysia
Second	2015-2016	21	5	Kingdom of Spain- Madrid IE Business School
Third	2016-2017	20	10	Harvard University – Boston (USA)
Fourth	2017-2018	20	12	Harvard University – Boston (USA)
Fifth	2019-2018	19	13	Harvard University – Boston (USA)
Sixth	2019-2020	20	8	Harvard University – Boston (USA +On-line training due to the Pandemic)
Seventh	2021-2022	20	15	Harvard University – Boston (USA+ Online training)
Total		140	74	-

► Training Programs for Students of Kuwait International Law School

In implementation of its initiatives within the framework of its social responsibility, the CMA executed, through its Legal Affairs Sector, two training programs for students of Kuwait International Law School, which extended throughout the financial year of the report. The first program extended throughout the first semester at a rate of one training day per week and included 5 trainees, while the second was similar and covered the period of the second semester and included 6 trainees.

The contents of these two training programs included various specializations of the sector, starting with the tasks of investigation in its two types (administrative and supervisory) and the mechanism for conducting administrative investigations with members of the CMA and its requirements, and the mechanism for monitoring violations by licensed persons and entities subject to the CMA's supervision and violations stipulated in the CMA's law, passing through the mechanism for carrying out the procedures required to initiate the investigation, as well as the method of formulating each of the reports submitted to the Public Prosecution and the grievances submitted to the Criminal Enforcement Affairs. The two programs also included the method of preparing weekly reports on issues under deliberation before the Disciplinary Board and the Complaints and Grievances Committee, and monthly reports on judicial rulings issued against or in favour of the CMA. The trainees were introduced to the system for stating the soundness of the legal position of persons, individuals, and institutions subject to the CMA's supervision.



The two programs also included introducing trainees to the environment related to legal studies, how to formulate decisions and grievances, review and prepare responses, as well as the mechanism for preparing responses related to legal inquiries, in addition to introducing the mechanism for preparing and concluding contracts, memorandums of understanding and agreements concluded by the CMA.

As for the mechanisms of working on cases and arbitration (cases, dispute settlement), which created another element in these two training programs, presented trainees to lawsuits filed by the CMA and the technical details for drafting them. They were also introduced to some of the defence memos in the cases filed by the CMA and against the CMA, how to study them and prepare formal and applicable defence memos, in addition to informing trainees of the procedures for implementing final judicial orders and rulings, as well as the procedures for implementing the final decisions issued by the CMA's Disciplinary Board against violators, and informing them of registration requests for applicants in the lists of arbitrators and experts with the CMA.

► Environmental Sustainability

► Green Sustainable Finance

Building upon the previous years' efforts in exploring the possibility of implementing green sustainable financing in areas under the CMA's supervision, and issuing regulations for short-term sustainable (green and social) debt instruments (sukuk and bonds), as well as those within the program, the last financial year witnessed several actions related to this type of financing as part of the efforts related to sustainable finance and development, as one of its important aspects. Among these actions, for example, are the following:

- Issuance of the CMA's resolution to approve the comprehensive guidelines for listed companies to prepare sustainability reports, as presented by Bursa Kuwait Company.
- Holding awareness workshops for market participants on environmental, social and governance (ESG) issues to prepare and disclose sustainability-related reports for the benefit of the public investors.
- Raising awareness of sustainable financing issues ESG and their implications for companies listed on the Bursa Kuwait Securities Exchange.
- Preparing a draft amendment to the CMA's Executive Bylaws, as well as the Securities Exchange rules, and clearing and settlement rules regarding bonds, sukuk and exchange-traded funds (ETFs). Opinion polls were also conducted in this regard.
- Working on preparing the legislative framework for establishing a specialized market for listing and trading growth company shares.
- Preparing the second annual report on developments and updates in the sustainable financing system was prepared, aiming to inventory applications of all provisions of the Executive Bylaws of Law No. 7 of 2010 regarding sustainable financing, in addition to monitoring developments and updates in the sustainable financing system during the last year.

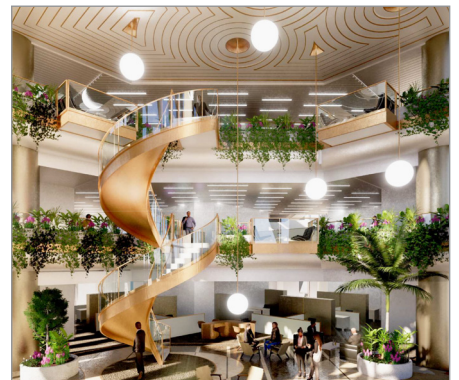
► The CMA's Practices Alignment with Environmental Protection Requirements

- The CMA's continued its efforts to manage operations according to mechanisms that comply with environmental protection requirements (waste management, asset disposal, paper, etc.)
- Providing services to the public electronically, which reduces reliance on paper documents, which reduces paper waste.
- Continuing its efforts to establish a paperless work environment, which in turn reduces paper waste.
- Applying controls related to the rationalization of energy and water consumption and waste management.
- Working to enhance environmental protection practices among its employees and all relevant parties by studying the readiness of these entities to comply with environmental, social, and governance sustainability standards and issuing special reports on this matter.



► Sustainable and Environmentally Friendly Headquarters

- **LEED Certification:** The design of the CMA's permanent headquarters, currently under construction, adheres to green building standards, as reviewed by the U.S. Green Building Council's LEED standards, aligning with the requirements for LEED SILVER certification.
- **Efficiency Improvements:** The new headquarters design contributes to:
 - A 20% improvement in energy efficiency.
 - A 40% reduction in indoor water usage.
 - A 100% reduction in outdoor water usage.
- **Sustainable Materials:** The design incorporates appropriate measures for recycling, storing, and safely disposing of all recyclable materials, including mixed paper and cardboard, glass, plastic, and metals.
- **Project Progress:** The project has reached 8.85% completion.
- **LEED Compliance:** A consultant has been appointed by the contractor to monitor LEED green building requirements. A groundwater treatment plant has been established, and groundwater samples are being collected and sent to the Environment Public Authority for compliance verification.





Section Five

Achievements of the Boards and Committees

- ▶ Advisory Council for Sharia Supervision
- ▶ Disciplinary Board
- ▶ Complaints and Grievances Committee



► Advisory Council for Sharia Supervision

► Council Formation

Prof.
Yousef Hassan Al-Sharrah
Chairman

MR.
Ahmad Hussain Mohammad
Member

Dr.
Jarrah Nayef Al-Fadli
Member

Dr.
Mishari Mohammad Al-Furaih
Member

MR.
Abdullah Mohammad Al-Ofasi
Member

► Implemented Tasks During the Financial Year (2023/2024)



34

Meetings



5

Suggestions



7

Research



► Disciplinary Board

► Board Formation

Advisor MR.
Abdul Hadi Fahad Al-Jufain
Chairman (original capacity
as of 6/12/2022)

Advisor MR.
Ahmad Abdul-Aziz Al-Huwaidi
Chairman (in an acting capacity)

MR.
Majid Bader Jamal Aldeen
Member

MR.
Yousef Saleh Al-Othman
Member


Dr.
Sulaiman Hamad Al-Bader
Member (alternate member)

► Implemented Tasks During the Financial Year (2023/2024)

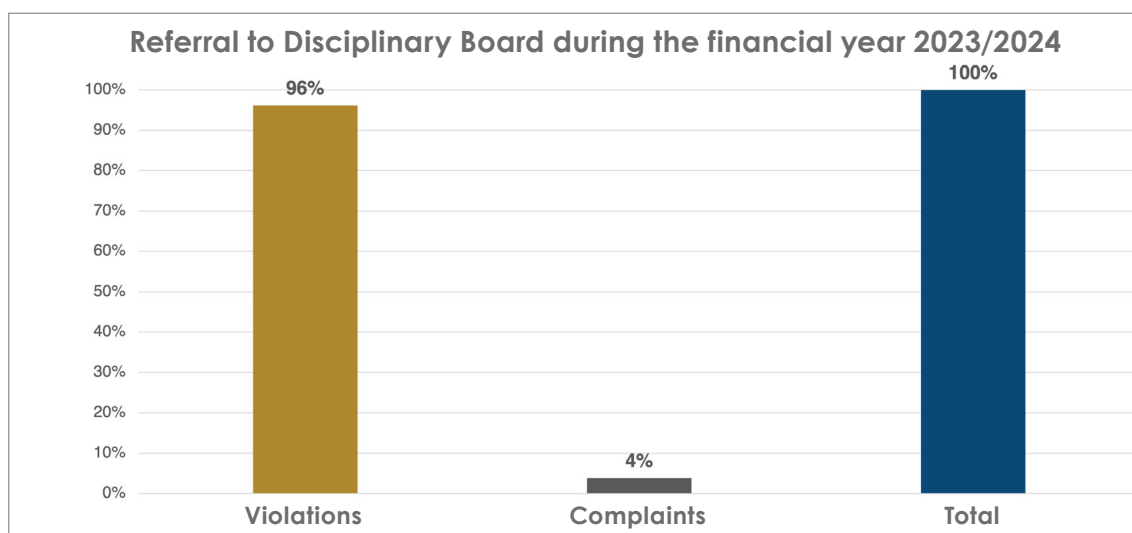

101
Violations

Violations referred by the CMA


4
Complaints
Complaints submitted by natural persons or corporate bodies referred by the Complaints and Grievances Committee to the Board


0
Appeals
CMA's appeals to the Disciplinary Board on the resolutions of the Violations Committee at the Exchange


0
Grievances
Grievances on the Exchange's decisions and its Violations Committee



► Board Resolutions and their Results



48

Meetings



46

Penalties



5

Temporary
Suspension



3

Refusal of
Disciplinary
Lawsuit



2

Complementary
Resolution



1

Introductory
Resolution



1

Dismissal



Amount of financial fines imposed by the
Board on some violators

4,843,553.00

Four million, eight hundred
and forty three thousand,
five hundred and fifty
three Kuwaiti Dinars only,
3,560,553.00 of which is
payable amount

► Complaints and Grievances Committee

► Committee Formation

MR.
Bader Ajeel A-Ajeel
Chairman


Prof.
Abdul-Rahman Abdul-Wahed Al-Radwan
Vice Chairman

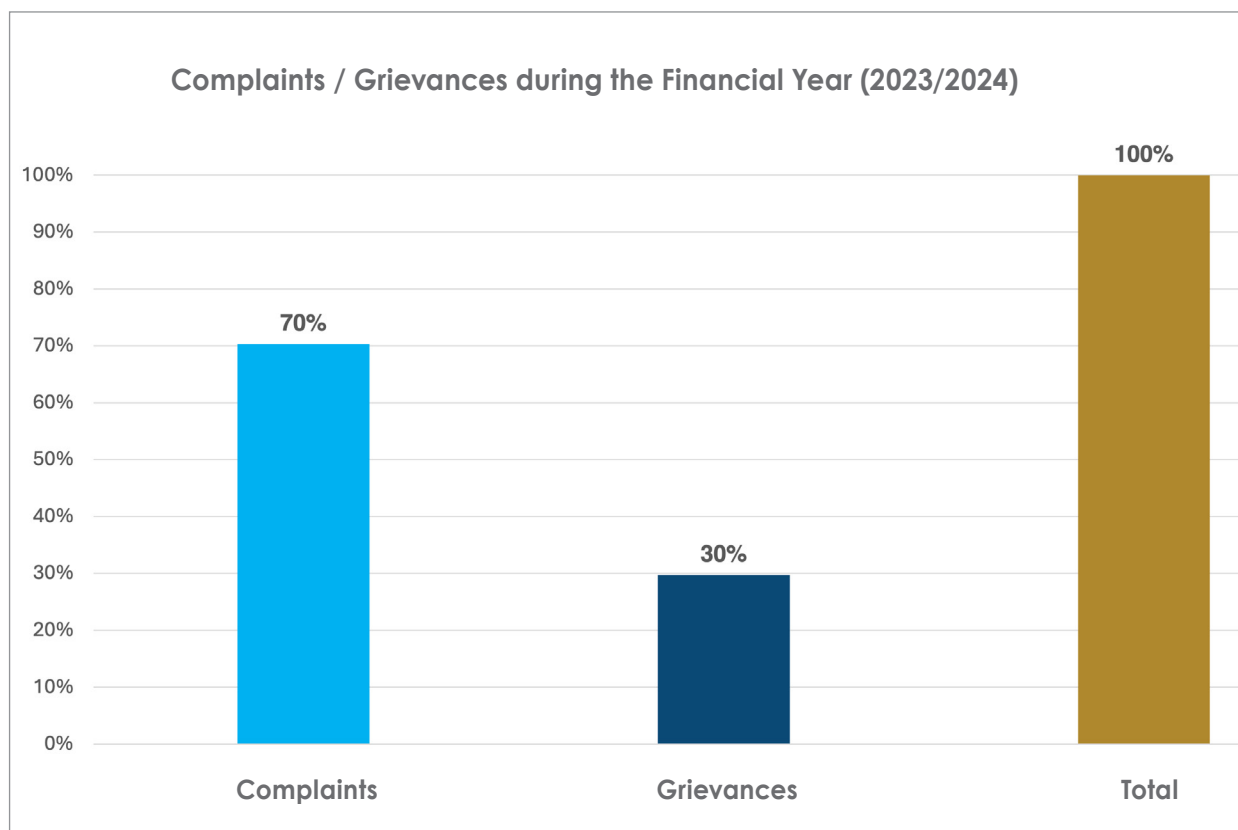
MR.
Basel Abdul-Wahab Al-Zaid
Member

Dr.
Sulaiman Hamad Al-Bader
Member



► Implemented Tasks

<div>49</div> <div>Number of Committee Meetings</div> 	Financial Year (2023/2024)	
	Complaints	
	Decided	20
	Under Examinations	6
	Total	26
	Grievances	
	Decided	7
	Under Examination	4
	Total	11





Section Six

The CMA Achievements in Regulating and Supervising Securities Activities

► Legal Field

- Legislative and Regulatory Aspect
- Legal and Judicial Aspect and Arbitration and Investigation Tasks

► Regulatory Field

- Markets Regulation
- Licensing and Registration
- Collective Investment Schemes
- Capital Markets Development and Risk-Management
- Corporate Finance
- Mergers and Acquisitions

► Supervisory Field:

- Off-site Supervision
- On-site Supervision
- Markets Surveillance
- Disclosure and Transparency

► Awareness, Media and External Cooperation Field

- Awareness Field
- Public Relations and Media
- External Cooperation: Local, Regional, and International

► Legal Field

► Legislative and Regulatory Aspect

The financial year (2023/2024) witnessed the CMA's issuance of numerous resolutions and circulars related various aspects of securities activities, including legislative, regulatory and supervisory aspects. A summary of the most prominent ones is provided in the following tables:

No.	No. of Resolution	Date	Topic
1	56	16/4/2023	Development of Provisions for License Renewal and Cancellation at the Request of a Licensed Person
2	74	22/5/2023	The Comprehensive Sustainability Reporting Guide for Listed Companies
3	80	4/6/2023	Amending Some Provisions of Module Nine (Mergers and Acquisitions) of the Executive Bylaws
4	81	4/6/2023	Amending an Article Number in the Definition of "Promotional or Marketing Material"
5	117	6/8/2023	Fees of Managing Investment Portfolios for Securities of the Licensed Person's Employees
6	131	25/9/2023	Standards of Financial Integrity and Soundness and Some Controls of Registration of Registered Positions and Employment Positions
7	143	22/10/2023	Sale of the Shares Not Paid in Full in the Exchange
8	144	22/10/2023	Amendment of Some Provisions of Module Two and Module Eleven of the Executive Bylaws of CMA's Law
9	150	29/10/2023	Enhancement of the Notice Mechanism and Procedures
10	155	5/11/2023	Amendment of Certain Provisions of Module Five (Securities Activities and Registered Persons) of the Executive Bylaws of Law No. 7 of 2010
11	181	28/12/2023	Launch of the Initial Implementation Phase of Module Nineteen (Financial Technologies) of the Executive Bylaws of Law No. 7 of 2010
12	11	4/2/2024	Guidelines for the Valuation or Study of Impairment of Assets
13	16	18/2/2024	Amending Some Numbering of the Provisions of Module Sixteen (Anti-Money Laundering and Combating Financing of Terrorism) of the Executive Bylaws of Law No. 7 of 2010





No.	No. of Circular	Date	Topic
1	6	12/4/2023	Statistical Data of the Balance of Payments and Coordinated Survey
2	7	5/6/2023	Combination of Some of the Audit Offices Services Provided Pursuant to Law No. 7 of 2010 and its Executive Bylaws and their Amendment
3	8	21/6/2023	Circular to All Persons Licensed by the Capital Markets Authority Regarding Compliance with the Reporting Requirements According to FATCA and CRS Agreements
4	9	9/7/2023	Circular to All Licensed Persons Regarding the Countries Which Do Not Apply or Insufficiently Apply the Recommendations of the Financial Action Task Force (FATF)
5	10	17/7/2023	Circular to All Financial Institutions and Specified Non-Financial Businesses and Professions Regarding the Procedures Required for Transactions Associated to Virtual Assets
6	11	8/8/2023	Circular to All Licensed Persons Regarding the Ministerial Resolution No. (141) of 2023 on the Executive Regulation for the Implementation of United Nations Security Council Resolutions Issued under Chapter Seven of the United Nations Charter Related to Terrorism and Combating Proliferation of Weapons of Mass Destruction
7	12	8/8/2023	Circular to All Licensed Persons Regarding the Update of Suspicion Indicators Assisting Financial Institutions and Designated Non-Financial Businesses and Professions in Detecting Suspicious Transactions within the Field of Money-Laundering, Financing of Terrorism, and Proliferation of Weapons
8	13	27/8/2023	Circular to all Auditors Registered with the CMA Regarding the Mechanism of the Electronic Receipt of the Annual Report of the Licensed Person's Compliance with the Provisions of Module Seven (Clients' Funds and Clients' Assets)
9	14	31/10/2023	Circular to All Licensed Persons Regarding the Countries Which Do Not Apply or Insufficiently Apply the Recommendations of the Financial Action Task Force (FATF)
10	16	10/12/2023	Circular to all Investment Portfolio Managers Regarding the Rights Following the Securities Ownership of Clients
11	17	12/12/2023	Circular to all Insurance Companies Listed in Bursa Kuwait Securities Exchange Subject to the Provisions of Module Fifteen (Corporate Governance) of the Executive Bylaws of Law No. 7 of 2010 and their Amendments
12	18	28/12/2023	Circular to All Licensed Persons Regarding the Annual Report on Anti-Money Laundering and Combating Financing of Terrorism
13	1	17/1/2024	Circular to All Listed Companies in the Main Market Regarding Providing the Electronic System of Participation in General Assemblies
14	2	28/2/2024	Circular to All Licensed Persons Regarding the Countries Which Do Not Apply or Insufficiently Apply the Recommendations of the Financial Action Task Force (FATF)

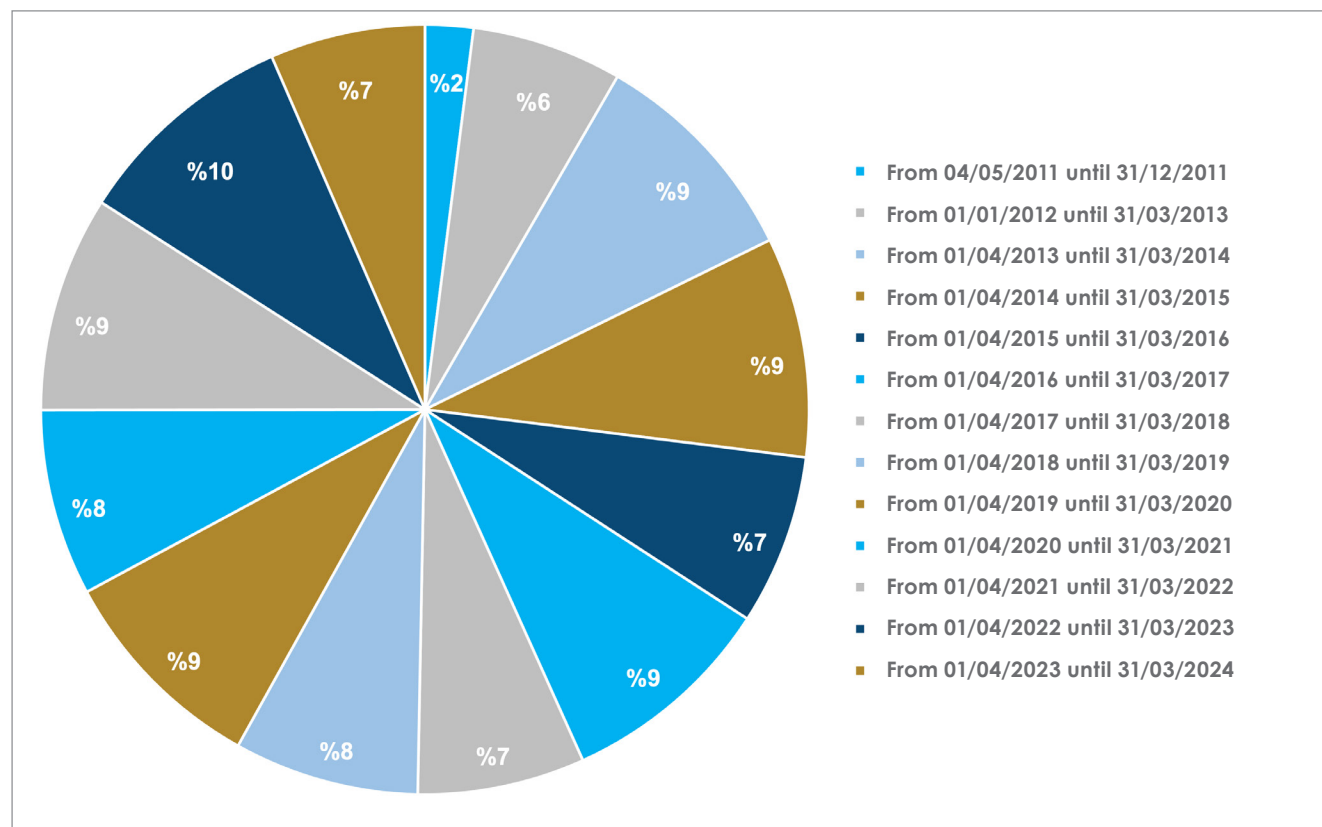
► Legal and Judicial Aspect and Arbitration and Investigation tasks

► Legal Area

The total number of subject matters on which the legal opinion was given during the latest financial year is 872. They are presented in the following table:

Subject Matter	Number of Memos Answered
Statement of legal opinion on issues related to the work of organizational units, work teams and committees within the CMA	526
Reviewing contracts, agreements and memoranda of understanding between the CMA and other entities	64
Reviewing regulations, resolutions, circulars, or awareness brochures issued by the CMA	184
Reviewing laws from other entities that were presented to the CMA for review	1
Grievances	57
Amendments to the Executive Bylaws	12
Studies and research	6
Legal principles drawn from the implementation of the provisions of the CMA's Law within the fields of the two sections: Contracts and Studies & Legislation	22
Total opinions of the Legal Studies Department	872

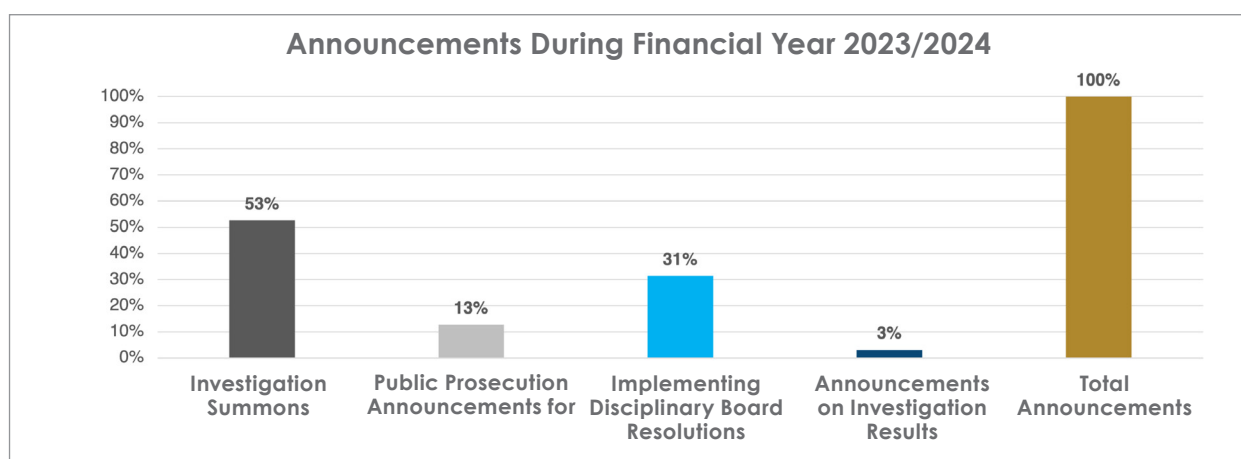
Cumulative figures for the total number of executed legal tasks for the years preceding the report year until the end of the latest financial year amounted to 12,677 tasks.





► Announcements

No.	Announcements	Number
1	Investigation Summons	371
2	Public Prosecution	90
3	Announcements for Implementing Disciplinary Board Resolutions	221
4	Announcements on Investigation Results	22
Total		704



► Reports

No.	Reports	Number
1	Approved Reports	5
2	Dismissed Reports	20
3	Incomplete Reports	40
4	Reports Under Examination	9
Total Received Reports		74

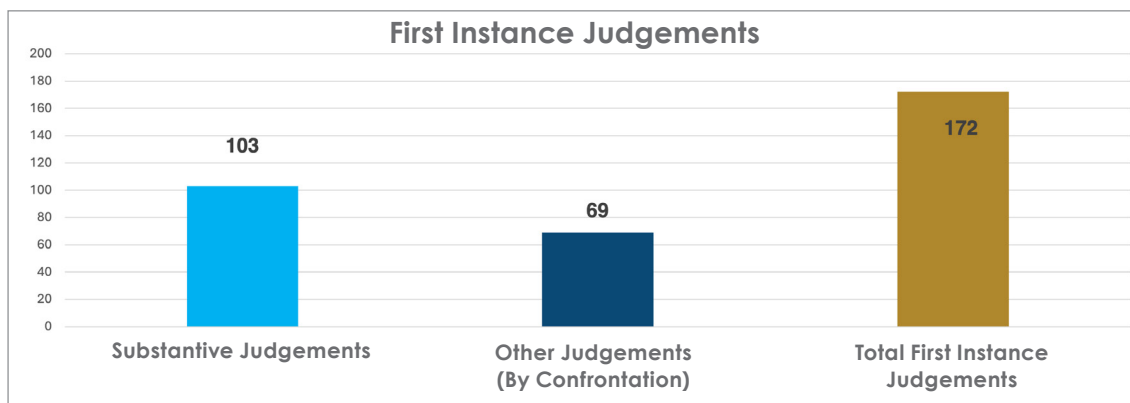
► Right to Access Information Applications and Related Grievances

No.	Right to Access Information Applications	Number
1	Accepted applications	5
2	Partially denied applications	3
3	Completely denied applications	24
No.	Grievances on right to access information applications	Number
1	Denied	5
2	Accepted	-
Total		37

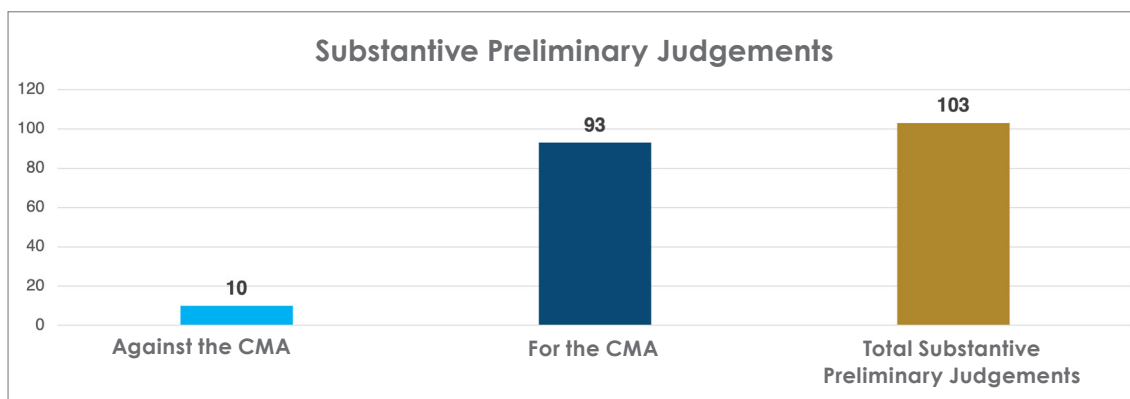
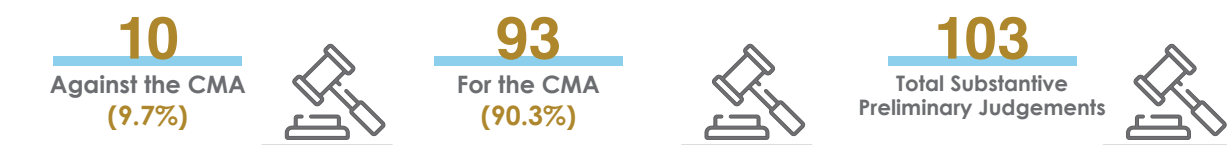
► Litigation and Arbitration Tasks

The total number of cases registered with the CMA during the financial year (2023/2024) amounted to 216 cases, bringing the total number of cases registered with the CMA to 1,788. There were 1,353 active cases, and 435 reserved cases. The following tables and graphs present the status of judgments of various types during the financial year (2023/2024):

First Instance Judgements

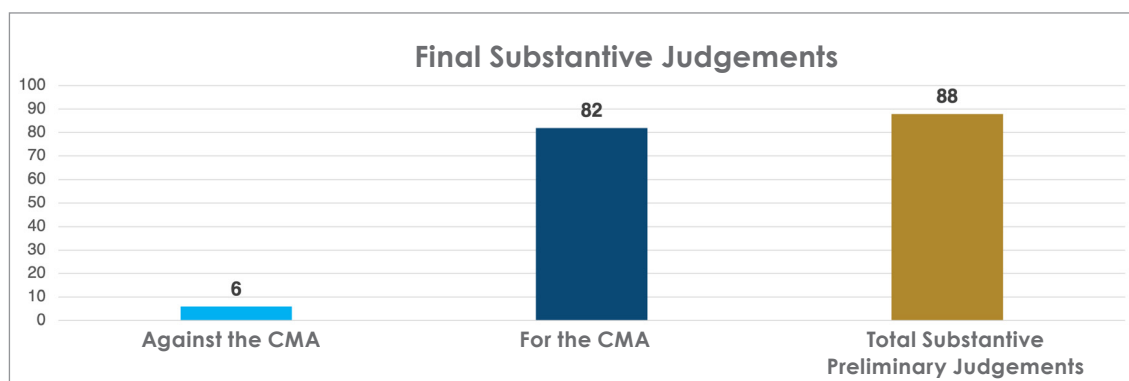
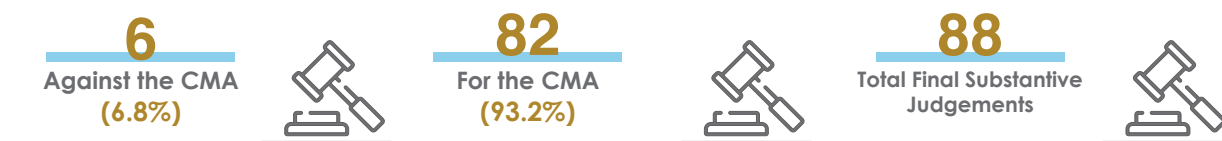


Substantive Preliminary Judgements

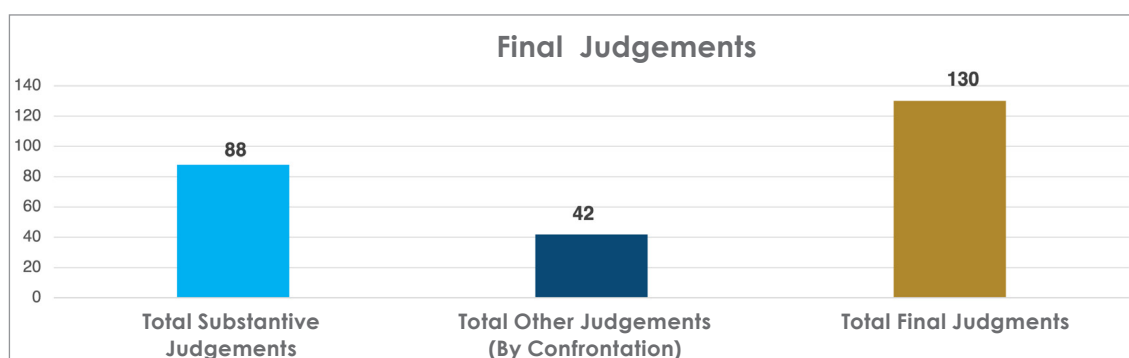




Final Substantive Judgments



Final Judgements



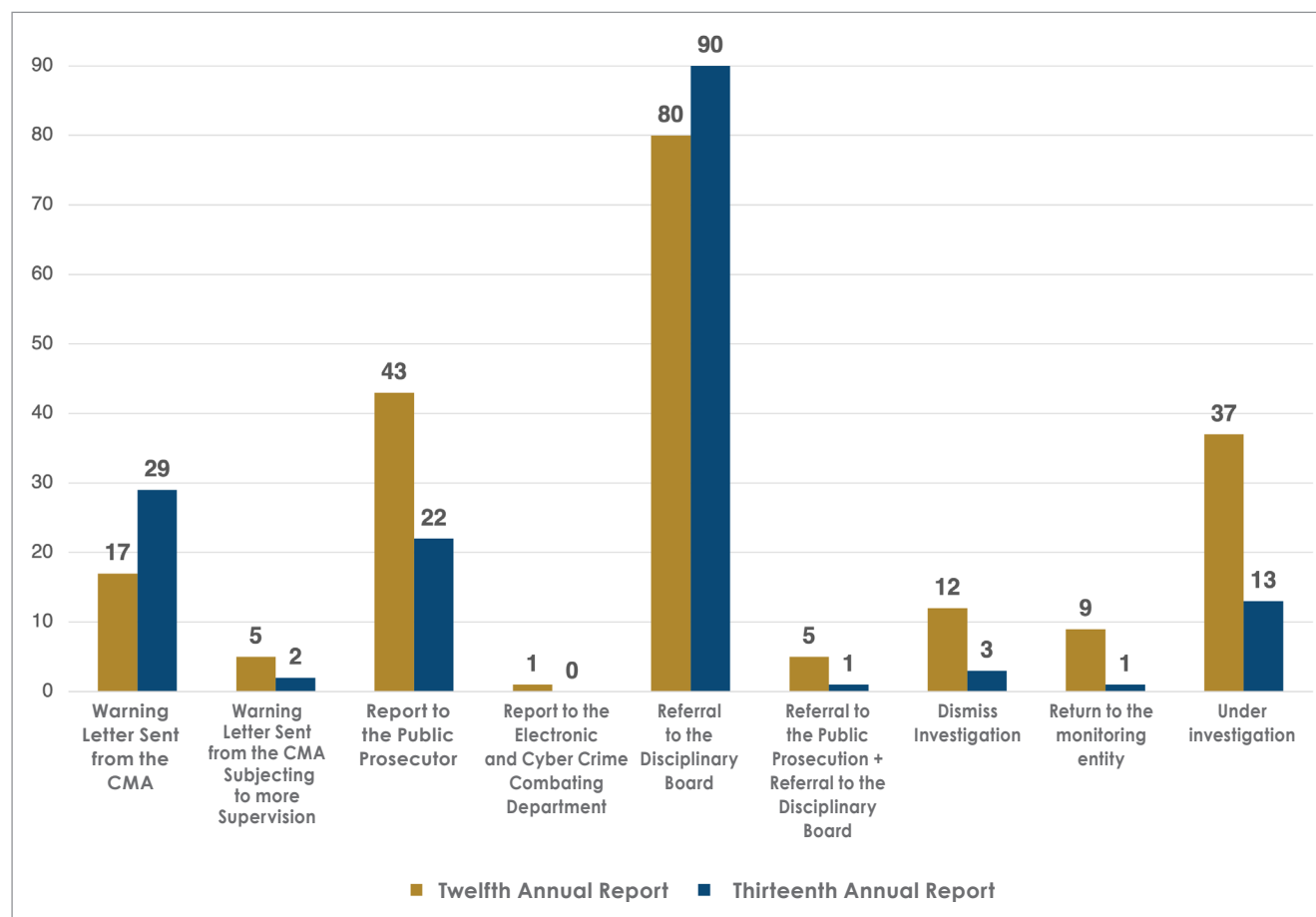
► Dispute Settlement

No.	Documents	Imple- mented	Under Imple- mentation	Instalment	Reports	Terminated	Rejected	Total
1	Disciplinary Board Resolutions	55	5	2	9	0	0	71
2	Civil Execution	2	5	0	0	0	0	7
3	Penal Execution	5	20	0	0	0	0	25
4	Magistrates Orders	5	1	0	0	8	2	16
Total Documents		67	31	2	9	8	2	119

► Investigation Tasks

In addition to the CMA's submission of 19 reports to the Public Prosecution for non-compliance with Disciplinary Board's resolutions, the financial year (2023/2024) witnessed the execution of investigations into 161 violations. The following table indicates such violations and their processing mechanisms for the latest financial year in comparison to the previous one:

Statement	Financial year 2022/2023	Financial year 2023/2024
Warning Letter Sent from the CMA	17	29
Warning Letter Sent from the CMA + Subjecting to more Supervision	5	0
Warning Letter from the CMA + Referral to the Disciplinary Board	0	2
Report to the Public Prosecution	43	22
Report to the Electronic and Cyber Crime Combating Department	1	0
Referral to the Disciplinary Board	80	90
Referral to the Public Prosecutor + Referral to the Disciplinary Board	5	1
Dismiss Investigation	12	3
Return to the monitoring entity	9	1
Under Investigation	37	13
Total number of violations	209	161





► Regulatory Field

► Markets Regulation

We present some development work related to markets regulation, some of which were completed, while others are still ongoing at the time of preparing the report, before we present the achieved work in terms of listing, products and trading, as follows:

► Implemented Development Work

- Conducting an opinion poll concerning the draft amendments of margin trading for licensed persons for the purpose of improving the services and developing the investment tools offered in the Kuwait capital market.
- Participating in the international meetings and introductory campaigns on the capital markets that target the foreign investor in HSBC Markets and Securities Services Forum in the Middle East and North Africa region 2024, in addition to holding several meetings with external entities, both local and international.

► Development Work in Progress

- Reviewing and providing opinion on several topics (amending Bursa Kuwait Rulebook with regards to the agreed upon transactions, the form of "Service Provider on Register" suggested by Kuwait Clearing Company, and the "Initial & Variation Margin").
- Opinion polls on (amendments to the CMA's regulations and Bursa Kuwait's rules concerning bonds and sukuks and publishing them on the websites of the CMA and Bursa Kuwait, developing rules for the continuous fulfillment of listing requirements and investors' protection from the companies that fail to comply with the requirements of listing in the Exchange by providing a mechanism for establishing a new market for this type of companies, and including a new definition of the controller in order to promote listing).
- Preparing an adequate legislative system for establishing a specialized market for listing and trading in growth companies shares.
- Completing the remaining stages of the project of developing the mechanism of participating in the general assemblies of companies listed in Bursa Kuwait Securities Exchange.
- Preparing for legislative amendments for the purpose of enhancing the Executive Bylaws provisions related to the margin trading service for licensed persons.
- Developing the market system (establishing the money market central counterparty, cash settlements through the system of the Central Bank/commercial banks, changing the settlements mechanism through following Model 2 of delivery versus payment "DVP Model 2", providing the form of qualified broker, creating sub-accounts' number for the accounts of each of the "brokers, trading and portfolios", clearing members form, final form for central counterparty (CCP) – derivatives, reviewing and proving technical opinion on the rules of each of : central counterparty, central securities depository entity, risk / default waterfall, procedures for addressing defaults, recovery plans, governance document, legislative amendments to the CMA, the Exchange rules, and the clearing and settlement rules with regards to bonds, sukuks, and ETFs in coordination with the concerned parties).

► Listing and Products

► Voluntary Delisting

Resolutions on the approvals of voluntary delisting from Bursa Kuwait Securities Exchange for the shares of:

- Ras Al Khaimah Co. for White Cement and Construction Materials

Resolutions on the disapproval of the voluntary delisting from Bursa Kuwait Securities Exchange for the shares of:

- The Energy House Holding Company

► Resolutions on the approvals of delisting of shares:

Resolutions approving the delisting of shares of the following companies from Boursa Kuwait Securities Exchange (for various reasons, some with specified deadlines unless the reasons for delisting are addressed):

- Kuwait Remal Real Estate Company.
- AAN Digital Services Holding Company.
- Ahli United Bank shares (Two delisting resolutions were issued: the first due to the continued suspension of trading of its shares for more than six months without meeting the requirements, and the second following the completion of the share swap process and the termination of the corporate entity of the Bank as a result of its merger by amalgamation with Kuwait Finance House).
- Yiaco Medical Company.
- Salbookh Trading Company.
- Mena Real Estate Company.
- Gulf Petroleum Investment Company.
- First Dubai Real Estate Development Company.

► Rejection of the requests to extend the period granted to companies to address the suspension reasons

- Yiaco Medical Company.

► Issuance of resolutions approving the non-delisting and resumption of trading of shares

- Mena Real Estate Company.

► Approvals for trading suspension

Issuance of resolutions to suspend trading on Boursa Kuwait Securities Exchange for the shares of the following companies:

- Gulf Petroleum Investment Company.
- Equipment Holding Company.
- Jiyad Holding Company.
- Al-Massaleh Real Estate Company.
- Al-Taameer Real Estate Investment Company.

► Trading

► Participation in issuing resolutions and circulars related to:

- Approving the amendment to the regulations of the unlisted securities market due to the impending expiration of the preliminary approval of the activity license of Securities Broker not registered with an Exchange of Al-Mowazi Capital Company.
- Amending the clearing rules regarding both: the issuer's obligation to notify the clearing agency of all unpaid shares, rejection of partial obligation of transactions by the custodian to fulfil its clients' requests).

► Licensing and Registration

In addition to issuing 146 regulatory issuances as part of our licensing and registration activities, several related topics have been studied and opinion was provided thereon, such as (suspected violations, complaints, cases, and monitored promotional announcements related to securities activities / an opinion poll on developing a regulatory framework for asset valuation / an exchange license for small and medium-sized enterprises / preparing regulations for granting digital advisor licenses / regulations governing the ethical conduct, as well as fit and proper rules of persons licensed with the Insurance Unit / the passporting bylaws of investment funds among the GCC financial markets regulators / the upcoming mutual evaluation process with (FATF) / the rules of



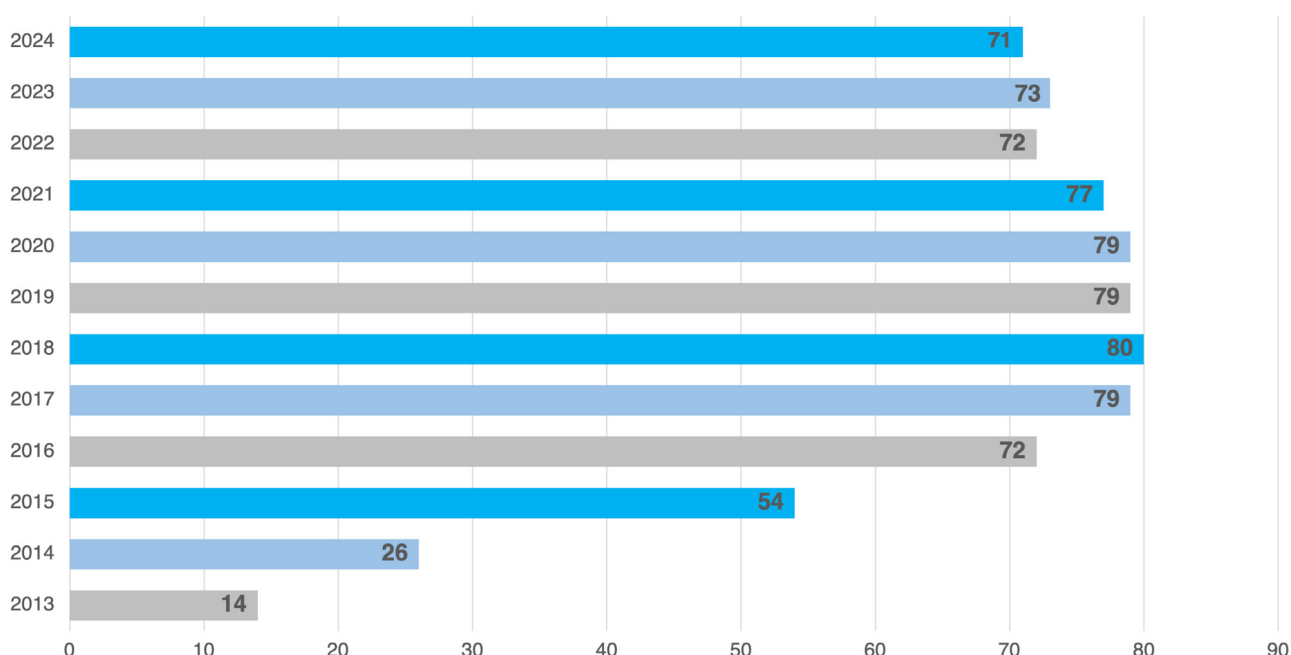
Kuwait Clearing Company and Kuwait Central Depository Company / amendments to the rules for trading unlisted securities / conflicts of interest cases at self-listed exchanges / the account specified for whistleblowers and complaints filers, and granting incentive awards).

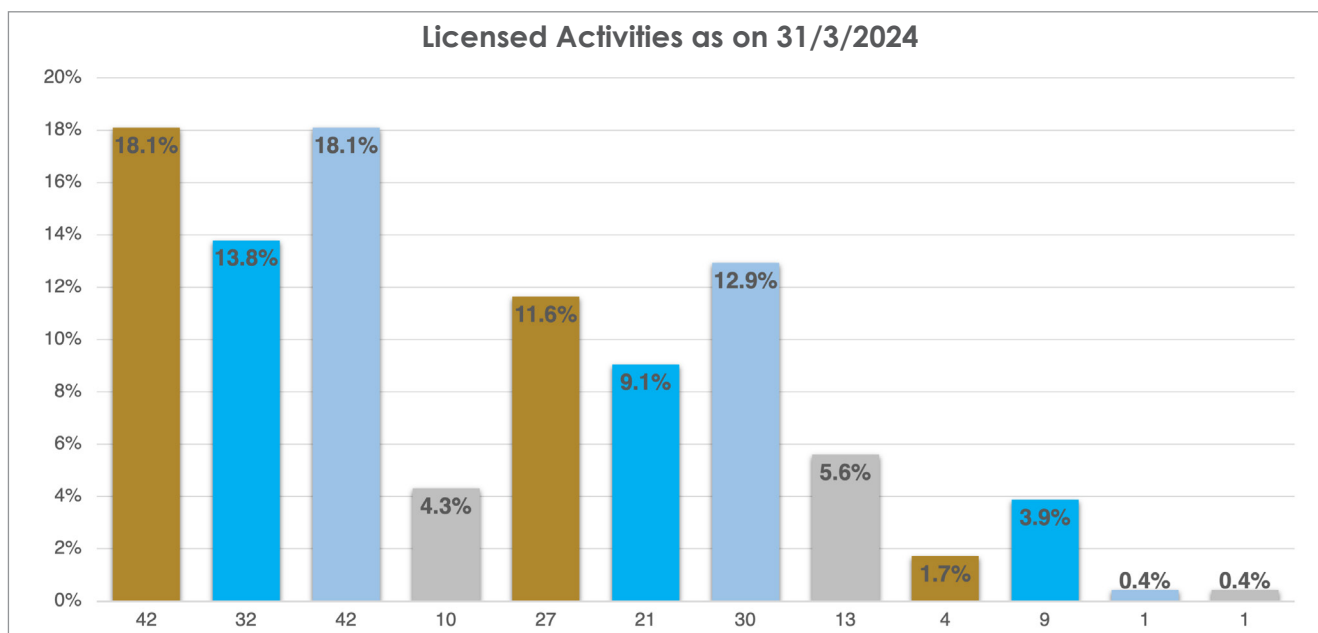
► Licensed Persons

The total number of licensed persons at the end of the financial year (2023/2024) was 71 persons, and the total number of licensed activities was 232 distributed according to the following table and charts:

Securities Activity	Licensed Securities Activities	Percentage of Total Securities Activities
Securities Exchange	1	0.4%
Clearing Agency	1	0.4%
Investment Portfolio Manager	42	18.1%
Collective Investment Scheme Manager	32	13.8%
Investment Advisor	42	18.1%
Subscription Agent	30	12.9%
Custodian	21	9.1%
Market Maker	9	3.9%
Securities Broker Registered in the Securities Exchange	10	4.3%
Securities Broker not Registered in the Securities Exchange	27	11.6%
Investment Controller	13	5.6%
Valuation of Assets	4	1.7%
Total	232	100%

Number of licensed persons for the period between (2024 - 2023)





► Regulatory Issuances

The financial year (2023/2024) witnessed the issuance of 3 press releases, 1 announcement, and 142 resolutions related to the licensing activities, as shown in the following table and chart:

Resolution Type	Issued Number
Resolutions Related to Licensing Licensed Persons	
Renewal of the Securities Activities License	30
Licensing Securities Activities	7
Rejection of Securities Activities Application	0
Preliminary Approval of a Securities Activities License	15
Cancellation of Securities Activities License (Full)	3
Cancellation of Securities Activities License (Partial)	1
Suspension of Securities Activities License	0
Expiration of Securities Activities License (Full)	0
Expiration of Securities Activities License (Partial)	1
Resolutions Related to Collective Investment Schemes	
Renewal of a Collective Investment Scheme	19
Granting a Private Marketing License of a Collective Investment Scheme Incorporated outside the State of Kuwait	30
Announcement for Incorporating a Local Collective Investment Scheme License	3
Approval for Incorporating a Collective Investment Scheme for the Purpose of Completing the Capital	4
Announcement for the Cancellation of the Resolution of Incorporating a Local Collective Investment Scheme for Incomplete Capital	0
Cancellation of a License of a Local Collective Investment Scheme (Cancelling Registration after the End of Liquidation)	2
Cancellation of a License of a Local Collective Investment Scheme (Liquidation)	2

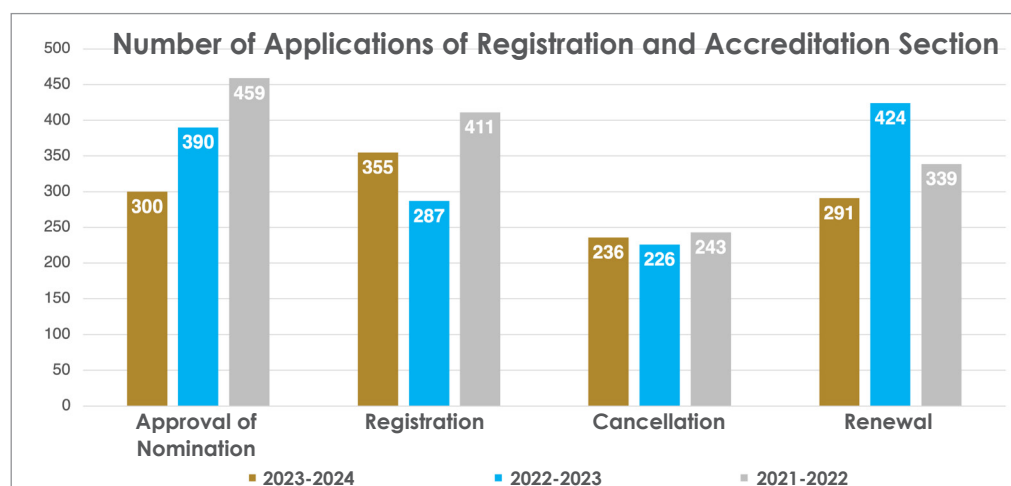
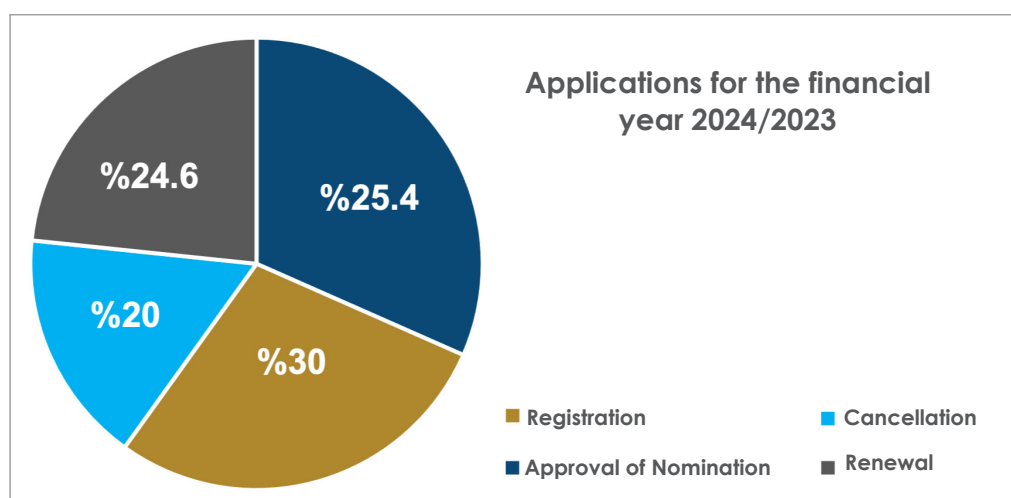


Resolution Type	Issued Number
Resolutions Related to Auditors Registered with the CMA	
Registration of Auditors in the Concerned Register at the CMA	2
Cancellation of the Registration of Auditors in the Concerned Register at the CMA	5
Renewal of Registration of Auditors in the Concerned Register at the CMA	3
Resolutions Related to External Sharia Auditing Offices Registered with the CMA	
Application for Registration of an External Sharia Auditing Office in the Concerned Register with the CMA	0
Application to Renew the Registration of an External Sharia Auditing Office in the Concerned Register with the CMA	6
Other Resolutions	
Other Resolutions of a Special Nature	9
Total	142

► Registered Positions and Employment Positions

The decision on a total of 1,182 applications for nomination, registration, and cancellation for both registered positions and employment positions of licensed persons determined in the following table:

Financial Year	Approval of Nomination	Registration	Cancellation	Renewal	Total
(2024/2023)	300	355	236	291	1182



► Licensing and Registration Services Executed through the CMA's Electronic Portal

► Securities Activities

No.	Service Type	Number of Completed Requests
1	Application for Securities Activities License	5
2	Application for License after Preliminary Approval	5
3	Application for Renewing Securities Activities License	30
4	Application for Cancellation of Securities Activities License	1
5	Application for Temporary Suspension from Practicing the Activity	0
6	Policies and Procedures Updates	254
Total		295

► Registered Persons

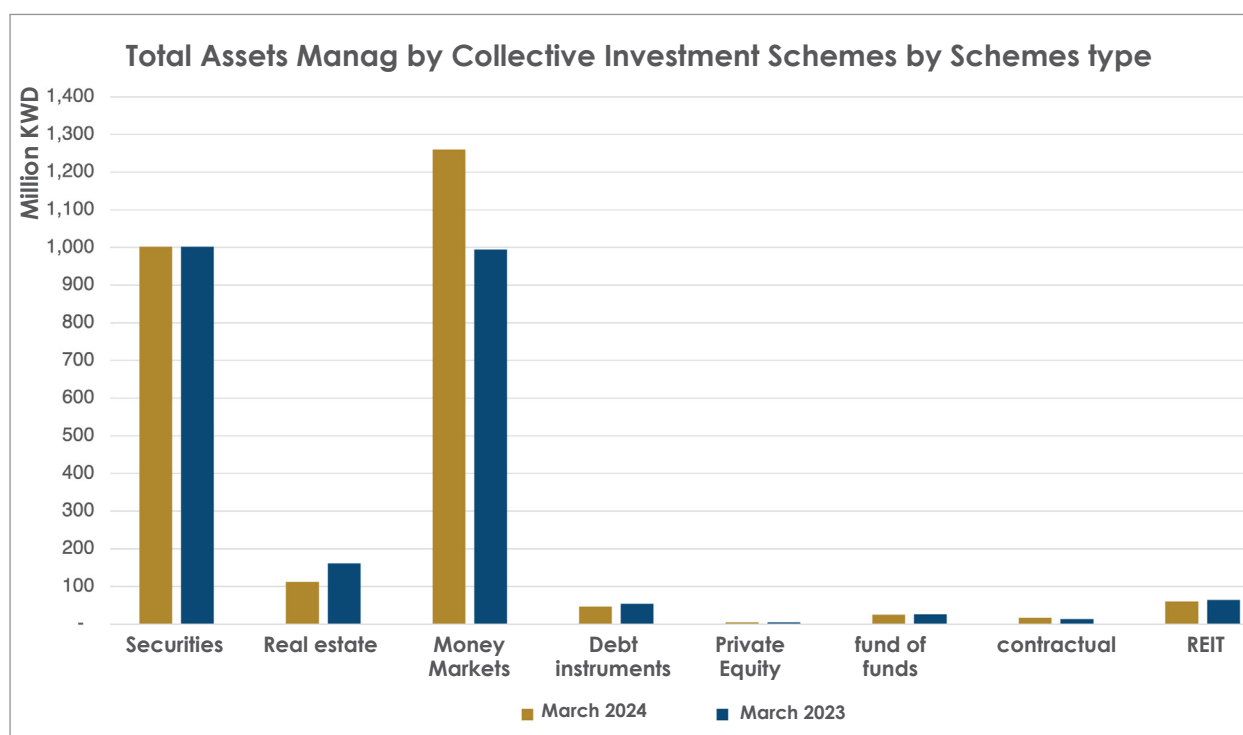
No.	Service Type	Number of Completed Requests
1	Application for the Nomination for a Board Member Position in accordance with Fit and Proper Rules	78
2	Application for the Nomination of Registered Employment Positions in accordance with Fit and Proper Rule	222
3	Application for the Nomination of Board Members of a Securities Exchange in accordance with Fit and Proper Rule	0
4	Registration of Board Members Positions	148
5	Registration of Registered Employment Positions	194
6	Cancellation of Registration of Board Members Positions	55
7	Cancellation of Registration of Registered Employment Positions	181
8	Application for Registration of Board Members Positions upon the Central Bank's Approval	4
9	Application for the Registration of Registered Employment Positions upon the Central Bank's Approval	9
10	Application for the Registration of an Auditor in the Concerned Register at the CMA	3
11	Application to Renew the Registration of an Auditor in the Concerned Register at the CMA	4
12	Application for Submitting the Annual Report of the Auditor Registered with the CMA	36
13	Application for Meeting the Requirements of the Professional Qualifications Program for the Registered Employment Positions	29
14	Application for Renewing the Registration of Registered Employment Positions for Licensed Persons	291
15	Application for Renewing the Registration of an External Sharia Auditing Office in the Concerned Register at the CMA	6
16	Application for the Registration of an External Sharia Auditing Office in the Concerned Register at the CMA	0
17	Application for the Registration at the Financial Analysts' Register at the CMA	0
Total		1260



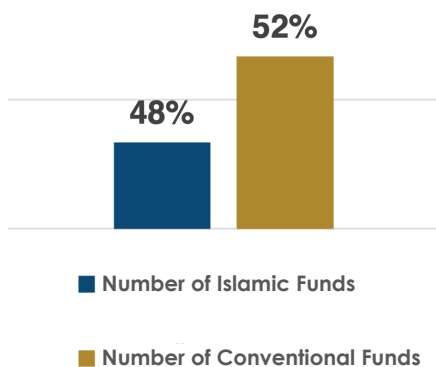
► Collective Investment Schemes

► Data of Ongoing Collective Investment Schemes as on 31/3/2024

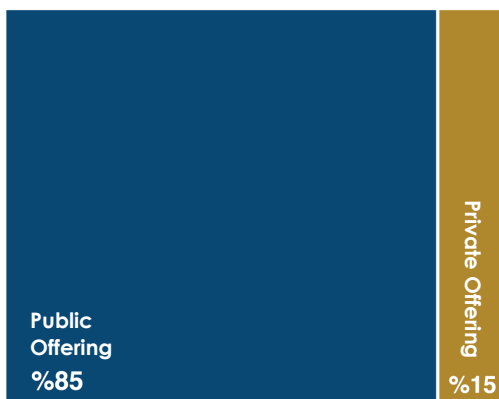
Scheme Type	No.	Total Capital (thousand KWD)	Total Net Asset Value (thousand KWD)	Net Asset Value (thousand KWD)
Securities	37	753,514	1,001,873	998,095
Real Estate	3	104,256	111,808	107,369
Money Market	11	1,068,884	1,260,254	1,246,799
Debt Instrument	5	41,671	46,495	46,005
Private Equity	1	4,960	4,661	4,639
Fund of Funds	2	22,244	24,727	24,645
Contractual	3	14,500	16,632	15,953
Real Estate In- come-Generating REIT (Traded)	1	54,600	59,592	58,516
Total	63	2,064,629	2,526,041	2,502,020



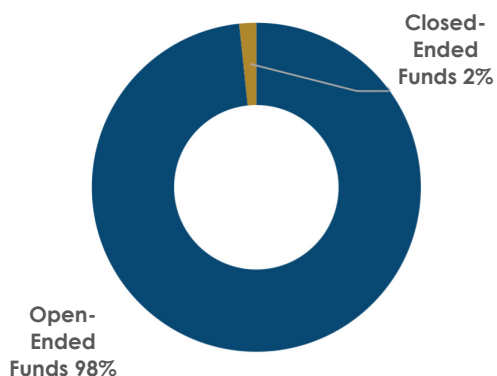
Funds according to Nature of the Fund



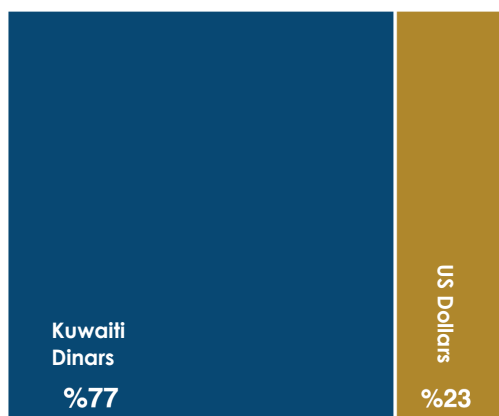
Funds according to Offering



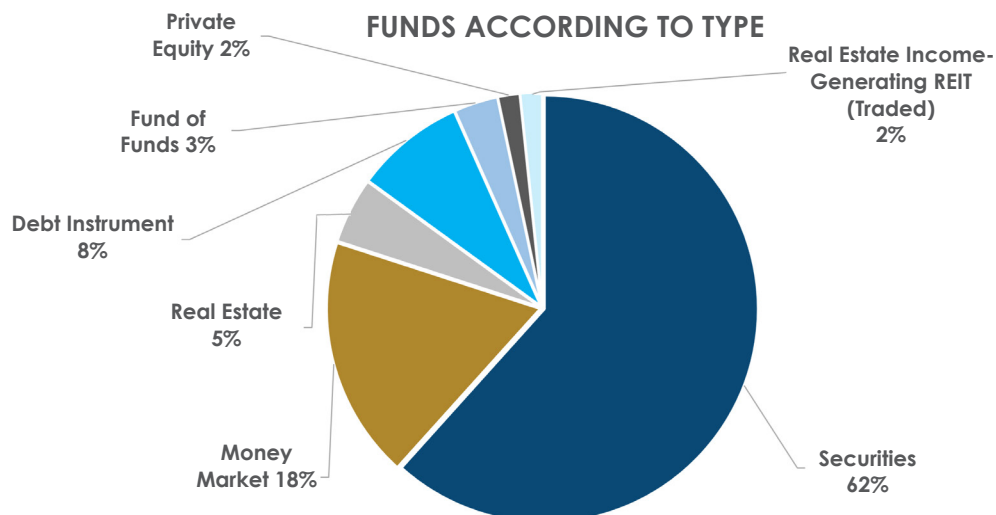
Funds according to Form



Funds according to Currency



FUNDS ACCORDING TO TYPE



Number of Funds Managers	19	Average Fund Management Fee	1.13%
Average Number of Funds per Manager	3	Highest Fund Management Fee	1.75%
Number of Companies Managing Funds above the Average	8	Initial Fund Management Fee	0.30%

Annually as a Percentage of the Fund's Net Asset Value*



► Applications Relevant to Collective Investment Schemes

No.	Nature of Applications	Approved Applications	Applications Under Review	Total
1	Application for the Incorporation of Local Investment Funds inside Kuwait	4	-	4
2	Review and Approval of Applications to Market Units of Collective Investment Schemes Incorporated Outside Kuwait	30	4	34
3	Follow-up on the Liquidation of Local Investment Funds	2	-	2
4	Appointment of a Replacement Manager of Local Investment Funds	1	-	1
5	Cancellation of Registration of Local Collective Investment Scheme from the CMA's Register	2	-	2
6	Review of Renewal of license for Local Collective Investment Schemes	19	-	19
7	Application for Renewal of a Local Investment Fund's Term	2	-	2
8	Application for Extending the Period for a Fund's Liquidation Work	2	-	2
	Total	62	4	66

► Other Related Tasks

• Review and approve the following:

- A total of 64 applications to amend the Articles of Association of local funds or local contractual collective investment schemes memorandums.
- A total of 12 applications to notify the appointment of external auditor, external Sharia auditing office, or investment advisor for a fund in case of vacancy.
- A total of 81 applications to appoint an administrative authority or executive team for a local collective investment scheme.

• Follow-up a total of 82 unit holders' assemblies of local funds.

• Review and issue 1 notice for increasing the capital from its minimum limit.

► Cumulative Statistics

Funds Incorporation within the State of Kuwait		
Fund Type	Number of Funds	
	Public Offering	Private Placement
Securities	11	3
Money Market	12	1
Private Equity	-	3
Real Estate	3	6
Debt Instrument	3	3
Fund of Funds	3	-
Real Estate Income-Generating Fund (Traded)	1	-
Total	33	16
	49	
Other Applications		
Application Type	Number	
Incorporation of Contractual Collective Investment Scheme inside Kuwait	5	
Cancellation of Registration of Local Funds from the CMA's Register	48	
Appointment of a Substitute Manager for Local Funds	10	
Marketing Collective Investment Scheme Units Incorporated Outside Kuwait	156	
Replacement and Appointment of a Liquidator for Local Funds	6	
Amendment of the Articles of Association of Local Investment Funds or Local Contractual Collective Investment Schemes Memorandums starting from Financial Year (2016/2017)	371	
Applications for Renewing the License of Local Collective Investment Schemes starting from Financial Year (2016/2017)	157	
Follow-up and Attendance of Unit Holders' Assemblies and Approval of Decisions of Assemblies starting from the Financial Year (2016/2017)	919	

► Capital Markets Development and Risk-Management

► Key Implemented Tasks

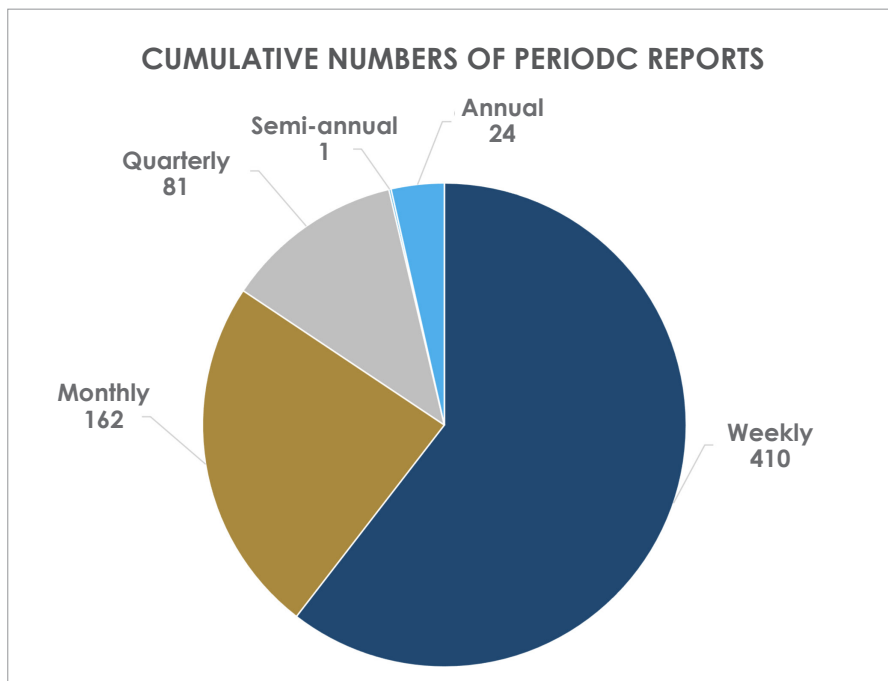
Nature of Implemented Task	No.	Subject of Study or Report
Preparation of Research Studies	1	The request of Kuwait Clearing Company of not to convert to a holding company and keep its legal entity as a closed shareholding company
	2	Revision of the market's division and the obligations of a market maker - 2024



Nature of Implemented Task	No.	Subject of Study or Report
Preparation and Updating of Reports	1	Weekly, quarterly, and annual reports on the performance of Boursa Kuwait Securities Exchange.
	2	Quarterly reports on the latest developments in the capital markets for inclusion in the newsletter of AMERC committee of the International Organization of Securities Commissions (IOSCO)
	3	Quarterly report on Indicators of Systemic Risks
	4	Sixth report of the classification of the efficiency of the listed companies in Boursa Kuwait Securities Exchange according to the latest statements issued for 2022
	5	Sixth annual report on Early Warning Indicators of the key economic and financial variables impacting the securities activity in Kuwait based on the latest statements issued for 2022
	6	Sixth annual report on the capital market competitiveness in the GCC countries, based on the latest statements issued for 2022
	7	First annual report on the developments of sustainable finance system.

► Cumulative Statistics for the Years (2015-2023):

Periodic Report	2015 2016	2016 2017	2017 2018	2018 2019	2019 2020	2020 2021	2021 2022	2022 2023	2023 2024	Total
Weekly reports	25	50	50	50	47	38	51	50	49	410
Monthly reports	0	0	18	24	23	25	24	24	24	162
Quarterly reports	0	0	2	4	8	12	22	16	17	81
Semi-annual reports	0	0	0	1	0	0	0	0	0	1
Annual reports	0	0	3	5	1	2	4	4	5	24
Total	25	50	73	84	79	77	101	94	95	678



► Corporate Finance

► Related Tasks

- Approving the issuance of premium shares transferrable to ordinary shares for Action Energy Company as the first issuance of its kind in the State of Kuwait since the establishment of the CMA.
- Conducting legislative amendments to Module Two (Capital Markets Authority) and Module Eleven (Dealing in Securities) of the Executive Bylaws of Law No. 7 of 2010 to facilitate the transactions of all investors in the market, increase the supervisory quality of the CMA's work, integrate with the rest of the laws regulating the companies' work such as the Companies Law No. 1 of 2016, without neglecting compliance with the considered international practices.

► Increase in Capital

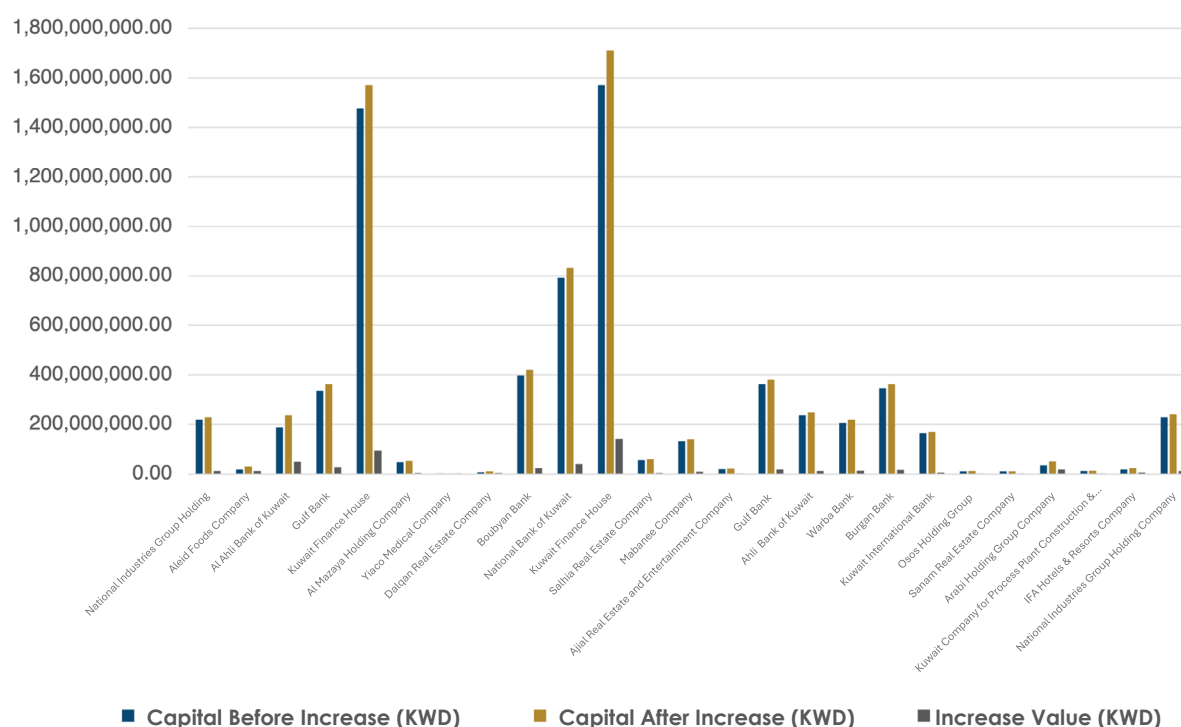
During the financial year (2023/2024), a total of (25) approvals for capital increase were granted. The details are summarized in the following table and chart:

No.	Approval Date	Company	Capital Before Increase (KWD)	Capital After Increase (KWD)	Increase Value (KWD)	Increase Type
1	19/4/2023	National Industries Group Holding	218,588,902.500	229,518,347.600	10,929,445.100	Bonus Shares
2	9/7/2023	Aleid Foods Company	18,617,287.200	30,331,572.900	11,714,285.700	Cash
3	10/7/2023	Al Ahli Bank of Kuwait	187,438,731.000	237,438,731.000	50,000,000.000	Cash
4	14/9/2023	Gulf Bank	336,056,100.600	362,143,057.100	26,086,956.500	Cash
5	5/11/2023	Kuwait Finance House	1,476,445,657.200	1,569,582,337.400	93,136,680.200	In-Kind
6	20/11/2023	Al Mazaya Holding Company	48,474,816.600	52,556,117.400	4,081,300.800	In-Kind
7	23/1/2024	Yiaco Medical Company	158,730.000	342,857.000	184,127.000	Cash
8	31/1/2024	Dalqan Real Estate Company	6,053,025.000	10,053,025.000	4,000,000.000	Cash
9	4/2/2024	Boubyan Bank	396,300,343.300	420,078,363.800	23,778,020.500	Bonus Shares
10	4/2/2024	National Bank of Kuwait	792,994,562.000	832,644,290.100	39,649,728.100	Bonus Shares
11	11/2/2024	Kuwait Finance House	1,569,582,337.400	1,710,844,747.700	141,262,410.300	Bonus Shares
12	12/2/2024	Salhia Real Estate Company	56,527,756.300	59,354,144.100	2,826,387.800	Bonus Shares
13	13/2/2024	Mabanee Company	131,618,458.800	139,515,566.300	7,897,107.500	Bonus Shares
14	13/2/2024	Ajial Real Estate and Entertainment Company	20,420,505.000	21,033,120.100	612,615.100	Bonus Shares
15	15/2/2024	Gulf Bank	362,143,057.100	380,250,209.900	18,107,152.800	Bonus Shares
16	19/2/2024	Ahli Bank of Kuwait	237,438,731.000	249,310,667.500	11,871,936.500	Bonus Shares



No.	Approval Date	Company	Capital Before Increase (KWD)	Capital After Increase (KWD)	Increase Value (KWD)	Increase Type
17	19/2/2024	Warba Bank	206,000,000.000	218,360,000.000	12,360,000.000	Bonus Shares
18	27/2/2024	Burgan Bank	345,220,312.500	362,481,328.100	17,261,015.600	Bonus Shares
19	3/3/2024	Kuwait International Bank	165,376,542.700	170,337,838.900	4,961,296.200	Bonus Shares
20	4/3/2024	Osos Holding Group	10,500,000.000	10,920,000.000	420,000.000	Bonus Shares
21	5/3/2024	Sanam Real Estate Company	10,000,000.000	10,500,000.000	500,000.000	Bonus Shares
22	10/3/2024	Arabi Holding Group Company	34,592,448.400	51,888,672.600	17,296,224.200	Cash
23	13/3/2024	Kuwait Company for Process Plant Construction & Contracting	12,162,908.300	13,014,311.800	851,403.500	Bonus Shares
24	20/3/2024	IFA Hotels & Resorts Company	18,342,455.000	22,928,068.700	4,585,613.700	Bonus Shares
25	31/3/2024	National Industries Group Holding Company	229,518,347.600	240,994,264.900	11,475,917.300	Bonus Shares
Total			25 Approvals	515,849,624.400		

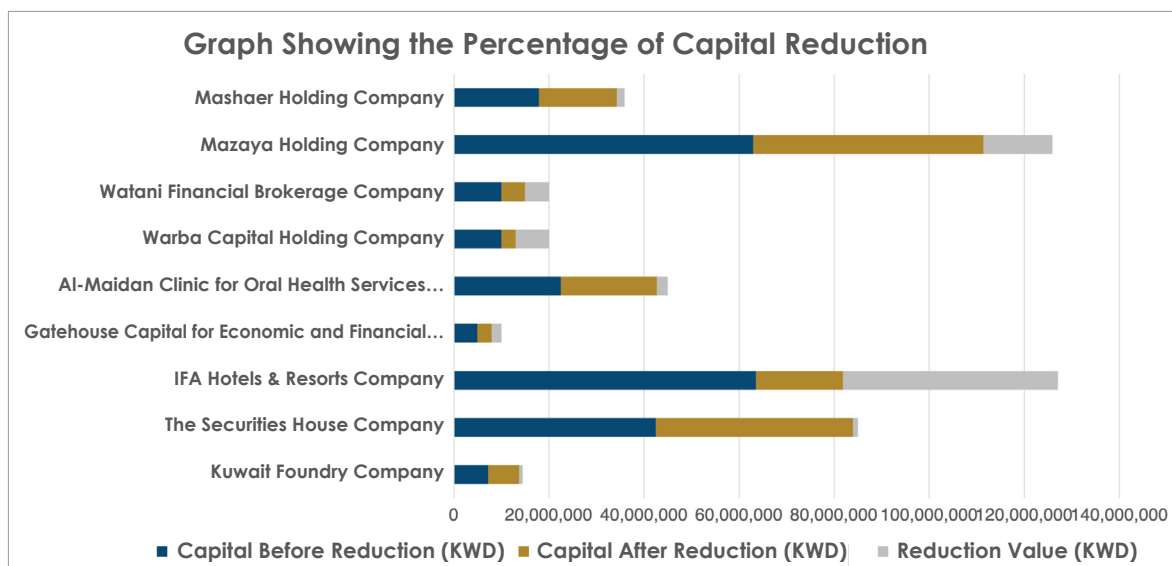
Graph Illustrating the Movement of Capital After the Increase



► Reduction in Capital

During the financial year (2023/2024), a total of 9 approvals for capital reduction were granted. The details are summarized in the following table and chart:

No.	Date	Company	Capital Before Reduction (KWD)	Capital After Reduction (KWD)	Reduction Value (KWD)	Justification for Reduction
1	3/4/2023	Kuwait Foundry Company	7,232,559	6,500,000	732,559	Reduction of the company's excess capital
2	17/4/2023	The Securities House Company	42,500,000	41,500,000	1,000,000	Reduction of the company's excess capital
3	1/5/2023	IFA Hotels & Resorts Company	63,543,420	18,342,455	45,200,965	Reduction of the company's excess capital
4	1/5/2023	Gatehouse Capital for Economic and Financial Consultancy Company	5,000,000	3,000,000	2,000,000	To fully amortize the company's accumulated losses
5	22/6/2023	Al-Maidan Clinic for Oral Health Services Company	22,500,000	20,250,000	2,250,000	Reduction of the company's excess capital
6	26/6/2023	Warba Capital Holding Company	10,000,000	3,000,000	7,000,000	Reduction of the company's excess capital
7	13/7/2023	Watani Financial Brokerage Company	10,000,000	5,000,000	5,000,000	Reduction of the company's excess capital
8	23/8/2023	Mazaya Holding Company	62,955,982	48,474,817	14,481,165	Reduction of the company's excess capital
9	13/3/2024	Mashaer Holding Company	17,942,989	16,356,534.70	1,586,454	To fully amortize the company's accumulated losses.
Total					79,251,143	-





► Subscription Prospectuses

During the financial year of the report, a total of 12 subscription prospectus applications were received for approval, as follows:

No.	Date	Company	Security Type	Approval Type
1	4/6/2023	Kuwait Projects Company - KIPCO	Sukuk	Private placement prospectus for the issuance, offering, and marketing of the first tranche of sukuk with a maximum value of KWD 150 million within the sukuk program through Kuwait Projects Company Sukuk Limited (a special purpose vehicle company)
2	18/6/2023	Warba Bank	Sukuk	Private marketing for sukuk issued by DAEWOO E&C Company Limited (a special purpose vehicle company) in a value not exceeding USD 100 million
3	26/7/2023	Commercial Bank of Kuwait	Bonds	Private placement prospectus for the issuance of bonds in a value not exceeding KWD 25 million within the program for Commercial Bank of Kuwait
4	30/7/2023	Warba Bank	Sukuk	Supplementary prospectus for sukuk issued by DAEWOO E&C Company Limited (a special purpose vehicle company) in a value not exceeding USD 100 million
5	9/8/2023	Ahli Bank of Kuwait	Ordinary Shares	Public offer prospectus in the shares of the capital increase of Ahli Bank of Kuwait
6	16/8/2023	Ahli Bank of Kuwait	Ordinary Shares	Supplementary prospectus in the shares of the capital increase of Ahli Bank of Kuwait
7	28/8/2023	Sanam Real Estate Company	Ordinary Shares	Public offer prospectus in the shares of the capital increase of Sanam Real Estate Company
8	3/10/2023	Watani Investment Company	Sustainable Bonds	Private placement prospectus in sustainable bonds in a value not exceeding USD 1 billion or its equivalent currency within the bonds program of National Bank of Kuwait through NBK SPC Limited
9	9/10/2023	Gulf Bank of Kuwait	Ordinary Shares	Public offer prospectus in the shares of the capital increase of Gulf Bank of Kuwait
10	22/10/2023	Aleid Foods Company	Ordinary Shares	Public offer prospectus in the shares of the capital increase of Aleid Foods Company
11	31/10/2023	Ahli Bank of Kuwait	Support Bonds	Private placement prospectus for the issuance of Subordinated Tier 2 bonds, with a maximum value of KWD 50 million, for Ahli Bank of Kuwait
12	14/12/2023	Kuwait Finance House	Sukuk	Private placement prospectus for the first issuance of sukuk in a value not exceeding 1 billion USD within the sukuk program in a cap of 4 billion USD through KFH Sukuk Company (a special purpose vehicle company)
Total approvals				12 Approvals

► Approvals Issued for Debt Instruments (Bonds/Sukuk)

The total value of approvals granted by the CMA for debt instruments during the financial year (2023/2024) was 275 million Kuwaiti Dinars:

No.	Approval Date	Issuer	Overall Issuance Size (KWD)	Security Type
1	10/5/2023	Kuwait Projects Company - KIPCO	150,000,000	Sukuk
2	3/7/2023	Commercial Bank of Kuwait	25,000,000	Bonds
3	11/9/2023	Commercial Bank of Kuwait	50,000,000	Bonds
4	11/10/2023	Ahli Bank of Kuwait	50,000,000	Bonds
Total approvals			275,000,000	

► Approvals Issued for Restructure (Ordinary Shares)

No.	Approval Date	Company	Capital Before Restructure (KWD)	Capital After Re-structure (KWD)	Brief of the Restructure Plan
1	4/5/2023	Sanam Real Estate Company	12,218,500	10,000,000	<ul style="list-style-type: none"> Reducing the company's capital from KWD 12,218,500 to KWD 7,835,095 in an amount of KWD 4,383,405 by cancelling 43,834,050 shares, which included the cancellation of treasury shares balance of 872,600 shares in a par value and settlement of the treasury shares reserve account, premium on shares account with the accumulated losses, detailed as follows: <ul style="list-style-type: none"> Cancelling 872,600 shares that represent the full balance of treasury shares in its par value of 100 Fils per share, equivalent to KWD 87,260. Amortizing the difference between the cost of treasury shares amounting to KWD 184,196 and their par value equaling KWD 96,936 in the treasury shares reserve balance, to reduce the treasury shares reserve to KWD 73,721 as a result of the settlement. Subsequently, the balance is transferred to the accumulated losses, which becomes KWD 4,480,341. Using the full balance of the share premium account which amounts to KWD 184,196 to amortize part of the accumulated losses. Reducing the capital by the amount of the remaining accumulated losses after the previous settlements, which amounts to KWD 4,296,145, resulting in a capital of KWD 7,835,095. Increasing the company's capital from KWD 7,835,095 to KWD 10,000,000 by an amount of KWD 2,164,905 and by issuing 21,649,050 shares with a par value of 100 Fils per share without any issuance premium.



► Approvals Issued for Purchasing Preferred Shares

No.	Approval Date	Company	Issuance Type	Issuance Summary
1	14/12/2023	Action Energy Company	Issuance of preferred shares convertible into ordinary shares	<ul style="list-style-type: none"> Issuance of preferred shares convertible into ordinary shares in the capital in a total value of KWD 17,038,975 through the issuance of 170,389,750 preferred shares in a par value of 100 Fils per share without any issuance premium.

► Applications for Approval of Purchasing or Selling Company's Shares (Treasury)

During the financial year (2023/2024), the CMA granted a total of 150 approvals on purchasing or selling the company's shares (treasury):

No.	Company Name	Date
1	Kuwait Cement Company	3/4/2023
2	Privatization Holding Company	4/4/2023
3	Kuwait National Cinema Company	5/4/2023
4	Asiya Capital Investments Company	5/4/2023
5	Commercial Real Estate Company	10/4/2023
6	Osos Holding Group Company	11/4/2023
7	Gulf Cable & Electrical Industries Company	11/4/2023
8	National Investment Company	12/4/2023
9	Mashaer Holding Company	12/4/2023
10	Oula Local Fuel Marketing Company	12/4/2023
11	Kuwait Foundry Company	12/4/2023
12	Kuwait Projects Company – KIPCO	13/4/2023
13	Tamdeen Real Estate Company	13/4/2023
14	Aqar Real Estate Investments Company	13/4/2023
15	Burgan Company for Well Drilling, Trading, and Maintenance	13/4/2023
16	Mubarrad Holding Company	17/4/2023
17	ALARGAN International Real Estate Company	17/4/2023
18	Al-Qurain Automotive Trading Company	19/4/2023
19	Mabanee Company	19/4/2023
20	Noor Financial Investment Company	19/4/2023
21	Kout Food Group Company	19/4/2023
22	Kuwait Resorts Company	26/4/2023
23	Kamco Investment Company	1/5/2023

No.	Company Name	Date
24	Al-Maidan Clinic for Oral Health Services Company	3/5/2023
25	Aayan Real Estate Company	3/5/2023
26	Boursa Kuwait Securities Company	4/5/2023
27	Al Imtiaz Investment Group Company	9/5/2023
28	National Cleaning Company	16/5/2023
29	Combined Group Contracting Company	16/5/2023
30	National Industries Company	17/5/2023
31	HumanSoft Holding Company	18/5/2023
32	National Industries Group Holding Company	18/5/2023
33	Bayan Investment Holding Company	21/5/2023
34	GIG - Gulf Insurance Group	22/5/2023
35	Warba Capital Holding Company	5/6/2023
36	Tamdeen Investment Company	5/6/2023
37	Kuwait Reinsurance Company	12/6/2023
38	Egypt Kuwait Holding Company	13/6/2023
39	National Petroleum Services Company (NAPESCO)	14/6/2023
40	Shuaiba Industrial Company	15/6/2023
41	Jassim Transport & Stevedoring Company	18/6/2023
42	Boubyan Petrochemical Company	18/6/2023
43	Coast Investment and Development Company	20/6/2023
44	Integrated Logistics Company	22/6/2023
45	Osoul Investment Company	26/6/2023
46	Future Kid Entertainment and Real Estate Company	3/7/2023
47	Al-Manar Financing and leasing Company	4/7/2023
48	Al-Arabiya Real Estate Company	5/7/2023
49	Ali Alghanim & Sons Automotive Company	9/7/2023
50	Injazzat Real Estate Development Company	9/7/2023
51	International Financial Advisors Holding Company	10/7/2023
52	The Securities House Company	10/7/2023
53	Kuwait and Gulf Link Transport Company	10/7/2023
54	Al-Masaken International Real Estate Development Company	13/7/2023
55	Kuwait Company for Process Plant Construction and Contracting	13/7/2023
56	Kuwait and Middle East Financial Investment Company – KMEFIC	16/7/2023



No.	Company Name	Date
57	Al Mazaya Holding Company	25/7/2023
58	Warba Insurance and Reinsurance Company	27/7/2023
59	Mezzan Holding Company	27/7/2023
60	Kuwait Business Town Real Estate Company	7/8/2023
61	Kuwait Investment Company	7/8/2023
62	Arzan Financial Group for Financing and Investment	9/8/2023
63	Kuwait Real Estate Company	9/8/2023
64	Aayan Leasing and Investment Company	22/8/2023
65	National International Holding Company	23/8/2023
66	Kuwait Financial Centre – Markaz	23/8/2023
67	Sultan Center Food Products Company	28/8/2023
68	Kuwait Finance and Investment Company- KFIC	4/9/2023
69	The Commercial Facilities Company	12/9/2023
70	National Real Estate Company	17/9/2023
71	Agility Logistics Company	20/9/2023
72	Salhia Real Estate Company	21/9/2023
73	Kuwait National Cinema Company	24/9/2023
74	Kuwait Cement Company	26/9/2022
75	Al-Arabia Real Estate Company	1/10/2023
76	Al-Ahleia Insurance Company	1/10/2023
77	Kuwait Resorts Company	3/10/2023
78	Privatization Holding Company	3/10/2023
79	Asiya Capital Investments Company	5/10/2023
80	Oula Local Fuel Marketing Company	5/10/2023
81	Tamdeen Real Estate Company	9/10/2023
82	Noor Financial Investment Company	9/10/2023
83	Boursa Kuwait Securities Company	9/10/2023
84	Mashaer Holding company	9/10/2023
85	OSOS Holding Group	9/10/2023
86	Aqar Real Estate Investments Company	10/10/2023
87	National Investment Company	10/10/2023
88	Gulf Cable and Electrical Industries Company	11/10/2023
89	Burgan Company for Well Drilling, Trading, and Maintenance	11/10/2023



No.	Company Name	Date
90	Mabane Company	12/10/2023
91	ALARGAN International Real Estate Company	15/10/2023
92	Kuwait Projects Company – KIPCO	15/10/2023
93	Mubarrad Holding Company	16/10/2023
94	Kout Food Group Company	19/10/2023
95	Kamco Investment Company	23/10/2023
96	National Industries Company	5/11/2023
97	Aayan Real Estate Company	5/11/2023
98	Combined Group Contracting Company	7/11/2023
99	Al Intiaz Investment Group Company	8/11/2023
100	National Industries Group Holding Company	13/11/2023
101	Al-Maidan Clinic for Oral Health Services Company	13/11/2023
102	National Cleaning Company	19/11/2023
103	GIG - Gulf Insurance Group	20/11/2023
104	Bayan Investment Holding Company	20/11/2023
105	HumanSoft Holding Company	23/11/2023
106	Tamdeen Investment Company	30/11/2023
107	Egypt Kuwait Holding Company	10/12/2023
108	National Petroleum Services Company (NAPESCO)	10/12/2023
109	Boubyan Petrochemical Company	11/12/2023
110	Jassim Transport & Stevedoring Company	13/12/2023
111	Future Kid Entertainment and Real Estate Company	24/12/2023
112	Coast Investment and Development Company	25/12/2023
113	The Securities House Company	26/12/2023
114	Osoul Investment Company	26/12/2023
115	Ali Alghanim & Sons Automotive Company	27/12/2023
116	Al-Manar Financing and leasing Company	3/1/2024
117	Injazzat Real Estate Development Company	4/1/2024
118	Kuwait Company for Process Plant Construction and Contracting	7/1/2024
119	Kuwait Reinsurance Company	8/1/2024
120	Kuwait and Gulf Link Transport Company	10/1/2024
121	Gulf Investment House	11/1/2024
122	Alsafat Investment Company	14/1/2024



No.	Company Name	Date
123	Al-Masaken International Real Estate Development Company	14/1/2024
124	International Financial Advisors Holding Company	15/1/2024
125	Al Mazaya Holding Company	16/1/2024
126	Kuwait Business Town Real Estate Company	16/1/2024
127	United Projects for Aviation Services Company (UPAC)	17/1/2024
128	Mezzan Holding Company	22/1/2024
129	Warba Insurance and Reinsurance Company	28/1/2024
130	Aayan Leasing and Investment Company	28/1/2024
131	Kuwait Investment Company	30/1/2024
132	Kuwait Real Estate Company	30/1/2024
133	Arzan Financial Group for Financing and Investment	6/2/2024
134	Sanam Real Estate Company	6/2/2024
135	United Real Estate Company	12/2/2024
136	Mena Real Estate Company	20/2/2024
137	National International Holding Company	20/2/2024
138	Kuwait Financial Centre – Markaz	21/2/2024
139	Sultan Center Food Products Company	28/2/2024
140	The Commercial Facilities Company	4/3/2024
141	National Real Estate Company	5/3/2024
142	Kuwait Finance and Investment Company (KFIC)	6/3/2024
143	Kuwait Projects Company – KIPCO	7/3/2024
144	Kuwait Pillars for Financial Investment Company	7/3/2024
145	Kuwait National Cinema Company	12/3/2024
146	Burgan Company for Well Drilling, Trading, and Maintenance	13/3/2024
147	Salhia Real Estate Company	14/3/2024
148	Agility Logistics Company	18/3/2024
149	Al-Ahleia Insurance Company	24/3/2024
150	Kuwait Cement Company	25/3/2024
Total		150

► Mergers and Acquisitions

► Mergers and Acquisitions Transactions during the Financial Year (2023/2024)

Mergers and Acquisitions Transactions	Total Value of Transactions (KWD)
Completion of a mandatory acquisition offer submitted by Kuwait Finance House for all shares of Ahli United Bank – Kuwait	126,514,523.84
Completion of partial purchase offer submitted by Rawasi Kuwait Holding Company for the shares of Rasiyat Holding Company	1,369,729.35
Completion of merger by amalgamation between Al-Safat Investment Company and Cap Corp Investment Company	10,000,000.00
Completion of merger by amalgamation between Kuwait Finance House and Ahli United Bank – Kuwait	93,136,680.00
Completion of merger by amalgamation between Al-Mazaya Holding Company and First Dubai Real Estate Development Company	4,081,301.00
Approval of Mandatory Acquisition Offer document submitted by Fairfax (Barbados) International Corp. Company for all the shares of Gulf Insurance Group	-
Total	235,102,234.19

► Cumulative Statistics by Activity Type

Activity Type	Year	Number	Value (KWD)
Mandatory Acquisition	2012	4	719,024,999.00
	2013	3	584,643.00
	2014	3	7,274,269.00
	2015	1	18,379,827.00
	2016	3	285,725,816.00
	2017	1	18,988,104.00
	2018	2	5,949,702.00
	2019	1	0
	2020	2	2,229,666.00
	2021	2	36,291.00
	2022	1	610,951.00
	2023	1	126,514,524.00
Total		23	1,185,318,792.00
Voluntary Acquisition	2014	1	1,413,480.00
	2015	1	128,860,518.00
	2018	2	10,525,000.00
Total		4	140,798,998.00



Competitive Acquisition	2016	1	90,256.00
Merger by Amalgamation	2015	1	4,726,027.00
	2016	1	7,315,000.00
	2018	1	29,065,836.00
	2019	2	20,988,431.00
	2021	1	1,333,550.00
	2022	3	266,172,381.00
	2023	3	107,217,981.00
Total		9	436,819,206.00
Partial Purchase Offer	2022	1	6,750,000.00
	2023	1	1,369,730.00
Total		2	8,119,730.00
Total Mergers and Acquisitions Activities		38	1,771,146,982.00

► Cumulative Statistics by Activity Execution Date

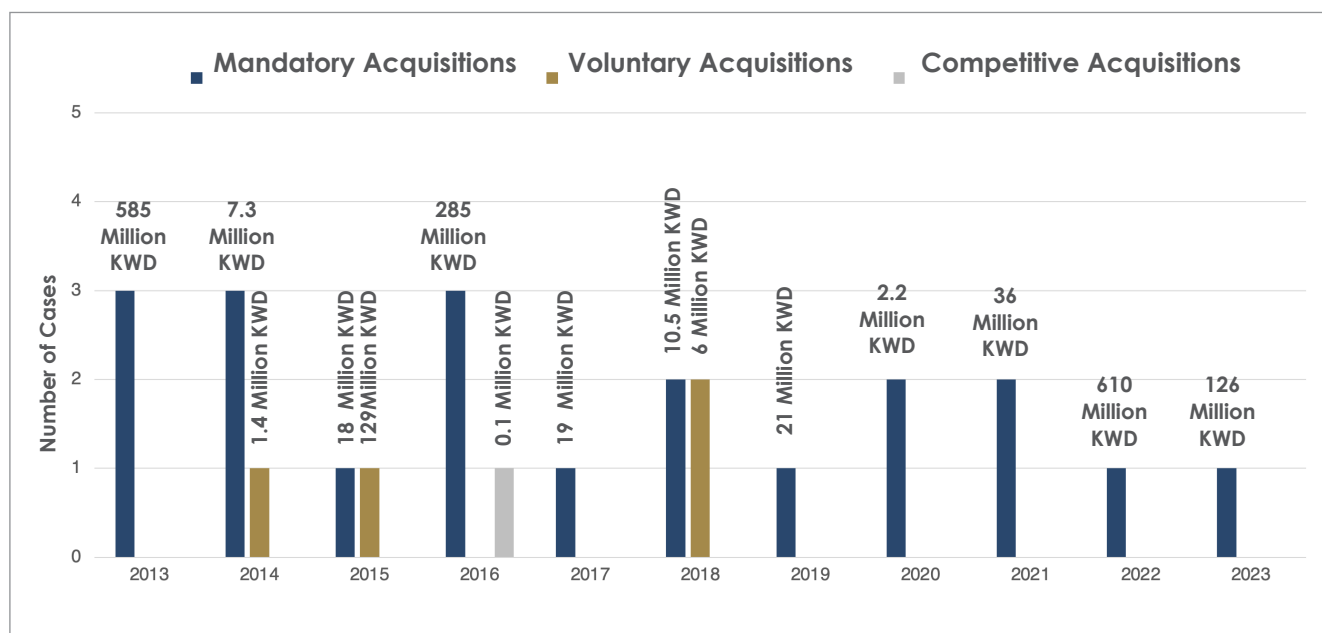
Year	Executed Transactions			
	Type	Number	Value (KWD)	Total Value (KWD)
2012	Mandatory Acquisition	4	719,024,999.00	719,024,999.00
2013	Mandatory Acquisition	3	584,643.44	584,643.00
2014	Mandatory Acquisition	3	7,274,269.00	8,687,750.00
	Voluntary Acquisition	1	1,413,480.00	
2015	Mandatory Acquisition	1	18,379,827.00	151,966,372.00
	Voluntary Acquisition	1	128,860,518.00	
	Merger by Amalgamation	1	4,726,027.00	
2016	Mandatory Acquisition	3	285,725,816.00	293,131,072.00
	Merger by Amalgamation	1	7,315,000.00	
	Competitive Acquisition	1	90,256.00	
2017	Mandatory Acquisition	1	18,988,104.00	18,988,104.00
2018	Mandatory Acquisition	2	5,949,702.00	45,540,538.00
	Voluntary Acquisition	2	10,524,999.80	
	Merger by Amalgamation	1	29,065,835.70	

Year	Executed Transactions			
	Type	Number	Value (KWD)	Total Value (KWD)
2019	Mandatory Acquisition	1	0	0
	Merger by Amalgamation	2	20,988,431.00	20,988,431.00
2020	Mandatory Acquisition	2	2,229,666.00	2,229,666.00
2021	Mandatory Acquisition	2	36,291.00	1,369,841.00
	Merger by Amalgamation	1	1,333,549.90	
2022	Mandatory Acquisition	1	610,951.14	273,533,332.00
	Merger by Amalgamation	3	266,172,381.4	
	Partial Purchase Offer	1	6,750,000.00	
2023*	Mandatory Acquisition	1	126,514,523.84	235,102,234.00
	Merger by Amalgamation	3	107,217,981.00	
	Partial Purchase Offer	1	1,369,729.35	
Total Mergers and Acquisitions Activities		43	1,771,146,982.00	1,771,146,982.00

*Until March 31, 2024.

► Charts Summarizing the Mergers and Acquisitions Transactions Since 2013





► Related Tasks

- Preparation of a study regarding the listing of small and medium enterprises in the Exchange.
- Providing opinion regarding various issues related to mergers and acquisitions tasks.
- Participating in various related events (workshops, the disclosure system test, opinion polls).

► The Supervisory Field

► Off-site Supervision

► Revision of financial Statements and Reports

No.	Entity Type	Type of Reviewed Reports and Financial and Supervisory Statements	Number of Reviewed Statements
1	Licensed persons (listed and unlisted investment companies, brokerage firms, Boursa Kuwait Securities Company, Kuwait Clearing Company, advisory services companies)	Annual financial statements	60
2	Listed unlicensed companies	Annual financial statements	102
3	Ongoing collective investment schemes	Annual financial statements	46
4	Collective investment schemes under liquidation	Annual financial statements	31
5	All licensed persons	Risk management reports	60
6	All licensed persons	Capital adequacy regulations reports	60
Total		-	359

► Monitoring and Addressing Remarks and Violations

Entity Concerned with the Remark or Violation					
Procedure Type	Listed Unlicensed Companies	Licensed Persons	Collective Investment Schemes	Auditors Registered with the CMA	Total
Preparing a technical study on monitored material remarks	10	-	-	-	10
Referral to the competent organizational unit in the CMA	77	19	-	14	110
Sending a warning or directive letter to the entity	7	16	1	0	24
Total	94	35	1	14	144

► Preparing Statistical Data for Entities Subject to CMA Supervision

► The Statistical Data of the Listed Companies as on December 31, 2023:

Assets (KWD '000)						
Sector	Conventional Companies		Islamic Companies		Listed Companies	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Telecoms	6,269,153	6,168,766	447,662	432,863	6,716,815	6,601,628
Oil & Gas	765,901	703,943	56,598	84,797	822,499	788,740
Insurance	2,209,201	2,452,218	16,966	17,514	2,226,167	2,469,731
Technology	13,342	12,724	0	0	13,342	12,724
Consumer Services	1,570,953	1,432,360	34,893	52,071	1,605,846	1,484,431
Financial Services	15,174,841	14,159,405	3,676,896	3,264,476	18,851,737	17,423,881
Financial Services – Licensed Persons	2,185,614	2,193,712	684,529	1,123,529	2,870,143	3,317,241
Healthcare	457,527	400,200	27,421	27,682	484,947	427,882
Consumer Goods	336,341	330,960	0	0	336,341	330,960
Industrial	6,274,032	5,954,599	831,865	1,279,256	7,105,897	7,233,855
Real Estate	5,149,805	4,980,881	1,201,211	1,257,887	6,351,015	6,238,768
Utilities	463,990	480,030	0	0	463,990	480,030
Basic Materials	706,697	615,133	0	0	706,697	615,133
Total Assets	41,577,397	39,884,931	6,978,041	7,540,074	48,555,438	47,425,006



Liabilities (KWD '000)						
Sector	Conventional Companies		Islamic Companies		Listed Companies	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Telecoms	3,615,916	3,627,710	203,796	189,180	3,819,712	3,816,890
Oil & Gas	529,816	489,020	23,864	36,153	553,680	525,173
Insurance	1,390,341	1,668,492	3,211	4,188	1,393,552	1,672,680
Technology	1,536	1,585	0	0	1,536	1,585
Consumer Ser- vices	830,757	965,446	2,848	4,956	833,606	970,402
Financial Services	12,314,660	11,377,712	2,115,214	2,391,983	14,429,874	13,769,695
Financial services – licensed persons	584,113	636,403	213,985	560,974	798,097	1,197,377
Healthcare	314,248	271,233	29,297	29,058	343,545	300,292
Consumer Goods	186,191	189,240	0	0	186,191	189,240
Industrial	3,152,967	2,879,529	576,049	1,002,604	3,729,016	3,882,133
Real Estate	2,589,068	2,506,686	560,988	620,659	3,150,056	3,127,345
Utilities	343,677	363,069	0	0	343,677	363,069
Basic Materials	363,466	270,657	0	0	363,466	270,657
Total Liabilities	26,216,755	25,246,782	3,729,253	4,839,754	29,946,008	30,086,536

Shareholders' Equity (KWD '000)						
Sector	Conventional Companies		Islamic Companies		Listed Companies	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Telecoms	2,653,237	2,541,055	243,866	243,683	2,897,103	2,784,738
Oil & Gas	236,086	214,923	32,733	48,645	268,819	263,568
Insurance	818,860	783,726	13,755	13,326	832,615	797,052
Technology	11,806	11,139	0	0	11,806	11,139
Consumer Ser- vices	740,196	466,914	32,045	47,116	772,241	514,030
Financial Services	2,860,181	2,781,693	1,561,682	872,494	4,421,863	3,654,187
Financial Ser- vices – Licensed Persons	1,601,502	1,557,309	470,544	562,555	2,072,046	2,119,864
Healthcare	143,279	128,967	-1,877*	-1,376*	141,402	127,590
Consumer Goods	150,150	141,720	0	0	150,150	141,720
Industrial	3,121,065	3,075,070	255,816	276,652	3,376,881	3,351,722

Shareholders' Equity (KWD '000)						
Sector	Conventional Companies		Islamic Companies		Listed Companies	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Real Estate	2,560,737	2,474,195	640,223	637,228	3,200,960	3,111,422
Utilities	120,313	116,962	0	0	120,313	116,962
Basic Materials	343,231	344,476	0	0	343,231	344,476
Total Shareholders' Equity	15,360,642	14,638,149	3,248,788	2,700,321	18,609,430	17,338,469

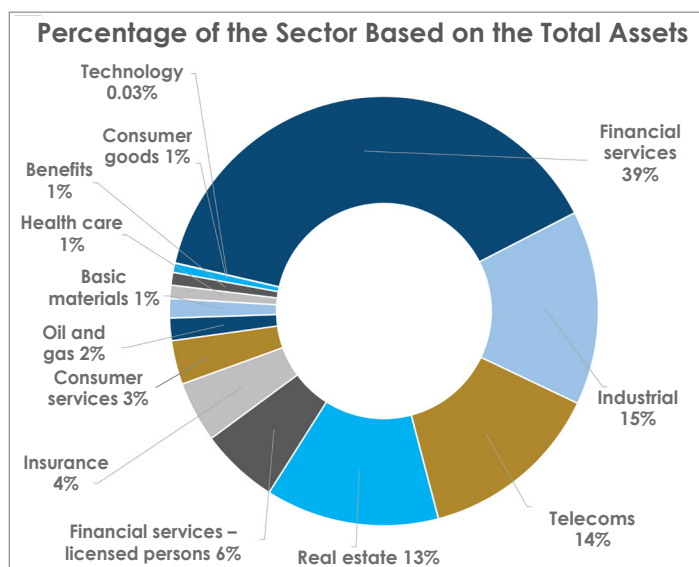
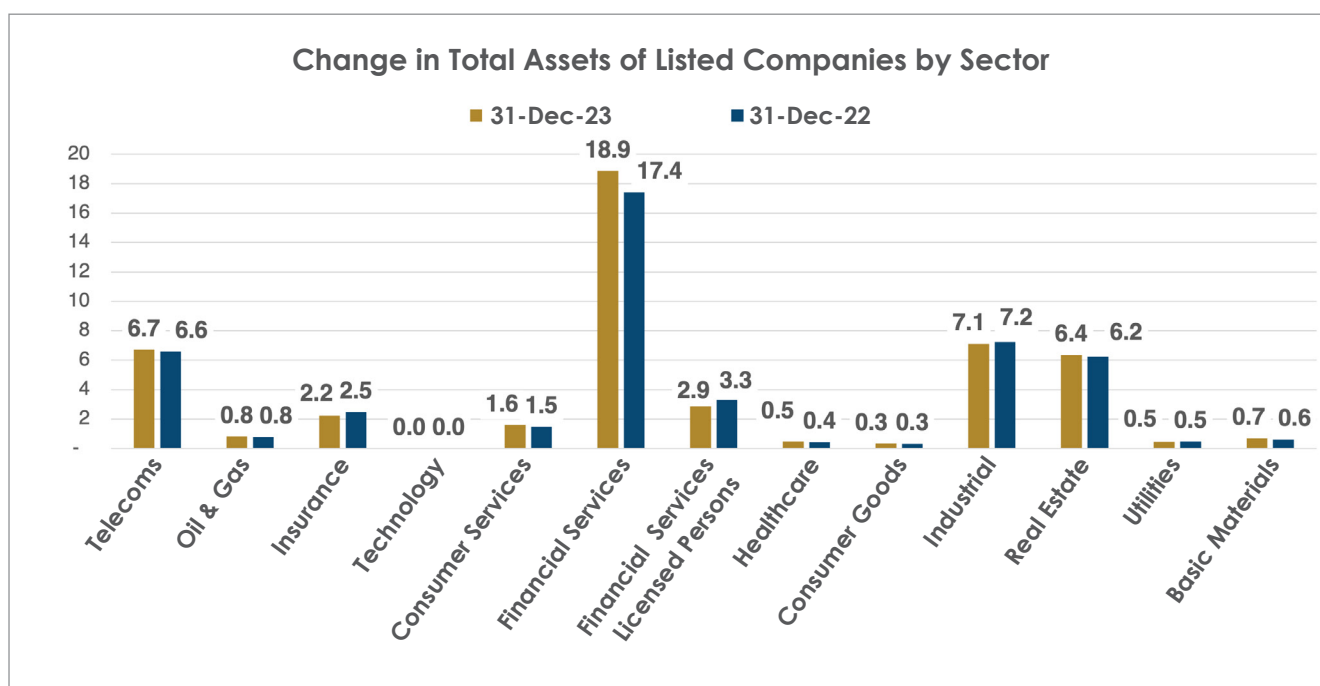
Remarks:

- Negative equity for Yiac Medical Company, which was delisted in 2024.
- Islamic companies are those that operate in accordance with the principles of Islamic Sharia.
- If the companies did not disclose their financial statements on December 31, 2023, the latest available financial statements were used.
- The above data is for all listed companies on Boursa Kuwait as on December 31, 2023, excluding banks, and is categorized by sector according to the following table:

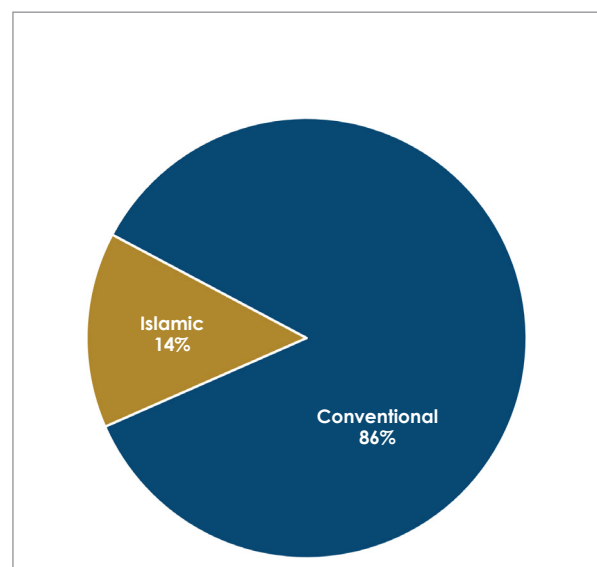
Companies Numbers						
Sector	Conventional Companies		Islamic Companies		Listed Companies	
	December 2023	December 2022	December 2023	December 2022	December 2023	December 2022
Telecoms	3	3	1	2	4	5
Oil & Gas	3	3	3	3	6	6
Insurance	6	6	2	2	8	8
Technology	1	1	0	0	1	1
Consumer Services	11	11	2	2	13	13
Financial Services	13	13	8	8	21	21
Financial Services – Licensed Persons	14	14	9	9	23	23
Healthcare	2	2	1	1	3	3
Consumer Goods	2	2	0	0	2	2
Industrial	19	20	3	4	22	24
Real Estate	19	20	13	14	32	34
Utilities	1	1	0	0	1	1
Basic Materials	3	3	0	0	3	3
Total	97	99	42	45	139	144



► Change in Total Assets of Listed Companies by Sector



► Awareness, Media and External Cooperation Field of Each Sector to Total Assets of Listed Companies, Excluding Banks, as on December 2023 ,31



► Percentage of Total Assets of Companies Based on the Nature of their Activities (Conventional/Islamic) as on December 2023 ,31

► **Statistical Data of Brokerage Companies Licensed to Practice Activity of a Securities Broker Registered with an Exchange as on March 31, 2024:**

Statement		Statements as on March 31, 2024		Statements as on March 31, 2023
		Number	Value (KWD '000)	Value (KWD '000)
Assets	Conventional Companies	9	119,284	150,185
	Islamic Companies	1	20,848	22,064
	Total	10	140,131	172,249
Liabilities	Conventional Companies	9	7,619	13,274
	Islamic Companies	1	542	542
	Total	10	8,161	13,816
Shareholders' Equity	Conventional Companies	9	111,665	136,911
	Islamic Companies	1	20,306	21,522
	Total	10	131,970	158,433

► **Statistical Data of Investment Companies Licensed by the CMA, excluding banks and brokerage companies mentioned in the item above, as on March 31, 2024:**

Statement		Statements as on March 31, 2024		Statements as on March 31, 2023	
		Number	Value (KWD '000)	Number	Value (KWD '000)
Assets	Conventional Companies	35	2,878,748	34	2,792,958
	Islamic Companies	18	1,391,615	19	1,438,577
	Total	53	4,270,362	53	4,231,535
Liabilities	Conventional Companies	35	724,959	34	779,263
	Islamic Companies	18	463,162	19	489,379
	Total	53	1,188,120	53	1,268,643
Shareholders' Equity	Conventional Companies	35	2,153,789	34	2,013,695
	Islamic Companies	18	928,453	19	949,198
	Total	53	3,082,242	53	2,962,893

Remark: The statements of the investment companies include the statements of Boursa Kuwait Securities Company and Kuwait Clearing Company.



► Related Tasks

- A total of 86 statistics and technical studies were provided to international organizations, external entities, and internal organizational units.
- A total of 48 statical reports were published on the CMA's website.
- Development of a regulatory framework for asset valuation based on a technical study and opinion poll of external entities and internal organizational units, and issuance of Resolution No. (11) of 2024.
- Preparation of a study on the feasibility of listed companies on Bursa Kuwait applying sustainability standards (IFRS-S1 and IFRS-S2) issued by the International Sustainability Standards Board (ISSB).
- Monitoring the compliance of listed insurance companies with the International Financial Reporting Standard 17 (IFRS 17) for insurance contracts when issuing their periodical financial statements during 2023.
- Monitoring the financial distress of licensed persons as part of the financial statements analysis.

► On-site Supervision

► Implementation of Related Tasks

- Conducting awareness campaigns, which included organizing workshops and disseminating messages and statements related to money-laundering and terrorism financing.
- Participating in several meetings with various national entities as part of the efforts of anti-money laundering and combating financing of terrorism (National Committee for Anti-Money Laundering and Combating the Financing of Terrorism and its working teams, the Committee of the Implementation of United Nations Security Council Resolutions Related to Terrorism and Combating Proliferation of Weapons of Mass Destruction).

► On-site Supervision Tasks Statistics by Type for Financial Year (2023/2024):

No.	Type of On-site Supervision Task	Number of Tasks
1	Supervision of Licensed Persons and Registered Persons	32
2	Supervision of Listed Companies	39
3	Anti-Money Laundering and Combating Financing of Terrorism	26
Total		97

► On-site Supervision Findings Statistics by Category for the Latest Financial Year:

No.	Subject	Observations	
		Significant	Insignificant
1	Supervision of Licensed Persons and Registered Persons	22	138
2	Supervision of Listed Companies	72	147
3	Anti-Money Laundering and Combating Financing of Terrorism	8	74
Total		102	359
Overall Total		461	

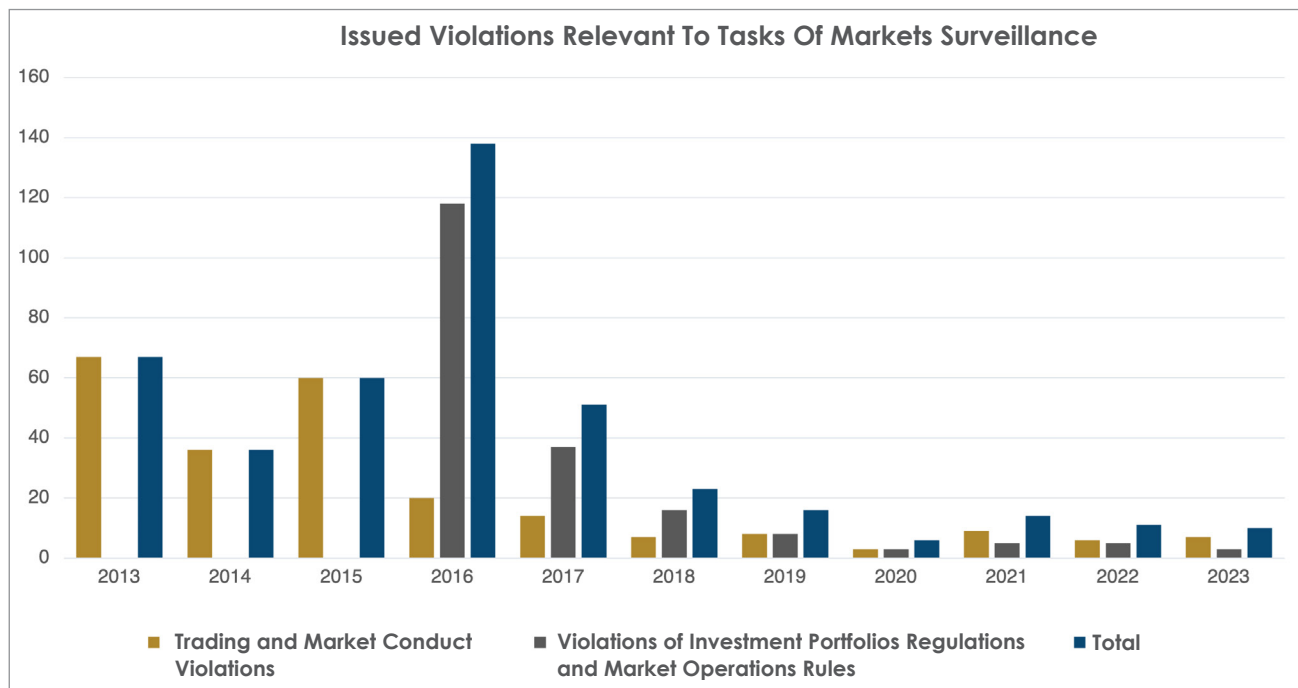
► Markets Surveillance

► Statistics of Key Tasks Completed

Task Type	Number
Developing rules, systems and control mechanisms related to tasks associated with Markets Surveillance	9
Initiatives	7
Contributions and Studies	42
Activities (internal and external)	12
Surveillance Operations	19
Delegations by the Board of Commissioners / Managing Director related to Markets Surveillance Tasks	5
Inquiries (internal - external)	17

► Cumulative Statistics of Violations Observed through Tasks of the Markets Surveillance

Statement	Years										
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Trading and Market Conduct Violations	67	36	60	20	14	7	8	3	9	6	7
Violations of Investment Portfolios regulations and Market Operations rules	-	-	-	118	37	16	8	3	5	5	3
Total	67	36	60	138	51	23	16	6	14	11	10

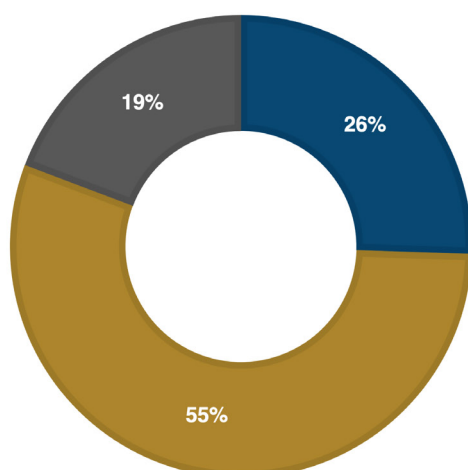




► Data of Securities Investment Portfolios until the End of 2023

► Securities Investment Portfolios Managers and their Management Mechanism

Statement	Number as on the end of 2023
Investment Portfolios Managers	42 companies
Securities Investment Portfolios in the State of Kuwait	5,958 portfolios

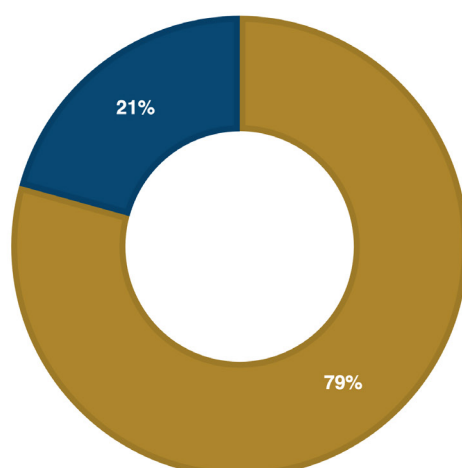


Number of Portfolios by Type
of Investment Portfolio

- Managed by the Company
- Managed by the Client
- Custody

► Types of Securities Investment Portfolios Clients

Statement	Number as of the end of 2023
Kuwaiti clients	3,755
Non-Kuwaiti clients	982
Total Investment Portfolios Clients	4,737



Number Of Clients
By Client Type

- Kuwaiti Clients
- Non-Kuwaiti Clients

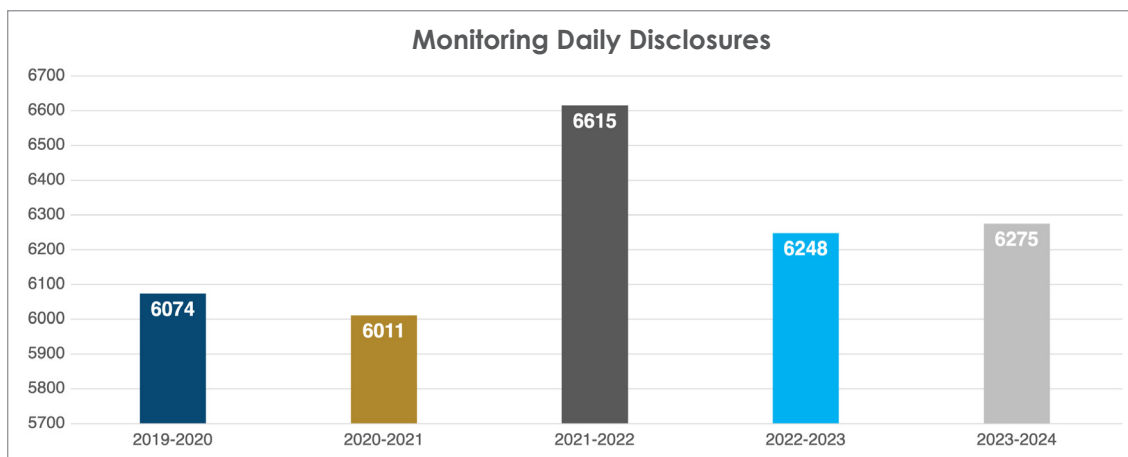
► Market Value of Securities Investment Portfolios

Statement	Value at the end of 2023 (KWD)
Securities market value	13,359,439,562
Cash market value	297,466,726
Total market value of investment portfolios	13,656,906,289

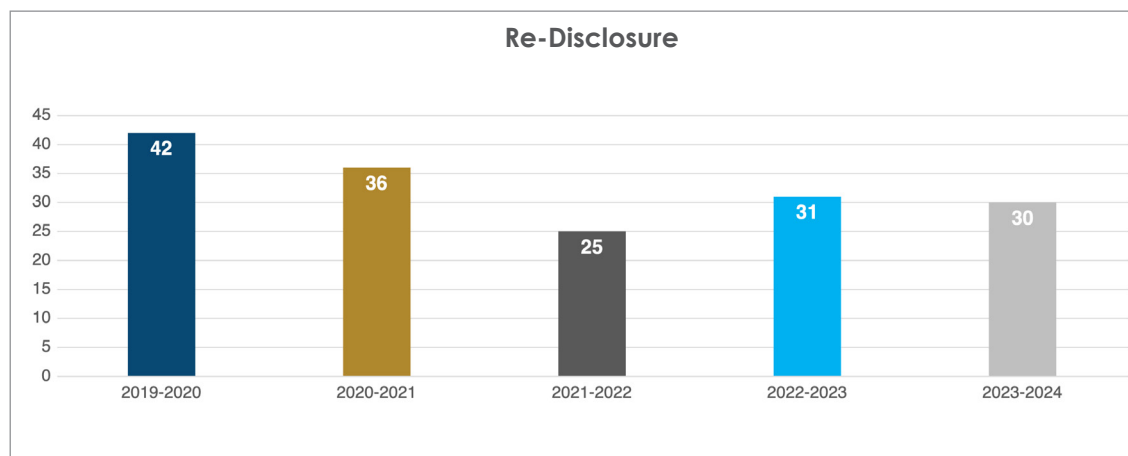
► Disclosure and Transparency

► Material Disclosure

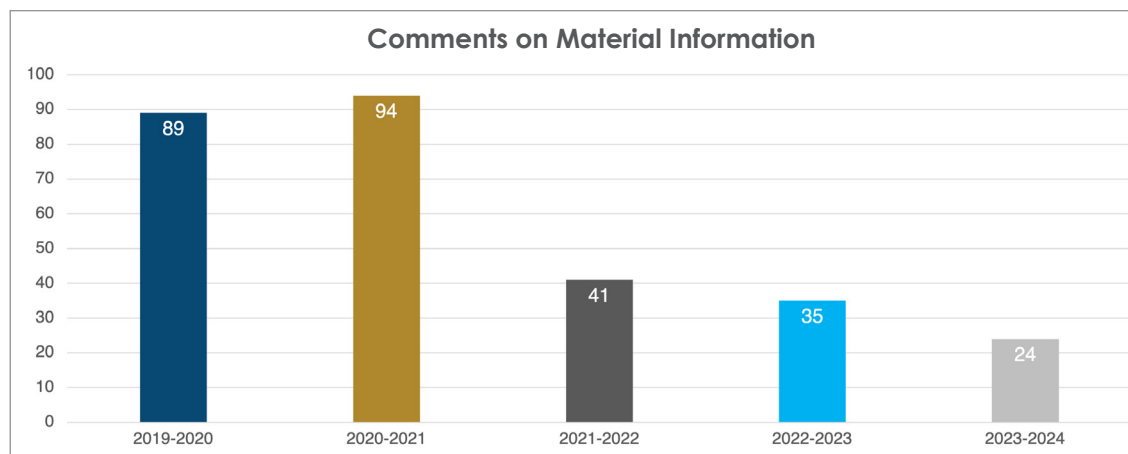
► Monitoring and Following up Announcements in Boursa Kuwait



► Cases Require Re-disclosure as a Result of Monitoring the Daily Announcements in Boursa Kuwait

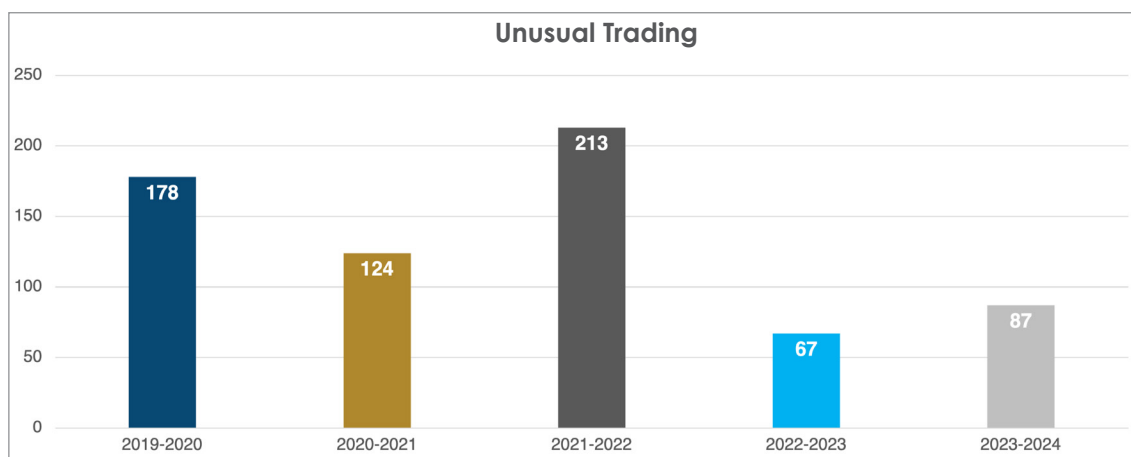


► Material Information Cases that Require a Comment from the Listed Company as a Result of Daily Monitoring of Newspapers and Media:

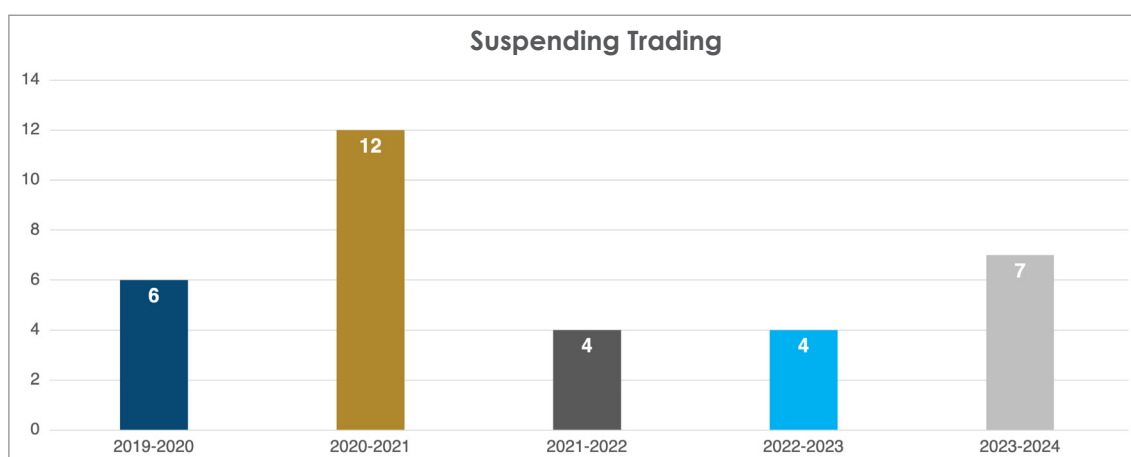




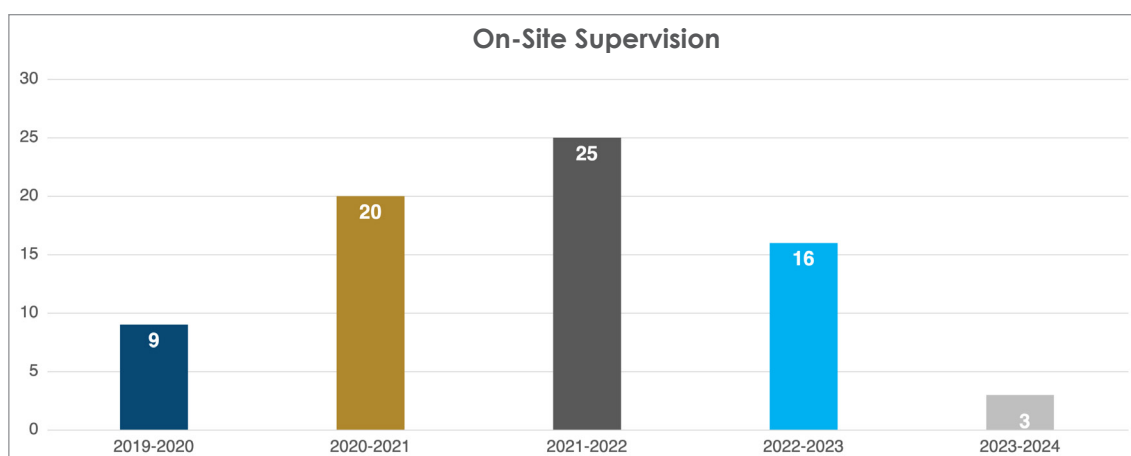
► **Overseeing the Securities Exchange Handling of Unusual Trading Activities in Boursa Kuwait as per Article (4-5) of Chapter Four of Module Ten:**



► **Monitoring of Temporary Trading Suspensions for the Shares of Companies Listed on Boursa Kuwait for the Cases Related to Material Disclosure:**

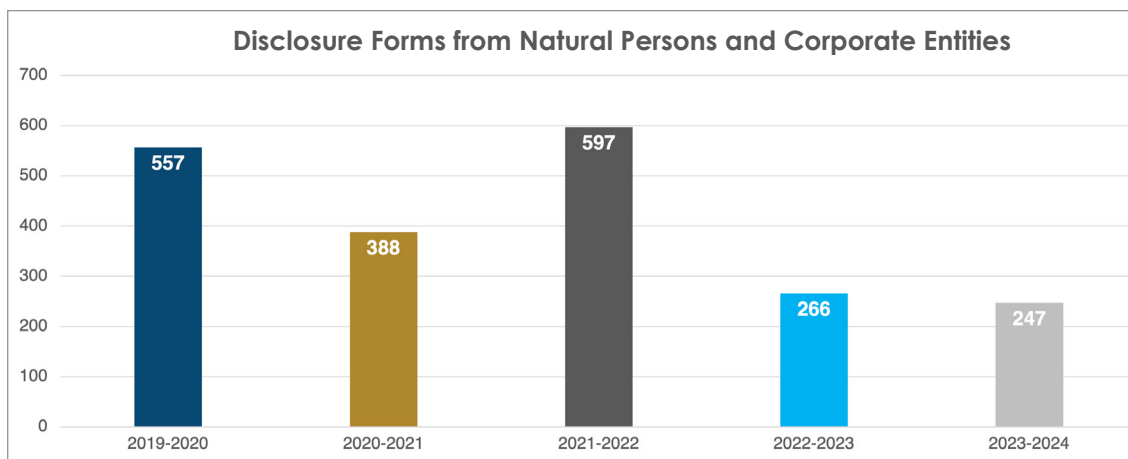


► **Remarks of Material Disclosure Monitored as part of On-site Supervision Tasks:**

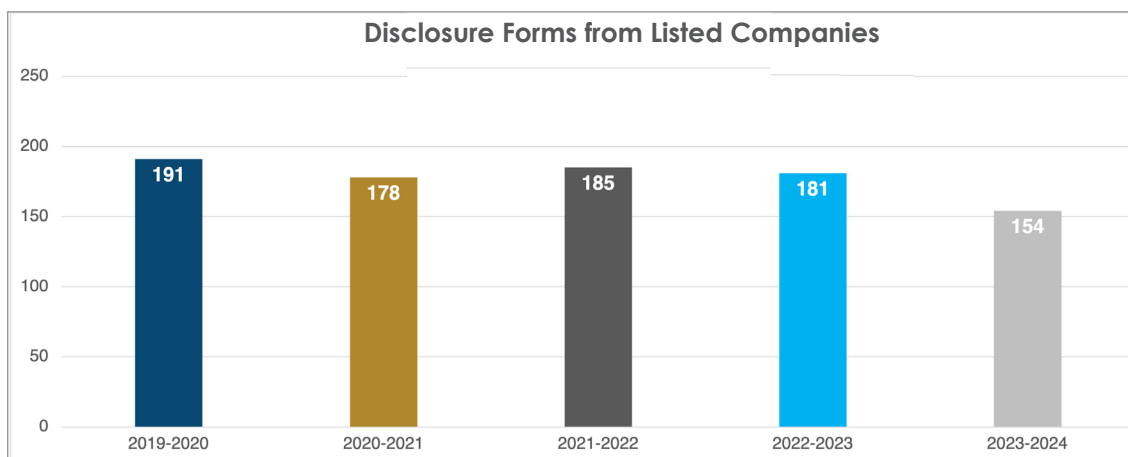


► Disclosure of Interests

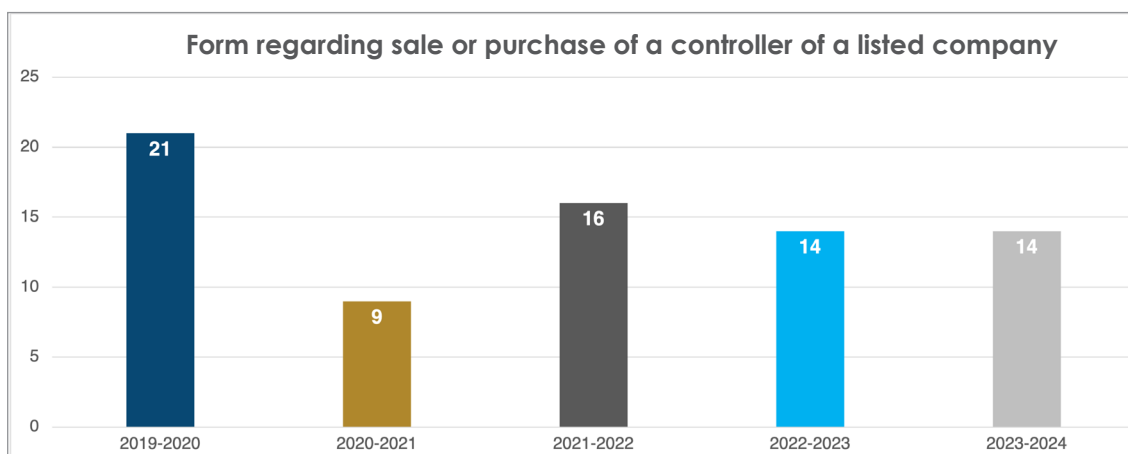
► Receiving and Reviewing Disclosure of Interests Forms from Natural Persons and Corporate Entities:



► Receiving and Reviewing Annual Disclosure Forms from Listed Companies:



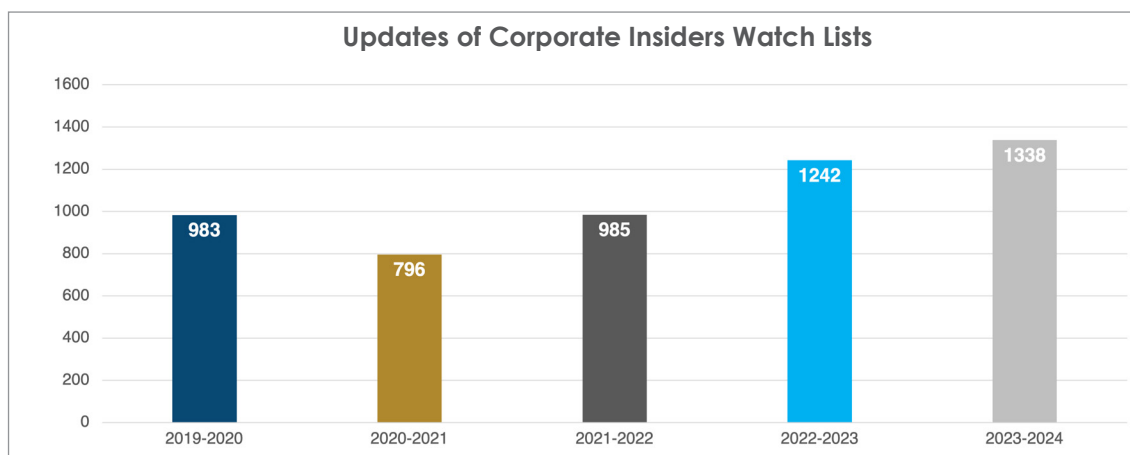
► Receipt of the Controller Disclosure Forms Relevant to Provisions of Article (3-6) of Chapter Three of Module Nine Regarding the Percentage of Sale or Purchase Permitted for Controller of a Listed Company Referred to the Relevant Entity



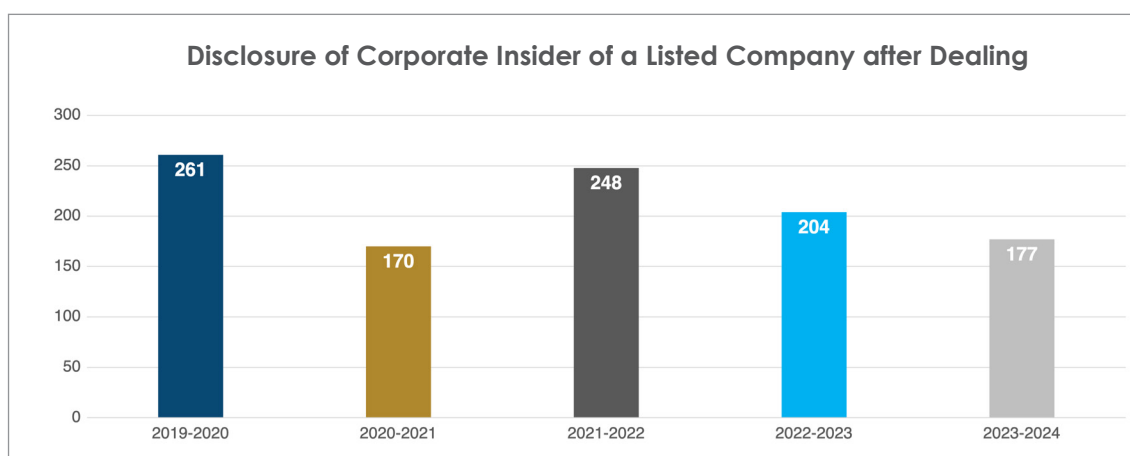


► Insiders Disclosure

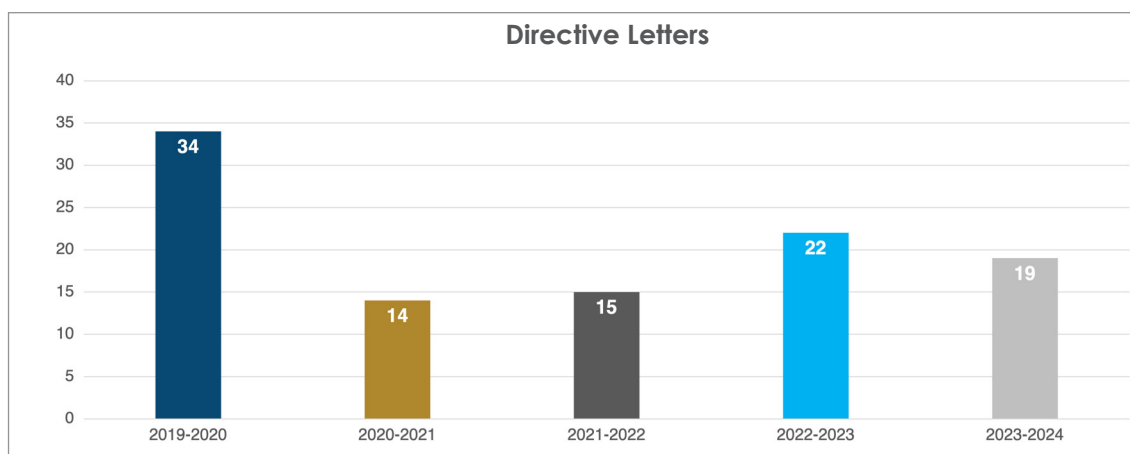
► Receipt of Updates of Corporate Insiders Watch Lists from Listed Companies:



► Receipt of Disclosures in accordance with the Disclosure Form of a Corporate Insider of a Listed Company after Dealing in the Securities of a Listed Company or a Parent Company:

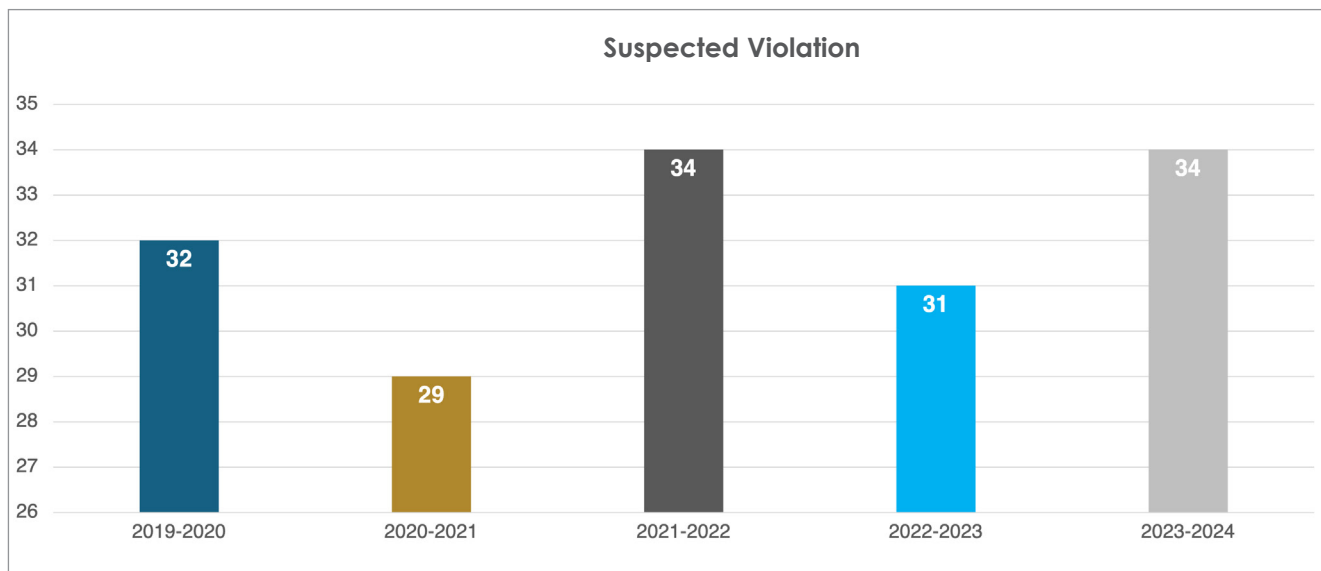


► Issuance of Directive Letters for the Compliance with the Laws and Bylaws related to Articles Regulating Dealing in Securities by Corporate Insiders:

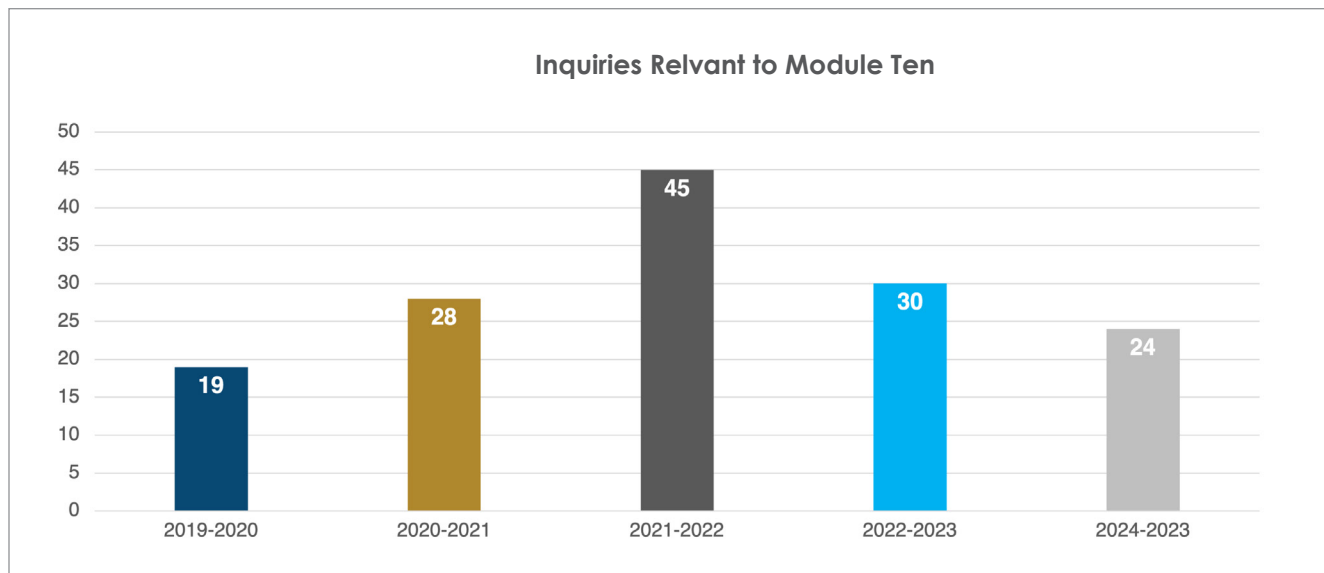


► Tasks Related to Disclosure in General

► Cases Referred for Investigation on Suspicion of Violating the Provisions of Module Ten (Disclosure and Transparency) of the Executive Bylaws:



► Reply to inquiries and Requests Related to Provisions of Module Ten (Disclosure and Transparency) of the Executive Bylaws:





► Awareness, Media and External Cooperation Field

► Awareness Field

► 1-Awareness Programs and Workshops

► Cybersecurity Discussion Forum (May 7, 2023)

This forum, a joint initiative with the Ministry of Interior, aimed to raise public awareness about cybersecurity, its importance for individuals and institutions, associated risks, management strategies, types of financial fraud, and prevention methods. It also introduced the concept of social engineering.



► Sustainable Finance (ESG) Workshop (May 11, 2023)

This workshop focused on introducing the concept of ESG financing, relevant international regulations and standards, and the implications of implementing this type of financing for listed companies. It also highlighted key sustainability reporting standards, including the newly introduced IFRS standard.

► Judicial Power Procedures Workshop (May 21-22, 2023)

This two-day workshop aimed to familiarize representatives of the Competition Protection Agency with the CMA's judicial power procedures, the diversity of supervisory methods and their limits, disciplinary or criminal accountability for violators, inspections, and monitoring the activities of entities under the CMA's supervision. Additionally, some CMA employees were granted the authority to apprehend and prove crimes and violations as appropriate.



► Workshop on the Electronic Submission of Annual Reports on Compliance with Module Seven (June 21-22, 2023)



This two-day workshop aimed to familiarize registered auditors with the new electronic mechanism for submitting annual reports on the compliance of licensed persons with the provisions of Module Seven (Clients' Funds and Clients' Assets) of the Executive Bylaws of Law No. 7 of 2010, following the CMA's creation of a special page on its electronic portal for submitting the regulatory requirement specified in Article (2-5) of the Module.

► Anti-Money Laundering and Combating the Financing of Terrorism Workshops (5 workshops) (July 11-12, 2023, January 11-14, 2024, March 4, 2024)

The CMA conducted five awareness workshops during the last financial year, four of which focused on the latest developments in anti-money laundering and combating the financing of terrorism. Three of these workshops targeted compliance officers at licensed persons and were conducted in July 2023 and January 2024. The fourth workshop targeted representatives of the Financial Intelligence Unit and focused on topics such as the due diligence model to be met by persons licensed by the CMA, entities applying to the CMA for licenses, the CMA's Circular No. (5) of 2023, and the national risk assessment report on money laundering and terrorism financing. The fifth workshop was an academic workshop within the framework of the National Project for Enhancing Financial Inclusion and Investment Awareness, conducted at the Faculty of Law in March 2024, and addressed the topic of money laundering and terrorist financing.



► University Workshop: "Crimes under the CMA Law and its Amendments" (October 4, 2023)

This workshop, part of the CMA's National Project to Enhance Financial Inclusion and Investment Awareness, was conducted at the Kuwait International Law School and targeted faculty members and students. The workshop covered various topics, including the nature of capital market crimes, the organization of judicial jurisdiction and procedures before the competent court as stipulated in the CMA's Law No. 7 of 2010, capital market crimes and their penalties, and violations stipulated in the aforementioned law.

► Educational Workshop: "The Gulf Smart Investor Award" (November 13, 2023)

This educational workshop, part of the National Project to Enhance Financial Inclusion and Investment Awareness, aimed to promote the second Gulf Smart Investor Award. It was conducted at Mariyah Al-Qibtiyyah Girls' School and was specifically designed for schoolteachers. The workshop introduced the CMA, its roles, and activities, particularly its awareness initiatives, as well as the joint Gulf awareness program "Mulim". It also introduced the Gulf Smart Investor Award competition, its tracks, prizes, areas, and the requirements, methods, timing, and mechanisms for participation.



► Workshops on "Financial Technologies" (December 4, 2023, and March 5, 2024)

The first workshop, a university workshop, was conducted at the American University of Kuwait (AUK) on December 4, 2023. It aimed to introduce financial technologies and their historical development from their inception to the current use of artificial intelligence technologies. The workshop then delved into



the provisions governing the first services provided under Module Nineteen of the Executive Bylaws of the Law establishing the CMA, namely Securities-Based Crowdfunding and Digital Financial Advisor, and the objectives of each. The second workshop was a public workshop held at the Regency Hotel, aimed at introducing the public to financial technology services, their regulatory framework, objectives, advantages, risks, and details of the initial implementation phase of Module Nineteen (Financial Technologies) and the services provided thereunder.

► University Workshop: “Misconduct and Illegal Trading Practices and Portfolio Management Rules for Securities” (December 4, 2023)

This university workshop, part of the CMA's project to enhance financial inclusion and investment awareness, was conducted at the College of Administrative Sciences at Kuwait University. It aimed to introduce aspects related to trading (trading mechanism and periods, definition of securities and their types, the Securities Exchange and its markets, indices, misleading trading behaviors, various types and forms of illegal trading practices and their impacts, and the CMA's procedures for monitoring them, as well as penalties and procedures taken against perpetrators). It also presented aspects related to investment portfolios established with companies licensed by the CMA (their concept, establishment procedures, rights and obligations of their clients, and management mechanisms).



► Awareness Event: “Sustainability Reporting Requirements for Listed Companies” (January 17, 2024)



This extensive awareness event included a visual presentation and a panel discussion conducted by the CMA with the participation of sustainability experts. It aimed to inform those concerned about developments related to sustainability, especially the new standards for preparing sustainability reports.

► Internal Awareness Event: “Regulatory Developments Related to Sustainability” (January 31, 2024)

This internal awareness event, targeting CMA employees, was conducted with the participation of representatives from the Central Bank of Kuwait. It was presented by external parties specializing in the subject and covered areas of sustainability reporting and the most important global standards, the role of regulatory authorities in supporting the transition to sustainable energy sources, and the importance of localizing sustainability solutions.



► Two University Awareness Workshops: “A Brief Introduction to the CMA” (February 5-6, 2024)

These workshops were conducted at the Australian University in Kuwait over two consecutive days and aimed to introduce the CMA (its establishment, vision, mission, objectives, tasks, and activities).

► 2. Awareness Campaigns

► Joint campaigns with other entities (during the financial year)

These campaigns fall within the framework of joint efforts by the CMA with other local entities such as the Central Bank of Kuwait and the Ministry of Interior, and external entities such as IOSCO and the joint Gulf awareness program “Mulim”. Within the framework of these campaigns, awareness messages were broadcast on the CMA's social media accounts, and some awareness products were included in issues of the magazine. There was also an exchange of joint awareness products with these entities after conforming them to the CMA's regulations and controls.

احذر من دعوات الإستثمار عالية المخاطر

العملات الافتراضية والفوركس وغيرها
لا تخضع لرقابة الجهات الرسمية في الدولة.

Capital Markets Authority
CENTRAL BANK OF KUWAIT

كيفية تجنب العروض الوهمية

- 1 تأكد من أن الجهة المرسله للعرض من مصدر رسمي وذلك عبر التحقق من عنوان البريد الإلكتروني.
sales@alliescom-uting.com
- 2 لا تقم بالضغط على روابط مشبوهة أو إعلانات ترويجية إلا بعد التأكد من سلامتهم.
- 3 استخدم أداة لمقارنة أسعار المنتج بين المواقع الإلكترونية قبل الشراء للتأكد من عدم تلاعب البائع بعرض السعر.
[pricena](https://pricena.com)
Search millions of products from 21 stores in Kuwait
- 4 اقرأ مراجعات وتقييمات المستهلكين للمنتج قبل الشراء.

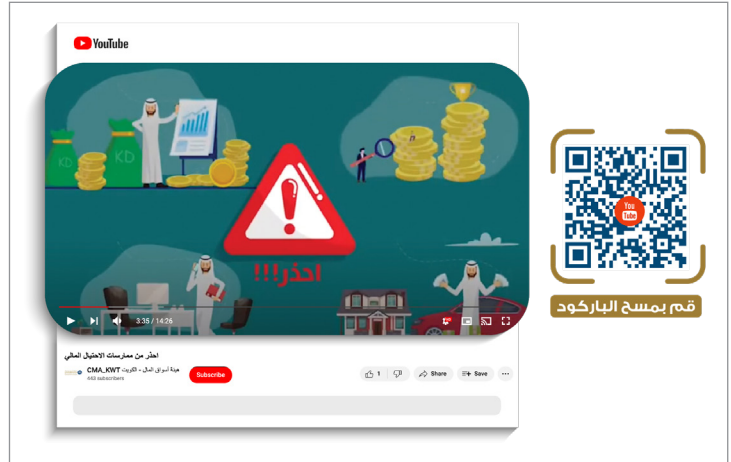
وزارة الداخلية
Ministry of Interior

إدارة الأمن السيبراني
Cybersecurity Department



► Campaign on Fraud and Financial Inclusion (March 13 – August 13, 2024)

The campaign aimed to educate the public about the dangers of financial fraud and the importance of intensifying efforts to mitigate its consequences. It also sought to promote financial inclusion and its economic and social impacts. The campaign was executed in two phases: the first from March to June, and the second from June to August. Activities included disseminating warnings and awareness messages about financial fraud practices, holding a discussion forum with representatives from the Ministry of Interior, and dedicating the twelfth issue of the magazine to the topic of financial fraud. Additionally, motion graphics were broadcast, and radio and television interviews were conducted on the same subject.



► Campaign on Investment Basics (June 4 - 22, 2023)



This campaign, conducted within the framework of the joint Gulf awareness program "Mulim," involved broadcasting awareness messages on the CMA's social media accounts and airing a motion graphic introducing financial instruments.

► Campaign on the Professional Qualifications Program for Registered Employment Positions (August 13 – 20, 2023)

This campaign aimed to highlight the program implemented in collaboration with the CISI Institute, which offered three qualifications: technical, supervisory, and specialized. The goal was to enhance the competency of financial institutions in local markets and encourage participation in the program due to the benefits it offered to those who passed its exams, including accredited certificates equivalent to doctoral, master's, and university degrees.



► Campaign on the Financial Analysts Register (September 3 - 10, 2023)

This campaign, conducted through the dissemination of messages, aimed to introduce the financial analysts register and its role in enabling the public to monitor market conditions and access reliable financial analyses from qualified professionals.



► Campaign on World Investor Week (October 2-8, 2023)

This campaign involved broadcasting joint Gulf awareness messages, as well as specific messages from the CMA that addressed the event's themes, along with a press release.

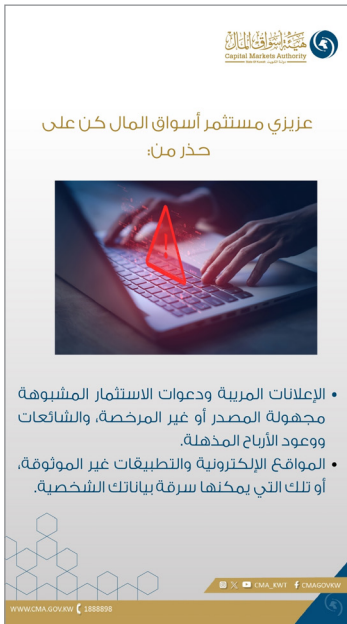
► Campaign on Financing and Sustainable Development (October 1 – November 7, 2023)

This campaign aimed to highlight the importance of sustainable development as an effective tool for addressing the various challenges facing humanity, its role in meeting current and future needs, and its components. It also showcased the CMA's key pillars that support sustainable development in our society, contribute to strengthening the foundations of our investment environment, and support the trend of transforming our financial markets into sustainable markets. The campaign included broadcasting awareness messages and rebroadcasting a related motion graphic.



► Campaign on the Gulf Smart Investor Award (September 2023 – February 2024)

This campaign aimed to highlight the CMA's awareness efforts and the "Mulim" program, as well as introduce the award, its tracks, prizes, requirements, and participation mechanisms. The campaign included various activities, such as broadcasting promotional awareness messages for the competition, as well as press, television, and radio interviews, an educational awareness workshop, and dedicating sections in the thirteenth and fourteenth issues of the magazine to the same topic.



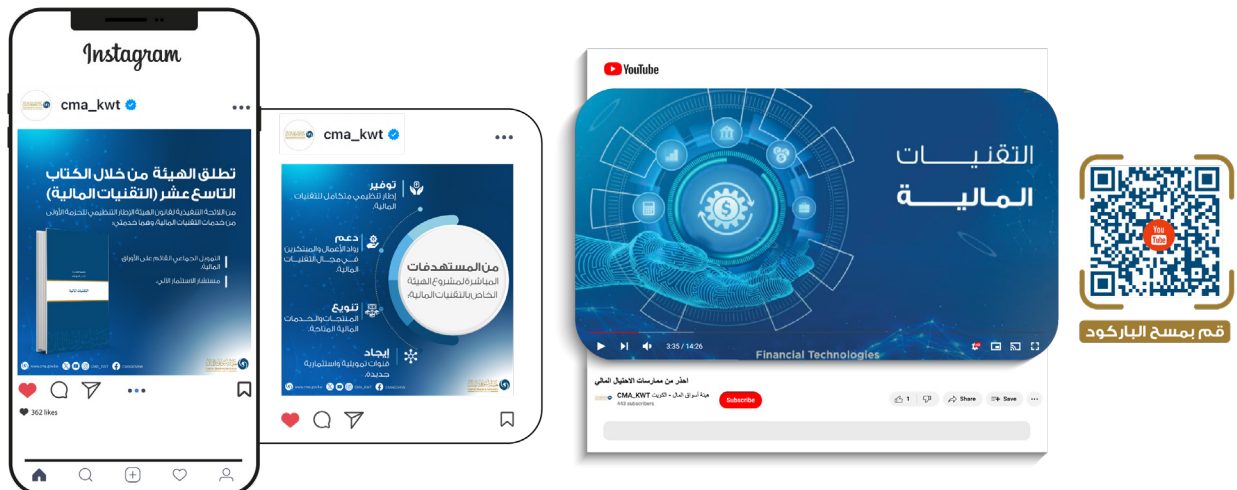
► Campaign on Financial Fraud – Mulim (December 13, 2023 – January 9, 2024)

This campaign, conducted within the framework of the joint Gulf awareness program "Mulim," focused on financial fraud and included broadcasting warning messages about financial fraud practices, as well as an awareness publication titled "Financial Fraud and Cyberattacks."



► Campaign on Financial Technologies (December 17, 2023 – January 11, 2024)

This campaign aimed to introduce the provisions governing financial technologies included in the regulatory framework for financial technologies covered by Module Nineteen of the Executive Bylaws of the CMA's establishment law and the services provided thereunder. The campaign included various activities, such as press releases, an awareness publication, awareness messages, a university awareness workshop, and several infographics and awareness motion graphics.



► 3. Awareness Publications

► Publications

► Financial Fraud Publication (January 2024)

This publication provided a definition of the increasingly widespread phenomenon of financial fraud and discussed its elements, methods, practices, and tools. It also dedicated a section to cyberattacks, their risks, and common mechanisms. The publication concluded by providing general advice on how to act when facing financial fraud.



► Guide for Shareholders in General Assemblies of Listed Companies (Under Issue)

This electronic publication provided a definition of shareholders' meetings, their types, and the competencies of each. It also covered the quorum, timing of meetings, and key parties involved in general assemblies. The publication also discussed mechanisms for participating in and voting at general assemblies, both in person and electronically, and summarized the most common errors made in general assembly meetings. The publication is expected to be issued at the beginning of the following financial year.



► Regulatory Framework for Financial Technologies (Under Issue)

This awareness publication aims to introduce financial technologies, their forms, and objectives, as well as the CMA's project to establish a regulatory framework for financial technologies and the first package of services provided under Module Nineteen of the Executive Bylaws. The publication has been prepared and is expected to be issued at the beginning of the following financial year.





Reports

► Twelfth Annual Report (July 2023)

The CMA's twelfth annual report for the financial year 2022/2023 presented the CMA's financial statements for that year. It also provided detailed information on its major tasks performed and achievements in various areas of its work, including legislative, regulatory, supervisory, and awareness-raising activities, in addition to tasks related to international cooperation, public relations, and media. The report also presented the performance of the Boursa Kuwait Securities Exchange during 2022 and outlined the CMA's key future directions as outlined in its strategy for the years 2023-2027.



قم بمسح الباركود

► Various Awareness Reports

The past financial year witnessed the issuance of several concise awareness reports, prepared for various purposes and varying as follows:

- Four reports on the progress of implementing the awareness plan for the financial year 2023/2024.
- A brief report on the development of the awareness aspect of the CMA's work since its inception until May 2023, which was provided to the Kuwait News Agency at its request to be featured in the agency's economic affairs bulletin.
- Three reports on developments in Gulf awareness initiatives, which were provided to the General Secretariat of the Gulf Cooperation Council at its request.
- Two awareness reports in English, one related to the CMA's participation in the activities of World Investor Week organized by the International Organization of Securities Commissions (IOSCO), which was provided to the international organization to be included in its annual report for 2023. The other report, related to awareness-raising activities implemented during the second half of 2023, was provided to the Africa and Middle East Regional Committee (AMERC) at its request.



► The CMA's Electronic Awareness Magazine (Issues 12 to 15)

During the past financial year, the CMA issued four issues of its electronic awareness magazine, namely: the twelfth issue (June 2023), the thirteenth issue (September 2023), the fourteenth issue (December 2023), and the fifteenth issue (March 2024).

The topics of these issues varied according to their established sections, covering topics related to legal literacy, as well as financial and investment awareness issues, in addition to covering the CMA's news and activities. It should be noted that two of the four issues were specialized, namely the twelfth issue, which was dedicated to the topic of financial fraud, and the fourteenth issue, which was dedicated to the topic of the Islamic finance industry.



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► Press Releases (April 2023- March 2024)

No.	Press Release Topic	Issuance Date
1	Gulf Efforts to Raise Awareness of Financial Fraud Practices	4/4/2023
2	"Cyber Security" Discussed in an Awareness Panel between the CMA and the Ministry of Interior	14/5/2023
3	Publishing the 12th Issue of the CMA's Electronic Magazine	3/6/2023
4	"Latest Developments in Anti-Money Laundering and Combating Financing of Terrorism" Workshop	17/7/2023
5	Issuance of the 12th annual report	29/7/2023
6	Publishing the 13th Issue of CMA's Magazine	2/9 /2023
7	The CMA Participation in " World Investor Week 2023 "	4/10/2023
8	"Crimes under the Provisions of the Capital Markets Authority Law" Workshop	8/10/2023
9	Awareness Campaign on the second Gulf Smart Investor Award	21/10/2023
10	Publishing the 14 th issue of the CMA's Magazine	3/12/2023
11	"Unlawful and Unethical Trading Behaviours and Investment Portfolio Rules for Securities" Workshop	6/12/2023
12	University Workshop on Financial Technologies	6/12/2023
13	"Latest Developments in Anti-Money Laundering and Combating Financing of Terrorism" Workshop	20/1/2024
14	Awareness Event (Sustainability Reporting Requirements)	31/1/2024
15	University Awareness Event (Money Laundering and Terrorism Financing)	4/3/2024
16	Launch of the 15th Issue of the CMA's Electronic Awareness Magazine	5/3/2024
17	Awareness Workshop (Financial Technology Services Regulated by the Capital Markets Authority)	5/3/2024
		17

► Announcements (April 2023-March 2024)

No	Advertisement Topic	Publication Date
1	Lists of Licensed and Unlicensed Local and Gulf Entities	5/4/2023
2	Discussion Forum (Cybersecurity)	7/5/2023
3	Sustainable Financing Workshop	11/5/2023
4	Issue 12 of the CMA's Magazine	3/6/2023
5	External Advertisement (Latest Developments in Combating Money Laundering and Terrorism Financing) (2 Ads)	13/7/2023
6	Twelfth Annual Report (2 Ads)	30/7/2023
7	Issue 13 of the Magazine	30/8/2023
8	Issue 14 of the Magazine	30/11/2023
9	Awareness Event (Sustainability Reporting Requirements)	18/1/2024
10	Financial Fraud Publication	18/1/2024
11	Issue 15 of the Magazine (2 Ads)	4/3/2024
Total		14



► Infographics, Motion Graphics, and Designs

No.	Awareness Activity	Awareness Product/Activity	Topic	Implementation Date
1	Visual Awareness	Infographic	Objectives and Tasks of Field Inspection (2)	17/5/2023
				3/3/2024
Violating Trading Practices (2)			1/6/2023	
			3/3/2024	
Professional Qualification program			1/9/2023	
Hedge Funds			1/9/2023	
Financial Analysts Register			1/9/2023	
Markets Surveillance Tasks (2)			3/12/2023	
			3/3/2024	
FinTech (4)			17/12/2023	
			11/1/2024	
Objectives and Tasks of Field Inspection (2)			1/12/2023	
			3/3/2024	
Off-site Surveillance Tasks (2)			1/12/2023	
			3/3/2024	
Warnings Against Misleading and Violating Practices (2)			1/12/2023	
			3/3/2024	
Total				19

No.	Awareness Ac- tivity	Awareness Product	Topic	Implementation Date
1	Visual Awareness	Motion Graphics	Sustainable Financing Seminar	14/5/2023
2			Judicial Control Procedures	22/5/2023
3			The Security	8/6/2023
4			Financial Analyst Register	6/9/2023
5			Venture Capital Fund (2)	It was prepared and postponed to the following financial year
6			FinTech	
7			Financial Analyst Register	
Total				8
-	Visual Awareness	Designs	315 designs covering various topics (events, publications, messages, campaigns)	Throughout the financial year



5. Awareness Via Social Media

No.	Topic	Date	Number of Messages
1	CMA Magazine - Issues:	June 2023	53
	12	September 2023	
	13	December 2023	
	14	March 2023	
	15		
2	Hedge Fund Campaign	June 2023	5
3	Financial Fraud and Inclusion Campaign	July - August 2023	26
4	Fundamentals of Investment Campaign	June 2023	8
5	Annual Report (12)	July - August 2023	16
6	Financial Analyst Register Campaign	September 2023	8
7	Professional Qualification Programs Campaign	August 2023	4
8	Sustainable Financing and Development Campaign	October - November 2023	28
9	The Second Gulf Smart Investor Competition Campaign	September 2023 – February 2024	33
10	World Investor Week	October 2023	10
11	Capital Markets Crimes Workshop	October 2023	6
12	Financial Fraud Campaign (Mulim)	December 2023 – June 2024	18
13	FinTech Campaign	December 2023 – June 2024	23
14	Unlawful and Unethical Trading Behaviors and Investment Portfolio Rules for Securities	December 2023	15
15	Latest Developments in Anti-Money Laundering and Combating Financing of Terrorism	July 2023 January - March 2024	19
16	(ESG Reporting Requirements) Event	January 2024	10
Total			282

6. The National Project to Enhance Financial Inclusion and Investment Awareness

We briefly present the project's activities as they were included in previous events:

► University and Educational Awareness Workshops:

- University workshop "Crimes according to the provisions of the CMA Law" (October 4, 2023).
- Educational workshop "Gulf Smart Investor Award" (November 13, 2023).
- University workshop "Financial Technologies" (December 4, 2023).
- University workshop "Unlawful and Unethical Trading Behaviors and Investment Portfolio Rules for Securities" (December 4, 2023).
- Two university workshops "Introduction to the CMA" (February 5-6, 2024).
- University workshop "Anti-Money Laundering and Combating Financing of Terrorism" (March 4, 2024).

► Awareness Campaigns

A total of 11 awareness campaigns were reviewed within the framework of awareness campaigns, targeting educational and university sectors and the public of investors and those concerned with securities activities.

► Financial Fraud Publication

The publication was prepared within the framework of an extensive campaign on financial fraud and was also published on the awareness corner on the CMA's website on (January 21, 2024).

► Media Coverage

As part of awareness campaigns and on several occasions, press, radio and television coverage was conducted during the period from November 2023 to January 2024 of financial inclusion, investment awareness and warning against financial fraud practices.

► Articles in Several Sections of the Magazine's Issues:

- The 12th "Issue's File" section on "The risks of financial fraud and ways to confront it".
- The 13th issue's awareness section "Protect yourself from financial fraud with simple steps".
- The 15th issue File section "Sustainable Financing: reality, developments and prospects" and "Regulatory bodies and the challenges of sustainability and green financing".
- The 15th issue Event Section "The CMA begins the era of financial technologies".
- The Prospects and Trends section of issue 15 "Comprehending the financial technology industry and its future trends".

► Financial inclusion survey (March - June 2023)

The CMA launched an extensive financial inclusion survey on its website during the period (March - May 2023), and the completion of receiving the survey results and examining the results in June 2023 in preparation for determining the foundations of future trends in this framework.





► Efforts Coordinated with Government and Private Entities

In implementation of the initiatives of CMA's National project to enhance financial inclusion and investment awareness during 2023, as well as the initiatives that fall within the framework of the CMA's social responsibility, several meetings were held with government and private entities, aimed at developing mutual visions on the mechanisms for activating joint efforts supporting the (qualifying and awareness) programs that fall within the framework of the directions. The most prominent are:



- An expanded meeting with the Cybersecurity and Money Laundering Departments at the Ministry of Interior (April 2023) and an expanded discussion panel on the topic of "Cybersecurity" (May 7, 2023).
- A meeting with representatives of the Human Development Association at the CMA's headquarters with the aim of coordinating efforts to reach a qualitative initiative targeting the CMA's adoption of specific mechanisms to support social care categories in general, and distinguished holders of high educational qualifications in particular (July 27, 2023).
- A meeting at the CMA's headquarters with representatives of the Kuwait Society for Human Rights, aimed at discussing aspects of cooperation between the two parties to support community awareness trends related to human rights and mechanisms for defending and protecting them (July 27, 2023).
- A meeting at the headquarters of Abdullah Al-Salem University, bringing together representatives of the CMA and the Acting Vice President for Academic Affairs and Evaluation, a member of the Founding Board of Directors (November 2, 2023).
- A meeting at the ACK University, which included representatives of the CMA, the Acting Dean of the College of Business Administration, and the Director of Student Affairs at the university (November 14, 2023).
- A meeting at the American International University, attended by representatives of the CMA, the President of the University, and the Assistant President for Academic Affairs, in addition to the Dean of the Training Center and the Director of Business Development (November 22, 2023).
- Participation in the cooperation initiative between the American International University and the University of Arizona (February 2024).

► 7. External Awareness Participation

Participation in this framework diverse, ranging from international, Arab and regional participation, as follows:

► Union of Arab Securities Authorities

On September 12, 2023, the CMA participated in a meeting held (remotely via Zoom) with the “Investor Education, Awareness, and Financial Inclusion” working group of representatives of the Union of Arab Securities Authorities. The participants discussed the initiative related to improving the Union's portal for financial education, as well as the initiative related to a new project for cooperative or participatory financing. The members also reviewed the member states' participation related to financial education programs for children.

► Mulim

The last financial year witnessed the CMA's participation in the activities of the joint Gulf awareness program “Mulim”. We will refer to these activities and their implementation dates, given that they are reviewed previously in the report:

- Awareness campaigns on fraud and financial inclusion (April/August/December 2023, January 2024).
- Awareness campaign on the fundamentals of investment (June 2023).
- A campaign for the second Gulf Smart Investor Award (September 2023-January 2024).
- Media coverage of the second Gulf Smart Investor Award campaign (October/November 2023).
- Educational and university awareness workshops introducing the joint Gulf awareness program “Mulim” in general, and the second Gulf Smart Investor Award in particular. (October/November/December 2023).

► International Organization of Securities Commissions (IOSCO)

The CMA participated in the activities of the World Investor Week held on (October 2-8, 2023). A wide-ranging awareness campaign was implemented, focusing on specific topics (investor resilience, digital assets, sustainable financing, combating fraud, fundamentals of investment, technology and digital transformation). The campaign extended throughout the month of October, with the broadcasting and rebroadcasting of long awareness messages, parallel with a campaign (sustainable financing), in which dozens of awareness messages were broadcast on the CMA's social media accounts, in addition to rebroadcasting a motion graphic.

► 8. Awareness and Media Activities of the CMA's Third Strategy

► Launching the CMA's Strategic Plan

On April 2, 2023, the CMA held a press conference to launch its third strategic plan (2023/2024-2026/2027), in the presence of the Chairman of the Board of Commissioners and the Managing Director, the Director of the Strategy Office, and the Head of the CMA's Third Strategy Preparation Team. The CMA's third strategic plan comes as a continuation of the CMA's achievements, and a working team of specialized national CMA cadres, in response to the requirements of the next stage, and keeping pace with local and international changes and trends, in line with the state's directions to contribute effectively to achieving Kuwait's Vision 2035.





► Honoring those Involved in the Strategic Aspect

The 4th of May 2023 marked the recognition of the team members involved in preparing the third strategy for the CMA, the steering committee for the strategic planning methodology development project, the project's executive team, and members of the Strategy Office for the efforts that resulted in the launch of the strategy and the strategic planning methodology.



► Internal Awareness Workshops

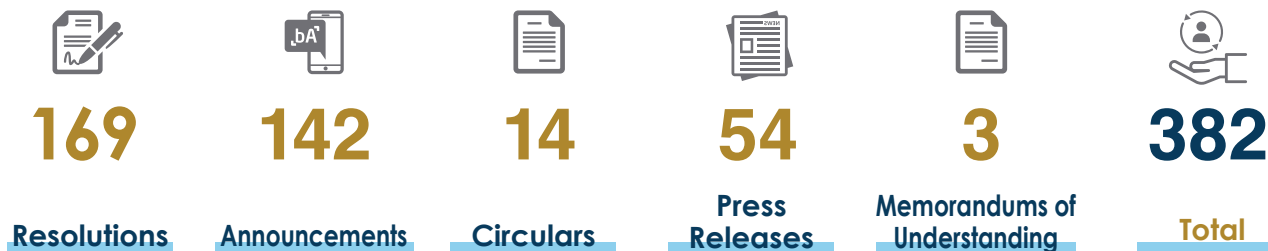
In order to introduce the third strategy of the CMA and its operational plans for the financial years (2023/2024–2024/2025), five awareness workshops were implemented targeting representatives of the CMA's organizational units, work teams and committees during (May 14-23-25-30, 2023 and August 1, 2023).

Additionally, a special visual presentation on the third strategy of the CMA was presented during the annual meeting of the CMA's employees on the February 20, 2024.

Public Relations and Media

► Publishing via Approved Media

Managing the content of the CMA's Website and its Applications on Smart Phones in Arabic and translating it into English



Managing the Content of the CMA's Accounts on Social Media and the Inquiries Received Through Them



► Translation

- 7 Translations of amendments to the Executive Bylaws of the CMA's establishment law and their publication.
- 34 Translations of requests involving various aspects of CMA's work.

► Events and Activities Linked to Related Responsibilities

(1) Press Release, (4) Internal Events, (3) Interviews and Receptions



Field of Mutual External Cooperation: Local, Regional and International

Coordi- nation Level	Entity	Commit- tee - Work Team	Activity	Topic	Setting	Date
Local	Competition Protec- tion Agency	–	Mutual Coopera- tion	MOU	–	7/8/2023
			Coordina- tion	soundness of regulatory procedures within the competence of both parties	–	-
	Communication & Information Tech- nology Regulatory Authority (CITRA)	–	Mutual Coopera- tion	MOU	–	14/8/2023
	Insurance Regulator- y Unit	–	Mutual Coopera- tion	MOU	–	3/9/2023
			Coordina- tion	Coordinating Profes- sional Ethics	–	-
	Kuwait Anti-Cor- ruption Authority (Nazaha)	–	Workshop	Operational Risk Man- agement	–	15/11/2023
	Ministry of Com- merce and Industry	–	Mutual Coopera- tion	MOU	–	18/2/2024
			Coordina- tion	Regularize the Situations of Companies in Accord- ance with Internation- al Classification	–	-
	Public Authority for Industry	–	Meeting	Qualifying Consulting Offices	–	-
	Ministry of Finance	–	Meeting	Evaluating Kuwait for Exchange of Informa- tion on Request	Remotely	15/2/2024
	Parties of Capital Markets System	–	Ongoing Coordina- tion	Market Development Project	–	Ongoing
	General Secretari- at of the Supreme Council for Planning and Development	–	Workshop	Government strategies and their alignment with Kuwait's vision	Direct	19/2/2024

Coordination Level	Entity	Committee - Work Team	Activity	Topic	Setting	Date
Gulf	Secretariat General of Cooperation Council of the Arab States of the Gulf	Heads of Capital Markets Authorities Committee (or their equivalent)	Meeting	The 27th Meeting and the 5 th Joint Meeting of Heads of Capital Markets Authorities Committee (Exchanges) in GCC Countries	Re-motely	5/11/2023
		Communication and Investment Awareness Specialists Team	Meeting	16 th meeting	Re-motely	19/6/2023
				17 th meeting		17/7/2023
				18 th meeting		22/8/2023
				19 th meeting		26/9/2023
				20 th meeting		18/10/2023
		Financial Markets Integration Strategy Team	Meeting	18 th meeting	Re-motely	8/1/2024
		Specialists in GCC Capital Markets Authorities, Central Banks and the Police	Meeting	Different issues related to securities activities	Re-motely	4/10/2023
		Training Team at the Regulatory Entities of Capital Markets	Meeting	9 th Meeting	Re-motely	5/10/2023
			Seminar	Enhancing Audit Oversight	Re-motely	9/10/2023
		Gulf Cooperation Council	Inquiries	Passporting for Investment Funds	—	-
			Request	Updates and Developments of the GCC Capital Markets	—	-



Coordi- nation Level	Entity	Committee - Work Team	Activity	Topic	Setting	Date
Arabic	League of Arab States	Arab Adminis- tration Develop- ment Organiza- tion	Forum	Effective Institution- al Development to Achieve Sustain- able Development Goals	Sharjah- United Arab Emirates	7-9/2/2024
	Union of Arab Securities Authorities	—	Meeting	The 17 th annual meeting of the Union	Kingdom of Saudi Arabia	1/5/2023
		The Professional Training and Ex- amination Center at the Securities & Commodities Authority	Work- shop	Trade-based Monay Laundering and Fraud Crimes	Remotely	8/8/2023
			Training Work- shop	Digital Awareness	Remotely	22/8/2023
			Training Work- shop	Artificial Intelli- gence and Cyber Security	Remotely	5-6/9/2023
			Training Work- shop	Combating Finan- cial Crimes	Remotely	12-14/9/2023
			Seminar	Enhancing Audit Oversite	Remotely	9/10/2023
			Training Work- shop	Virtual Assets & VASPS -Regulatory	Remotely	28-29/11/2023
			Training Work- shop	Financial Fraud Identification	Remotely	6-7/12/2023
		Legal Team of the Union	Meeting	Discussing the legal structure of the Union	Remotely	8/11/2023
		—	Seminar	Sustainable Bonds	Remotely	14/12/2023
		—	Survey	Union Member's Needs and Requirements in Technology and Cybersecurity		-
		—	Request	Guidance Document on the Investor Rights		-
		—	Study	The reality of financing for small, medium and micro enterprises		-
	Arab Mon- etary Fund	Green & Sustain- able Finance Network in the Arab countries	Meeting	The 2 nd Meeting	Remotely	28-29/8/2023
		—	Survey	The intersection of green, sustain- able finance and fintech		15/10/2023

Coordi- nation Level	Entity	Committee - Work Team	Activity	Topic	Setting	Date
Arabic	Arab Mon- etary Fun	The Council of Arab Central Banks & Mon- etary Authori- ties' Governors Secretariat	Meeting	10 th Meeting / Arab Fintech WG	Remotely	22-23/11/2023
	Related Authorities					
	Saudi Capital Markets Au- thority		Survey	Mechanism of Dealing with Unli- censed Persons		-
			Study	The Suitability of Expanding the Legal Structures of a Licensed Person.		-
			Inquiries	The Data of Resident Foreign Investor.		-
	Securities & Commodities Authority - UAE		Study	Disclosure and Compliance Stan- dard		-
			Request	Practices regarding bonuses granted to board members and employees.		-
			Inquiries	Promoting securities to govern- ment entities and sovereign wealth funds		-
				Execution Management		-
	Qatar Financial Markets Authority		Inquiries	A company in the State of Kuwait		-
				Listing		-
	Capital Markets Authority - Oman		Inquiries	Reconciliation violations and issu- ance management expenses.		-
				Risk management.		-
	Jordan Securities Commission		Inquiries	Difference Issues		-



Coordi- nation Level	Entity	Commit- tee - Work Team	Activity	Topic	Setting	Date
International	United Nations	United Nations Conference on Trade and Development	Conference	UNCTAD-ISAR Founding a Regional Partnership for promotion of sustainability reporting in Gulf States and neighbouring countries	Remotely	12/7/2023
	IOSCO	—	Technical Training Program	Capacity Building Program on Sustainable Finance Technical	Malaysia	2-3/4/2023
		In cooperation with Harvard University	Annual Training Program	Program for Regulators of Securities Markets	Remotely	22-26/5/2023 11-15/12/2023
		—	48 th Annual Meeting	Growth and Emerging Markets	Thailand	13-15/6/2023
		—	IOSCO Board Meeting	Annual Meeting	Remotely	6/9/2023
		—	Preparatory webinar	World Investor Week	Remotely	11/9/2023
		—	Conference	The use of technology in Securities Markets Enforcement	Remotely	21/9/2023
		—	Event	WIW	Remotely	2-8/10/2023
		—	Workshop	Developing Enforcement Manuals	Malaysia	17-18/10/2023
		—	IOSCO Board Meeting	Meeting	Spain	26/10/2023
		—	Workshop	Retail Investor Protection In the Age of Social Media	Remotely	16/11/2023
		—	Visual Meeting	IOSCO Board Meeting	Remotely	14/12/2023
		—	Workshop	Developing on-site Inspection Manuals	Oman	5-6/3/2024
		—	Surveys	25 Surveys and requests on difference issues.	—	-

Coordination Level	Entity	Committee - Work Team	Activity	Topic	Setting	Date
International	Committees Associated with IOSCO	African Middle East Regional Committee (AMERC)	Seminar	Fintech	Webinar	4/10/2023
			Meeting and Conference	Annual Meetings	Egypt	20-23/11/2023
			Meeting	Annual Meeting	Mauritius	19-21/2/2024
		Committee 7	Meeting	IOSCO Meeting C7	Toronto	24-25/5/2023
				Derivatives C7	Spain	2-3/11/2023
		Committee 2	Meeting	Different Issues C2	Netherlands	31/5-1/6/2023
				Regulation of Secondary Markets C2	Abu Dhabi	13-14/2/2024
		Committee 3	Meeting	IOSCO Committee on Regulation of Market Intermediaries C3	Madrid	4-5/12/2023
		IOSCO AMCC	Seminar	Regulatory Staff Training	Madrid	30-31/1/2024
	Other International Organizations, Committees, Councils, And Entities	Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI)	Conference	Shari'ah Boards Conference 2023	Bahrain	7-8/5/2023
			Roundtable	Sukuk in the books of originator	Remotely	30/8/2023
			Conference	Transfer of Assets between Investment Pools	Remotely	2/10/2023
			Conference	Shari'ah Decision-Making Process	Remotely	10/10/2023
			Roundtable	Quasi-equity (including Investment Accounts)	Remotely	2/11/2023
			Roundtable	Shari'ah Decision-Making Process	Remotely	8/11/2023
			Roundtable	Shari'ah and Islamic Industry	Remotely	21-28/2/2024
			Roundtable	Financial Reporting for Companies Operating in Hyperinflationary Economies	Remotely	25-27/3/2024



Coordi- nation Level	Entity	Committee - Work Team	Activity	Topic	Setting	Date
International	Other International Organizations, Committees, Councils	The Program on International Financial Systems (PIFS)	Gulf Seminar Series	Sustainable Finance	Remotely	19-21/6/2023
			Training Program	ESG DISCLOSURE BY NONFINANCIAL COMPANIES	Remotely	18/10/2023
		Bank for International Settlements	Conference	The 18th IOSCO-FSI Conference on Securities Trading Issues and Market Infrastructure - Financial Stability Institute and the International Organization of Securities Commissions	Spain	10-11/10/2023
		The Organization of Islamic Cooperation Exchanges Forum (OICE), Borsa Istanbul, and COMCEC	Training Program	Islamic Debt Equity Markets	Virtual	16-18/5/2023
		Chartered Financial Analyst Institute	Roundtable	MENA Regulators	Remotely	31/10/2023
		Global Financial Innovation Network (GFIN)	Seminar	FinTech	Present (Washington) or remotely	7-9/11/2023
		HSBC Bank	Conference	Securities Conference Forum 2024	Dubai	28-29/2/2024
		General Council for Islamic Banks and Financial Institutions	Webinar	Big Data Analytics in Islamic Finance: Catalyst for Growth and Transformation	Remotely	22/1/2024
		Securities and Exchange Organization of Iran (SEO)	The 15th International Conference	Islamic Capital Markets	Iran	26-27/11/2023
		European Securities and Markets Authority (ESMA)	Training Program	Money Market Fund (MMF) Regulation - Overview and perspectives - ESMA	Remotely	8/6/2023
		U.S. SEC International Institute	Virtual Event	Crypto Asset Market Developments Invitation	Remotely	4/3/2024
		Islamic Financial Services Board (IFSB)	Inquiries	IFSB online membership	—	-
				Draft IFSB working papers for issuance in 2023	—	-



Part of CMA's participation in the 48th IOSCO Annual Meeting -Thailand/June 2023

► Exchange of Information with Regional, Arab, and International Entities

In addition to coordinating the different types of cooperation, with the exchange of information with regulatory bodies and entities, which were included in the previous tables, the CMA, during the financial year (2023/2024), exchanged information and data and prepared responses concerning mutual inquiries for various purposes with other entities:

- Regional (Central Bank of Bahrain, a company in the United Arab Emirates).
- International (Deloitte and KPMG (Luxembourg), United Securities Market Authority (Portugal), Financial Services Authority (Seychelles), Oxford University, Financial Conduct Authority (UK).

The nature of the data varied between different regulatory and supervisory purposes, such as inquiries about companies, persons, or collective investment schemes, rules for establishing Boards of Directors, or the mechanism for processing offering and listing requests according to the classification of financial advisors, the way for advertising funds within the State of Kuwait, marketing foreign funds, the impact of ownership on independent members, the potential of green sukuk to finance water purification infrastructure projects, and the intersection between green and sustainable financing and modern financial technologies.



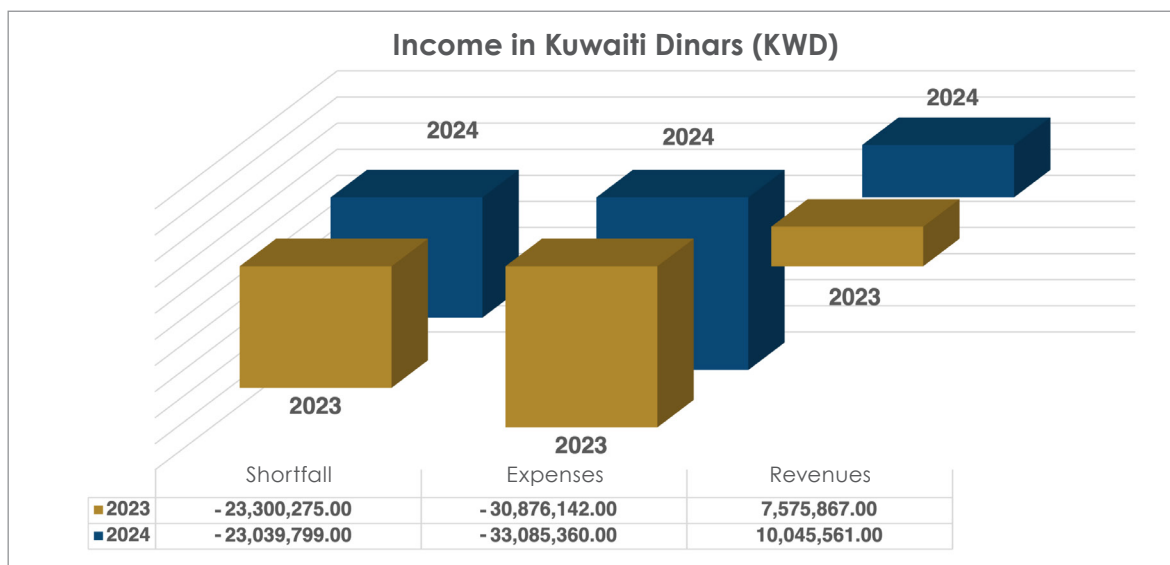
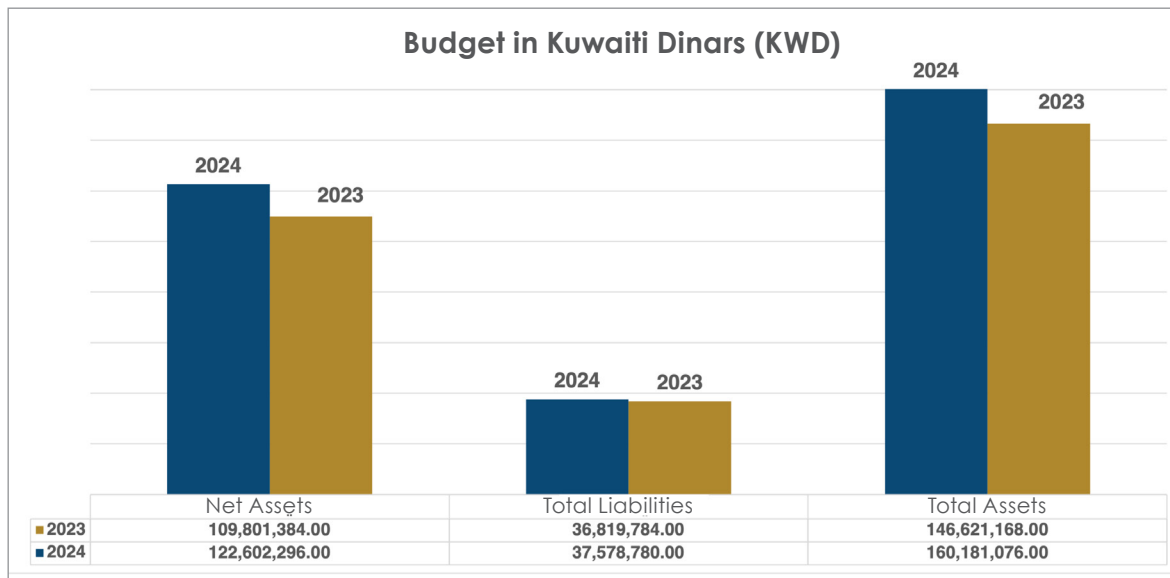
Section Seven

Organizing and Developing the Internal Work Environment

- ▶ Regulating Financial Affairs and Treasury
- ▶ Information Technology and Communications
- ▶ General Services

► Regulating Financial Affairs and Treasury

► Data of Financial Affairs and Treasury



Budget		
Total Assets	160,181,076.00	146,621,168.00
Total Liabilities	37,578,780.00	36,819,784.00
Net Assets	122,602,296.00	109,801,384.00
Income		
Revenues	10,045,561.00	7,575,867.00
Expenses	- 33,085,360.00	- 30,876,142.00
(Shortfall) / Surplus	43,130,921.00	38,452,009.00



Related Executed Tasks

- ▶ Adopting an initiative for implementing the sustainability standards based on local and international experiences after the issuance of the governance and sustainability standards (IFRS – S1 – S2) by (IFRS) foundation.
- ▶ Launching the automated invoice system and receiving them from companies in full.
- ▶ Signing service level agreements (SLA) with the relevant organizational units for the purpose of raising the level of services, increasing the efficiency of work, and executing awareness activities regarding the implementation of those agreements.
- ▶ Developing the electronic portal of complaints and grievances to facilitate payment, follow-up, and issuance of the necessary reports and required related statements.
- ▶ Developing the work and definitions of archiving the accounting entries in government entities and automating the work of financial affairs and treasury and limiting paperwork by dispensing with paper archiving of the expenses documents and be satisfied with the electronic archive.
- ▶ Including several forms in the electronic correspondence system to enhance the electronic procedure and reduce paper handling.
- ▶ Developing and amending each of the financial regulations and approved authorizations matrix to be in line with the latest updates of the work environment.
- ▶ Developing and amending the procedures, work forms, Key Performance Indicators (KPIs) related to the latest updates of work environment.

▶ Information Technology and Communications

▶ Operations

- Updating the operating systems of the data centres' devices of the CMA's servers and providing maintenance to those centres and following up the work of the devices.
- Conducting upgrades and updates to several systems (telephone exchange system (Avaya), trade monitoring system (SMARTS), network protection systems "Fire Wall" at CMA's 2 data centres: primary and backup, security certificates to CMA's systems (SSL Certificates), the technical service of Multifactor Authentication, the control system of the backup system, Vmware vCente system, IBM Guardium system, budget system databases).
- Providing virtual servers to the trade monitoring system and testing them in preparation to convert all the system's components from the servers' devices to virtual servers.
- The application of several systems (network monitoring system (Solar winds) and adjust its settings, electronic signature system (CodeTwo), archive system (Veritas EV)).
- Preparing the technical environment to embrace CMA's official website on Microsoft private cloud as a support website in the disruption of the main website.
- Evaluating the backup system and preparing the readiness evaluation report to prevent ransomware attacks in cooperation with IBM company using NIST evaluation methodology.
- Conducting training evacuation test for the CMA headquarter.
- Activating WhatsApp service to send reports and notifications.

▶ Information Security

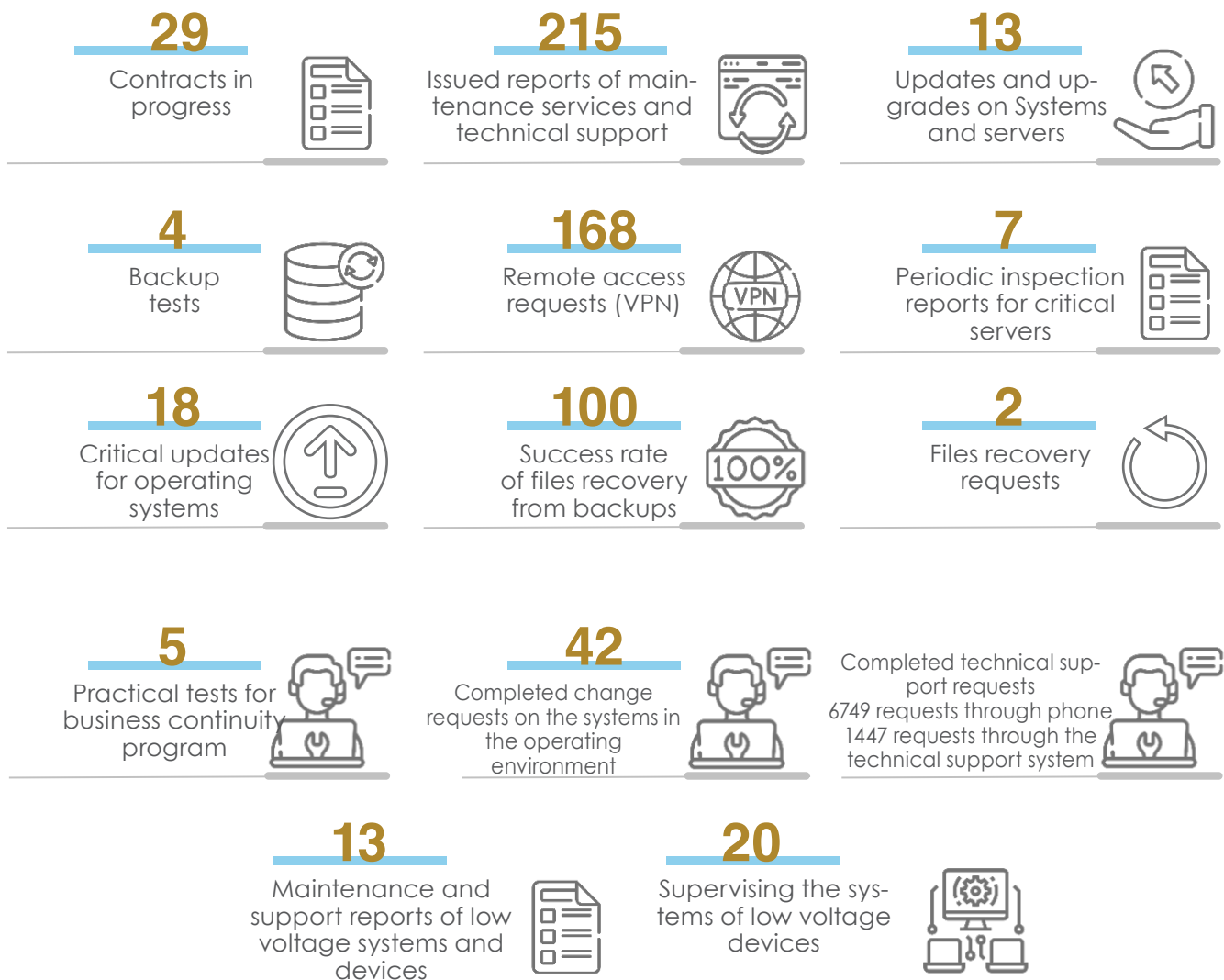
- Testing the security of CMA's information network and monitoring the devices of that network 24 hrs / 7 days a week.
- Renewing each of the contract of International Standard Certificate ISO27001 2022, and the antivirus system.
- The CMA obtained a high evaluation in a percentage of (98%) in Kuwait for its network on the information security level in accordance with Scorecard platform. It also passed the second annual audit of ISO27001:2012 of information security and concluded the gaps analysis (GAP Assessment) in accordance with ISO27001:2022.

- Installation of a network deception platform system.
- Launching the information security plan for the financial year (2024-2025), classifying information in the organizational units, evaluating and regulating risks, and updating the work procedures and the policy manual of the technical organizational unit.
- Executing awareness activities relevant to information security that varied between 4 electronic training courses and 9 awareness messages.

► Application and Database Support

- Launching several systems and services forms (registration of arbitrators, registration of experts, grievance from the Disciplinary Board's resolutions, purchase through tenders, right to access applications, manual for the persons addressed by Law No. 1 of 2023 Regarding the Prevention of Conflicts of Interest, Know Your Client, the electronic receipt of the reports of the licensed persons' auditors, establishment of a local fund, contractual collective investment scheme, report of the results of marketing the units of a collective investment scheme incorporated outside the State of Kuwait, the committee of addressing systemic risks, career training pathways, class-action lawsuit, the old and new systems of the CMA's electronic magazine).
- Creating electronic pages for updating family data for CMA members, cash allowance, and the flexible working hours system.
- Publishing (6) opinion polls on the CMA's electronic website.

► Statistics





► General Services

► CMA Building and Property

- Maintaining CMA's property, cleanliness, and security of its various organizational units' premises.
- Initiation of the supervisory work of the implementation, achievement, and maintenance of CMA's permanent headquarters.

► Hospitality and Cleanliness Services

- Execution of contracts for cleanliness for CMA's headquarters as well as the porter's contract, and renewing contracts for hospitality and buffet.

► Procedures of Documents and Records

- Updating the asset inventory system and renewing contract for providing storage and archiving for the CMA documents.
- Receiving, sending, and archiving correspondence:

Statement	Number
Incoming correspondence	15728
Outgoing correspondence	3481
Incoming correspondence via government-to- government messaging G2G	1354
Outgoing correspondence issued via government-to- government messaging G2G	1137
Outgoing correspondence issued with manual reference	2166
Correspondence archiving	5887

► Procedures of Dealing with Assets and Items

- All the required assets were registered and disbursed as necessary:

Statement	Number
Received assets categories (item)	28
Quantity of assets entered into inventory (unit)	115
Number of asset labels (label)	178

- All the items were received and disbursed as required:

Statement	Number (item)	Quantity (unit)
Received items	64	7701
Distributed items	260	13251



Section Eight

Future Visions and Aspirations



The date of preparation of the Thirteenth Annual Report coincides with the ending of the first year of CMA's third strategy for the years (2023/2024-2026/2027). It targets, through its projects and initiatives, to respond to the requirements of the next stage, in line with local and international changes and trends in a manner consistent with the State's directions and development vision.

The past year of those strategies witnessed the start of implementing many of the CMA's strategic projects and various initiatives, with the plan's completion rate reaching about 33%, and it is expected that the next financial year will launch the remaining initiatives.

The CMA's long-term development objectives in the upcoming years are within the framework of achieving the three pillars of the strategy, as the first of these pillars (Capital Markets Development) targets in cooperation with the CMA's strategic partners, developing its legislative, regulatory, supervisory frameworks in accordance with recent trends in the financial markets, as well as the second of these pillars (Cooperation and Communication), which aims to maintain the union in CMA's position and manage and enhance its network of relationships at all levels: locally, regionally and globally. All of this is based on following up on the efforts within the framework of the third of these pillars (Institutional Enablement), which aims to enhance its internal capabilities, adopt the best administrative, regulatory and technical practices, build the capabilities and competencies of its human capital, and complete its digital transformation.

It should be noted that the objectives of the pillars of this strategy are summarized in the short term by completing the requirements for upgrading the local capital market to the level of advanced emerging markets as a first stage.

As a result, it can be said that the CMA is working to achieve its future visions according to two tracks:

► Long-term Strategic Development Directions

- Performing the role assigned to the CMA within the framework of the government's development vision in transforming into a financial and commercial center that attracts investment.
- Developing the local capital market and enhancing its position as a vital station for financing the business sector and supporting the national economy, and its position among emerging markets first, then advanced emerging markets at a later stage.
- Completing the development of the capital market system to keep pace with the best relevant global practices.
- Reaching a roadmap for the Islamic financial industry.
- Activating regulatory frameworks matching with the principles of sustainability and sustainable financing.
- Developing regulatory frameworks for financial services provided through financial technologies, and creating innovative financial services and business models.
- Solidifying the elements of financial inclusion in the community.
- Enhancing integration paths between financial markets in the Gulf Cooperation Council countries.

► Directions and initiatives Related to CMA's areas of Work

► The Regulatory Field

► Market Regulation

- Preparing a draft amendment to the Executive Bylaws of the CMA's Law, the Bursa Kuwait Rulebook, and the clearing and settlement rules regarding bonds, sukuk, and ETFs in coordination with the relevant authorities, and conducting surveys therein.
- Completing the preparation of the legislative system to establish a specialized market for listing and trading the shares of growth companies.
- Continue the efforts to develop the mechanism for participation in the general assemblies of companies listed on the Bursa Kuwait Securities Exchange.
- Studying the inducements for listing companies on the Securities Exchange, and surveying the



opinions of listed companies and investors regarding adding a new concept of the controller with the objective of developing listing rules.

- Develop legislative provisions related to practicing margin trading services for licensed persons.
- Ensuring the readiness of listed companies and their preparations to start preparing and publishing environmental, social, and governance sustainability reports.
- Reviewing applicable aspects (approved transactions, service provider on the register, creation of the central counterparty for the money market, cash settlements through the Central Bank system - commercial banks, providing the qualified CCP model and the clearing members model, as well as a final model for the CCP - derivatives, and the rules of the central counterparty KCH Rulebook, the rules of the central entity for depositing securities KCSD, the financial guarantee chain, procedures for managing failures, recovery plans, governance document, and "Initial & Variation Margin).

► Licensing and Registration

- Regulating and reviewing the procedures related to the tasks of licensing and registration, and the legislative amendments included therein with the aim of organizing the workflow and speeding up completion, and developing the provisions of licensing and registration in the Executive Bylaws in light of the complications observed of practical application.
- Encouraging local partnership with the Kuwait Direct Investment Promotion Authority and coordinating the process of issuing a license to practice securities activities for those wishing to do so who are subject to the provisions of the CMA's law, which helps in attracting foreign capital and thus creating a competitive environment that possesses the required components.

► Capital Markets Development and Risk Management

- Monitoring the analysis of trades related to market makers, margin trading, over-the-counter trading, and potential failures, and studying the impact of advanced financial instruments trading on trading in the official market).
- Continuing to perform periodic stress tests to ensure the effectiveness of risk protection systems.
- Monitoring financial guarantees for clearing members and verifying the conformity of calculated amounts with the method approved by the CMA.
- Classifying clearing members based on relevant market risks and determining the mechanism for dealing with them.
- Study the requirements of international classification entities periodically, especially in terms of liquidity.

► Collective Investment Schemes

- Develop the provisions of the Executive Bylaws related to the tasks of collective investment schemes related to the requirements of practical application, in a manner consistent with the requirements of developing financial markets and protecting their clients.
- Continue the development and introduction of investment instruments that comply with the best international practices.
- Digitalizing some services related to collective investment schemes and allowing to obtain them electronically through the CMA's electronic portal.

► Corporate Finance and Governance

- Participating in the annual review of the regulatory qualification related to the Professional Qualifications Program for registered employment positions.
- Developing automated systems for each of: bonus shares, treasury shares, quarterly report for treasury shares, invitation to attend of the bondholders / sukuk holders committee meetings.)
- Studying company practices related to the recent amendments to Module Eleven of the Executive Bylaws and assessing the need for subsequent amendments.
- Studying debt instruments issued in international and regional markets and exploring the possibility of applying them in the local financial market.



► Mergers and Acquisitions

- Developing the legislative and technical infrastructure related to mergers and acquisitions in line with the latest international standards.
- Protecting minority rights in mergers and acquisitions.
- Creating additional value that supports the efficiency of the merger and acquisition market by creating a fertile environment for these activities.
- Developing merger and acquisition operations without prejudice to the principle of competition and control, while ensuring guarantees to avoid conflicts of interest in order to maintain shareholders' rights.
- Develop monitoring of direct and indirect ownership of a listed company by the controller.

► Supervisory Field

► On-Site Supervision

- Completing the development of the control system for assets valuation.
- Continuing to study the possibility of applying the sustainability standards issued by the Sustainability Standards Board to companies listed on the Boursa Kuwait Securities Exchange.
- Follow-up on cases of default for licensed persons in studying their financial statements.
- Follow-up on monitoring observations and violations by entities subject to the CMA's supervision and taking the necessary action therein.

► Off-Site Supervision

- Prepare, approve and implement the financial year plans of (2024/2025) for field inspections of various types (comprehensive field, specified purpose, inspection related to AML/CFT).

► Disclosure

- Continuing coordination with the Kuwait Clearing Agency to provide reports aimed at strengthening control over changes in the ownership of persons subject to disclosure requirements.
- Preparing a guide to disclosure requirements stipulated in Module Ten (Disclosure and Transparency) of the Executive Bylaws of Law No. (7) of 2010. To educate the public about securities activity, benefits, risks and obligations related with investing in securities and encourage its development.
- Continue developing the provisions of Module Ten (Disclosure and Transparency) in accordance with best practices to implement the full disclosure policy.

► Financial Technologies

- Regulating the process of licensing and registering entities keen to provide financial technology services regulated by Module Nineteen (Financial Technologies) of the Executive Bylaws of the CMA's Law, and follow-up on their work when practicing and supervising them.
- Evaluating the regulatory framework for financial technology services represented in the module and developing it by adopting the best international practices that are similar with the local work environment.
- Promoting the concept of financial inclusion by conducting ongoing awareness campaigns aimed at educating individuals and institutions about financial technologies and services regulated by the CMA.
- Study and research financial technology services based on unlisted securities within the regulatory framework of the CMA, and study their economic viability for service provider, users and their suitability for the local environment.
- Participate in financial technology organizations, committees and work teams at the local and international levels to help keep pace with developments in financial technologies and enrich the regulatory culture.
- Work to improve the business environment for practicing financial technology services in the State of Kuwait.



► Awareness Field and External Cooperation

► Awareness Field

- Implement the CMA's awareness plan for the financial year (2024/2025), and implement the initiatives decided within the framework of the CMA's project to enhance financial inclusion and investment awareness.
- Preparing to develop programs for initiatives aimed at achieving the fifth objective of the CMA's current strategy for the financial years (2023/2027), which is to develop awareness and educational programs directed at current and future investors and persons licensed in the field of securities activities through available awareness channels, as well as those related to implementing awareness programs translated into the operational plans of the CMA's organizational units.
- Completing the implementation of the activities scheduled within the framework of the joint Gulf awareness program "Mulim".
- Implementing awareness initiatives within the framework of the CMA's future directions in terms of financial inclusion, sustainable financing development, and digital transformation.

► External Cooperation: Local, Regional and International

- Coordinating with stakeholders in the capital markets to complete the development of the system and discuss planned amendments.
- Coordinating with Kuwait Clearing Company to provide reports that assist in strengthening supervision over changes in ownership of persons subject to disclosure requirements.
- Monitoring cooperation with relevant local entities in various aspects of securities activities (National Committee for Anti- Money Laundering and Combating Financing of Terrorism and its working teams, Ministry of Foreign Affairs Committee on combating terrorism and the financing of weapons of mass destruction).
- Encouraging local partnership with the Kuwait Direct Investment Promotion Authority to regulate the licensing process for those who wish to practice securities activities fall under the provisions of the Kuwait Direct Investment Promotion Authority Law and its Executive Regulations, in order to create a competitive environment and attract foreign capital.
- Monitoring coordination efforts related to the integration of financial markets in the Gulf Cooperation Council countries (passporting, Mulim, data and information exchange, etc.)
- Opening opportunities for CMA employees responsible for tasks related to collective investment schemes to cooperate with international counterparts in exchanging experiences.
- Establishing technical cooperation agreements with similar international bodies to keep pace with developments related to collective investment schemes.

► Internal Work Environment Field

- Maintaining the CMA's leading role in meeting the requirements of public sector governance.
- Develop the operational risk management system at the CMA (AMAN).
- Continue to post and enhance the culture of operational risk management in CMA.
- Launching technological systems and central databases for operational performance indicators, for all organizational units in the CMA after completing the automation of their work procedures.
- Continuing the efforts to meet the required governance standards in order to maintain the forefront ranking of independent-budget public entities in terms of governance.
- Completing the evaluation of operational performance indicators for CMA's main functions.
- Continuously reviewing all financial operations within the CMA to ensure the accuracy of the adopted procedures.
- Implementing the information security plan for the next financial year (2024/2025).
- Improving the quality of training, developing human resources, and building the capabilities of the CMA's members to keep pace with challenges and developments in the work environment, and providing distinguished training services that meet the requirements of the next stage, as well as empowerment plans for training competencies, and enhancing qualification efficiency using available technologies.



Section Nine

**CMA's Financial Statements for the
Financial Year (2023/2024)**



Capital Markets Authority
An independent public authority
The State of Kuwait

The financial statements
for the year ended 31 March 2024
and the Independent Auditor's report



Capital Markets Authority
An independent public authority
The State of Kuwait



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Statement of comprehensive income	4
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Statement of cash flows	6
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Independent auditor's report

The Board of Commissioners
Capital Markets Authority
Independent Public Authority
State of Kuwait

Opinion

We have audited the financial statements of Capital Markets Authority ("the Authority"), which comprise the statement of financial position as at 31 March 2024, the statements of comprehensive income, changes in net assets and cash flows for the year then ended, and notes, comprising significant 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 March 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISA"). 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 International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) ("the IESBA Code") and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 IFRS Accounting standards, 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 are responsible for overseeing the Authority's financial reporting process.

KPMG Al-Qenae & Partners, a Kuwaiti Public Accountant and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.



Auditors' 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 ISA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISA, 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, 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.

Dr. Rasheed M. Al-Qenae
License No 130
of KPMG Al-Qenae & Partners
Member firm of KPMG International

Kuwait: 3 July 2024

Capital Markets Authority
An independent public authority
The State of Kuwait



Statement of financial position
As at 31 March 2024

(All amounts are in KD)

	Note	2024	2023
Assets			
Banks current accounts		1,597,412	2,071,843
Term deposits	6	135,682,729	130,223,928
Accounts and other receivables	7	11,662,440	6,485,667
Current assets		<u>148,942,581</u>	<u>138,781,438</u>
Right of use assets	8	4,523,159	5,653,949
Intangible assets	9	95,567	109,198
Property, plant and equipment	10	6,619,769	2,076,583
Non-current Assets		<u>11,238,495</u>	<u>7,839,730</u>
Total Assets		<u>160,181,076</u>	<u>146,621,168</u>
Liabilities			
Accounts and other payables	11	10,530,113	7,974,406
Due to the Ministry of Finance	12	3,786,316	4,000,000
Lease liabilities	8	987,751	859,206
Current liabilities		<u>15,304,180</u>	<u>12,833,612</u>
End of service benefits for employees		18,467,608	15,474,672
Due to the Ministry of Finance		-	3,716,757
Lease liabilities	8	3,806,992	4,794,743
Non-current liabilities		<u>22,274,600</u>	<u>23,986,172</u>
Total Liabilities		<u>37,578,780</u>	<u>36,819,784</u>
Net assets		<u>22,602,296</u>	<u>109,801,384</u>
Funded as follows:			
Working capital	13	40,000,000	40,000,000
General Reserve	13	05,642,095	93,101,659
Net loss for the year		(23,039,799)	(23,300,275)
		<u>22,602,296</u>	<u>109,801,384</u>

The accompanying notes form an integral part of these financial statements.


Othman Ibrahim Othman Al-Issa

Vice Chairman of CMA Board of
Commissioners and Acting Executive
Director



Capital Markets Authority
An independent public authority
The State of Kuwait



Statement of comprehensive income
For the year ended 31 March 2024

(All amounts are in KD)

	Note	2024	2023
Revenue			
Licensing and penalties income	14	2,744,873	2,985,705
Interest income		7,256,288	4,546,664
Other income	15	44,400	43,498
Total revenue		<u>10,045,561</u>	<u>7,575,867</u>
Less:			
Expenses and other charges			
Staff costs	16	29,211,091	27,419,752
General and administrative expenses	17	2,640,134	2,215,397
Depreciation and amortization	8,9,10	1,234,135	1,240,993
Total expenses		<u>33,085,360</u>	<u>30,876,142</u>
Net loss for the year		<u>(23,039,799)</u>	<u>(23,300,275)</u>
Other comprehensive income items		-	-
Total comprehensive loss for the year		<u>(23,039,799)</u>	<u>(23,300,275)</u>

The accompanying notes form an integral part of these financial statements.

Capital Markets Authority
An independent public authority
The State of Kuwait



Statement of changes in net assets
For the year ended 31 March 2024

(All amounts are in KD)

	Operating Capital	General reserve	Total
Balance as at 1 April 2022	40,000,000	81,154,756	121,154,756
Net loss for the year	-	(23,300,275)	(23,300,275)
Financing of cash reserves	-	11,946,903	11,946,903
Balance as at 31 March 2023	<u>40,000,000</u>	<u>69,801,384</u>	<u>109,801,384</u>
 Balance as at 1 April 2023	 40,000,000	 69,801,384	 109,801,384
Net loss for the year	-	(23,039,799)	(23,039,799)
Financing of cash reserves	-	35,840,711	35,840,711
Balance as at 31 March 2024	<u>40,000,000</u>	<u>82,602,296</u>	<u>122,602,296</u>

The accompanying notes form an integral part of these financial statements.



Capital Markets Authority
An independent public authority
The State of Kuwait



Statement of cash flows
For the year ended 31 March 2024

(All amounts are in KD)

	Note	2024	2023
Cash flows from operating activities			
Net loss for the year		(23,039,799)	(23,300,275)
<i>Adjustments:</i>			
Finance costs		421,905	152,189
Credit losses provision no longer required	15	-	(2,250)
Depreciation and amortization	8,9,10	1,234,135	1,240,993
Interest income		(7,256,288)	(4,546,664)
Employees' end of service indemnity- provided during the year		2,992,935	2,580,436
Operating losses before changes in working capital		(25,647,112)	(23,875,571)
Trade and other receivables		(4,722,731)	(3,401,599)
Payment from due to Ministry of Finance		(4,000,000)	(4,000,000)
Trade and other payables		2,555,707	(290,014)
Cash used in operating activities		(31,814,136)	(31,567,184)
Employees' end of service indemnity - paid during the year		-	(212,902)
Net cash flows used in operating activities		(31,814,136)	(31,780,086)
Cash flows from investing activities			
Interest income received		6,802,247	4,159,350
Time deposits		(5,458,801)	17,845,998
Paid to acquire of intangible assets	9	(4,031)	(56,700)
Paid to acquire of property and equipment	10	(4,628,869)	(81,853)
Net cash flows (used in) generating from investing activities		(3,289,454)	21,866,795
Cash flows from financing activities			
Financing of cash reserves		35,840,711	11,946,903
Repayment of Lease liability	8	(1,211,552)	(1,211,554)
Net cash flows generated from financing activities		34,629,159	10,735,349
Net change in cash and cash equivalents		(474,431)	822,058
Cash and cash equivalents at the beginning of the year		2,071,843	1,249,785
Cash and cash equivalents at the end of the year		1,597,412	2,071,843

The accompanying notes form an integral part of these financial statements.

Capital Markets Authority
An independent public authority
The State of Kuwait



Notes to financial statements
For the year ended 31 March 2024

(All amounts are in KD)

1. About the authority

Capital Markets Authority "the Authority" was established under Law No. 7 of 2010 regarding the establishment of the Capital Markets Authority and regulating securities activities issued on 21 February 2010 as an independent public authority that has legal personality supervised by the Minister of Commerce and Industry. On 4 May 2015, Law No. 22 of 2015 was enacted amending some provisions of Law No. 7 of 2010 regarding the establishment of the Capital Markets Authority and regulating securities activities. The law has been published in the Official Gazette issue of 10 May 2015.

The Capital Markets Authority aims to:

- Regulate securities activities in a fair, transparent and efficient manner
- Grow the capital markets, and diversify and develop investment instruments thereof in accordance with best international practice
- Enhance investor protection
- Reduce systemic risks arising from securities activities
- Impose requirements of full disclosure in order to achieve fairness and transparency, and to prevent conflicts of interests and the use of insider information
- Ensure compliance with the rules and regulations related to securities activities
- Enhance public awareness of securities activities and of the benefits, risks and obligations arising from investments in securities and encourage their development.

The authority registered address is: P.O. Box 3913, Safat 13040 Kuwait.

These financial statements were authorized for issue by the Board of Commissioners of the authority on 11 June 2024.

2. Basis of preparation and significant accounting policies

2.1. Basis of accounting

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International accounting Standards Board ("IFRS Accounting Standards"), in compliance with the provisions of Law No. 7 of 2010 and its Executive Regulations.

2.2. Basis of measurement

The financial statements are prepared on a historical or amortized cost basis.



Capital Markets Authority
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Notes to financial statements
For the year ended 31 March 2024

(All amounts are in KD)

2.3. Functional and presentation currency

The financial statements are presented in Kuwaiti Dinar ("KD"). Which is the Authority's functional currency.

2.4. Use of judgments and estimations

In preparing of financial statements, the authority has made judgments, estimates, and assumptions that affect the application of accounting policies of the authority and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying value of assets and liabilities that are not readily apparent from other sources.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the following notes:

- Note 3 (a) – Impairment of financial assets;
- Note 3 (b) – useful lives for intangible assets;
- Note 3 (C) – useful lives of property, plants and equipment;
- Note 3 (e) – Provisions; and
- Note 3 (h) – Leases.

2.5. New standards and interpretations issued but not yet adopted

A number of new standards and amendments to standards are effective for annual periods beginning after 1 January 2022 with earlier application permitted, however, the Authority has not early adopted any of these new or amended standards in preparing these financial statements.

The new standards and amendments are not expected to have a material impact on the Authority's financial statements in the period of initial application.

- Classification of liabilities as current or non-current (Amendments to IAS 1);
- IFRS 17 – Insurance Contracts and amendments to IFRS 17 Insurance Contracts;
- Deferred tax related to assets and liabilities arising from a single transaction (Amendments to IAS 12);
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2); and
- Definition of Accounting Estimates (Amendments to IAS 8) Joint Ventures (Amendments to IAS 28).

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3. Significant accounting policies

The authority has consistently applied the accounting policies set forth below for all periods presented in these annual financial statements, except for the changes described above.

a) Financial instruments

i. Classification and measurement of financial assets

Financial assets and financial liabilities are initially recognised on the trade date, which is the date on which "the authority" becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities at fair value through profit or loss are initially recognised at fair value, with transaction costs recognised in the statement of profit or loss and other comprehensive income. Financial assets and financial liabilities not at fair value through profit or loss are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue.

Under IFRS "9", on initial recognition, a financial asset is classified as measured at:

- Financial assets carried at amortised cost;
- Financial assets carried at fair value through other comprehensive income ("FVOCI"); or
- Financial assets carried at fair value through profit or loss ("FVTPL").

The classification of financial assets under IFRS 9 is generally based on the authority business model in which a financial asset is managed and its contractual cash flow characteristics.

Financial assets are not reclassified subsequent to their initial recognition unless "the authority" changes its business model for managing the financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise, on specified dates, to cash flows that are solely payments of principal and profit ("SPPP") on the principal amount outstanding.

Financial assets carried at amortised cost are subsequently measured using the effective interest rate method. The amortised cost is reduced by impairment losses.



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Foreign exchange gains and losses and impairment are recognised in the statement of comprehensive income. Any gain or loss on derecognition is recognised in the statement of comprehensive income.

a) Business model assessment

The Authority makes an assessment of the objective of the business model in which a financial asset is held because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the financial assets and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual profit income, matching the duration of the financial assets to the duration of the expected cash outflows or realising cash flows through the sale/derecognition of assets;
- How the performance of the financial assets is evaluated and reported to the authority's management;
- The risks that affect the performance of the business model (and the financial assets held within the business model) and how those risks are managed;
- How managers of the business are compensated; and
- The frequency, volume, and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the authority's continuing recognition of the assets .

b) The SPPI test

For the purpose of this assessment, principal is defined as the fair value of the financial asset at initial recognition. Interest is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and profit, the authority considers the contractual terms of the instrument. This includes assessing whether the financial asset contain a contractual term that could change in the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the authority considers:

- Contingent events that would change the amount or timing of cash flows;
- Terms that may adjust the contractual coupon rate, including variable rate features;
- Prepayment and extension features; and
- Terms that limit the authority's claim to cash flows from specified assets (e.g. non-recourse features).

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A prepayment feature is consistent with the solely payments of principal and profit criterion if the prepayment amount substantially represents unpaid amounts of principal and profit on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual profit (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Cash at banks, term deposits and accounts and other receivables accounts classified as financial assets carried at amortised cost.

ii. Financial liabilities

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative, or it is designated as such on initial recognition.

Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any profit expense, are recognised in statement of comprehensive income. Other financial liabilities are subsequently measured at amortised cost using the effective profit rate method.

Profit expense and foreign exchange gains and losses are recognised in statement of comprehensive income. Any gain or loss on derecognition is also recognised in statement of comprehensive income.

iii. Offsetting

Financial assets and financial liabilities are offset and the net amounts reported in the statement of financial position only when there is a legally enforceable right to set off the recognized amounts and the authority intends to either settle on a net basis, or to realize the asset and settle the liability simultaneously.

iv. Impairment of financial assets

Expected Credit Losses ("ECL")

The authority applies the expected credit loss model to cash at banks, receivables and financial asset at amortised cost.

The Authority applies a three-stage approach to measuring expected credit loss:

Stage 1: 12 months ECL

For exposures where there has been no significant increase in credit risk since initial recognition, the portion of the lifetime ECL associated with the probability of default events occurring within next 12 months is recognised.



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Stage 2: Lifetime ECL – not credit impaired

For credit exposures where there has been a significant increase in credit risk since initial recognition but that are not credit impaired, a lifetime ECL is recognised.

Stage 3: Lifetime ECL – credit impaired

Financial assets are assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred.

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contracts such as a default or past due event;
- the restructuring of loans and advances by the authority on terms that the authority would not consider otherwise;
- it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for security because of financial difficulties.

Measurement of ECL

ECL is probability weighted estimates of credit loss and are measured as the present value of all cash shortfalls discounted at the effective profit rate of the financial instrument. Cash shortfall represents the difference between cash flows due to the authority in accordance with the contract and the cash flows that the authority expects to receive. The key elements in the measurement of ECL include:

- Probability of default ("PD");
- Loss Given default ("LGD"); and
- Exposure at default ("EAD")

ECL for financial assets in Stage 1 is calculated by multiplying the 12 months PD by LGD and EAD. Lifetime ECL is calculated by multiplying the lifetime PD by LGD and EAD.

PD is derived mainly through collecting performance and default information about credit risk exposures in credit risk grades. LGD is the magnitude of the likely loss if there is a default, based on the history of recovery rates of claims against defaulted counter parties considering structure and counterparty industry. EAD of a financial asset is its gross carrying value at the time of default.

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b) Intangible assets

Intangible assets with indefinite life, which has been acquired separately, are recognized at cost less accumulated amortization and impairment losses. The amortization is calculated on a straight-line basis over the estimated useful lives.

The useful life and amortization method are reviewed at the end of each fiscal period, and the change in the estimates is accounted for at the beginning of the fiscal year in which they arise.

Intangible assets with indefinite life, which has been acquired separately, is recognized at cost less impairment losses.

Intangible assets are written off on disposal or when the evidence of the lack of future economic benefits from use. Profits and losses resulting from the disposal are measured at the difference between the net proceeds and the carrying amount of the disposed asset and are included in the statement of comprehensive income.

c) Property, plant and equipment

Property, plant and equipment are recorded at cost, less accumulated depreciation and impairment losses.

The asset is considered a fixed asset if its cost is greater than the level set by the Board of Commissioners, and the useful life is greater than a full fiscal period.

Fixed assets are recorded at actual cost, i.e., its purchase price, plus all expenses incurred by the authority until the asset is ready for use. Purchase cost includes the basic operation systems of each computer.

In case of subsequent expenditure on any item of fixed asset for improvement / modification / significant or major reform, which would increase the operational or production efficiency of the asset or increase the useful life or future benefits of the asset, these expenses are added to the carrying cost of the asset.

Fixed assets provided to the authority as gifts or grants are recognized on the basis of fair market value.

Fixed asset depreciation is calculated on a straight-line basis, where the difference between the cost of fixed assets and the estimated value is depreciated at the end of a period of use, (if any) at equal amounts over the estimated useful lives.

The residual values, useful lives and depreciation method are reviewed at the end of each fiscal period, and the change in estimated is accounted for starting from the beginning of the fiscal year in which they arise.

Gains or losses from the sale of property, plant and equipment are included in the income statement as the difference between the selling price and the net carrying value of these assets.



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d) Impairment of tangible and intangible assets

Tangible and intangible assets are annually reviewed to determine whether there is any indication of impairment.

In the event of any such indication exists, the recoverable amount is estimated for the recovery of such assets for the purpose of determining the amount of impairment, if any. Impairment losses are recognized when the carrying value of an asset is greater than the net realizable value.

Net realizable value is determined on the basis of the asset's fair value less costs to sell or value in use whichever is higher. Impairment losses are recognized in the statement of comprehensive income in the year in which they arise. If impairment is written back, impairment shall be reversed at the extent of the net carrying value of the asset, had impairment is not recognized. Impairment write back is recognized directly in the statement of comprehensive income.

e) Provisions

Provisions are recognized when the authority has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation that can be estimated reliably. Provisions are measured at the present value of cash flows expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the liability.

f) Employees End of Service Benefits

Provision for amounts payable against employees end of service benefits in accordance with the provisions of Law No. 110 of 2014, where the end of service benefits are not calculated for those appointed after 1 January 2015/ leave balance provision are calculated for all staff members recorded on the authority payroll for their aggregate employment periods at the reporting date (at the end of every financial year) as per the rules approved by the authority Board of Commissioners.

This is unfunded commitment, which is calculated at the notional liability had all employees left at the reporting date. The management expects that this method will result in an appropriate estimate of the present value of the authority liability.

g) Revenue recognition

The Authority revenues are recognized from the prescribed fees from the Authority's practice of its activities and use of its reserve, such as revenue from registration fees, Listing, and trading, in addition to investment revenue of the Authority's surplus fund.

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The Authority revenue arising from services rendered is recognised when the contractual service is performed. Revenue arising from fines is recognised either by court verdicts or otherwise.

The Authority's revenues include service fees and proceeds of financial fines imposed as per Law No. 7 of 2010 and its Executive Regulations.

The Authority's revenues from prescribed fees are recognised from the Authority's practice of its activities, such as licensing and registration revenues, on a time basis as per the straight-line basis over the period covered by these fees.

The Authority's share of the dealing commission is recognised on the basis of the specified percentage for the Authority's share of this commission upon receipt of commission reports collected by other related parties. It is accrued at the reporting date based on received reports.

Deposit interest income is recognized on an accrual basis using the effective interest rate. Revenues are measured at fair value of received or accrued consideration.

h) Leases

The Authority recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the authority by the end of the lease term or the cost of the right-of-use asset reflects that the authority will exercise a purchase option. In that case, the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the profit rate implicit in the lease or, if that rate cannot be readily determined, the authority's incremental borrowing rate. Generally, the authority uses its incremental borrowing rate as the discount rate.



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Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the authority is reasonably certain to exercise, lease payments in an optional renewal period if the authority is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the authority is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective profit rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the authority estimate of the amount expected to be payable under a residual value guarantee, if the authority changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in the consolidated statement of profit or loss and other comprehensive income if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The authority applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low value assets are recognised as expense on a straight-line basis over the lease term.

Significant judgement in determining the lease term of contracts with renewal options

The authority determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The authority applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the authority reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g., a change in business strategy).

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i) Foreign currency

Kuwaiti Dinar is the functional and presentation currency of the financial statements.

When a financial transaction occurs in foreign currency resulting in an asset, liability, revenue or expenses, such transaction is recognized in KD at rate of exchange prevailing at the transaction date. Foreign currency differences are recognized in the statement of income for the same year.

The authority's monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated into KD at rates of exchange prevailing at the year end. The resultant exchange differences between the evaluation and amounts stated in the accounting books are recorded in the statement of comprehensive income.

j) Contingent liabilities

Contingent liabilities are present obligations that arise from past events for which an outflow of resources embodying economic benefits is not probable or for which the amount of the obligation cannot be measured reliably.

Contingent liabilities are not recognised in the statement of financial position but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

4. Determination of Fair Value

When measuring the fair value of an asset or a liability, the authority uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (Unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The authority recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.



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Receivables and other assets

The fair value of receivables and other assets is estimated at the present value of future cash flows, discounted at the market rate of profit at the reporting date. This fair value is determined for disclosure purposes or when such assets are acquired in a business combination.

Other non-derivative financial liabilities

Fair value, which is determined for disclosure purposes, is calculated based on the present value of future principal and profit cash flows, discounted at the market rate of profit at the reporting date.

5. Significant accounting estimates and assumptions

The application of the accounting policies adopted by the authority as set out in note (2) requires management to make judgments, estimates and assumptions to determine the carrying amounts of assets and liabilities that don't have any other sources of estimation. Estimates and assumptions depend on past experience and other relevant factors. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Impairment of tangible and intangible assets and useful lives

The Authority management tests annually whether the tangible and intangible assets are impaired according to accounting policies set out in note 3 – (d). The recoverable amount of an asset is determined based on the value-in-use method. This method uses estimated cash flow projections over the estimated useful life of the asset discounted using market rates.

The authority management determines the useful lives of items of property, equipment, intangible assets, and the related depreciation and amortization charges. Depreciation and amortization charges for the year will change significantly if the actual life is different from the estimated useful life of the asset.

Impairment of financial assets

The authority management reviews the items classified as receivables on regular basis in order to determine the requirement for recognizing an impairment provision in the statement of comprehensive income. The management estimates the amount and date of future cash flows when determining the level of required provisions. Such estimates are based on assumptions concerning several factors that involve varying degrees of judgments and uncertainty.

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6. Term deposits

Term deposits balance as at 31 March 2024 represents the deposits with local banks in KD, which mature within more than three months. Average interest rate on term deposits is 4.96% as at 31 March 2024 (4.35% as at 31 March 2023).

7. Receivables and other debit balances

	2024	2023
Accrued income	3,333,706	2,632,479
Provision for ECL	(177,490)	(177,490)
	3,156,216	2,454,989
Prepaid payments and expenses	8,392,406	3,918,662
Refundable deposits	112,063	96,918
Other receivables	1,755	15,098
	11,662,440	6,485,667

(a) Prepaid payments and expenses include an amount of KD 3,740,000 as an advance payment for the works of the new building of the authority, and the method for recovering the payment will be by deducting 10% of the value of due payment to the second party until the full amount is recovered through the completion payments for the contract.

ECL movement is as follows:

	2024	2023
Balance as at 1 April	177,490	179,740
Provision no longer required (note 15)	-	(2,250)
	177,490	177,490

8. Right of use assets

	2024	2023
As at 1 April	5,653,949	1,066,939
Additions	-	5,653,949
Depreciation charge	(1,130,790)	(1,066,939)
As at 31 March	4,523,159	5,653,949



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Amounts recognized in the statement of comprehensive income:

	2024	2023
Finance costs	352,346	24,429
Depreciation	1,130,790	1,066,939
Leases expenses on short term & low value assets	53,148	53,021
	<u>1,536,284</u>	<u>1,144,389</u>

Amounts recognized in the statement of cash flows:

	2024	2023
Lease liabilities paid	<u>1,211,552</u>	<u>1,211,554</u>

Lease liabilities

	2024	2023
Balance as at 1 April	5,653,949	1,187,125
Additions	-	5,653,949
Finance costs	352,346	24,429
Lease liabilities paid	<u>(1,211,552)</u>	<u>(1,211,554)</u>
As at 31 March	<u>4,794,743</u>	<u>5,653,949</u>

The Authority has discounted future lease obligations using incremental borrowing rate which is determined to be 7% (2023: 7%) as at reporting date.

The current and non-current portion of lease liabilities is as follows:

	2024	2023
Current lease liabilities	987,751	859,206
Non-current lease liabilities	<u>3,806,992</u>	<u>4,794,743</u>
As at 31 March	<u>4,794,743</u>	<u>5,653,949</u>

9. Intangible assets

	Software	Assets in progress	Total
Cost			
Balance as at 31 March 2022	3,695,671	51,801	3,747,472
Additions	-	56,700	56,700
Transfer from assets in progress	24,000	(24,000)	-
Balance as at 31 March 2023	<u>3,719,671</u>	<u>84,501</u>	<u>3,804,172</u>
Additions	-	4,031	4,031
Balance as at 31 March 2024	<u>3,719,671</u>	<u>88,532</u>	<u>3,808,203</u>
Amortizations			
Balance as at 31 March 2022	3,647,543	-	3,647,543
Amortization	47,431	-	47,431
Balance as at 31 March 2023	<u>3,694,974</u>	<u>-</u>	<u>3,694,974</u>
Amortization	17,662	-	17,662
Balance as at 31 March 2024	<u>3,712,636</u>	<u>-</u>	<u>3,712,636</u>

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Net carrying value			
31 March 2024	7,035	88,532	95,567
31 March 2023	24,697	84,501	109,198
Useful lives (years)	3 – 4		

10. Property, plant and equipment

	Building improvements	Furniture, Fixtures and Devices	projects in progress	Total
Cost				
Balance as at 31 March 2022	1,738,907	2,665,635	1,924,180	6,328,722
Additions	-	81,853	-	81,853
Disposals	-	(28,778)	-	(28,778)
Transfer from assets in progress	-	68,115	(68,115)	-
Balance as at 31 March 2023	1,738,907	2,786,825	1,856,065	6,381,797
Additions	-	20,714	4,608,155	4,628,869
Disposals	-	(16,750)	-	(16,750)
Balance as at 31 March 2024	1,738,907	2,790,789	6,464,220	10,993,916
Accumulated Depreciation				
Balance as at 31 March 2022	1,738,907	2,468,462	-	4,207,369
Depreciation	-	126,623	-	126,623
Disposals	-	(28,778)	-	(28,778)
Balance as at 31 March 2023	1,738,907	2,566,307	-	4,305,214
Depreciation	-	85,683	-	85,683
Disposals	-	(16,750)	-	(16,750)
Balance as at 31 March 2024	1,738,907	2,635,240	-	4,374,147
Net carrying value				
31 March 2024	-	155,549	6,464,220	6,619,769
31 March 2023	-	220,518	1,856,065	2,076,583
Useful lives (year)	5	5-4		

Assets in progress include the value constructing of Authority's new building. During the year ended 31 March 2024, the Authority recorded a total amount of KD 6,464,220 related to the work completed during the period.



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11. Accounts payable and other credit balances

	2024	2023
Accounts payable	1,410,832	197,516
Revenue received in advance *	1,778,913	1,651,180
Provision for leaves	3,693,782	4,079,149
Provisions and accrued expenses **	673,229	646,749
Other payables	2,973,357	1,399,812
	<u>10,530,113</u>	<u>7,974,406</u>

* Revenues received in advance represent annual licensing fees received in advance from the companies subject to the Authority's supervision.

** As at 31 March 2022, the Authority reversed a provision of a total amount of KD 1,027,277 (Note - 15) in the statement of comprehensive income resulting from reaching a final settlement with Ministry of Finance regarding rental value of the Kuwait Stock Exchange building for the period from 11 May 2015 to 31 March 2018.

Based on the notification issued by the Fatwa and Legislation Department on 12 August 2021, the authority paid the due amount totaling KD 195,367 which represents the rental consideration as mentioned above. Accordingly, the authority revised the remaining provision.

12. Due to the Ministry of Finance

In accordance with article no. 156 of law No. 7 of 2010, certain tangible and intangible assets attributable to the Kuwait Stock Exchange (the KSE) were transferred to the authority with effect from 1 April 2018. The KSE had entered into a utilization license agreement with the Ministry of Finance, under which the KSE was licensed to occupy and utilize the state-owned building and the attached plot of land to serve as the KSE headquarters. This agreement was valid for twenty-five years starting from 1989 and required the KSE to pay to the Ministry of Finance, as an annual consideration 50% of the surplus stated in the annual budget approved by the KSE Committee after deducting the reserves determined by the Committee. The KSE neither made any payments to the Ministry of Finance under this agreement nor did they make any accrual for this.

Subsequently, in their meeting (No. 22/ 2015) dated 11 May 2015, the Council of Ministers resolved by virtue of resolution no. {697} to re-convey the title over the plot of land and the building to the State and obligate the authority to settle the amounts due to the Ministry of Finance for utilizing the building from 12 April 1989 to 27 March 2011, to be computed at KD 900,000 annually. Accordingly, the Authority Board of Commissioners resolved to make a provision for the full due amount of KD 19,800,000 and charge it on the opening balance of general reserve as of 1 April 2015.

Based on the Memorandum of Understanding concluded between the authority and the Ministry of Finance dated 26 January 2020, it was agreed to pay the amount due to the Ministry of Finance amounting to KD 19,800,000 in five annual installments of KD

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4,000,000, which has to be paid during the first quarter of the financial year ended 31 March 2021, and the last installment includes an amount of KD 3,800,000. During the period ended 31 March 2024, an amount of KD 4,000,000 was paid to the Ministry of Finance.

The below table describes the discounted and undiscounted liability maturity analysis as at 31 March:

Discounted Liabilities:

	2024	2023
Amounts payable within 12 months	3,786,316	4,000,000
More than one year and less than five years	-	3,716,757
	<u>3,786,316</u>	<u>7,716,757</u>

Undiscounted Liabilities:

	2024	2023
Amounts payable within 12 months	3,800,000	4,000,000
More than one year and less than five years	-	3,800,000
	<u>3,800,000</u>	<u>7,800,000</u>



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Notes to financial statements
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(All amounts are in KD)

13. Operating capital and general reserve

As per article No. (21) of Law No. 22 of 2015 regarding amendment of some provisions of Law No. (7) of 2010, the authority shall have financial reserves to ensure financial stability in the long term in order to face the systemic risk expected to occur in the Securities activities. The amount and means of creating such reserves shall be determined by a decision issued by the Council of Ministers – upon the Board's proposal. the authority shall manage such reserves, and if these reserves reach the determined amount, the surplus shall be transferred to the Public Treasury of the State. If at any time the reserves become less than the determined amount, then the Government shall supplement and pay the lacking amount. the authority shall also have an operational capital of KD 40,000,000 from which the expenses of all the authority's activities shall be paid. Expenses shall be paid and covered directly from the authority's cash reserves, in accordance with the rules of Bylaws. authority's capital may be increased through a Decree.

On 4 May 2016, operating capital was provided in compliance with law no. 7 of 2010 and its executive regulation by transferring from the authority's general reserve.

On 24 March 2019, the Economic Committee formed by the Cabinet discussed, during its meeting no. (11/ 2019) the results of the study prepared by the Capital Markets Authority in respect of the required amount of cash reserves and resolved to assign Kuwait Investment Authority ("KIA") in coordination with the Ministry of Finance ("MOF") and the authority to prepare a joint memo with a proposal and ways to form cash reserves in order to meet the systemic risks expected to occur in the securities activity, the proposed time frame, method of management, withdrawal and redeeming the funds paid thereof.

Based on this assignment, on 11 April 2019, the Capital Market Authority, Kuwait Investment Authority, and the Ministry Of Finance signed the joint memorandum, which determined the amount of reserves to be KD 450 million. Such reserve will be formed as follows:

- An amount of KD 250 million in form of a Letter of Guarantee issued from KIA.
- Cash amount of KD 200 million (including the current cash reserves amounting to KD 80 million which are held by the authority), and an amount of KD 120 million will be paid during the next three years (KD 40 million each) from the State General Reserve starting from the financial year 2021 – 2022.

The Council of Ministers issued resolution No. (1044) in its meeting no 31 held on 29 July 2019, to approve the authority's recommendations regarding formation of cash reserves amounting to KD 450 million in accordance with the recommendations of the joint memo dated 11 April 2019. As a part of implementing this decision, the authority's cash reserves were funded by KD 35,840,711 during the financial period ended 31 March 2024 (31 March 2023: KD 11,946,903 million).

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14. Licenses and Fines Fee

	<u>2024</u>	<u>2023</u>
Licenses fee	1,983,488	1,845,604
Fines and penalties fee	761,385	1,140,101
	<u>2,744,873</u>	<u>2,985,705</u>

The authority revenues are represented in the fees prescribed for practicing its activities, such as licensing and listing fees, trading commissions, and fines imposed.

15. Other income

	<u>2024</u>	<u>2023</u>
Tenders' income	13,730	2,800
Contract fines	7,348	9,512
ECL Provision no longer required (Note 7)	-	2,250
Other income	23,322	27,795
Gain on disposal of fixed assets	-	1,141
	<u>44,400</u>	<u>43,498</u>

16. Staff costs

	<u>2024</u>	<u>2023</u>
Salaries and wages	18,430,114	17,038,641
End of service benefits for employees	2,992,935	2,580,436
Leaves	2,416,744	2,330,120
Social insurance	1,171,908	1,147,694
Bonus	4,199,390	4,322,861
	<u>29,211,091</u>	<u>27,419,752</u>

17. General and administrative expenses

	<u>2024</u>	<u>2023</u>
Rent expenses	53,148	53,021
Consulting expenses	365,546	353,323
Other expenses	371,035	388,396
Training expenses	102,463	43,966
Travel and transportation expenses	66,673	18,644
Maintenance expenses	591,193	641,172
Subscriptions and Licenses expenses	668,169	564,686
Interest expenses	421,907	152,189
	<u>2,640,134</u>	<u>2,215,397</u>



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18. Related parties' transactions

Related parties represent heads of sectors. Transactions and balances with related parties are as follows:

i) Statement of financial position

	2024	2023
Executive management benefits	976,188	813,840

ii) Transaction included in the Statement of profit or loss and other comprehensive income

	2024	2023
Executive management salaries and remunerations	457,744	435,815

The salaries and remuneration of the authority Commissioners shall be determined by a Decree.

19. Contingent assets

As set out in note 13 to the financial statements, the authority received a letter of guarantee issued by Kuwait Investment Authority for an amount of KD 250 million. Such letter of guarantee shall be paid as per the following requirements:

- Cash reserve has been exhausted in meeting systemic risk that may occur in the securities activity. the authority must abide by the definition it has set of typical risk.
- Reserve should not be used to support the entities to avoid entities financial difficulties.

The value of letter of guarantee is not recognized in the financial statements as they are contingent assets and are recognized upon actual collection.

As at 31 March 2024, the authority imposed fines on violators of the authority requirements. These violations amounted to KD 45,534,203 (31 March 2023: KD 46,947,430), and these decisions are being appealed and are still in the initial litigation stages.

The authority's legal advisor believes that it is difficult to predict the final situation of these cases. These amounts were not included in the fines and penalties income as they are still within the legal period to appeal, or the existence of cases brought by the violating parties.

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Notes to financial statements
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(All amounts are in KD)

20. Contingent liabilities

There are certain lawsuits raised against the authority, and the authority substituted KSE for any rights or obligations arising from outstanding lawsuits and appeals which were raised before the agreement concerning the transfer of Boursa facilities along with its tangible and intangible assets, which was signed in 2016. The legal advisor of the authority, the outcome of lawsuits raised against the authority and KSE would not have a material impact on the authority's financial statements.

21. Capital commitments

As at 31 March 2024, the authority has capital commitments related to projects under construction that amounted to KD 65,173,059 (31 March 2023: KD 72,812,515).



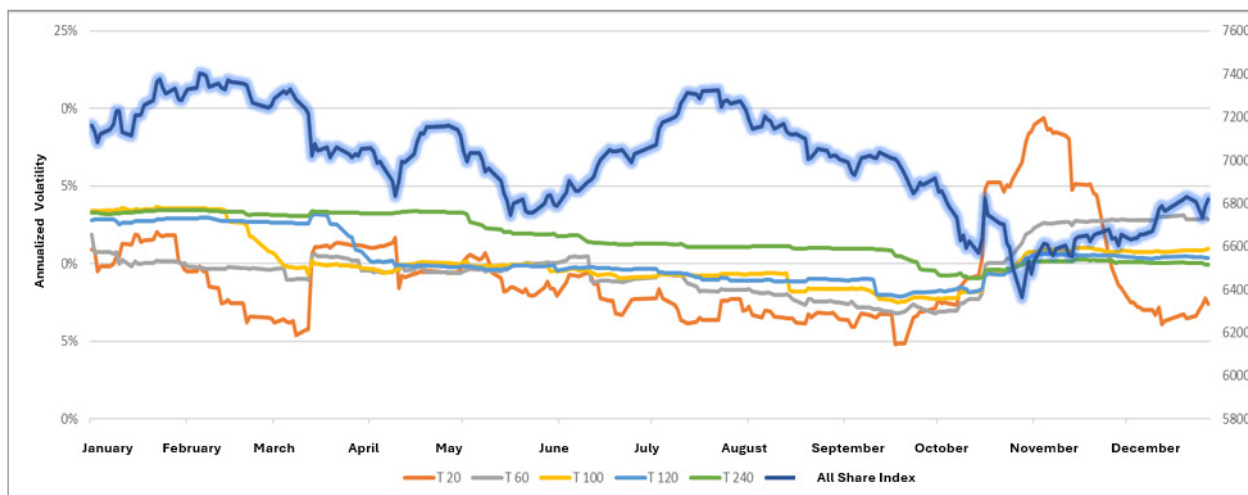
Section Ten

Performance of Boursa Kuwait Securities Exchange in 2023

► Summary of the Trades of Bursa Kuwait Securities Exchange

► Bursa Kuwait All Share Index Volatility

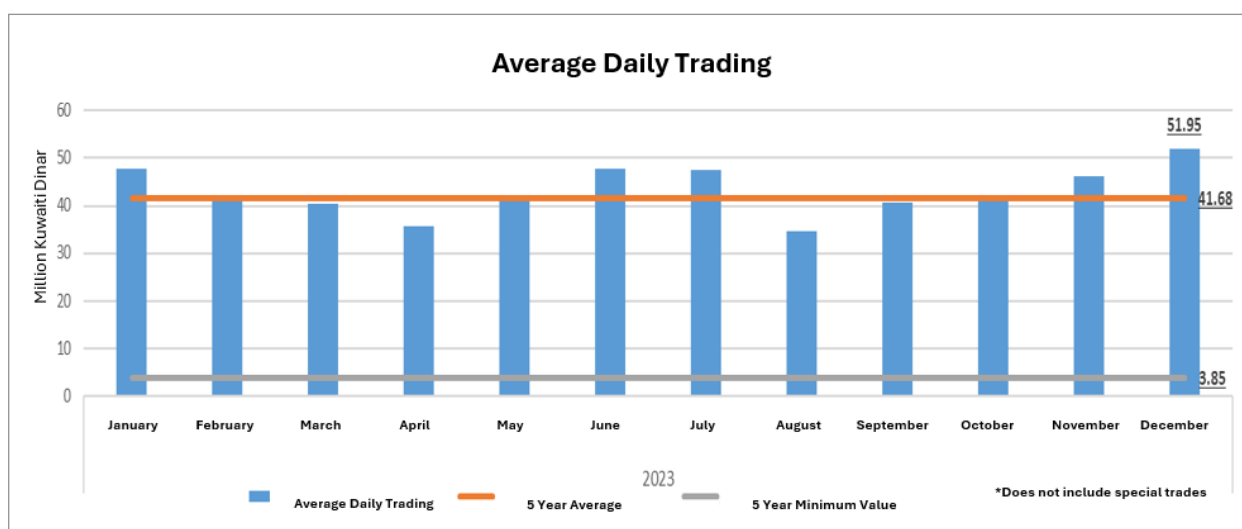
The following graph shows the volatility of the Bursa Kuwait's All- Share Index over several periods: T-20, T-60, T-100, T-120 and T-240 during the year 2023.

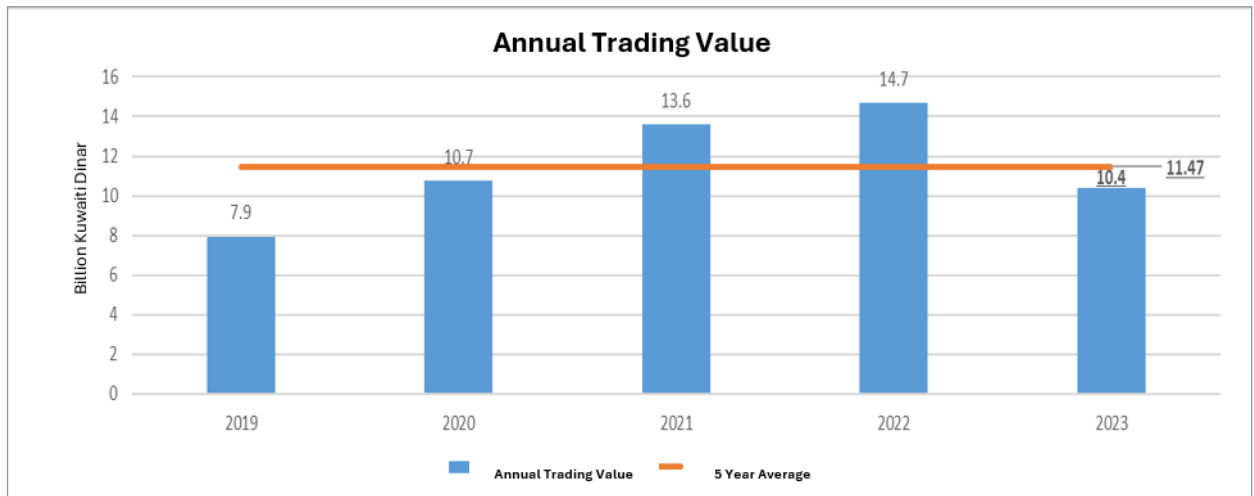


- The Trailing Volatility was calculated on an annual basis according to the fluctuations of the All- Share Index for the specified periods. This percentage increases with the increase of the deviation of the daily index values from the average of the same period.

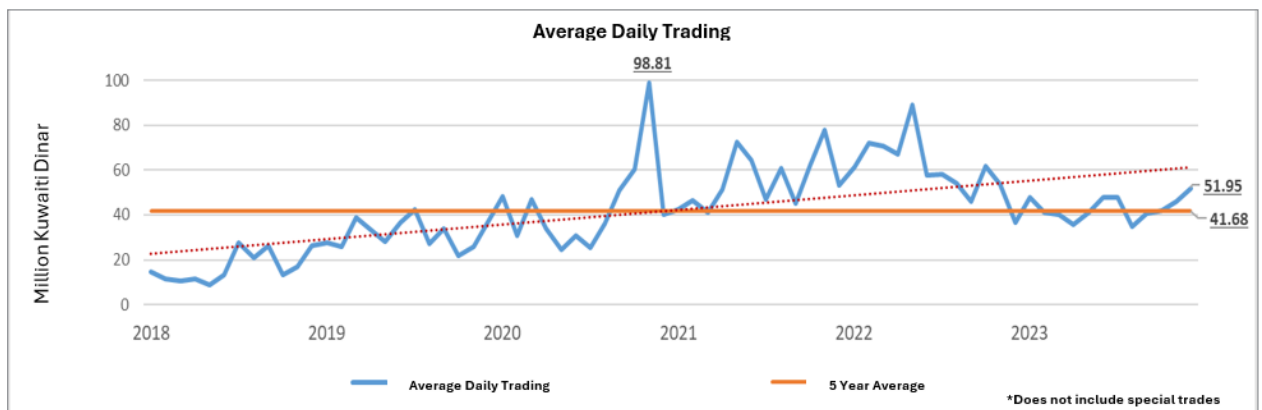
► Trades Values

The following graph shows the average of the daily traded value during 2023 in comparison to the average of the previous five years. The average of the daily traded value reached its peak in December 2023 with a value of 51.95 million Kuwaiti Dinars. The average during the previous five years was 41.68 million Kuwaiti Dinars. The increase in this index is considered a positive indicator.





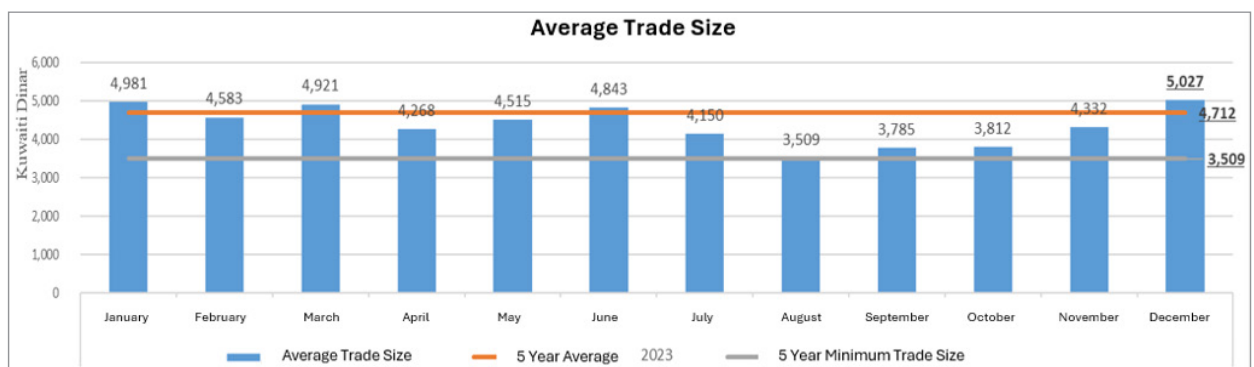
- A graph showing the total trade value during the periods from 2019 to 2023 in comparison with the average of the previous five years that reached 11.47 billion Kuwaiti Dinars.



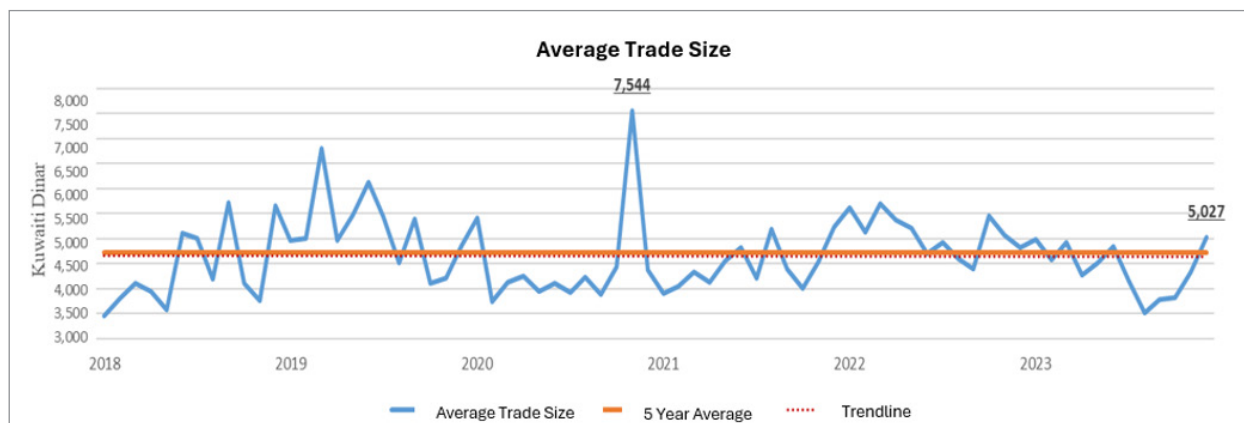
- A graph showing the average daily trading value during the periods from 2018 to 2023 in comparison with the average of the previous five years that reached 41.68 million Kuwaiti Dinars.

► Trades Size

The following graph shows the average of the daily trade size during 2023 in comparison to the average of the previous five years:



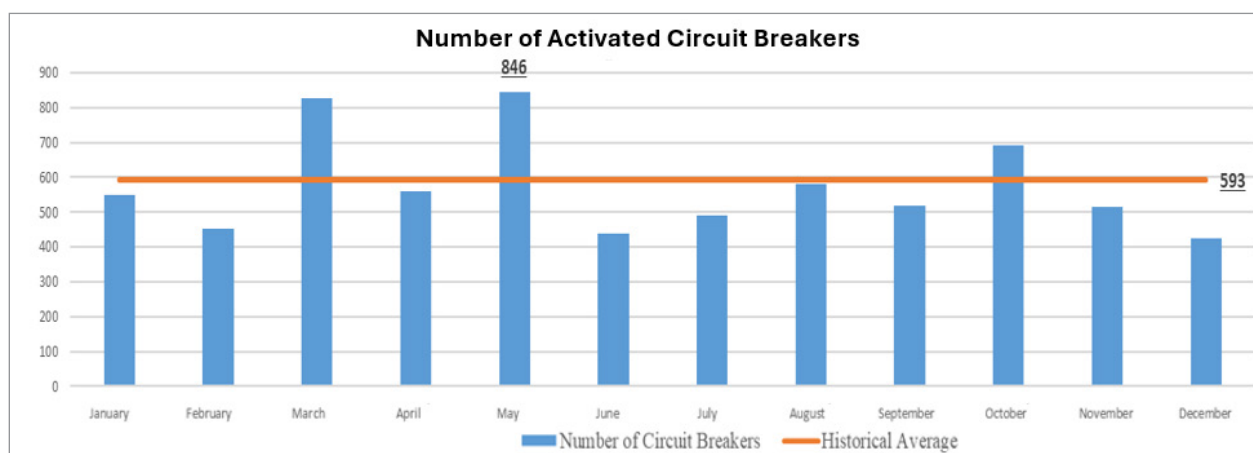
The average daily trade size reached its peak in December 2023 with a value of 5,027 Kuwaiti Dinars. The average of the previous five years was 4,712 Kuwaiti Dinars. The increase in this index is considered a positive indicator.



- A graph showing the average trade size during the periods from 2018 to 2023 in comparison with the previous five-year average.

► Circuit Breakers

The following graph shows the number of circuit breakers that were activated during 2023 in comparison with the average of that period:



- The circuit breakers system was implemented in April 2018 in line with the launch of the second phase of the Market Development project. The number of circuit breakers reached its maximum in May 2023 in which 846 circuit breakers were activated.
- The average of the circuit breakers activated monthly since the start of their implementation in April 2018 reached 593 circuit breakers monthly.

► Market Capitalization

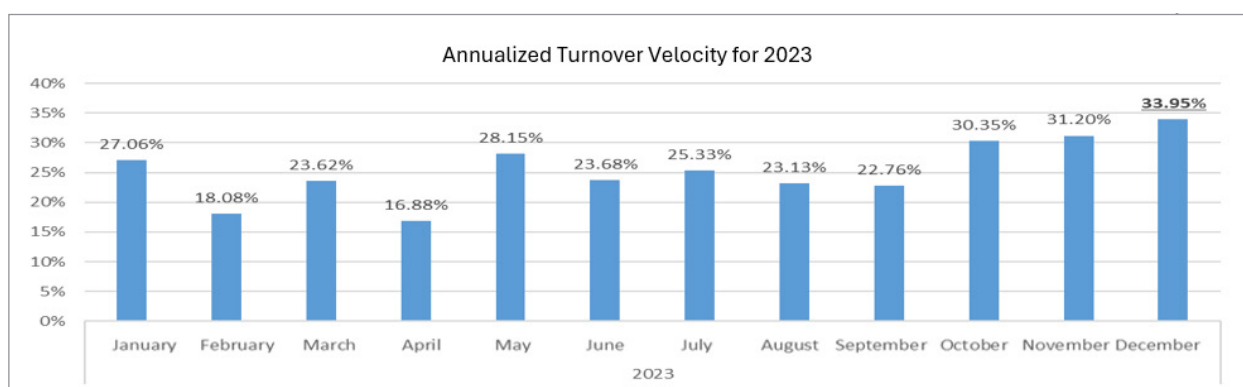
The market capitalization of all companies listed in Bursa Kuwait reached 40.3 billion Kuwaiti Dinars on 31/12/2023, while the average of the market capitalization during the previous five years reached 39.3 billion Kuwaiti Dinars.

The graph below displays the market capitalization of the companies listed in Bursa Kuwait at the end of 2023 in comparison to the average of the previous five years.



► Market Liquidity Indicator

The following table shows the Turnover Velocity in 2023 in comparison to 2022:



Year	Turnover Velocity	Market Capitalization	Trade value
2022	31.89%	46,751,527,162	14,907,904,968
2023	26.47%	40,316,601,724	10,671,402,029

- The Annual Turnover Velocity reached 26.47% in 2023.
- The indicator reached its peak of 33.95% in December of this year.
- The Monthly Turnover Velocity was calculated as follows:

$$\text{Monthly Turnover Velocity} = \frac{\text{Monthly trading value}}{\text{Market value at the end of the month}} \times 12$$

- The Annual Turnover Velocity was calculated as follows:

$$\text{Annual Turnover Velocity} = \frac{\text{Annual trading value}}{\text{Market value at the end of the year}}$$



► Market Capitalization and Trades by Sector

The following table shows the market capitalization and the trades at the end of 2023 according to the sector:

Sector	Market Cap	Percentage of Total Market Cap	Trade Value	Percentage of Total Trade Value	Volume	Percentage of Total Volume	Number of Trades	Percentage of Total Trades
Banking	24,334,871,064	60.4%	4,769,243,379	46.0%	9,125,535,274	23.1%	713,420	29.9%
Financial Services	3,738,358,235	9.3%	2,186,328,931	21.1%	15,959,881,279	40.5%	597,173	25.0%
Real Estate	2,546,856,366	6.3%	862,557,911	8.3%	7,791,836,558	19.8%	322,684	13.5%
Insurance	913,813,683	2.3%	29,158,575	0.3%	78,468,650	0.2%	10,460	0.4%
Industrials	3,019,206,092	7.5%	1,203,545,575	11.6%	2,399,672,736	6.1%	305,082	12.8%
Basic Materials	420,243,387	1.0%	103,302,497	1.0%	155,367,285	0.4%	40,363	1.7%
Consumer Discretionary	1,085,100,577	2.7%	465,682,463	4.5%	2,270,072,807	5.8%	168,432	7.1%
Telecommunication	3,737,315,226	8.4%	637,926,100	6.1%	1,165,416,439	3.0%	182,609	7.7%
Energy	192,295,595	0.5%	10,645,946	0.1%	158,617,825	0.4%	12,815	0.5%
Technology	7,949,985	0.02%	528,757	0.01%	6,310,005	0.02%	1,229	0.1%
Health Care	239,040,662	0.6%	3,169,999	0.03%	6,741,478	0.02%	591	0.02%
Consumer Staples	198,849,053	0.5%	82,171,681	0.8%	183,178,528	0.5%	15,576	0.7%
Utilities	190,300,000	0.5%	23,661,983	0.2%	128,490,468	0.2%	14,181	0.6%
Total Market	40,260,199,924	100%	10,377,927,797	100%	39,429,589,322	100%	2,384,615	100%

- The banking sector was the largest sector in terms of the market capitalization, with a total value of 24.3 billion Kuwaiti Dinars which is approximately 60.4% of the total market value.
- The Banking sector also led the sectors in terms of trading value that reached 4.8 billion Kuwaiti Dinars and formed 46.0% of the total value traded in the market. It also led the sectors in terms of the number of trades that amounted to 713 thousand trades and formed 29.9% of the total trades in the market.
- The Financial Services sector led the sectors in terms of the trading volume that reached 15.9 billion shares which formed 40.5% of the total volume traded in the market.



► Ownership Value of the Kuwaiti Government Entities in Bursa Kuwait

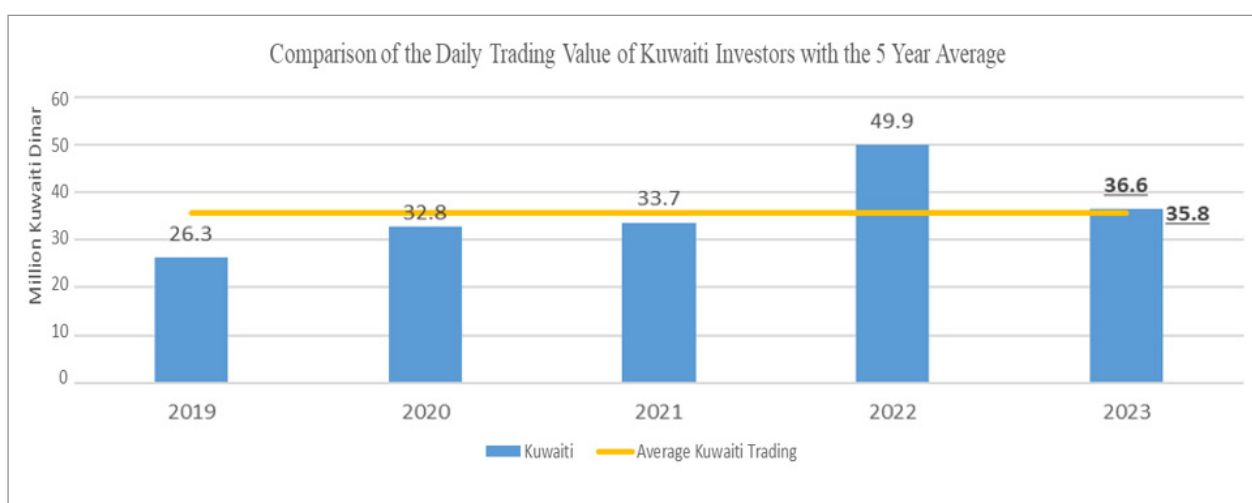
Entity Name	2023		2022		Change in Ownership (KWD)	Change in Ownership Percentage
	Ownership (KWD)	Percentage of Total Market Cap	Ownership (KWD)	Percentage of Total Market Cap		
Kuwait Awqaf Public Foundation	533,653,310	1.3%	557,267,397	1.3%	-23,614,087 ▼	0.1% ▲
The Public Institution for Social Security	554,914,745	1.4%	0	0%	544,914,745 ▲	1.4% ▲
The Public Authority for Minor Affairs	766,843,369	1.9%	795,232,469	1.7%	-28,389,100 ▼	0.2% ▲
Kuwait Investment Authority	280,101,796	6%	2,421,718,556	5.18%	-141,616,761 ▼	0.5% ▲
Wafra Equity Fund	0	0%	4,365,915	0.01%	-4,365,915 ▼	-0.01% ▼
Kuwait Petroleum Corporation	26,722,049	0.1%	28,564,935	0.06%	-1,842,886 ▼	0.01% ▲
Kuwait Airways	22,915,681	0.1%	26,189,950	0.1%	-3,274,270 ▼	0.001% ▲
Total Ownership of Government Entities	4,185,150,949	10.4%	3,833,339,223	10.4%	351,811,726 ▲	2.2% ▲
Total Market	40,316,601,724	100%	46,751,527,162	100%		

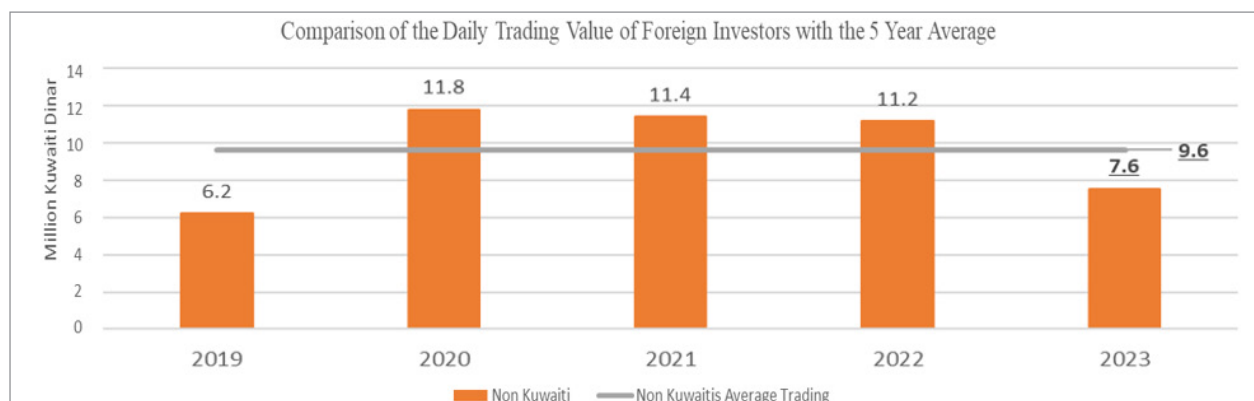
- The total ownership value of the Kuwaiti government entities in Bursa Kuwait reached 4.2 billion Kuwaiti Dinars in the end of 2023, which forms 10.4% of the total market value of Bursa Kuwait. The ownership value of the Kuwaiti government entities in Bursa Kuwait increased in an amount of 351.8 million Kuwaiti Dinars (in comparison to the end of 2022), as the ownership value of the Kuwaiti government entities in Bursa Kuwait formed 8.2% of the total market value of Bursa Kuwait.

► Trading Summary based on Nationality and Category

► Trading by Nationality

The following graph shows the trading average of Kuwaitis and non-Kuwaitis during the period from 2019 to 2023 in comparison with the average of the previous five years:

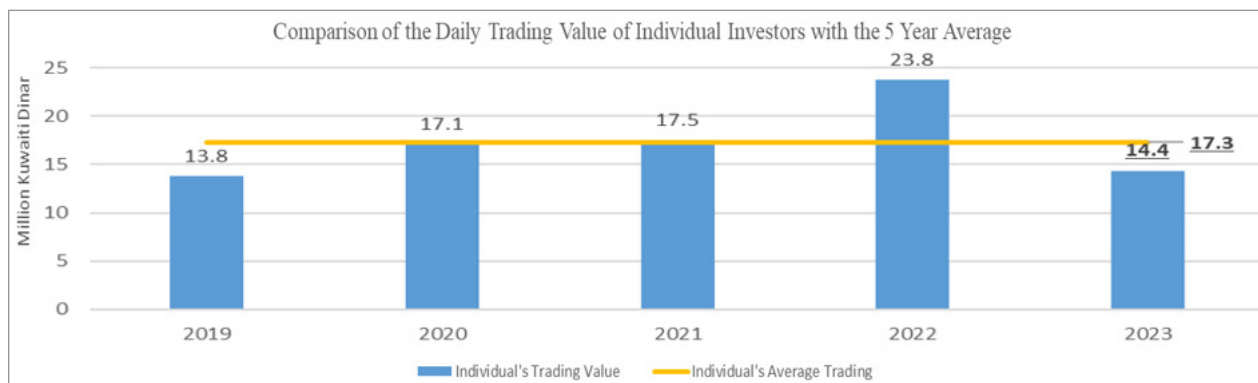




- The average daily trading value of the Kuwaiti investors reached 36.6 million Kuwaiti Dinars during 2023, which is a reduction by an estimated value of 13.3 million Kuwaiti Dinars in comparison to the average of 2022.
- The average daily trading value of non-Kuwaiti investors reached 7.6 million Kuwaiti Dinars during 2023, which is a reduction by an estimated value of 3.6 million Kuwaiti Dinars in comparison to the average of 2022. The daily trading value of non-Kuwaiti investors during 2020 is the highest value during the period from 2019 to 2023, after Kuwait's upgrade to emerging market status in MSCI indices in 2020 and Kuwait's inclusion in both the FTSE secondary emerging markets index and the S&P DJI emerging markets index.

► Trading by Investor's Type

The following graph shows the average of the trading value of the individuals and institutions during the period from 2019 to 2023 in comparison with the average of the previous five years:



- The average daily trading value of the individual investors reached 14.4 million Kuwaiti Dinars during 2023, which is a reduction by an estimated value of 9.4 million Kuwaiti Dinars in comparison to the average of 2022.
- The average daily trading value of the funds and institutions reached 29.8 million Kuwaiti Dinars during 2023, which is a reduction by a value of 7.6 million Kuwaiti Dinars in comparison to the average of 2022.



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