



المركز الوطني
لإدارة الدين
NATIONAL DEBT
MANAGEMENT
CENTER

2025

The Annual Report

For the Fiscal Year

1446-1447

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ





Custodian of the Two Holy Mosques

King Salman Bin Abdulaziz Al Saud





His Royal Highness

**Prince Mohammed bin Salman bin
Abdulaziz Al Saud**

Crown Prince, Prime Minister



01

The Introductory Section



In the name of God, praise be to God, and peace and blessings be upon the Messenger of God.

It is my pleasure to present the Annual Report of the National Debt Management Center (NDMC) for the year 2025, which reflects the Center's role in enabling fiscal policy to strike a balance between supporting economic growth and implementing development priorities on one hand, and preserving fiscal sustainability over the medium and long terms on the other. This is achieved through effective public debt management grounded in the Medium-Term Debt Strategy, and conducted within carefully calibrated risk parameters, ensuring that the government's financing needs are met efficiently, and that debt instruments are deployed within an integrated framework that supports development targets without compromising the soundness or stability of public finances.

In alignment with this framework, the NDMC continued throughout 2025 to enhance the resilience of the debt portfolio structure by improving maturity distribution and diversifying financing channels. This was complemented by the proactive execution of liability management activities, contributing to a reduction in refinancing risk, improved efficiency in managing future obligations, and strengthening public finance's capacity to respond to the demands of the development phase with efficiency and sustainability. These outcomes were achieved through integrated institutional work characterized by role complementarity, governance clarity, and execution efficiency, reflecting the collective efforts of the Board of Directors, executive management, and NDMC staff alike.

In the same vein, the NDMC enhanced the cost and risk efficiency of the debt portfolio by adopting prudent financing policies that support the stability of debt service costs and mitigate the impact of interest rate volatility, thereby reinforcing financial stability and strengthening long-term financial planning capacity. The Center also placed significant emphasis on risk management and governance enhancement through the application of an integrated sovereign debt risk management approach and by maintaining limited exposure to foreign currency risk.

In line with the State's forward-looking orientation, the NDMC adopted its Institutional Strategy for the years 2026–2030, which serves as a guiding framework for its operations in the next phase. The strategy focuses on building a more resilient and sustainable public debt management system, meeting financing needs efficiently and at a fair cost, enhancing investor relations, and improving institutional performance, all in alignment with the targets of Saudi Vision 2030 and in support of the journey toward sustainable economic growth.

In closing, these achievements would not have been possible without God's grace first and foremost, followed by the support and empowerment the Center receives from our wise leadership, may God protect them. I extend my sincere gratitude and appreciation to the members of the Board of Directors and all NDMC staff for their dedicated efforts, which have been instrumental in achieving the Center's objectives and advancing the targets of Saudi Vision 2030.



Mohammed Abdullah AlJadaan

Chairman of the Board
National Debt Management Center

The Introductory Section	05
1.1 Introduction	06
1.2 Table of Contents	07
1.3 List of Graphs	08
1.4 Terms and Definitions	09
1.5 Executive Summary	10
Detailed Report	13
2.1 Introduction	14
2.2 Strategic Orientation	14
2.2.1 About the NDMC	14
2.2.2 NDMC's Corporate Strategy	15
2.2.3 Board of Directors of the National Debt Management Center	17
2.2.4 Strategic Plans	18
2.2.5 Objectives at the National Level	20
2.3 Performance Overview	21
2.3.1 Approved Initiatives	21
2.3.2 Credit Rating Affairs	21
2.4 Business Summary	22
2.4.1 Summary of Activities at the Financial Sector Level	22
2.4.2 Global and Local Social Activities, Conferences, and Awards	34
Conclusion	35

◦ Graph (1) Domestic Issuance Calendar for Fiscal Year 2025	19
◦ Graph (2) Credit Rating Indicators of the Kingdom of Saudi Arabia as at the End of the Reporting Year	21
◦ Graph (3) Debt Portfolio and Debt-to-GDP Ratio	22
◦ Graph (4) Average Maturity of the Debt Portfolio and Cost of Financing.....	22
◦ Graph (5) Total Executed Portion of the Annual Borrowing Plan for Fiscal Year 2025	23
◦ Graph (6) Early Buyback Activities during Fiscal Year 2025	24
◦ Graph (7) Monthly Domestic Issuance Timeline during the Reporting Year	25
◦ Graph (8) Key Highlights of Domestic and International Issuances during Fiscal Year 2025.....	26
◦ Graph (9) Total Outstanding Debt Principal	30
◦ Graph (10) Yield Distribution across the Total Debt Portfoli	31
◦ Graph (11) Domestic and International Debt as a Proportion of the Total Debt Portfolio	31
◦ Graph (12) Credit Rating Changes of the Kingdom in the Two Years Preceding the Reporting Year	32
◦ Graph (13) Credit Rating Changes of the Kingdom during the Reporting Year	32

Terms used herein shall have the following meanings assigned to them, unless the context requires otherwise.

NDMC, The Center	National Debt Management Center
MoF	Ministry of Finance
Public Debt	Total government borrowings through various debt instruments such as bonds, government sukuk, etc.
Debt Portfolio	The Kingdom's outstanding sovereign debt obligations, including debt raised through domestic and international financing instruments
Private Funding Channels	Financing through export credit agencies, syndicated loans, or other similar channels.
Average Time to Maturity ATM	The average maturity of the portfolio, representing the average time until the principal of the debt becomes due.
Yield	The total income earned on an investment, quoted as a percentage of the original investment value.
Credit Rating	An indicator of a country's creditworthiness, its ability to service debts, and the likelihood of defaulting on repayment at maturity. Credit rating agencies base their analysis on financial, economic, and institutional factors, along with the extent of vulnerability to external influences.
Yield Curve	A line that plots yield at a set point in time of debt instruments having equal credit quality but differing maturity dates.
Primary Dealer	A financial institution authorized to distribute, receive orders, and underwrite local government debt issuances.
Cost of Funding (CoF)	The amount charged to a borrower, other than the borrowed amount, and it can be expressed as a fixed or variable percentage of the borrowed amount.
Issuance Size	The final amount approved by the person authorized to borrow from the debt markets.
SAR	Saudi Riyal
Market	Local debt instrument market in the Kingdom of Saudi Arabia or the global markets where debt instruments are issued and traded.
Secondary Market	A financial market in which existing securities, such as stocks, bonds, and sukuk, are traded among investors rather than directly from their issuer.
KSA	Kingdom of Saudi Arabia.
Reporting Year	Fiscal Year 1446 - 1447 AH (2025)

The executive summary of the NDMC's annual report for the fiscal year 1446-1447 AH (2025) reviews the key efforts and results achieved during the year. It provides a comprehensive overview of the qualitative achievements that have contributed to enhancing the Center's capabilities and increasing its readiness to perform its core mandates with higher efficiency.

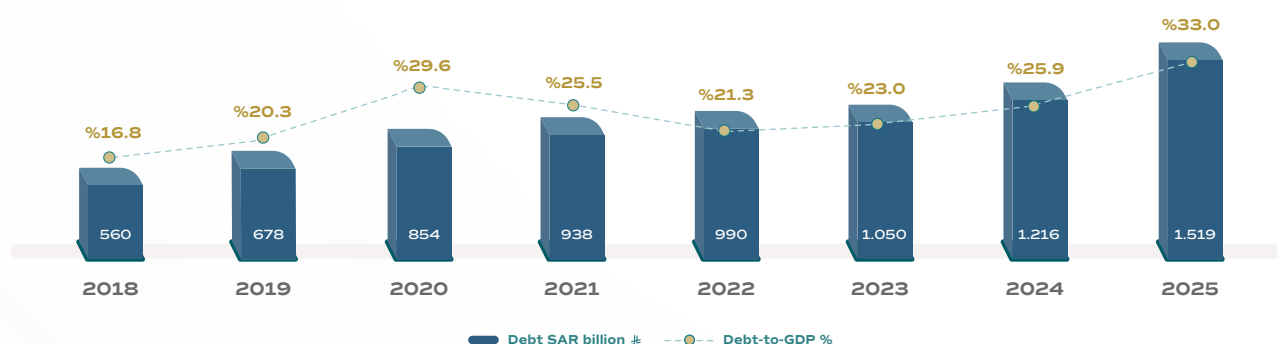
1 | Key Topics of the Report

Developments in the Public Debt Portfolio

The sovereign outstanding debt portfolio reached SAR 1,519 billion by the end of 2025, of which 62% represents domestic debt and 38% international debt. The composition between fixed and floating rate instruments stood at 87% fixed-rate debt and 13% floating-rate debt.

All portfolio metrics remained well within the Kingdom's Medium-Term Debt Strategy risk thresholds. The debt-to-GDP ratio reached 33% in 2025, compared to 25.9% at the end of 2024. Reflecting the continued implementation of fiscal reforms, the improvement in non-oil activities, and the diversification of the economic base, alongside enhancing the efficiency of government spending and adopting targeted, countercyclical expenditure policies.

Outstanding Debt Portfolio and Debt -to- GDP Ratio (2018 - 2025, SAR billion , %)



Annual Borrowing Plan for Fiscal Year 1446-1447 AH (2025)

The Kingdom maintained strong access to capital markets throughout 2025. By year-end, the NDMC had raised SAR 401 billion. Funding activities were diversified across instruments and markets, reflecting the NDMC's objective to optimize the debt portfolio and capitalize on favorable market conditions.

Total Amount Executed under the Annual Borrowing Plan for Fiscal Year 2025 (SAR Billion)



(*) Including SAR 101 bn to fund subsequent years and SAR 38 bn to settle the principal debt due during the report year.

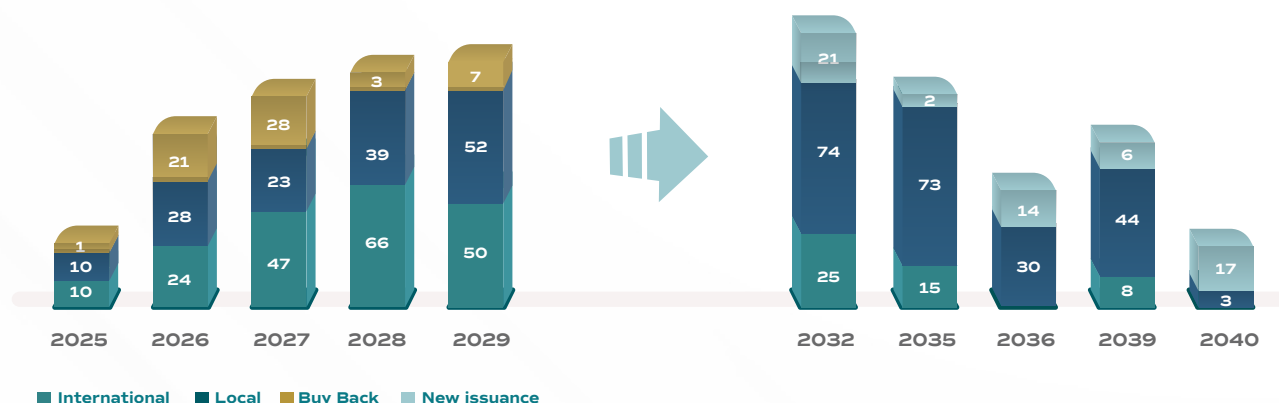
Additional Financing Operations

During 2025, the center executed additional financing activities that exceeded the initial targets set in the Annual Borrowing Plan. This was part of a deliberate financing approach consistent with the Kingdom's counter-cyclical fiscal policy. This additional financing was fully secured through private financing channels, meeting funding requirements without exerting pressure on public debt markets. This approach reflects the objective of capitalizing on favorable market conditions while maintaining a balanced and sustainable debt profile, ensuring market stability and pricing efficiency, and enhancing the market's capacity to absorb public sovereign issuances in an organized manner.

Liability Management Transactions

In alignment with the NDMC's objective of evaluating and managing future refinancing risk associated with the Kingdom's debt portfolio, the NDMC successfully executed a domestic liability management transaction exceeding SAR 60 billion in total value. This transaction involved the partial redemption of domestic securities maturing in 2025, 2026, 2027, 2028, and 2029, which were exchanged for new securities with longer maturities. This proactive approach underscores the NDMC's commitment to maintaining a sound and sustainable debt management strategy.

Liability Management Transaction (2025, Sar Bn)



Credit Rating

NDMC collaborated with relevant government authorities to uphold the Kingdom's credit rating affairs and proactively communicate with credit rating agencies to ensure that information is provided and a rating that accurately reflects KSA public financial developments.

S&P Global

Standard & Poor's

Upgraded the Kingdom's rating from **"A"** to **"A+"** with a stable outlook in **March 2025**

FitchRatings

Fitch

Affirmed the Kingdom's rating at **"A+"** with a stable outlook in **July 2025**

MOODY'S

Moody's

Updated their credit opinion report at **"Aa3"** with a stable outlook in **December 2025**

Activated Initiatives

Government-Backed Savings Products Initiative

The Center, in cooperation with the private sector, worked on enhancing the savings product (Sah) through:

- Restructuring the program and improving the Zakat treatment for savers.
- Enhancing the initiative's sustainability for the upcoming year by perusing areas of improvement and collaborating with the private sector to develop savings products.

Contributing to Local Debt Market Development Initiatives

Within the framework of the center efforts to develop debt markets and enhance the presence of local and international financial institutions, the Ministry of Finance and the Center signed an agreement with "Société Générale" to become a Primary Dealer for local government debt instruments.

02

Detailed Report



The Annual Report of the National Debt Management Center for the fiscal year 1446-1447 AH (2025) has been prepared in accordance with the requirements of Article (29) of the Council of Ministers Law, issued by Royal Decree No. (A/13) dated 3/3/1414 AH. It also complies with the Manual for Preparing Annual Reports for Government Entities, approved by Council of Ministers Resolution No. (233) dated 18/4/1443 AH. Adhering to the highest standards of transparency, the center aims through this report to document the transformative milestones and fundamental achievements realized during the year, in alignment with Saudi Vision 2030. Furthermore, it seeks to inform decision-makers, specialists, and the general public of the results achieved and existing challenges, while presenting developmental proposals that support the Kingdom's qualitative transformation journey.

Strategic Orientation

About NDMC

NDMC was established in 2015 as the "Public Debt Management Office" as an initiative of the National Transformation Program. The Council of Ministers' Resolution No. (139) dated 16/2/1441 AH - 15/10/2019 was issued to transform it into a center called The National Debt Management Center. Organizationally linked to the Minister of Finance, NDMC is an independent entity, along with financial and administrative autonomy. It is responsible for managing debt to ensure the Kingdom's financial needs are met across the short, medium, and long terms with risks consistent with its fiscal policies. Additionally, it strives to sustain the Kingdom's access to various global markets at fair pricing.

NDMC's Functions & Responsibilities

NDMC works to maintain the Kingdom's ability to access different debt markets by overseeing and managing the issuance of sovereign debt instruments at fair pricing within structured foundations and frameworks of risk management that align with the Kingdom's financial policies. Collaborating with relevant government entities, NDMC follows up on the Kingdom's credit-rating affairs and contributes to developing and enhancing its public debt policy. It endeavors to meet the Kingdom's financial needs in the short, medium, and long terms by contributing to the formulation of a medium-term strategy and an annual borrowing plan. This strategy aligns with the objectives of Saudi Vision 2030, aiming to bolster the growth of the financial sector.

NDMC's Objectives

- **Debt Strategy**

Contribute to the formulation and development of the Kingdom of Saudi Arabia's public debt policy, and secure the Kingdom's financing needs over the short, medium, and long term.
- **Financing Sustainability**

Ensure sustainable access for the Kingdom to various debt markets to issue sovereign debt instruments at fair pricing, within well-designed risk management frameworks.
- **Credit Rating**

Monitor the Kingdom's credit rating in coordination with relevant government entities.
- **Empowerment and Support**

Providing advisory services and proposing implementation plans for government entities, companies in which the government owns more than %50 of their capital, and public institutions within the scope of NDMC's competence. This includes collecting, processing, and monitoring direct and indirect public debt data, negotiating debt restructuring, repricing, or re-contracting, offering services related to hedging policies, managing investor relationships in public debt instruments, handling credit rating affairs, and other related services.

NDMC's Corporate Strategy

2-2-2

In alignment with the requirements of the upcoming phase, the Center has adopted its new Corporate Strategy, which defines its priorities for the coming years. This strategy focuses on enhancing the sustainability of public debt management, meeting the state's financing needs efficiently and responsibly, and developing the investor relations ecosystem and credit rating management. Furthermore, it aims to elevate institutional performance in harmony with the objectives of Saudi Vision 2030 to support economic stability.

The Center's Corporate Strategy, approved during the fiscal year 1444-1445 AH (2023), served as a roadmap guiding the Center's operations through the fiscal year 1446-1447 AH (2025). It was designed around four key strategic objectives aimed at achieving targeted outcomes and strengthening the Center's role in managing public debt with efficiency and effectiveness.

To be the Center of Excellence in providing sustainable funding solutions for the government

Meet key stakeholders' funding needs through diversified solutions

Provide sustainable funding in line with a sound government debt policy

Proactively contribute to credit rating achievement



Sustainable Growth

Pursue NDMC's objectives by full activation of NDMC mandates while expanding valuable products & services to a diversified portfolio of investors and the local market participants



Business Excellence

Fully operationalize NDMC's mandate through establishing strategic partnerships, developing standardized business policies and ensuring agile portfolio management by achieving the ABP targets in alignment with approved debt portfolio risk levels



Strategic Positioning

Recognize NDMC as a valuable knowledge and data analytics advisor for debt management, and build KSA coherent credit story to enhance brand visibility and maintain NDMC's positive corporate image and reputation



Agile Organization

Enhance capabilities and resources that empower NDMC's core functions to execute the strategic themes, by accelerating technology transformation, enabling effective governance and operational transformation, as well as ensuring a high-performing organization that leads the organizational transformation

Vision

To be the Center of Excellence in providing sustainable funding solutions for the government.

Mission

Manage and advise on public debt, sustainable funding solutions, advisory and credit rating affairs towards the Kingdom's economic growth and prosperity.

Values



Collaboration



Agility



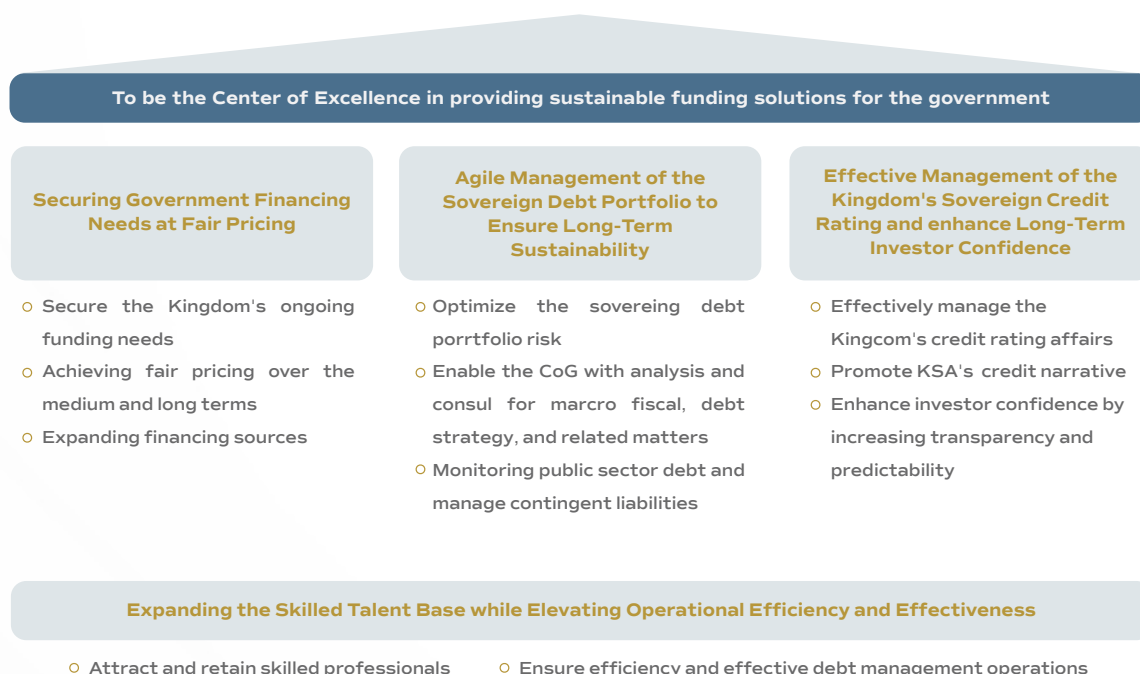
Credibility



Integrity

During 2025, NDMC built its Institutional Strategy (2026-2030)

Around Four Strategic Objectives



Board of Directors of the National Debt Management Center 2-2-3

The Board of Directors of NDMC comprises three members who are specialized and experienced in areas related to the mandate of NDMC, along with the membership of NDMC's Chief Executive Officer. The Board is chaired by H.E. the Minister of Finance, in accordance with Article 5 of the Center's Regulations issued under Council of Ministers Resolution No. (139) dated 16/2/1442 AH, corresponding to 03/10/2020, and based on High Order No. (47526) dated 9/8/1441 AH, corresponding to 02/04/2020.

The first term of the Board began on 9/8/1441 AH, corresponding to 3/4/2020, and ended after three years on 8/8/1444 AH, corresponding to 28/2/2023. The Board was reconstituted with the renewal of all members under High Order No. (67001) dated 28/9/1444 AH, corresponding to 19/4/2023 ending the term on 28/9/1447 AH corresponding to 17/3/2026.

Members of the Board of Directors of the National Debt Management Center



H.E. Mr. Mohammed Abdullah Al-Jadaan
Chairman of the Board



Mr. Hani Medaini AlMedaini
(Member - CEO)



H.E. Mr. Ayman Mohammed Alsayari
(Member)



Mr. Spencer Lake
(Member)



Mr. Phillip Anderson
(Member)

Public Debt Strategy

Public Debt Management Strategy represents the government's orientation and plans to finance at fair rates over the medium and long term while maintaining an acceptable level of risk. It is important that this strategy achieves the objectives set by the government for public debt management, including the development and maintenance of an effective government securities market (as recommended by the World Bank and the International Monetary Fund). **NDMC has formulated a medium-range strategy, characterized by:**

- Issuing debt instruments at fair pricing over the medium and long term, aligning repayment or rescheduling of debt principal.
- Securing the Kingdom's continued access to diverse financial markets and diversifying the investor pool.
- Developing the local market to enhance its efficiency and depth in accommodating both government and private sector debt issuances through the establishment of a sovereign yield curve spanning various debt instrument maturity profiles.
- Ensuring the Kingdom's access to regulatory framework for fair pricing while maintaining the stability and sustainability of public debt levels.
- Enhancing access to government debt markets, diversifying investors, ensuring ongoing access to these instruments, and bolstering the growth of the secondary markets.

Annual Borrowing Plan for FY 1446-1447 AH (2025)

At the start of each fiscal year, NDMC and MoF prepare a report detailing the annual borrowing plan for the fiscal year. This report includes NDMC's insights, forecasts, and future plans. Such insights, forecasts, and data may change, subject to local and international market conditions.

Moreover, NDMC publishes the Annual Borrowing Plan for the reporting year and a calendar of annual issuances in the local market on its website, as well as shares them with relevant entities. This aims to enable investors to cautiously and promptly allocate their portfolios of government securities, thereby upholding the principles of disclosure and transparency.

Debt Raising Guidelines for FY 1446-1447 AH (2025)

The financing guidelines for the reporting year were established based on the annual borrowing plan for fiscal year 2025, with the objective of securing the Kingdom's financing needs over the short, medium, and long term, while maintaining prudent risk levels and ensuring the Kingdom's sustained access to various debt markets for the issuance of sovereign debt instruments at fair rates and within clear risk management frameworks.

The fiscal year 2025 financing guidelines included continuing to diversify available financing channels, through both domestic and international debt markets as well as private channels, including expanding financing through export credit agencies, infrastructure project financing, and exploring available opportunities to enter into new transactions in accordance with market conditions. These initiatives aim to broaden the investor base and strengthen the Kingdom's presence in global markets.

The Center also continued to proactively monitor market developments to capitalize on opportunities that would enhance the characteristics of the debt portfolio, taking into account anticipated changes in interest rates. The distribution of the debt portfolio between domestic and international financing is expected to remain close to historical levels, alongside a reduction in net financing from US dollar public markets compared to the prior year.

To ensure that the government's financing needs for 2025 were met, the projected distribution of financing channels was dependent on market conditions, investor appetite, and could differ from the indicative ranges illustrated below, including the net supply estimates.

Domestic Debt Market Financing



Up to **25%** of the total projected financing amount for the year.

International Debt Market Financing



Up to **45%** of the total projected financing amount for the year

Private Financing Channels



Up to **30%** of the total projected financing amount for the year

Investor Relations Strategy for 2025

NDMC continued to engage with its domestic and international investors through promotional campaigns both locally and internationally, conducting investor visits across Asia, Europe, and North America to share the latest updates and developments in the Saudi economy, as well as to discuss environmental, social, governance, and sustainability topics in the Kingdom. The Center also invited investors to visit the Kingdom to meet with senior leadership and gain insight into major projects under the umbrella of Saudi Vision 2030. Throughout 2025, expanding the investor base was a key strategic objective for the Center.

Calendar of Local Debt Issuances



Graph 1 | Domestic Issuance Calendar for Fiscal Year 2025

Objectives at the National Level

2-2-5

NDMC objectives set to realize Saudi Vision 2030

Vision Pillars	Axes	Programs	Objectives
Thriving Economy	Grow and diversify the economy	 Financial Sector Development Program  Public Investment Fund Program	- Develop the local debt markets. - Enhancing economic relations with global markets' participants. - Develop the Kingdom's standing in global markets. Grow the assets of the Public Investment Fund. Develop a sustainable fiscal policy. - Develop a sustainable financing framework. - Attract international capital to the local market.
Vibrant Society	Strengthen human values and national identity offer a fulfilling and healthy life.	 Housing Program	Provide suitable homeownership opportunities for Saudi families (by creating a reference yield curve for financing products).
An Ambitious Nation	Enhance government effectiveness enable social responsibility	 Financial Sector Development Program	Disseminating the Kingdom's credit story to international investors. Promote and enable financial planning (savings).

NDMC Contributions to Saudi Vision 2030 Realization Initiatives

NDMC contributes directly and indirectly to achieving the objectives of several programs and initiatives entrusted thereto in line with the aspirations of Saudi Vision 2030 to unify efforts to achieve economic diversification as follows:

Direct Contributions

Financial Sector Development Program

Government-Backed Savings Products Initiative

NDMC participates in achieving this Initiative, which aims at offering government-backed savings products, designed to incentivize both citizens and residents towards savings, foster competition, and enable individuals to save in government Sukuk, thereby benefiting the financial sector.

Sustainable Financing in the Kingdom of Saudi Arabia

NDMC participates within its competencies to work on issuing sovereign debt instruments or other financing solutions, establishing a sustainable framework that includes them. Additionally, it endeavors to enhance the Kingdom's assessment by ESG rating agencies through the cultivation of a positive perception.

Sukuk and Debt Instruments Market Development Committee

The Center, in cooperation with the committee members from relevant entities, continuously evaluates and reviews regulations, rules, and procedures related to domestic debt markets. This is aimed at developing domestic debt markets, expanding the investor base, and attracting foreign capital, in line with global best practices.

Indirect Contributions

NDMC contributes indirectly to the issuance of the programs: "Public Investment Fund Program, Housing Program, and Privatization Program", as part of its contributions to developing the local debt markets to enhance its efficiency and depth through the establishment of a sovereign yield curve spanning various debt instrument maturity profiles to accommodate both government and private sector debt issuances.

Approved Initiatives

2-3-1

Initiative	Initiative Status	Start Date	Business Progress Summary	Actual Completion Percentage	Planned Completion Percentage	Target Completion Date	Vision Realization Program (if applicable)
Ijarah Product Structure Development	Completed	2024/03/01	Completed	%100	%100	2024/12/01	 Financial Sector Development Program
Objective Objective Description	Maximizing benefits, reducing costs, developing the structure of the "Sah" savings product, and transitioning it from a Murabaha structure to an Ijarah structure, with the first issuance scheduled for March 2025.			Objective Type	Strategic objective related to the Vision.		

Credit Rating Affairs

2-3-2

NDMC continued to monitor the Kingdom’s credit rating affairs in coordination with the relevant government authorities, while maintaining proactive and systematic engagement with global credit rating agencies. Efforts focus on ensuring the accuracy of data delivery and enhancing transparency in presenting the Kingdom’s financial and economic developments. The Center also strengthened communication with rating agencies through periodic meetings to discuss updates on financial and economic performance, contributing to supporting a positive image of the Kingdom’s credit rating indicators. Furthermore, the Center analyzes rating agency methodologies to study the future implications of public debt developments and their impact on the Kingdom’s credit rating. This analysis aims to ensure that future plans are developed effectively and proactively, enhancing the ability to adapt to economic variables.

Saudi Arabia’s Credit Rating Indicators at the End of the Reporting Year:



Graph 2 | Credit Rating Indicators of the Kingdom of Saudi Arabia as at the End of the Reporting Year

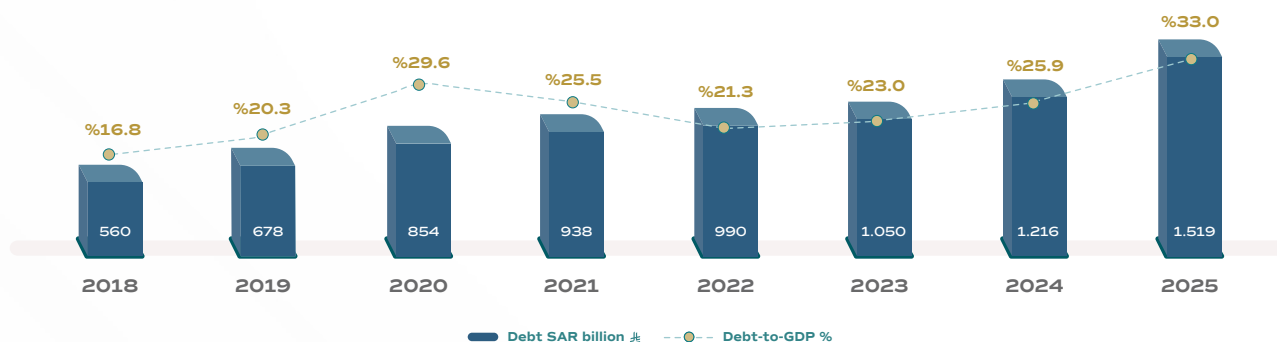
Summary of Activities at the Financial Sector Level 2-4-1

Sovereign Debt Portfolio

Overview of the Debt Portfolio

The total outstanding sovereign debt portfolio at the end of 2025 amounted to approximately SAR 1,519 billion, with domestic debt accounting for 62% of the total portfolio, while international debt represented 38%. In terms of pricing structure, 87% of the portfolio consists of fixed-rate debt, and 13% consists of variable-rate debt.

Portfolio indicators reflect the Kingdom's maintenance of risk levels targeted under the medium-term debt strategy. The debt-to-GDP ratio in 2025 reached approximately 33%, compared to 25.9% at the end of 2024, in line with the Kingdom's expansionary fiscal policy. This trend reflects the continued implementation of financial reforms, the improvement of non-oil activities, and the diversification of the economic base, in addition to enhancing government expenditure efficiency and adopting targeted and counter-cyclical spending policies, while maintaining fiscal sustainability over the medium and long term.

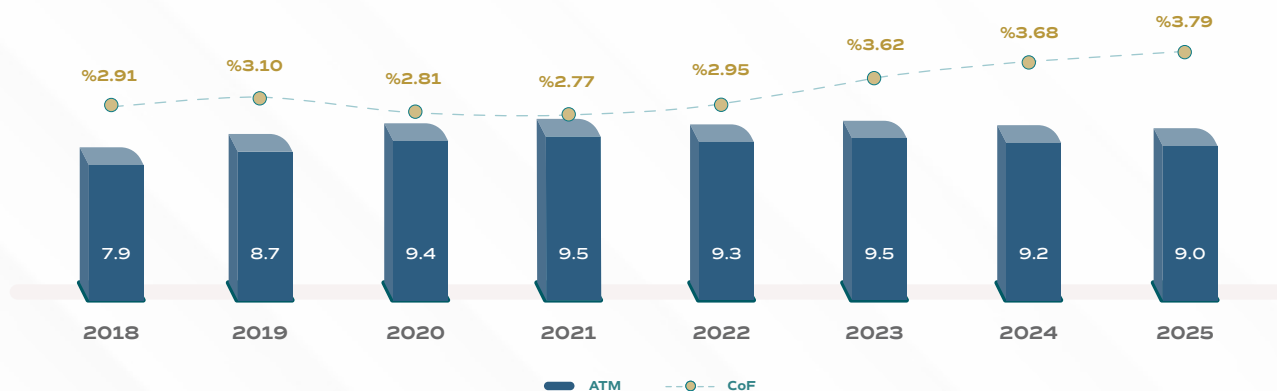


Graph 3 | Debt Portfolio and Debt-to-GDP Ratio

Cost of Financing and Average Maturity of the Public Debt Portfolio

The cost of financing the Kingdom's sovereign debt portfolio reached approximately 3.79% at the end of 2025. The outstanding debt portfolio includes maturities of up to 36 years, while the weighted average maturity of the portfolio was around 9.0 years at the end of 2025, compared to 9.2 years at the end of 2024.

It is noteworthy that, despite the increase in financing costs over recent years due to rising global interest rates, the Center has implemented proactive hedging measures that contributed to managing financing costs and mitigating the risk of further increases. These measures included raising the proportion of fixed-rate debt, increasing the average maturity of the portfolio, and executing early buyback activities, all aimed at minimizing the impact of rising interest rates on future financing costs.



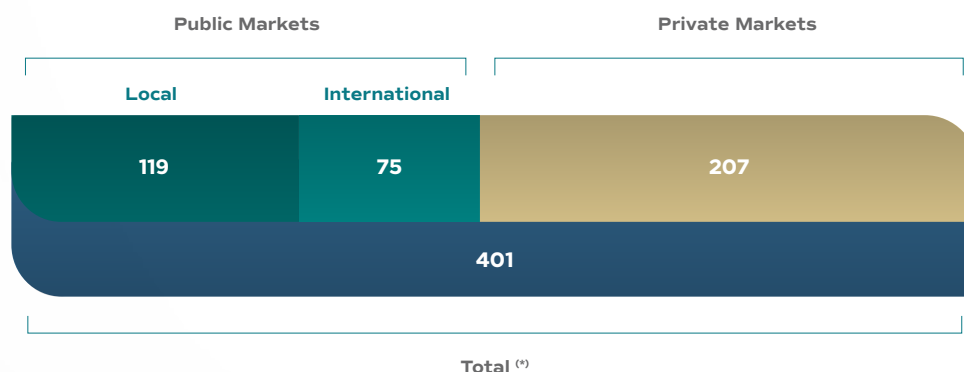
Graph 4 | Average Maturity of the Debt Portfolio and Cost of Financing

⁽¹⁾ Cost of Funding is based on a cash basis

Borrowing Performance during Fiscal Year 1446-1447 AH (2025)

Annual Borrowing Plan for Fiscal Year 1446 - 1447 AH (2025)

During 2025, the Kingdom continued to consolidate its position as a reliable sovereign issuer in debt markets, supported by investor confidence and stable demand levels for government issuances. The total financing executed during the year amounted to approximately SAR 401 billion, with a variety of financing instruments used. This reflects the Center's commitment to diversifying the investor base, improving the structure of the sovereign debt portfolio, and effectively leveraging market conditions.



Graph 5 | Total Executed Portion of the Annual Borrowing Plan for Fiscal Year 2025

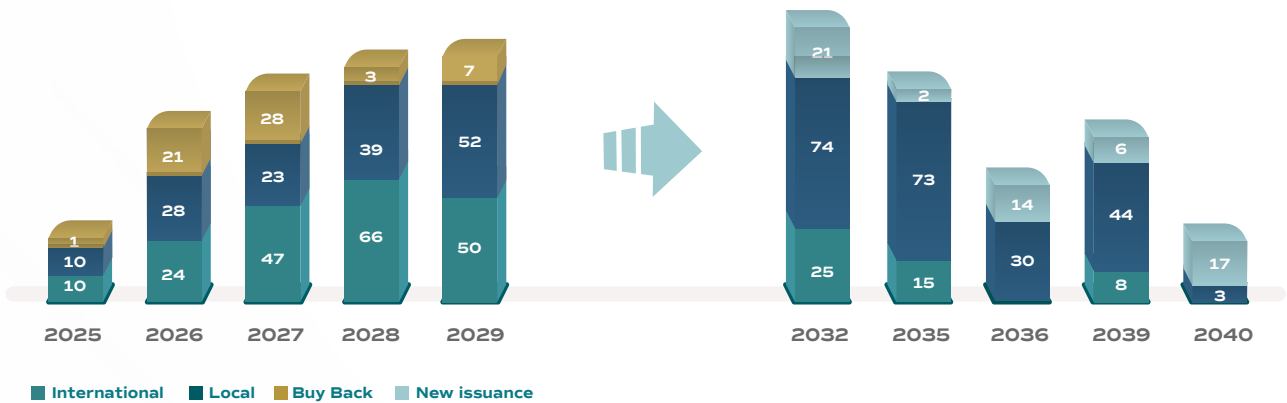
Additional Financing Activities

During 2025, the center executed additional financing activities that exceeded the initial targets outlined in the annual borrowing plan. This was carried out within a well-considered financing approach consistent with the Kingdom's counter-cyclical fiscal policy. This additional financing was fully secured through private financing channels, meeting funding needs without putting pressure on public debt markets. This approach reflects the Center's strategy to take advantage of favorable market conditions while maintaining a balanced and sustainable debt structure, ensuring market stability, efficient pricing, and the market's capacity to absorb sovereign issuances in an orderly manner.

(*) Including SAR 101 bn to fund subsequent years and SAR 38 bn to settle the principal debt due during the report year

Early Buyback Activities of Sukuk and Bonds

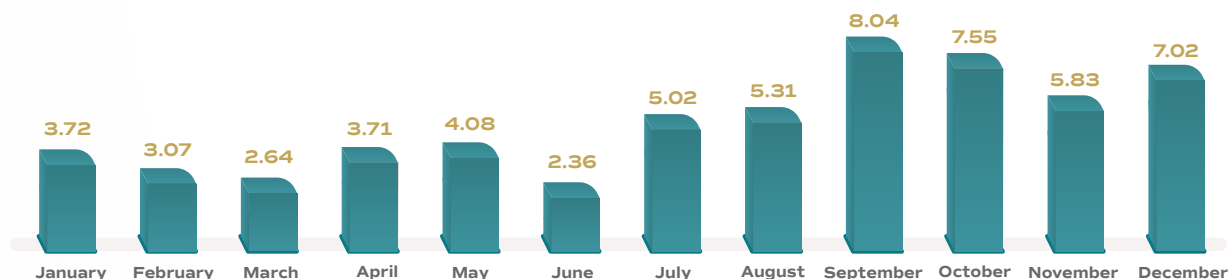
As part of the Center’s efforts to mitigate refinancing risks associated with the debt portfolio, a local early buyback transaction was executed in 2025 with a total value exceeding SAR 60 billion. The transaction involved partially redeeming debt instruments maturing between 2025 and 2029, in exchange for issuing new debt instruments with longer maturities. This enhances the distribution of maturities and alleviates short-term funding pressures. This proactive approach reflects the Center’s commitment to a well-planned and sustainable debt framework, contributing to improved portfolio structure, reduced concentration of maturities, and supporting market stability and efficient debt portfolio management.



Graph 6 | Early Buyback Activities during Fiscal Year 2025

Timeline of Local Monthly Issuances During the Reporting Year

Monthly Domestic Issuance Volume during the Reporting Year (SAR billion)



Graph 7 | Monthly Domestic Issuance Timeline during the Reporting Year



Key Features of Local and International Issuances

In 2025, a balanced issuance strategy was implemented through both domestic and international financing channels, supported by strong demand levels and stable market liquidity.

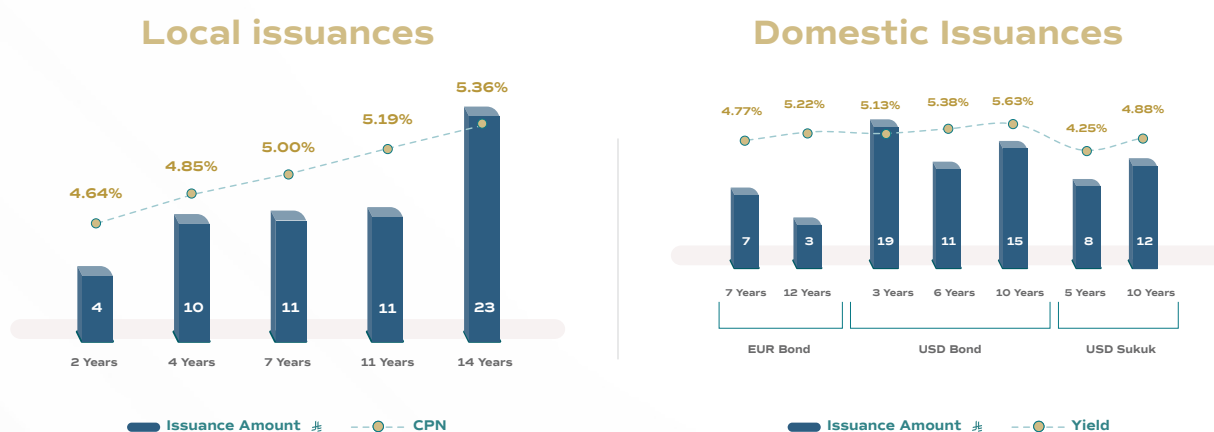
| Local Issuances:

Domestic issuances were distributed across five main maturities, consistent with the Center's approach to maintaining a balanced distribution of the maturity structure, enhancing the depth of the domestic market, and improving pricing efficiency.

| International Issuances:

International issuances included bonds and Sukuk denominated in US Dollars, as well as Euro-denominated bonds, including a green sovereign issuance under the Kingdom's sustainable financing framework. This contributed to expanding the investor base to include ESG-focused investors.

Yields ranged between 4.3% and 5.6% across various instruments, reflecting stable pricing and continued demand from both local and international investors.



Graph 8 | Key Highlights of Domestic and International Issuances during Fiscal Year 2025

International Issuances During the Reporting Year

International Bonds in US Dollars

At the beginning of the reporting year, the first international bond issuance in US Dollars was completed under the Kingdom of Saudi Arabia's International Government Bond Program.



Total bids
amounted to approximately

USD 37 Billion

(equivalent to ﷲ 138.75 billion)



The coverage ratio exceeded
Three Times the total issuance of

USD 12 billion

(equivalent to ﷲ 45 billion)

International Bonds in Euros (Including the Green Tranche)

The Center arranged the international issuance of Euro-denominated bonds, including a green tranche for the first time under the Kingdom of Saudi Arabia's International Government Bond Program.



The Green Tranche
amounted to

EUR 1.5 billion

(approximately ﷲ 5,90 billion)

The **total issuance**
was

EUR 2.25 billion

(approximately ﷲ 8.86 billion)

Total bids
reached approximately

EUR 10 billion

(approximately ﷲ 39.4 billion)



With a coverage ratio
Exceeding Four Times

ﷲ 39.4 billion

International Sukuk in US Dollars (Ijarah Structure)

The Center launched the international offering of Saudi Government Sukuk in US Dollars under the Kingdom's International Sukuk Program, marking the first international issuance based on an Ijarah structure.



Total bids
amounted to approximately

USD 19 billion

(equivalent to ﷲ 71.25 billion)



The coverage ratio exceeded
Three and a half times the total issuance of

USD 5.5 billion

(equivalent to ﷲ 20.63 billion)

Contribution to Developing the Infrastructure of Local Debt Markets and Entering International Markets

Government-Backed Savings Products Initiative

The Center, in cooperation with the private sector, worked on enhancing the savings product (Sah) through:

- Restructuring the program and improving the Zakat treatment for savers.
- Enhancing the initiative's sustainability for the upcoming year by studying areas for improvement and collaborating with the private sector to develop savings products.



Contributing to initiatives for the development of the local debt market

Within the framework of the National Debt Management Center's efforts to develop debt markets and enhance the presence of international and local financial institutions, the Ministry of Finance and the NDMC signed an agreement with Société Générale. Under this agreement, the bank becomes a Primary Dealer for local government debt instruments, joining the five international financial institutions previously participating in the program:

BNP Paribas, Citigroup, Goldman Sachs, J.P. Morgan, and Standard Chartered.



This is in addition to ten local financial institutions, including:

Saudi National Bank (SNB), Saudi Awwal Bank (SAB), Bank AlJazira, Alinma Bank, Al Rajhi Bank, AlBilad Investment Company (AlBilad Capital), AlJazira Capital, Al Rajhi Capital, Derayah Financial, and Saudi Fransi Capital.



The Center has also worked on increasing the contribution of financial institutions to the development of the local market. Multiple workshops were held with financial institutions and relevant government entities to improve the local debt market infrastructure and enhance access for international participants. Furthermore, the Center requested periodic updates from these institutions regarding the challenges they face to ensure they are addressed. Additionally, in its commitment to improving liquidity rates for local Sukuk, the Center urged all local and international Primary Dealers to provide regular pricing in the secondary market.

Engagement with Financial Institutions, Investors, and Credit Rating Agencies – International and Local Levels

The Center aims to highlight the Kingdom's standing and support the objectives of Saudi Vision 2030 by strengthening communication with credit rating agencies, investors, and financial institutions. Regarding credit ratings, the Center expanded its engagement to include several governmental and quasi-governmental entities, ensuring the Kingdom's "credit story" is comprehensively reflected across various sectors. Additionally, it bolstered cooperation with government bodies to continuously update economic and financial data relevant to credit rating affairs.

In terms of Investor Relations, the Center sustained its efforts to build a positive image of the Saudi economy and the Kingdom's financial position, focusing on the robustness of the national economy, fiscal transparency, and the sustainability of economic policies to enhance investor confidence. The Center participated in 15 international events, including seminars, conferences, and panel discussions attended by a large number of global investors. Furthermore, it organized roadshows in the UK, Japan, USA, and Singapore during 2025, which included meetings with over 280 investors to achieve international and local issuance targets.

Supporting the Kingdom's ambitious sustainability goals and its commitment to Net Zero, Euro-denominated international bonds were issued, including a green tranche for the first time. The green tranche amounted to €1.5 billion, marking the first issuance of its kind in the Middle East and the largest non-European sovereign green bond tranche denominated in Euro. The issuance successfully expanded the investor base to include green investors from 20 European countries, with demand exceeding the issuance size and a total coverage ratio of over four times the total offering.

The Center also expanded its network of financial institutions and Export Credit Agencies (ECAs) by exploring financing opportunities through private channels and enhancing future cooperation to leverage the financing capacity of financial institutions in line with funding requirements.

In the context of international outreach, the Ministry of Finance, in collaboration with the NDMC, organized the "Saudi Tour" following the General Budget statement. The tour included more than 23 international investors, featuring field visits to major projects and key cities such as:

Riyadh

Red Sea Project

AIUla

Eastern Region

(Dammam,
Jubail Industrial City)

This tour contributes to building confidence in investment opportunities and providing investors with firsthand information on the Kingdom's investment climate, thereby attracting foreign investment and strengthening the Kingdom's credit narrative.

Key Investors Newly Joining Local Issuances

In 2025, new investors from several categories joined the local issuances arranged by NDMC. These categories include a number of sectors:

Insurance Companies

Local and
International Banks

Private Companies

International Investors

These efforts contributed to an increase in international investor participation in local issuances by approximately 100% in 2025 compared to 2024.

Sovereign Debt Risk Management

Managing sovereign debt risk is a core component of the NDMC's debt strategy and is anchored in a robust and methodologically sound Medium-Term Debt Management Strategy (MTDS) framework. The primary objective of the MTDS is to meet the government's financing needs in a cost-effective manner while maintaining a prudent and sustainable risk profile.

Within this framework, the NDMC calibrates its debt-raising decisions against four key risk dimensions:

1 | Liquidity risk

2 | Refinancing risk

3 | Interest rate risk

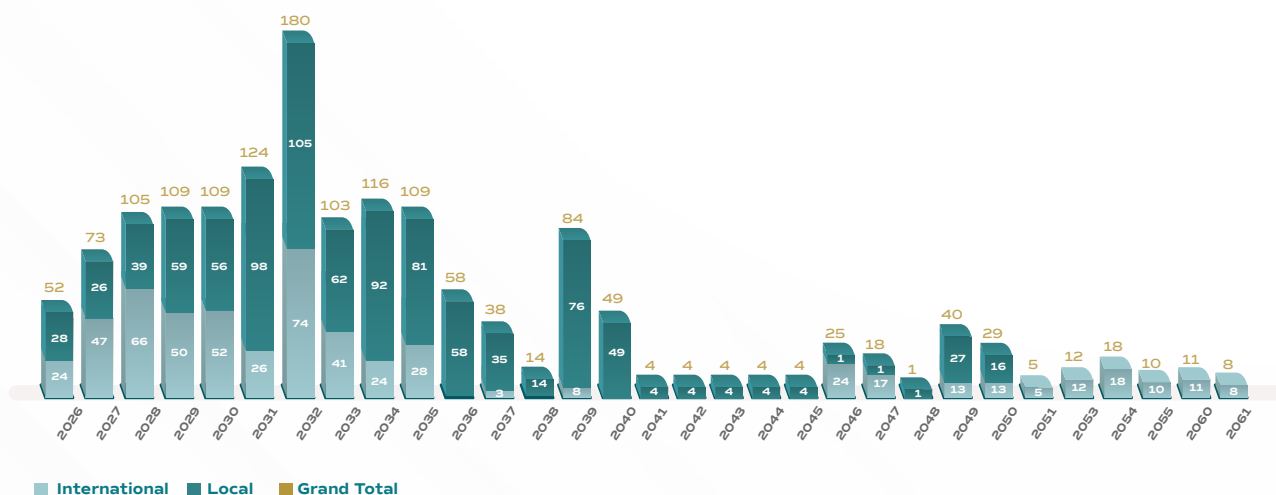
4 | Foreign exchange risk

Liquidity

The NDMC, in coordination with all relevant stakeholders, ensures that the domestic debt market remains sufficiently deep and resilient to accommodate contemplated new issuances, thereby maintaining strong liquidity conditions and supporting orderly market functioning. In parallel, NDMC mitigates issuer liquidity risk by employing prudent refinancing strategies and ensuring alignment with stakeholders to support the timely availability of funds for debt service.

Refinancing

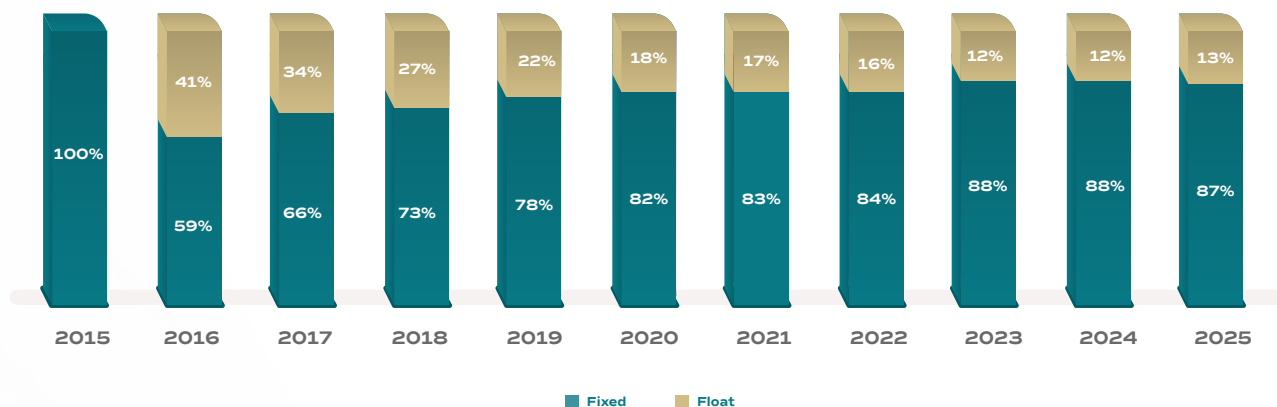
The outstanding maturities due in 2026 amounts to SAR 52 billion. Future refinancing risk is managed through the execution of liability management transactions and by prudently calibrating new securities throughout the year to preserve the Average Time to Maturity (ATM) of the total debt portfolio.



Graph 9 | Total Outstanding Debt Principal

Interest Rate Exposure

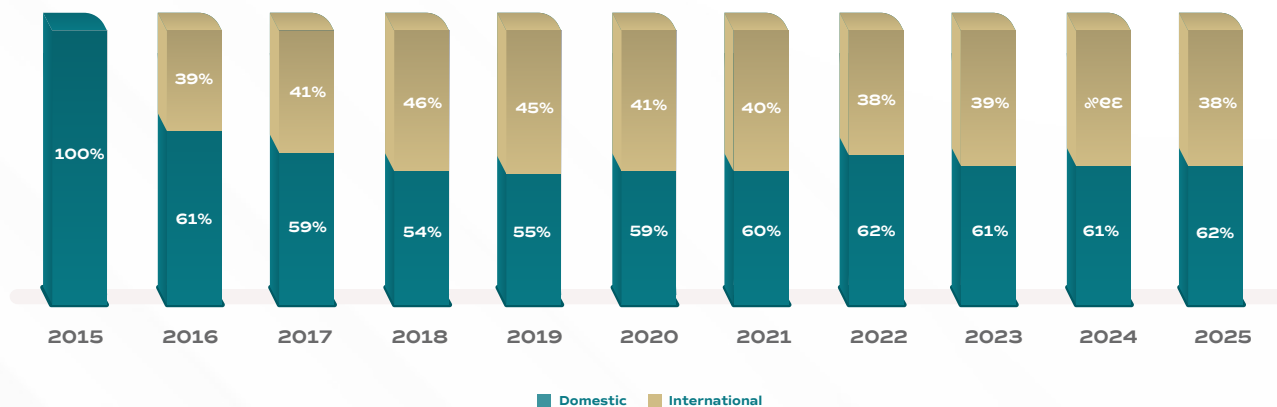
By the end of 2025, the split between fixed and floating rate debt within the total debt portfolio reached 87% fixed-rate debt and 13% floating-rate debt. This balanced structure helps mitigate the impact of interest rate fluctuations on the Kingdom's debt-servicing costs. The NDMC continuously monitors market conditions and interest rate risk.



Graph 10 | Debt Portfolio Composition: Fixed vs. Floating Rate (2015 - 2025, %)

Foreign Exchange Exposure:

Given the Kingdom's strong reserve position, robust assets, and stable currency peg regime, the current and projected portfolio of international debt carries limited foreign exchange risk. Foreign currency exposure is limited to USD and EUR, with EUR-denominated debt accounting for approximately 1.6% of the total debt portfolio as of end-2025.



Graph 11 | Debt Portfolio Composition: Domestic vs. International (2015 - 2025, %)

Credit Rating Follow-up Activities

The Center continued its efforts to manage the Kingdom's credit rating affairs in cooperation with relevant government entities, maintaining proactive and systematic coordination with global credit rating agencies. These efforts focus on ensuring the accuracy of available data and enhancing transparency in presenting the Kingdom's financial and economic developments. Furthermore, the Center strengthens communication with rating agencies through periodic meetings to discuss fiscal and economic performance updates in alignment with relevant government bodies, in addition to organizing field visits to highlight the latest progress in giga-projects. These initiatives reflect the Kingdom's comprehensive credit story across various sectors and support a positive outlook for Saudi Arabia's credit rating indicators. Moreover, the Center analyzes the methodologies of rating agencies to study future implications related to public debt developments and their impact on the Kingdom's credit rating. This analysis aims to ensure effective and proactive strategic planning, enhancing the capacity to adapt to economic variables.

Saudi Arabia's Credit Rating in the Two Years Prior to the Reporting Year

MOODY'S

in March 2023

Moody's revised the outlook to positive.

in November 2024

Moody's upgraded the Kingdom's rating from A1 to Aa3 with a stable outlook.

S&P Global

in March 2023

Standard & Poor's (S&P) upgraded the Kingdom's rating to A with a stable outlook.

in September 2024

Standard & Poor's (S&P) revised the Kingdom's outlook from stable to positive.

FitchRatings

in April 2023

Fitch Ratings upgraded the Kingdom's rating to A+ with a stable outlook.

in February 2024

Fitch Ratings confirmed the Kingdom's rating at A+ with a stable outlook.

Graph 12 | Credit Rating Changes of the Kingdom in the Two Years Preceding the Reporting Year

Changes in Saudi Arabia's Credit Rating During the Reporting Year

S&P Global

Upgraded the Kingdom's rating from "A" to "A+" with a stable outlook in March 2025

FitchRatings

Affirmed the Kingdom's rating at "A+" with a stable outlook in July 2025

MOODY'S

Affirmed the Kingdom's rating at "Aa3" with a stable outlook in December 2025

Graph 13 | Credit Rating Changes of the Kingdom during the Reporting Year

Launch of “Sah” Sukuk in Ijarah Structure

In March 2025, the center launched the first issuance of 'Sah' Sukuk using the 'Ijarah' (Leasing) structure, as part of the SAR-denominated Local Sukuk Program established in 2017. This program enables the Ministry of Finance to issue local Sukuk denominated in Saudi Riyals, arranged and offered monthly in specific tranches to investors according to the approved issuance calendar. This issuance is an extension of the Center's role in providing sustainable and effective short, medium, and long-term financing options, while contributing to the development and deepening of the local Sukuk market. 'Sah' Sukuk are government-backed securities specifically designed for individuals. They are offered monthly with a fixed return and a one-year savings term, with profits distributed at maturity. While previous Sukuk structures were limited to 'Mudarabah' and 'Murabaha', the introduction of the 'Ijarah' structure represents a new developmental milestone aimed at providing a more diverse and value-driven savings product for individuals. The product targets Saudi citizens aged 18 and above who hold accounts with participating financial institutions. This initiative aims to boost national savings rates, encourage responsible financial planning, and provide low-risk, government-guaranteed savings tools with competitive annual returns.

Launch of International Ijarah Sukuk

As part of NDMC's efforts to diversify funding sources and expand the Kingdom's presence in global debt markets, the Center successfully arranged and launched the Kingdom of Saudi Arabia's first international Ijarah sukuk issuance in 2025 under the international sukuk issuance program in U.S. dollars. This represents a historic first in the Kingdom's sovereign issuance history.

The issuance had a total value of USD 5.5 bn (equivalent to SAR 20.63 bn) and was distributed across two tranches:

01
First
Tranche

USD 2.25 bn

(equivalent to SAR 8.44 bn)

5 years tenor, maturing in 2030

02
Second
Tranche

USD 3.25 bn

(equivalent to SAR 12.19 bn)

10 years tenor, maturing in 2035

Agreements and Memorandums of Understanding

During 2025, the center continued its efforts to manage and build strategic partnerships and to develop its institutional relationships with local and international entities. This was aimed at enhancing cooperation and exchanging technical and scientific expertise in line with global best practices in the fields of funding and public debt management.

In this context, the Center signed a Letter of Intent with Qatar Development Bank to strengthen bilateral cooperation, explore future development opportunities, and exchange specialized expertise. The agreement also aims to develop governance frameworks between the Center and stakeholders, contributing to integration and enhancing efficiency within the debt management ecosystem.

Global and Local Social Activities, Conferences, and Awards 2-4-2

NDMC kept pace with the Kingdom's directions by participating in major local and international events and conferences, aiming to maintain continuous and direct communication with investors, stakeholders, decision-makers, and key players in local and international financial sectors.

Local and International Conferences and Forums:

NDMC participated in a number of international conferences and forums in multiple countries, including the United States, United Kingdom, Hong Kong, Japan, Singapore, Denmark, and the United Arab Emirates, where extensive meetings were held with investors and global financial institutions, to present the latest financial and economic updates in the Kingdom, review the Center's strategy in domestic and international debt markets, discuss financing opportunities through private channels, and enhance future cooperation prospects.

Knowledge Transfer Sessions and Workshops:

Through the "Knowledge Center" initiative, the Center continued implementing a comprehensive program to provide specialized technical workshops, with more than seven workshops conducted during the year in collaboration with a number of global strategic partners, including Goldman Sachs, International Monetary Fund (IMF), J.P. Morgan, International Capital Market Association (ICMA), Standard & Poor's Global, and others. These workshops covered various topics, including global trade and U.S. policy, regional and global economic outlooks, sovereign debt risks and sustainability, hedging strategies, technological and digital developments in debt and capital markets, in addition to updates on the Saudi capital markets and comparisons with their global counterparts. These efforts aimed to transfer specialized knowledge and enhance the technical capabilities of the Center's staff and partners in the financial ecosystem, supporting the development of local human capacities and the exchange of expertise.

Awards and Certificates



(MENA Digital Awards)

The Center received the MENA Digital Award¹, achieving third place for the "Sah - Government Sukuk" campaign, in the category of Best Use of Digital Technologies in the Banking and Finance Sector across the region.

⁽¹⁾ MENA Digital Awards: Specialized awards in media and digital innovation across the Middle East and North Africa

Conclusion

This report concludes with an overview of the key achievements of NDMC during 2025, which reflect its pivotal role in supporting financial sustainability and enhancing the efficiency of public debt management, in line with the objectives of Saudi Vision 2030. The report reviewed major developments in the debt portfolio, borrowing plans, early repurchase operations, as well as innovative funding initiatives that contributed to diversifying debt instruments and improving the maturity structure.

The report also highlighted organizational and operational progress, including the development of NDMC's strategy through 2030, strengthening governance, reviewing operational procedures, in addition to maintaining a stable institutional environment that supports the efficiency of human capital.

These achievements resulted from the integrated efforts of the teams, continuous support from the Board of Directors, and close partnership with government entities. With this balanced performance, the Center enters the coming year built upon a solid foundation of technical, organizational, and financial accomplishments that enhance its capacity to continue its role in achieving the Kingdom's financial sustainability, expanding access to debt markets, and developing long-term financing instruments.



المركز الوطني لإدارة الدين
NATIONAL DEBT MANAGEMENT CENTER

2025

Annual Report