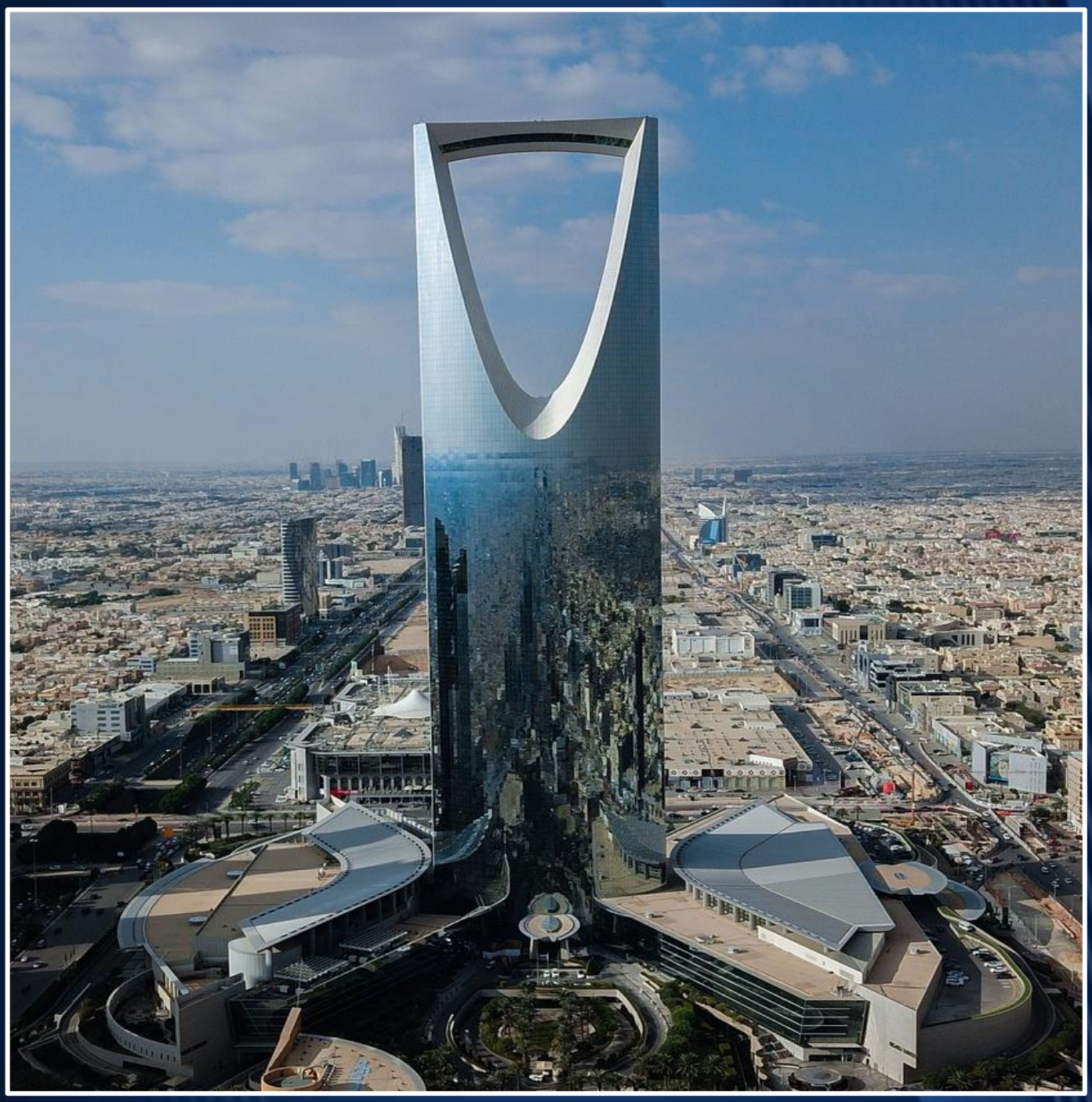

Kingdom of Saudi Arabia Custody & Fund Administration Market Survey and Report

2025

ORC

Background to this Survey and Report

The Kingdom of Saudi Arabia (the "KSA" or the "Kingdom") has become a pivotal focus for financial services expansion in the Middle East and North Africa ("MENA") region, driven by a broader national agenda toward economic diversification and international market engagement. Against this backdrop, ORC commenced an annual survey in 2024 to assess the landscape and evolving dynamics within the Custody and Fund Administration ("Asset Servicing") sectors in the Kingdom. Following the 2024 survey, ORC reprised this assessment in 2025 (the "Survey"), receiving responses from seven market participants (the "Respondents"). Our goal is to capture first-hand insights from both local and global market participants, with a particular focus on understanding their strategic intentions, operational hurdles and the trajectory of growth in the Kingdom.

The Respondents include a diverse cross-section of the market, ranging from globally recognized financial institutions to country-focused players. These firms vary in size and market positioning, as well as differing on-the-ground presence and operating models. Some have been active in the KSA and wider Middle East region for years, while others recently established a footprint. Importantly, all Respondents are offering Custody and/or Fund Administration services or are in the process of preparing to launch such offerings.

This KSA Custody & Fund Administration Market Survey and Report (the "Report") provides a comprehensive view of the KSA's Custody and Fund Administration markets in 2025, incorporating insights from key industry players on the market's future trajectory.

For Custodians and Fund Administrators, it outlines competitive strategies, expected regulatory developments and technology investment trends shaping the industry. For institutional investors evaluating capital deployment in Saudi-based structures (including funds, trading accounts and separately managed accounts), it offers a critical assessment of the market's servicing infrastructure, its scalability, resilience and potential constraints. Additionally, the Report identifies key risks that could impact operational performance, including staffing limitations and reliance on legacy systems, providing a clear perspective on challenges market participants need to navigate.

ORC Introduction to ORC ORC

ORC is a specialist consulting firm at the heart of financial and investment industry evolution in the Middle East. We partner with leading Fund Administrators, Custodians, Asset Managers and institutional Allocators, offering deep expertise in Custodian and Fund Administrator selection and monitoring (including periodic service review exercises), operational and investment due diligence, investment and operations transformation, and fund operations strategy advisory. Our strongest footprint in the Gulf Cooperation Council ("GCC") is in the Kingdom, where we work closely with both local and international firms navigating this rapidly transforming landscape.

We help institutions unlock opportunity across the GCC.

What sets ORC apart is not just our ability to advise, but our hands-on experience implementing change. As a fully independent third-party advisor, we have a front-row seat to the Custody and Fund Administration markets' evolution, identifying gaps, surfacing trends and spotlighting emerging best practices across the Custody and Fund Administration ecosystem, as well as the wider financial services industry.

This Report captures the voice of the industry. Through direct engagement with top-tier service providers in the Kingdom and beyond, we have gathered real-world insights into how the sector is evolving and where it is headed next.

"Saudi Arabia's Custody and Fund Administration markets are undergoing transformative growth and change, driven by strategic initiatives under Vision 2030.

As this market matures, firms that invest proactively in technology, talent development and localized operational capabilities will distinguish themselves as future industry leaders."

Nigel Morriss | CEO | ORC

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1. Executive Summary

The Kingdom's Asset Servicing markets are no longer emerging, they are accelerating at full speed.

A surge in fund launches, capital inflows, global player entries and rising client expectations have transformed the Kingdom into a dynamic and closely watched jurisdiction for Asset Servicing in the Middle East, making it one of the fastest evolving markets globally.

Results from our second annual survey, focusing on both Custody and Fund Administration markets in the KSA, confirm a market that is scaling fast, demanding more and rewarding those who commit early and innovate boldly.

The time is now for firms to act, and in this Report, we explain why.

The KSA Asset Servicing markets are gaining momentum, fast.

What was once viewed by global investors, asset managers and Asset Servicing firms as an emerging ecosystem is now firmly positioned on the global radar, not just as a destination for capital with a growing opportunity set, but as a place where increasingly sophisticated standards, regulation and skilled resources are becoming more commonplace.

Driven by the KSA Government's Vision 2030 initiative and a sharp rise in fund activity across the liquid-illiquid asset class spectrum, the KSA Asset Servicing market is seeing substantial growth and an influx of foreign firms and capital into its ecosystem. According to the Capital Market Authority (the "CMA"), the Kingdom's financial regulatory authority, in its 2024 Annual Report, more than 1,500[1] private placement funds are now registered in the Kingdom, nearly tripling since 2018, and institutional investors, sovereign wealth funds and alternative asset managers are actively seeking access to local opportunities, with the combined AUM of KSA market structures growing from US$ 219.3bn in 2023[2] to US$ 266.6bn in 2024[3] (up 21% YoY).

This growth has attracted a diverse set of market participants. Global and local bank affiliated companies, independent firms and asset managers offering in-house services are all present in the KSA Asset Servicing markets, which are expanding rapidly, not only in terms of client count, but in local infrastructure, talent development and regulatory alignment. These are not symbolic moves, 100% of Custodians and Fund Administrators surveyed by ORC in 2025 reported plans to further invest in their KSA operations, up from 83% of respondents to our 2024 survey. This not only highlights a growing commitment and momentum over the past year but reinforces the growth trajectory the market is on.

The reality is, however, more nuanced. Regulatory licensing requirements and developments, Saudization laws and client expectations around technology, automation, service standards and reporting customization have raised the bar, and continue to do so at a rapid rate. Custodians and Fund Administrators must now prove not only that they can operate in the Kingdom (practically, legally and culturally), but that they can do so with the scale, infrastructure and service quality expected of a mature global market and to service sophisticated investors.

2025 Survey data confirms that 100% of Respondents offering live Asset Servicing solutions in the Kingdom have a physical, on-the-ground footprint there. Some have scaled to 300+ staff in the Kingdom, others are building lean and focused local teams, but all recognize that face-to-face engagement, on-the-ground operations, CMA alignment and cultural fluency are non-negotiables to establishing a credible model upon which to further invest into and grow over time.

"The Kingdom isn't an emerging opportunity; it's the main stage. Some firms are already building local capabilities. The rest are running out of time"

Maria Long | Partner | ORC

Act Now, Before It's Too Late

The market is moving, and fast. In a landscape where Custody or Fund Administration mandates are often "sticky" and long-tenured (with ORC observing some firms maintaining relationships for decades in the Kingdom), failing to secure early relationships could mean being left behind for the foreseeable future. Institutional clients in the Kingdom are already differentiating between firms with true local commitment versus those masking remote delivery

[1] https://cma.gov.sa/en/MediaCenter/PR/Pages/Annual_Report_2024.aspx#:~:text=According%20to%20CMA%27s%202024%20Annual,compared%20to%202023

[2] https://assets.kpmg.com/content/dam/kpmg/sa/pdf/2023/asset-management-review-2023.pdf#:~:text=investment%20fund%20subscribers%20reported%20from,5

[3] https://cma.gov.sa/en/MediaCenter/PR/Pages/Annual_Report_2024.aspx#:~:text=According%20to%20CMA%27s%202024%20Annual,compared%20to%202023

behind a local façade, or simply not being as committed compared to their peers over time.

There is a clear window of opportunity for Asset Servicing firms: combining global capabilities with localized talent, regulatory insight and scalable platforms that address the unique demands of KSA's Asset Servicing market.

The question for providers is no longer whether to enter the KSA market; it's how soon they can execute, embed and lead before the entry window narrows.

"This is the moment. The opportunity is real, but not indefinite. Firms that act boldly, build credibly and commit fully will shape the next chapter of the Kingdom's asset management evolution"

Nigel Morriss | CEO | ORC

2. Where the Market is Now & Where it is Heading

The KSA's Asset Servicing markets are firmly in a growth phase, accelerating at an exponential pace toward alignment with the sophistication and service expectations of other global jurisdictions.

The recent growth is a self-fulfilling cycle: as service sophistication and operational standards improve, global perception of the market strengthens; attracting higher-quality participants, which in turn fuels further competitive pressure, innovation and elevation of market standards.

The responses to the 2025 Survey reinforce what is becoming increasingly clear across the industry: **the Asset Servicing market in the Kingdom is not just moving, it's accelerating at full throttle.** Many local and international firms are now enacting their KSA strategic roadmaps to enhance service capabilities and standards, and build-out infrastructure to meet the growing needs and expectations of **institutional allocators and managers, and to stay ahead of the competition or potential new market entrants**.

The dramatic growth in the number of funds registered in the KSA over the past few years reflects the Kingdom's ambition to position itself as the fund domicile of choice in the region and to support its neighboring countries to reinforce the Middle East's position on the global financial markets stage.

This momentum is being driven by KSA Government initiatives, including Vision 2030, which are creating a structural shift in how institutional capital accesses the Kingdom and repatriation of capital back to the KSA. As a result of regulatory developments led by the CMA, the Saudi Central Bank ("SAMA" or "SCB") and the Tadawul exchange, as well as changing investor preferences, managers and allocators alike are increasingly turning to **locally domiciled fund structures**. As a result, for Asset Servicers, **"being there" has evolved from a strategic aspiration into a commercial necessity.**

A local presence is no longer seen as a competitive edge, it is the **minimum requirement** for winning institutional mandates, delivering face-to-face service and embedding long-term relevance in an increasingly discerning market. **All Respondents** report active recruitment plans to build out operations and capitalize on growing local talent availability in the KSA Asset Servicing industry.

A Market in Motion: New Players, Asset Classes and Services Emerging

The Kingdom's financial services ecosystem has expanded rapidly in recent years, both in the number of participants, fund vehicles and the diversity of strategies available to investors. While until recently, the majority of the funds domiciled in the KSA were overweighted towards private equity, venture capital and real estate, recent years have seen other asset classes becoming more common, including private credit, venture debt, REITs and ETFs. For example, KSA private debt fund AUM rose from US$ 32m in 2003 to US$ 335m in 2022, and in 2024 eight new private debt funds were targeting a combined US$ 1.77bn in commitments.[4]

As the market grows and the breadth of strategies on offer increases, the service requirements and expectations of investors rise. Fund Administrators and Custodians are being held to higher standards by local clients, with the expectation to invest to support complex capital structures, manage waterfall calculations, handle capital calls and distributions and deliver investor reporting to global standards, all while navigating local regulation and KYC/AML expectations.

A diverse range of participants are active in the KSA Asset Servicing markets, which we broadly segment into four categories:

[4] *Preqin and Saudi Venture Capital Company (SVC), "The Rise of Private Debt Funds in Saudi Arabia 2024: Preqin Territory Guide," February 2024.*

1. Local Bank-Affiliated Providers

These are large, KSA-based financial institutions offering Custody and/or Fund Administration services under the umbrella of their wider banking operations. Examples include **Riyad Capital, Albilad Capital, SNB Capital, Al Rajhi Capital, SAAB** and **Alinma Investment**.

They benefit from deep regulatory familiarity, an established domestic footprint and strong client relationships. Many continue to rely on **legacy infrastructure** or **external partnerships** to broaden their service scope, particularly in areas like fund accounting or global custody.

These firms are frequently the preferred partners for global institutions seeking access to the Saudi market, offering local regulatory cover, Edaa/Tadawul connectivity and on-the-ground servicing capabilities that are critical for operational success.

2. Global Bank-Affiliated Providers

These internationally recognised institutions, including **State Street, JP Morgan, BNY Mellon, Citi, HSBC, BNP Paribas** and **Northern Trust**, deliver KSA Custody and/or Fund Administration services as part of their global service models.

These firms offer robust infrastructure, multi-jurisdictional expertise and scalable platforms that span traditional and alternative asset classes.

While some operate independently in the Saudi market via representative offices or CMA licensing, **many continue to partner with local banks and financial institutions** to facilitate access to domestic systems such as Edaa and Tadawul, navigate account opening and settlement processes and meet localisation requirements. These hybrid models allow global firms to maintain service continuity while building toward full local market integration.

3. Standalone/Independent Fund Administrators

This category includes **non-bank affiliated providers** such as **Apex Group**, that offer specialised Fund Administration and transfer agency services in Saudi Arabia.

While some, like Apex, have established a **direct local presence**, others continue to **service KSA-based funds from offshore jurisdictions** without a CMA license or physical office in the Kingdom. As regulatory expectations evolve, firms without a local footprint may face increased pressure to **demonstrate regulatory alignment, data compliance, and operational transparency.**

4. Asset Managers Providing In-House Services

A small number of domestic asset managers, such as **Jadwa Investment, Alpha Capital, Osool & Bakheet** and **SEDCO Capital**, have developed in-house Custody and/or Fund Administration capabilities, primarily to support their own funds.

In some cases, these services are also extended to third-party clients.

While this model provides control and alignment with internal investment teams, it is **increasingly viewed as suboptimal by institutional investors**, who are placing growing emphasis on **independence, scalability and specialist oversight**.

The in-house model may become less prevalent as external providers continue to invest in local presence, technology and regulatory reach.

New strategies like private credit and ETFs are testing the limits of legacy Asset Servicing models. The next phase of growth will depend on scalable, specialist providers equipped for private fund complexity.

Talent Troubles: Firms Are Growing, But Hiring Is Hard

While the Kingdom's Asset Servicing market is currently, and is expected to continue, booming, a shortage of seasoned local professionals and stringent Saudization requirements (also known as the Nitaqat program) are creating real challenges for current participants and those looking to enter the market. From meeting Saudization quotas to filling specialist roles with skilled talent, firms are grappling with a tough resourcing landscape and high competition from competitors, with all Respondents placing increased importance on exploring practical strategies to attract, develop and retain talent. With more players entering the market and targeting the same limited talent pool, time-to-hire is extending, reinforcing that those who act now will be better positioned to secure the best resources and accelerate execution.

In a rapidly growing market, the secret to staying ahead lies in unlocking and retaining talent.

"

One global bank-affiliated Custodian says:

"We've had to delay onboarding due to lack of Saudi nationals with Asset Servicing experience"

While Saudization targets are generally being met, with Respondents reporting an average of 57% Saudi nationals, and one local bank-affiliated provider achieving 90%, the real challenge lies not in compliance, but in capability. While the pool of talented Saudi professionals is growing, this is not expanding at the same pace as the market's need, particularly in technical and operational roles critical to providing services aligned with global standards across Asset Servicing.

Roles such as fund accountants, real estate fund administrators, compliance specialists and regulatory reporting analysts are in especially short supply. This has become a shared constraint across Respondents and the market more broadly, contributing to elevated competition for talent, wage inflation and in some cases, slower onboarding of new mandates.

While global firms have made significant strides in building local teams, many continue to rely on offshore support for complex processing or legacy technology operations, a model that is becoming increasingly more challenging due to regulations and guidelines requiring localization of services and data onshoring, particularly for government-related mandates.

Some firms have responded to these difficulties with structured graduate programs and internal upskilling, while others are supplementing local talent with imported expertise or partnering with local peers to access talent.

Long-term success in the Kingdom will hinge on firms' ability to invest in local talent pipelines, offer structured training programmes and elevate Saudi nationals into leadership and technical roles, not just front-office relationship positions.

Being There Matters: KSA Clients Expect Proactive, Present Partners

Every Respondent reported maintaining a local presence in the Kingdom, with varying degrees of scale and seniority. For Custodians and Fund Administrators, this presence is essential not just for regulatory reasons, but for commercial credibility.

Firms not investing in physical presence or failing to empower local teams with meaningful decision-making authority and technical capabilities risk losing mandates to providers better equipped to service KSA allocator requirements.

In the KSA market, presence equals credibility. Global infrastructure must be matched by local execution, or firms risk falling behind

"Plenty say they're 'in-Kingdom,' but if key team members, technology, operations and decision-makers are offshore, are they really?"

Joseph Haire | Consultant | ORC

Regulatory Change is a Catalyst: New Rules Are Re-Shaping the Landscape

CMA licensing, and its associated requirements, remains one of the most significant structural forces shaping the KSA market. The process to become licensed can be resource-intensive and costly, with non-licensed Respondents citing these as the primary road blockers to becoming licensed, but it allows firms to provide services and to access clients and mandates, without the need for partnership with a local firm.

The past two years have seen a marked shift in strategy among global players: rather than operate solely through local partnerships, several have pursued **direct CMA licensing** to offer services under their own brand, with a global Asset Servicing firm recently moving away from its partnership and obtaining its own CMA license.

> *One of the largest Asset Servicing providers in the KSA market says:*
>
> ***"We anticipate large shifts in the market structure, with more players going direct rather than via partnerships"***

Some partnerships have proven durable, however, such arrangements are increasingly being tested as global firms look to deepen their service model locally on a standalone basis, particularly in fund administration, where capability gaps remain among some legacy partners.

For both Custody and Fund Administration, servicing KSA-based clients requires adhering and adapting to Shariah-compliant structures such as Sukuk and Murabaha, which involve unique processes, documentation and reporting workflows. These instruments require alignment with Islamic finance principles and often require coordination with Shariah supervisory boards. For global firms, this complexity may be best addressed through partnerships with local providers who bring established processes, cultural fluency and regulatory familiarity, enabling accurate support of Islamic products while ensuring end-to-end compliance and operational efficiency in a uniquely structured market.

The Saudi Arabian National Cybersecurity Authority ("NCA") has established comprehensive frameworks to enhance data protection and cybersecurity within the Kingdom, including a key component (the Data Cybersecurity Controls (DCC-1:2022)) which outlines minimum cybersecurity requirements for organizations to protect data throughout its lifecycle[5].

Given the implications of these requirements on sovereign and government-related data (key targets for Asset Servicing business development efforts), firms have been required to develop strategies to adhere to the NCA's data residency requirements, including by maintaining physical servers in Saudi Arabia or deploying a complex data encryption/ anonymization strategy.

Recent NCA regulations, including the **CCC-2:2024 guidance**, have eased restrictions on where and how cloud infrastructure may be used, which has provided non-KSA firms with greater flexibility to integrate their local model with their global platforms. While this has provided access to global talent and centers of excellence, it has resulted in the continued use of offshore processing centers by some firms, raising questions regarding **data control, client confidentiality and service accountability**.

Automate or Stagnate: The Tech-Driven Future Is Here (and Firms are Investing to Stay Ahead)

Technology is no longer a back-office concern, it is front and centre in the KSA Asset Servicing markets. Clients expect the very best tools and systems to administer and safeguard their capital. Automation, real-time reporting and seamless data integration are becoming standard among global providers, allowing for greater transparency, efficiency and scalability. In contrast, many local firms, primarily asset managers completing Asset Servicing activities in-house, still rely heavily on manual processes, increasing the risk of human error, particularly in technically complex functions, such as waterfall calculations, investor allocations and regulatory reporting.

However, technology alone is not a silver bullet. In a market as relationship-driven as the Kingdom, sophisticated infrastructure must be matched by high-touch client service. Institutional allocators still value face-to-face engagement, technical responsiveness and culturally attuned service teams. A robust technology stack can open the door, but it is accurate human execution that builds trust and wins mandates.

Allocators are also increasingly interrogating firms' strategic roadmaps, especially when public claims around digital capability may not align with operational reality. Firms without integrated systems, a clear compliance posture and credible local delivery models could struggle to gain traction with sophisticated

[5] https://nca.gov.sa/en/regulatory-documents/controls-list/317/

clients who are raising their expectations with each new mandate.

The next generation of mandates will go to firms that can prove system integrity, operational transparency and commitment to technology-enabled growth, not just those offering low fees.

3. Fund Administration

The Fund Administration landscape in the KSA has entered a new phase of growth, led by increased institutionalization and rapidly increasing quality of service standards. Historically the market was concentrated around affiliated banks and asset managers servicing fund structures; however, the market has broadened significantly (and continues to do so) in both scope and complexity. Today, the sector is being reshaped by rapid growth in **private placement fund launches**, which has placed new pressure, and new opportunity, on administrators to deliver scalable, institutional-grade solutions.

Assets up for grabs in KSA funds are reaching north of US$ 250bn and are expected to increase to US$ 350bn by 2026[6], and demand from sovereign allocators and regional institutional investors is fueling further growth, with over **60% of Respondents reporting plans to expand their KSA fund administration headcount and service offerings in 2025**.

"A Saudi presence isn't just about location, it's about capability. Local clients expect full-service operations, not offshored engines behind a local shopfront"

Maria Long | Partner | ORC

A Fast-Growing, Evolving Opportunity Set for Fund Administrators

Fund Administrators in the KSA are expanding to support a broader spectrum of asset classes and functions. Services once focused largely on **NAV calculations and capital call processing** are now being supplemented by **waterfall and performance fee modelling (offered by 75% of Respondents), regulatory reporting (88%)** and **investor servicing and transfer agency (62%)**.

While **real estate and private equity funds** still dominate fund administration pipelines, together comprising more than **65% of funds administered by** Respondents, demand is rising for more sophisticated solutions across private credit, venture capital and public markets funds, including a recent move into ETFs, which has limited local fund administration support.

4. Custody

The Custody market in the KSA is undergoing a marked transformation, from a passive, back-office necessity to a strategic cornerstone of the market's infrastructure and a core partner for local firms. Traditionally limited to safekeeping and transactional processing, Custody has rapidly evolved into a vital enabler of investor access, compliance assurance, middle and back-office excellence and market growth, particularly for the universe of private placement funds.

Driven by Vision 2030 and mounting institutional appetite for KSA-domiciled structures, the Kingdom has witnessed a sharp increase in demand for Custody services that meet international standards whilst still being fluent in local Custody nuances. Allocator expectations around transparency, timeliness, automation and risk management have increased in parallel, prompting Custodians to reposition themselves not just as Custodians, but as long-term critical partners.

KSA Custody Nuances are Being Navigated through Global/Local Partnerships

The Kingdom's Custody landscape is shaped by a series of local market-specific nuances that Custodians, local and global alike, must navigate in order to operate effectively.

Central to delivering efficient Custody services in the Kingdom is connectivity to Edaa (the Securities Depository Center) and Tadawul (the Saudi Exchange), which are essential for trade settlement, account opening and proxy voting through Tadawulaty, the country's electronic voting system.

Access to these platforms often requires direct system integration, including Edaa's Graphical User Interface ("GUI"), and specific knowledge of account opening and management procedures and documentation.

Local Custodians have deep knowledge of operational processes tied to Zakat reporting, Sadad payment integration and omnibus versus segregated account structure considerations, which can differ significantly from international practices. Notably, International Organization for Standardization ("ISO") 20022 messaging compliance requires Edaa connectivity, which is typically facilitated by local partners.

[6] *https://www.zawya.com/en/press-release/research-and-studies/saudi-arabian-asset-management-industry-exceeds-sar-1trln-s1lf7drm*

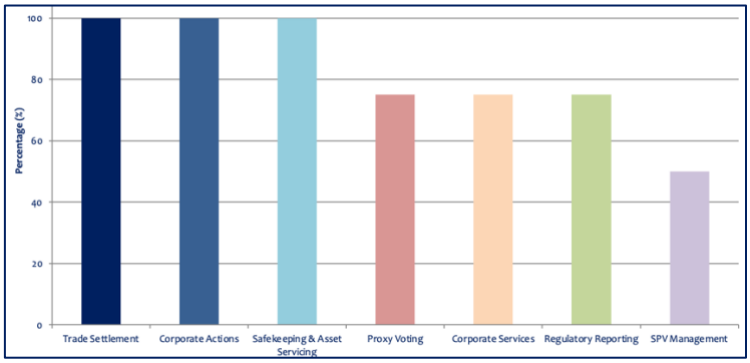
The existence of these nuances reinforces the need for leading and up-to-date KSA Custody market knowledge and infrastructure, which local Custodians typically already have in place, and global providers wanting to remain standalone will need to ensure they resource for.

As a result, many global Custodians rely on white-label solutions or partnerships with local players to ensure seamless trade execution, asset custody and regulatory compliance. These partnerships, while providing a bridge for operational functionality and efficient market access, may not be the future of the KSA Asset Services markets, with more global players expected to obtain their own CMA licenses, this local knowledge and expertise will increase the already significant talent problem the KSA market is currently facing.

A New Era for Custody: From Passive Safekeeping to Strategic Enablement

KSA Custodians now routinely offer a broad range of capabilities beyond just safekeeping. Across Survey Respondents, the most widely provided services include trade settlement, corporate actions processing, safekeeping, cash reconciliation proxy voting and regulatory reporting.

Graphic 1: Services Offered by Custodians in the KSA (as a percentage of Respondents offering KSA Custody)



Source: ORC KSA Custody and Fund Administration Market Study 2025

More advanced, value-add services such as tax reclaim support (42% of Respondents), securities lending (33%) and fund-level performance reporting (17%) are gaining traction, with several Respondents actively developing these offerings to support allocator and fund manager needs.

As allocators increasingly demand CMA-licensed, onshore Custody solutions for private placement funds, Custodians are being called upon to support increasingly complex structures.

Global Custodians are no longer testing the waters; they're anchoring operations in the Kingdom. The quality benchmark has shifted from local adequacy to international excellence.

"Custody is no longer a commodity; it's the strategic scaffolding that institutional capital depends on to operate securely and compliantly in the Kingdom"

Nigel Morriss | CEO | ORC

5. Conclusion

The Kingdom's Asset Servicing markets are no longer emerging, they have arrived. What was once a niche, underdeveloped corner of the global financial system has evolved into a strategic priority for global and regional institutions alike. Today, the sector stands at a critical inflection point, fueled by Vision 2030, market growth and shifting allocator preferences toward locally domiciled, CMA-regulated private placement structures.

Custodians and Fund Administrators that are unable to demonstrate clear, consistent, and actionable roadmaps may find themselves at a disadvantage compared to those investing with the Kingdom's future in mind.

In the past few years alone, the number of private placement funds has nearly tripled. Global entrants, once tethered to local partnerships, have shifted to standalone licenses, embedding operations and hiring aggressively to capture a long-term position. Local players, once protected by incumbency, are under pressure to modernize their systems, sharpen service delivery standards and respond to rising client expectations.

The result is a fast-converging ecosystem where competitive advantage is defined by three things: credible localization, institutional-quality infrastructure and long-term regulatory alignment. There is no room for shortcuts.

Firms reliant on legacy platforms, lip-service strategic roadmaps or deficiencies in resourcing will be left behind. Allocators are watching closely, demanding more transparency, better data and enduring relationships from their Custodians and Fund Administrators.

What happens next will define market leadership. The CMA's evolving regulatory stance will set the tone. Market entrants who invest now, in people, platforms

and strategic presence, will be best positioned to scale with confidence.

This is not the time to wait and see: those who move now will shape the future; those who hesitate may never catch up.

6. How ORC Can Help

ORC specializes in helping Custodians and Fund Administrators, institutional Allocators, and Fund Managers navigate complexity, mitigate risk and raise standards across the Asset Servicing ecosystem in the Kingdom, and globally.

We have led some of the most sophisticated Custodian and Fund Administrator due diligence, selection and oversight exercises in the Kingdom, on behalf of various institutional allocators. Our track record spans both local and cross-border mandates, with deep experience in private placement structures and regulatory frameworks.

Not only do we understand the local landscape; we help shape it. With over 145 years of collective experience across our senior team, we bring sharp insight, operational rigor and a practical approach that adds value from day one.

From strategy to execution, ORC partners with clients to:

- Evaluate and select Asset Servicing providers aligned to institutional standards;
- Enhance oversight frameworks, governance, and reporting;
- Benchmark performance, pricing and capabilities in a fast-moving market; and
- Implement global best practices tailored to the nuances of KSA.

Whether entering the Kingdom, scaling presence or upgrading service quality, ORC acts as a trusted advisor to help you get it right the first time, and stay ahead.

Find Out More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www.orclimited.com


Read our Thought Leadership pieces


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7. About the Authors

Nigel Morriss
Chief Executive Officer

Nigel is a leading global authority, seasoned advisor and operational risk specialist who leads ORC's global advisory practice, delivering strategic solutions to institutional investors across a range of markets. With extensive experience supporting Sovereign Wealth Funds, Central Banks, Custodians, Asset Managers, Pension Funds, and Family Offices, Nigel is recognized for his ability to design and implement robust frameworks that help clients navigate complex financial ecosystems.

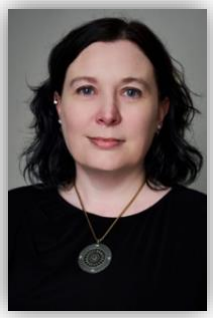
His expertise spans ODD, fund administration, custody services, and the assessment of global operational standards. He brings particular insight into the dynamics of the KSA and GCC investment landscape, including the evolving regulatory and infrastructural developments in Saudi Arabia. Nigel's work ensures that institutions are equipped with best-in-class practices to manage risk, meet compliance expectations, and achieve long-term resilience in a shifting financial environment.

Joseph Haire
Consultant

Joseph is an experienced consultant with deep expertise supporting leading sovereign, government-related and independent financial institutions across the Middle East financial ecosystem.

Joseph has played an important role across numerous Custodian and Fund Administrator selection and monitoring exercises, including involvement in the development and implementation of a Custodian Service Review solution for a leading sovereign entity.

Joseph has conducted hundreds of due diligence exercises across the GCC, with a particular focus on Saudi Arabia and has completed dozens of complex operating model transformation exercises for leading firms, supporting with unlocking their potential for growth, positioning him as a trusted advisor to leading institutional investors and asset managers in the GCC region.



Maria Long
Partner

Maria is a seasoned investment operations specialist and trusted advisor on fund administration, custody, and service provider oversight. Maria advises institutional investors in designing and implementing robust operating frameworks that enhance resilience and governance across complex financial ecosystems. Her career includes senior roles across middle-office operations, fund administration and operational due diligence.

Maria combines deep technical knowledge with practical expertise in service provider management and transformation. Maria advises global investors on best practices, while having also led industry consultations with regulators including the SEC, FCA, MAS, and HKMA. Drawing on her background at the Standards Board for Alternative Investments, Maria brings a unique perspective to aligning institutional needs with industry standards, ensuring that clients achieve long-term operational stability, efficiency, and compliance.

Disclaimers

Sources, Scope and Limitations

This Report has been prepared by ORC as part of an independent analysis of the Custody and Fund Administration market in the Kingdom of Saudi Arabia.

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