

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

**Law Department, Shariah and Law College, Shaqra University
Shaqra City, Kingdom of Saudi Arabia
Email: balmeajel@su.edu.sa**

Abstract:

The Saudi Companies Law provides for the possibility of mergers between companies. Nonetheless, it had been unclear whether the Capital Market Authority would permit mergers involving listed companies. This gap has been filled by a recent amendment to the Law, which tracks the merger structures permitted in the Companies Law by allowing the merger of listed companies through absorption by another company, complete merger, or Securities exchange. Before this amendment, the first regulation for controlling merger transactions was enacted in 2007 and later amended in 2017, and 2023. These legal frameworks indicate Saudi Arabia's oversight over merger activities in Saudi Arabia. However, the question remains whether these frameworks are sufficient to completely regulate merger activities, considering the impacts of merger and the increasing complexity of these transactions. This paper finds that many grey areas still exist within Saudi merger framework, such as the lack of provision for appraisal rights, inadequate regulation of Acquisitions, limited framework for post-merger integration, and ambiguity in valuation standards. This paper makes recommendations in this regard, drawing insights from the corporate landscape in the United States of America and the European Union.

Keywords: merger, acquisition, capital market, Saudi Arabia, law.

دمج الشركات في السوق المالية السعودي: القرار والأثر، تحليل قانوني

د. بدر بن محمد المعجل

أستاذ مشارك في قسم القانون، كلية الشريعة والحقوق

جامعة شقراء، المملكة العربية السعودية

إيميل: balmeajel@su.edu.sa

الملخص:

نص قانون الشركات السعودي على إمكانية الدمج بين الشركات. ومع ذلك، كان من غير الواضح ما إذا كانت هيئة السوق المالية ستسمح بالدمج بين الشركات المدرجة. وقد تم سد هذه الفجوة من خلال تعديل حديث للقانون، الذي تتبع آلية وإجراءات هيكلية الدمج المسموح بها في قانون الشركات من خلال السماح بدمج الشركات المدرجة عن طريق الامتصاص أو الاستحواذ من قبل شركة أخرى، أو الدمج الكامل، أو تبادل الأوراق المالية. قبل هذا التعديل، تم سن أول تنظيم للتحكم في معاملات الدمج في عام ٢٠٠٧ وهي لائحة الاندماج والاستحواذ وتم تعديلها لاحقاً في عام ٢٠١٧ و ٢٠٢٣. تشير هذه الأطر القانونية إلى إشراف المملكة العربية السعودية على أنشطة الدمج في المملكة. ومع ذلك، يبقى السؤال ما إذا كانت هذه الأطر القانونية كافية لتنظيم أنشطة الدمج بشكل كامل، بالنظر إلى تأثيرات الدمج والتعقيد المتزايد لهذه المعاملات. يجد هذا البحث أن هناك العديد من المناطق الرمادية التي لا تزال موجودة في القوانين المنظمة لاندماج الشركات المدرجة في السوق المالية السعودي، مثل غياب أحكام حقوق التقييم، والتنظيم غير الكافي لعمليات الاستحواذ، والإطار المحدود للتكامل بعد الدمج، والغموض في معايير التقييم. ويقدم هذا البحث توصيات في هذا الصدد، مستفيداً من الرؤى المستخلصة من التنظيم القانوني لعمليات اندماج الشركات أسواق المال في الولايات المتحدة الأمريكية والاتحاد الأوروبي.

الكلمات المفتاحية: الاندماج، الاستحواذ، الشركات، سوق الأوراق المالية، المملكة العربية السعودية.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

INTRODUCTION

Mergers are strategic investment actions by companies that can transform industry competitive dynamics and substantially affect corporate performance, investors, and the global economy. The merger process involves the merger or acquisition of separate companies, either through mergers when two organisations combine to form a new entity or acquisitions, in which one company absorbs or incorporates another into its operations.¹ Merger processes could be triggered by factors such as government policies, the need for diversification, the desire to increase company financing, reduce competition and gain the ability to reduce production and increase prices.² Merger activities in Saudi Arabia have escalated over the years as the government implemented measures to diversify the Saudi economy. Merger is employed in Saudi Arabia as a strategic method to achieve various company objectives. The Saudi economy is highly competitive, and the business climate is dynamic;³ Thus, the merger of companies is essential for increasing market share, diversifying offerings, and pursuing new opportunities.⁴ It is equally essential to augment the competitiveness of listed companies, promote the advancement of innovative technology, and bolster their market standing both domestically and internationally beyond the Saudi

¹ Fadi Alkaraan, 'Strategic Investment Decision-Making: Mergers and Acquisitions toward Industry 4.0' (2021) *Advances in Mergers and Acquisitions* 39 – 52, at 42; Mohammed Sawkat Hossain, 'Mergers and Acquisitions (M&A) as an Important Strategic vehicle in Business: Thematic Areas, Research Avenues & Possible Suggestions' (2021) 116 *Journal of Economics and Business* 106004.

² Richard Whish and David Bailey, *Competition Law* (5th ed Lexis Nexis Butterworths, 2003) 785.

³ Abbas Ali, *Business and Management Environment in Saudi Arabia: Challenges and Opportunities for Multinational Corporations* (Routledge 2009)15.

⁴ Hitt, Michael A.; King and Others, 'Creating Value Through Mergers and Acquisitions: Challenges and Opportunities' (2012) *Management Faculty Research and Publications* at 3.

market. The merger of companies listed in Saudi Arabia has led to market concentration, industry consolidation, and economic advancement, creating an advantageous environment for investors. Consequently, a merger is a strategic instrument for publicly listed companies in the Saudi market to enhance operational efficiency, create value, and augment shareholder wealth.⁵

Statistics show an increase in the number of merger transactions in Saudi Arabia. In 2024 alone, Saudi Arabia witnessed a 17.4% rise in merger approvals, reflecting the nation's initiatives to enhance its competitive economic Landscape.⁶ The General Authority for Competition (GAC) approved 202 economic concentration requests, the most significant total in its history. Acquisition agreements in Saudi Arabia accounted for 81% of approvals, joint ventures for 15%, and mergers for 2%.⁷ Although the increase in merger registrations and approvals in Saudi Arabia is in line with its Vision 2030, which seeks to establish a business-friendly atmosphere that draws international investment and fosters sectoral expansion,⁸ there are concerns that the economy may be negatively affected in the long run as companies buy out or merge with their competitors, therefore leading to a possibility of monopoly.

To put companies in check, merger control legislations exist to examine the market power and dominance of firms,⁹ assess the market conditions prior to and after a merger, including potential price escalations resulting from economic concentration.¹⁰ They delineate pertinent products and geographic regions to ascertain the

⁵ Abdul Malik Syed, Doaa AlJedani, and Mahdy Othman, 'Impact of Mergers and Acquisitions on Accounting-based Performance of Acquiring Firms in Saudi Arabia' (2024) 22 (2) Pakistan Journal of Life and Social Sciences 8724 – 8744.

⁶ Reem Walid, 'Saudi Arabia's M&A Approvals Surge 17.4% to Reach Record High' (Arab News, January 8 2025) <<https://www.arabnews.com/node/2585665/amp>> accessed January 25 2025.

⁷ Ibid.

⁸ Ibid.

⁹ Dennis W. Carlton and Jerrery M Perloff, *Modern Industrial Organization* (4th Edition, Pearson Addison Wesley 2005) 642.

¹⁰ Ibid at 642 – 44.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

market share held by the merging entities and their market influence.¹¹ However, market share is not the sole determinant of a company's market dominance.¹² Global merger control regulations establish value limits to regulate mergers and avert concentration activities that may enhance a company's market dominance. Should merging firms exceed these limitations, they must notify authorities, who will evaluate the companies to avert anti-competitive effects in a particular market. The Saudi Capital Market Authority has equally introduced a threshold for merger reporting in Saudi Arabia, discussed in the later part of this paper, with the goal of checkmating mergers that could substantially affect competition or the Saudi economy. These legislations are discussed under two segments in this paper. The first part examines available literature on this issue, while the second part discusses the paper's main thrust.

1. STATEMENT OF THE PROBLEM

Merger control in Saudi Arabia is basically by two laws: Competition Law¹³ and the Companies Law.¹⁴ Over the years, there has been the introduction of Merger Regulations. These laws have witnessed significant changes and amendments in recent times, leading to important questions about how these laws affect merger transactions and the general impacts of these transactions on the economy, stock prices and merging entities. The Companies Law has been the most amended of all merger control regulations as it was amended in 2015 and 2022. It is important to examine whether these laws are sufficient to regulate merger activities, considering the continued increase in merger transactions in Saudi

¹¹ Ibid, at 644.

¹² Ibid.

¹³ Royal Decree No M/75 of 29/06/1440H (corresponding to March 6 2019) Competition Law (Saudi Arabia).

¹⁴ Royal Decree No M/132 of 01/12/1443H (corresponding to June 30 2022), Companies Law (Saudi Arabia).

Arabia. This paper discusses the adequacy of the present merger frameworks in regulating merger in Saudi Arabia and the general impacts of these laws.

2. LITERATURE REVIEW

This segment analyzes and reviews earlier studies on mergers in Saudi Arabia, aiming to identify the gap in the available literature and direct the scope of the present research.

2.1 The Concept of a Merger

According to the Competition Law and the Implementing Regulation of Competition Law (IRCL), a merger is the amalgamation of one firm with another or the consolidation of two or more firms into a new entity.¹⁵ This term encompasses the standard definition applicable to all categories of mergers. Company Law defines mergers as the combination of one or more companies with an existing company or the amalgamation of two or more companies to form a new entity. Musaed N. Aotaibi, in his dissertation, argued that the legal definition of a merger in the Saudi Companies Law involves only the legal protocols governing standard merger activities, specifically the consolidation of one or more companies with another firm or companies.¹⁶ Nonetheless, the notion of mergers in Competition Law has been substantially expanded to encompass more types of mergers and acts that may impact fair competition but are not defined in Companies Law. Malik, Khan and Khan explained that merger transactions entail the amalgamation of stock market performance metrics of the acquirer and target companies through diverse means. Downsizing and cultural incompatibilities arising from mergers, where two enterprises amalgamate to create a new entity, are significant difficulties in mergers and acquisitions. While the bulk of mergers

¹⁵ Article 1 of the Competition Law.

¹⁶ Musaed N Alotaibi, *Does the Saudi Competition Law Guarantee Protection for Fair Competition*, (PhD Thesis University of Central Lancashire, 2011) at 125.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

occur, they are not limited to specific industries; they have extensive repercussions across the financial market.¹⁷

2.2 Impacts/ Effects of Merger Transactions

The dissolution of the legal identity of the target company (the merged entity) is the legal consequence of a merger, differentiating it from an acquisition. This notable effect is referenced multiple times in the Merger Control Regulations. Article 49 states that upon the successful completion of the merger transaction, 'the Merged Company will be dissolved and its shares will be removed from the Exchange...'.¹⁸ Syed, Aljedani and Othman conducted a study on the Impact of Mergers and Acquisitions (M&A) on Accounting Performance of Acquiring firm in Saudi Arabia.¹⁹ These authors discussed the effects of M&A on Saudi Arabia's internal and external market.²⁰ Regarding the internal effects, the authors explained that M&A affects stock price movements. Stock prices may increase if favourable news is disclosed, such as intentions to purchase another company to enhance its market position or pursue new business diversification.²¹ According to the authors, M&A could affect trading volumes. Without substantial news on M&A, investors may partake in other activities. Should the deal be substantial, investors may exhibit considerable interest, resulting in increased activity as individuals and businesses seek to capitalise on possibilities or reallocate their portfolios to optimise their positions.²² Other internal impacts of M&A that the authors discussed include market liquidity and volatility.

Furthermore, Syed, Aljedani and Othman explained that the competitive impact, sector concentration, regulatory framework,

¹⁷ Faizan Malik and Others, 'Mergers and Acquisitions: A Conceptual Review' (2014) 1 International Journal of Accounting and Financial Reporting, 520.

¹⁸ Article 49 of Mergers and Acquisitions Regulations

¹⁹ Syed, Aljedani and Othman, Ibid, note 5 above.

²⁰ Ibid, at 8729 and 8730.

²¹ Ibid, at 8729.

²² Ibid.

and investor mood constitute the external consequences of M&A within the Saudi stock exchange.²³ To tackle the intricacies of the Saudi stock market and guarantee a stable, resilient, and reliable system, the authors recommended that all market participants—investors, regulators, politicians, and others—comprehend the external impacts of M&A. However, this study did not discuss the legal framework for the control of M&A in Saudi Arabia, a gap the present study fills. Also, the authors focused on both M&A, whereas the present study focuses on merger alone.

Abdulmohsen H. Alarfaj conducted a study where he examined the effects and reasons of M&A in Saudi Arabia.²⁴ The author found that M&As in Saudi Arabia are anticipated to enhance merging enterprises' competitive capabilities and profitability and positively influence economic conditions. Furthermore, the author acknowledged the beneficial impacts of M&A on economic welfare and stated that a prudent measure in M&A's operations is to ascertain whether specific qualities of M&A are systematically associated with favourable or negative impacts on performance.²⁵ This study indicates that the nature of M&A (consolidation or acquisition) and the motivations behind M&A (synergy or asset stripping) influence the determinants of M&A's success and failure.²⁶ The author derived the findings from a survey of the top 500 Saudi enterprises, with 124 companies responding to the questionnaire, and seven personal interviews conducted with executives who had encountered M&As and agreed to participate in the research.²⁷ However, Abdulmohsen's study was conducted over a decade ago, and much has changed. This gap in timeframe warrants more research to use current metrics in assessing the impacts of M&A on both the economy and the merging entities.

²³ Ibid.

²⁴ Abdulmohsen H. Alarfaj, *Acquisitions and Mergers in Saudi Arabia: Reasons and Effects* (PhD thesis, University of St. Andrews, 1997).

²⁵ Ibid.

²⁶ Ibid.

²⁷ Ibid.

**COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION
AND IMPACT, A LEGAL ANALYSIS**

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

Nadisah Zakaria and Kamilah Kamaludin²⁸ examined the long- and short-term share performance of acquirer-listed companies on Tawadul. The authors found that (1) Investors may achieve positive market-adjusted abnormal returns in the days immediately preceding and following the announcement date; (2) Investors may realise positive and significant market-adjusted Buy and Hold Abnormal Returns (BHAR) for shares retained for up to 36 months after the conclusion of M&A transactions. The existence of anomalous return opportunities that investors can capitalise on after the M&A announcement date and over the subsequent three-year holding term may offer significant insights for both individual and institutional investors.

Going further, Gattoufi, Al-Muharrami, and Al-kiyumi examined the impacts of M&A on the efficiency of the Gulf Cooperation Council (GCC) commercial banks.²⁹ They found that M&As have a positive effect on the performance of the forty-two (42) GCC banks used as a case study.³⁰ However, this study focused on the GCC, which Saudi Arabia belongs to, but not specifically on Saudi Arabia. Sara Khotbi and Patrick Rousseau conducted a study on the Impact of M&A on emerging countries, using Saudi Arabia as the case study.³¹ They investigated the influence of particular merger attributes on M&A performance. The findings indicate that performance is adversely affected by the degree of indebtedness across all three performance parameters and by sectoral proximity

²⁸ Nadisah Zakaria and Kamilah Kamaludin, 'The Short and Long-run Performance of Mergers and Acquisitions: Evidence from Tadawul' (2018) 22 Academy of Accounting and Financial Studies Journal

²⁹ Said Gattoufi, Saeed Al-Muharrami, and Aiman Al-Kiyumi, 'The Impacts of Mergers and Acquisitions on the Efficiency of GCC Banks' (2009) 4 (4) Banks and Bank Systems 94 – 101.

³⁰ Ibid.

³¹ Sara Khotbi, and Patrick Rousseau 'The characteristics of mergers and acquisitions and their impact on performance in emerging countries: A Saudi Arabian study' (2018) Hal, Open Science, hal-01932855<<https://amu.hal.science/hal-01932855/document>> accessed January 20 2025.

concerning return on equity. The cash level exerts a marginally favourable influence on the three measures. The other explanatory factors do not significantly affect the performance of the acquiring enterprises.³² Ruby Khan and Tabassum Wajida Syed analysed M&A in Saudi Arabia using the Saudi National Bank (SNB) Perspective.³³ Their study revealed that SNB had remarkable post-merger performance, showcasing effective asset utilisation and attractive returns for shareholders, as shown by Return on Equity and Return on Asset. The strategic collaboration between Saudi British Bank and National Commercial Bank (NCB) has preserved and improved financial efficiency and profitability.

Mulhim Hamad Almulhim wrote a critique of Saudi Arabia's M&A Laws.³⁴ The author contends that Saudi Arabia has a substantial demand for mergers and M&A activity and observes that, despite the considerable increase in M&A transactions in recent years, the majority of Saudi Arabia's M&A legislation is neither modern nor sufficiently sophisticated to manage the large, complex M&A deals that are emerging in Saudi Arabia. Some M&A transactions in Saudi Arabia, including the Sahara-Sipchem deal, have failed due to the lack of a regulatory framework that can support and safeguard M&A transactions and enhance M&A operations. The author presented a critique and analysis of the laws of Saudi Arabia. The author contends that the majority of Saudi Arabia's existing M&A legislation dissuades corporations from participating in M&A activities and/or leads to the failure of M&A transactions due to the deficiencies inherent in the laws.³⁵ However, several amendments to the Law and the introduction of new laws have occurred since Almulhim conducted his research in 2016. The present researcher relies on recent laws and amendments

³² Ibid.

³³ Ruby Khan and Tabassum Wajida Syed, 'A Comprehensive Analysis of Mergers and Acquisitions- The Saudi National Bank Perspective' (2024) *Indiana Journal of Economics and Business Management* 2583 – 3758.

³⁴ Mulhim Hamad Almulhim, *A Critique of Saudi M&A Laws* (SJD Dissertation, The Pennsylvania State University, 2016).

³⁵ Ibid.

**COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION
AND IMPACT, A LEGAL ANALYSIS**

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

to the Law to fill this gap. Additionally, an examination of existing literature in this field show that authors use mergers and acquisitions interchangeably, but the present study focuses on mergers mainly.

DISCUSSIONS

A. Merger Control for Listed Companies in Saudi Arabia

The M&A Regulations established by the Capital Market Authority (CMA) and Company Law provisions apply to mergers involving publicly listed companies in Saudi Arabia. The provisions that apply to mergers in the Company Law can be found in Articles 225 – 230. Before introducing the M&A Regulations in 2007, Saudi Arabia lacked a comprehensive code to govern M&A transactions. Only the 1965 Company Laws were somewhat augmented by certain Islamic and contractual concepts, all of which were susceptible to broad interpretation. This resulted in extensive speculation regarding significant matters. Manipulative practices constituted an additional obstacle that, for decades, jeopardised enterprises and their stockholders. The absence of legislative frameworks to oversee M&A deals was unequivocally the most significant challenge in the Saudi industry. The 2006 market meltdown prompted a comprehensive reform of Saudi capital markets regulatory framework.³⁶ Additionally, pursuant to the introduction of the M&A regulations (2007 Code) dated May 1, 2007, the CMA was founded in 2007. This was a significant advancement in the regulation of M&A transactions.³⁷ The CMA was primarily responsible for regulating the public trading of listed firms and subsequently introduced the 2007 Code as the principal regulatory framework for the merger of listed companies in Saudi

³⁶ Mamduoh Abdulaziz Saleh Al-Faryan, ‘Corporate Governance in Saudi Arabia: An Overview of its Evolution and Recent Trends’ (2020) 10 Risk Governance and Control: Financial Markets and Institutions at 24.

³⁷ Almulhim, *ibid* note 34, at 90.

Arabia.³⁸ The Ministry of Commerce applies the general principles of Islamic Law and Saudi Company Law to regulate unlisted enterprises.

Main legislative acts which regulate M&A of listed Companies are;

1. The Companies Law, 2022³⁹
2. Royal Decree No issued the Capital Market Law (the "CML"). M/30 1 dated 02/06/1426H (corresponding to 31 July 2003);
3. The Amended Merger & Acquisition Regulations (the "M&A Regulations") issued by the CMA pursuant to its Board Resolution No. 01-50-2007, dated 21/09/1428H (corresponding to October 3 2007), amended by Resolution of the Board of CMA number 8 -5- 2023, dated 25/6/1444H (corresponding to January 18, 2023).
4. The Competition Law, 2019.⁴⁰
5. The Listing Rules (the "Listing Rules") issued by the CMA under its Board Resolution No. 3-11-2004 dated 20/8/1425H (corresponding to October 4 2004), as amended pursuant to Board Resolution No. 1-64-2016 dated 19/8/1437H (corresponding to May 26 2016).

The Listing Rules have been replaced by the Rules of Offering Securities and Continuing Obligations (the "ROSCO") and the Listing Rules of Tadawul (both approved by the CMA pursuant to its Board Resolution No. 3-123-2017 dated 9/4/1439H (corresponding to December 27 2017)). The M&A Regulations apply to any acquisition or divestiture of voting shares in a company listed on the Saudi Stock Exchange ("Tadawul") that results in an individual or collective ownership or control exceeding 10% of the voting shares; and any proposal to acquire voting shares in such a company that would elevate the offeror's

³⁸ Al-Faryan, *ibid* note 36.

³⁹ *Ibid*, note 13.

⁴⁰ *Ibid*, note 14.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

ownership or control beyond 10% of the voting shares. The Listing Rules/ROSCO permit the cross-listing of a foreign issuer whose securities are already listed on another regulated exchange. All entities listed on Tadawul are joint stock corporations incorporated in Saudi Arabia. Should a foreign issuer be listed on Tadawul in the future, the M&A Regulations shall govern any acquisition of 10% or greater of its voting shares.

B. Balancing Anti-Competitive Effect of Listed Companies' Merger in Saudi Arabia

The Saudi Competition Law 2019 provides a framework for the balancing of the impact of every proposed merger against anti-competitive metrics. The Competition law is based on three pillars: Anti-competitive agreements, Abuse of Dominant Position and Merger.⁴¹ A merger transaction is seen as a rapid and legal means for any company to establish a dominant market position; yet, it may adversely impact other companies and consumers. Consequently, competition law concentrates on merger activities to prevent corporations from exploiting their market strength. Competition law seeks to prevent any contract or agreement between entities that could prejudice competition.⁴² The contract or agreements here includes a merger agreement. It therefore follows that mergers that could place the merging entities in a dominant position so as to enable the merging entities to determine the price of goods and services in the market, determine the weight or quantity of goods to be produced or limit free flow of goods and services, amongst others, are prohibited.⁴³ Additionally, the Law prohibits dominant market entities from exploiting their position to

⁴¹ Nora Memeti, 'Widening the Frontiers of Competition Law: the Impact of Digital Market on our Privacy' (2008) Special Supplement, issue no. 3 Part 2. At 75; William S Comanor and Akira Goto, *Competition Policy in the Global Economy; Modalities for Cooperation* (New York, Routledge, 2005) 373.

⁴² Article 5 of Competition Law 2019.

⁴³ Ibid, Article 5 (1) – (8).

limit competition, such as selling goods or services at lower prices, determining prices or conditions for resale, reducing or increasing product quantities, discriminating in treating similar contracts, refusing to deal with other entities without objective reason, requiring refraining from dealing with another entity, or making the sale or provision of goods conditional upon obligations or acceptance of goods or services not related to the original contract.⁴⁴ Any merger that intends to enable the merging entities to utilise their dominant position in such manner is prohibited.

The Law mandates that economic concentrations meeting the threshold below, should be reported to the GAC at least 90 days before completion of the transaction.⁴⁵ An economic concentration is ‘Any act that results in the total or partial transfer of ownership of assets, rights, equity, shares, or obligations of an entity to another, or the joining of two or more administrations in a joint administration, in accordance with the rules and standards set by the Regulations’.⁴⁶ M&A falls under this category, and must comply with the Competition Law and obtain clearance from the GAC. A notification must be submitted by both the offeror and the offeree company, and approval or non-objection must be obtained from the competition authority when M&A transactions fall under the takeover regime.⁴⁷ Any objection by the authority indicates that the offer will expire. The authority's decision is subject to judicial appeal by the impacted parties.⁴⁸ Both consumer welfare and the evolution of takeover attempts are significantly influenced by antitrust legislation.⁴⁹

⁴⁴ Ibid, Article.

⁴⁵ Ibid, Article 7.

⁴⁶ Ibid, Article 1.

⁴⁷ Ibid, Article 11.

⁴⁸ Ibid, Article 28 (3).

⁴⁹ Ibid, Art. 17.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

C. Overview of the Economic Concentration Notification Threshold

In 2019, the implementation of Saudi Arabia's Competition Law established the Saudi merger control notification threshold for the first time, predicated on the turnover of the merging parties.⁵⁰ The Law required parties intending to engage in an economic concentration to notify GAC if it involves enterprises with a total revenue surpassing 100 million Saudi Riyals (about \$26.6 million). Nonetheless, early experiences indicated that this threshold was insufficient for the Saudi market. Excessive transactions, including those with minimal competitive consequence, were being compelled to notify the authorities. The notification regime in the first place was introduced to ensure that any merger involving companies that may significantly impact the Saudi economy comes under strict scrutiny, but this was defeated by the Low threshold. Earlier in 2023, the GAC raised the notification threshold to 200 million Saudi Riyals (US\$ 53.3 million) to tackle this issue.⁵¹ This new combined turnover threshold represented a constructive advancement; however, it remained feasible to activate a filing obligation, even for transactions involving a target business devoid of assets or sales in Saudi Arabia. Historically, a transaction was deemed to impact Saudi Arabia if any party possessed any level of sales, assets, or prospective business intentions within the country. Consequently, several overseas transactions unrelated to Saudi Arabia were nevertheless ensnared in the threshold. In 2022, 62% of the 316 notifications received by the GAC emanated from overseas transactions.⁵² The GAC then established additional requirements on November 1 2023, elevating the thresholds and restricting filings to companies that significantly influence the local

⁵⁰ Ibid, Article 7.

⁵¹ GAC Press Release, "The General Authority for competition announces raising the minimum threshold for reporting an economic concentration" (March 29 2023).

⁵² See GAC Annual Report 2022, at 151.

economy. The total turnover of 200 million Saudi Riyals have been supplemented by the two criteria discussed below;

1 The Annual Turnover of the target company: The Minimum Target Turnover Threshold

M&A involving two entities, one a single large entity having a global turnover of at least 160 million SAR and two, a minor entity having a global turnover of less than 40 million SAR are exempt from the notification requirement.⁵³ The underlying economic assumptions regarding the implementation of this criterion is that turnover serves as a valid indicator of market power. Therefore, this criterion is intended to generally prevent a significant increase in market power. The highest permissible rise in turnover due to concentration, as per this criterion, is 25%. However, if the target's turnover is below 40 million SAR and the buyer's turnover exceeds 160 million SAR, this percentage will be reduced. The 40 million SAR barrier in the Authority's merger control criteria aligns with the threshold employed in the turnover component of the definition of a medium-sized firm in Saudi Arabia. Consequently, acquisitions involving a small firm, as defined in Saudi Arabia, are exempt from the notification requirements.⁵⁴

2 The annual turnover of the parties in Saudi Arabia needs to be at least SAR 40 million (approximately US\$ 10.6m): The Local Nexus Threshold

The regulations indicate that Saudi Arabia will regulate any economic concentration that may have a direct, substantial, and reasonably foreseeable impact on a market within Saudi Arabia. Consequently, the Authority will often determine that there is insufficient impact on a market where the economic concentration fails to satisfy these criteria.⁵⁵ There is no additional quantification of "direct," "substantial," or "reasonably foreseeable impact". The

⁵³ GAC Guidelines for Economic Concentration Review (July 2021), as amended, in Arabic ("GAC Merger Review Guidelines") 9.

⁵⁴ Rob Van der Laan, 'New Merger Filing Thresholds in Saudi Arabia' (2024) 45 European Competition Law Review, at 226.

⁵⁵ Ibid.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

rules indicate that the influence extends beyond direct sales and may also occur through indirect sales. The guidelines indicate that "substantial" typically signifies that jurisdiction is established when the actual or potential impact of a transaction on a market within Saudi Arabia exceeds triviality; however, the definitions of "more than trivial" and the assertion that this threshold "generally" applies do not create a clear local threshold criterion.⁵⁶ The newly established local nexus criterion, articulated as a value for the combined turnover of the Parties, offers a clear local connection. Consequently, although the former local nexus criterion permitted considerable flexibility, the revised local nexus criterion shifted the emphasis on transparency.

The implementation of the local nexus requirement, mandating that at least one party must have turnover in Saudi Arabia, should be regarded as a beneficial modification that is likely to decrease the incidence of no-issue filings. Nonetheless, although this represents a positive advancement, it is crucial to recognise that the GAC's merger guidelines, revised in accordance with the new thresholds, explicitly state that a transaction will be deemed to possess an adequate local nexus even if only one party's sales in Saudi Arabia surpass SAR 40 million.⁵⁷ Consequently, there remains no obligation for both parties to engage domestically. The revised merger regulation indicates that GAC will deem a sufficient local linkage to examine a transaction even if the parties lack sales in Saudi Arabia, provided they are engaged in global markets that are closely linked to Saudi markets. The relationship between this remark with the establishment of the local turnover criteria remains

⁵⁶ Ibid.

⁵⁷ Tamer Nagy, Reem Albakr and Nazly Khedr, 'Saudi Arabia: New Thresholds for Merger Filings and New Conditional Approvals' White and Case (November 2, 2023) <<https://www.whitecase.com/insight-alert/saudi-arabia-new-thresholds-merger-filings-and-new-conditional-approvals>> accessed January 21 2025.

ambiguous, and further clarification is expected from GAC regarding this matter.⁵⁸

D. Analytical Risks Assessment of the Changes in the Merger Notification Threshold and the GAC's Economic Concentration Considerations

Establishing the merger control threshold in a jurisdiction necessitates a careful consideration of risks and benefits. The advantages for the private sector are clear, as fewer concentrations necessitate approval from the Authority. The possible risk is that harmful economic concentrations, particularly those establishing or reinforcing a dominant market position, will no longer undergo ex-ante examination. The elevated risks associated with the heightened merger control threshold for the Saudi economy seem to be minimal. The hazards seem to be greatest when the turnover thresholds are achieved by entities engaged solely in the provision of a singular and identical product or service (horizontal merger).⁵⁹ The Competition Law of Saudi Arabia establishes a market share threshold of 40%. Both parties, as competitors, satisfy the local nexus criteria. The most significant rise in the horizontal concentration occurs when two parties with comparable revenues (i.e., 20 million SAR) are involved in Saudi Arabia.⁶⁰ If the total relevant market is 40 million SAR, the concentration will transform the duopoly into a monopoly. Nevertheless, in this context, it is difficult to conceive that there would be no entrance threat given the very modest investment required, predicated on the notion that turnover signifies essential investment.

In assessing economic concentration applications, the GAC considers various factors, including market configurations, financial standings of the entities, availability of commodity alternatives, product differentiation, consumer interests, potential

⁵⁸ Ibid.

⁵⁹ Rob Van Laan, note 54 above.

⁶⁰ Ibid, at 227.

**COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION
AND IMPACT, A LEGAL ANALYSIS**

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

effects of economic concentration on pricing, quality, diversification, innovation, or development, actual or potential detriments or advantages to competition, trends and growth in supply and demand, obstacles to new enterprises entering or exiting the market, the extent to which an economic concentration might establish or enhance substantial market power, past anti-competitive actions, and the perspectives of the public, entities associated with economic concentration, and sector regulators. The GAC's role is to ensure that the proposed transaction does not adversely affect competition in the relevant market.⁶¹ Upon notification of the completed concentration request, the GAC must provide its decision within a maximum of 90 days from the date of notification.⁶² The GAC may decide to approve the request, give a conditional approval, or reject the request.⁶³ Nonetheless, the GAC must provide justification for the decisions of conditional approval and rejection.⁶⁴ The Law mandates GAC to inform the applicant of the decision concerning the economic concentration before the conclusion of the 90-day period designated for the examination of the economic concentration, in line with the Law and the Regulations.⁶⁵ The GAC may publicise it. The author contends that this provision could be revised to enhance market openness, as it grants the GAC unfettered authority to communicate and announce its decisions to the public. The item may outline circumstances and considerations under which the GAC may choose not to disclose its decision. If the publication of the decision is likely to adversely affect the relevant market or competition, the GAC may refrain from publishing its decision.

⁶¹ Article 22 of the Implementing Regulations.

⁶² Article 23(1) of the Implementing Regulations.

⁶³ Ibid.

⁶⁴ Ibid.

⁶⁵ Ibid, Article 24.

E. Recent Listed Companies Merger in Saudi Arabia and their Impact

The first merger transaction that warrants an analysis is the National Commercial Bank (NCB) and Samba Financial Group merger. On January 6, 2022, the NCB and Samba Financial Group, headquartered in Riyadh, finalised their merger to establish the Saudi National Bank (SNB). With resources over SR900 billion (\$240 billion) and capital of SR44.7 billion, the new entity was anticipated to be Saudi largest bank, according to a stock exchange report.⁶⁶ The SNB finalised the agreement in a record duration of nine months, commencing on April 1, 2021, so establishing it as the largest and swiftest merger in the region.⁶⁷ The merger included the transfer of personal and corporate customer accounts, as well as treasury, NCB Capital, and Samba Capital clients, with other administrative divisions and the consolidation of both banks' locations.⁶⁸ The bank established over 1.4 million new personal accounts, representing the entirety of its personal banking clientele. It further established accounts for over 11,000 corporate clients, including 100% of small and medium-sized business consumers. It successfully opened and activated all major corporate customer accounts, achieving 100% completion.⁶⁹ On the impact of this merger, study shows that that SNB had remarkable post-merger performance, showcasing effective asset utilisation and attractive returns for shareholders as shown by its Returns on Assets and Returns on Equity.⁷⁰ The strategic cooperation between SAMBA and NCB has not only preserved but also improved financial efficiency and profitability.

Another notable merger is the Saudi British Bank (SABB) and Alawwal Bank merger of 2019. The merger of SABB and Alawwal

⁶⁶ Khan, *ibid*, note 33 at 20.

⁶⁷ *Ibid*.

⁶⁸ Argaam, 'SNB Finalises Merger with Samba Financial Group on Jan. 6' (09 – 01 – 2022) <<https://www.argaam.com/en/article/articledetail/id/1526225>> accessed 1 February 2025.

⁶⁹ *Ibid*.

⁷⁰ Khan, *ibid*, note 33 at 24.

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

Bank united two of Saudi Arabia's most reputable and established financial organisations, marking a significant milestone for the Saudi capital market.⁷¹ After the merger, the consolidated Bank has solidified its status as a premier Saudi financial entity, with total revenue of SAR 8.9 billion in 2020, serving over 1.7 million individual clients and more than 8,800 corporate and institutional clients. The merger of the two banks has established a significant retail and wealth management enterprise, enhancing resources for innovation and engagement with a youthful, technology-oriented clientele. These mergers and many more in Saudi Arabia were closely regulated under the merger control legislations, leading to the next big issue below.

THE ADEQUACY OF MERGER CONTROL LEGISLATIONS IN SAUDI ARABIA AND RECOMMENDATIONS

The Legislation regulating mergers in Saudi Arabia have indeed covered a range of issues. However, some loopholes remain unaddressed. The existence of these loopholes raise doubts about the adequacy of the present merger framework. Firstly, The Saudi Companies Law 2022 does not include an appraisal right,⁷² which would equilibrate the interests of majority and minority shareholders and offer a fair process for dissenting shareholders to withdraw from a firm.⁷³ Appraisal rights enable dissenting shareholders to demand from the company a "fair value" of their shares during mergers or specific substantial changes in the

⁷¹ SABB, 'Positioning for Growth: Annual Report' (2020) at 11.

⁷² Almulhim, *ibid* note 34 at 256.

⁷³ Abdulrahman Nabil Alseh, *Protecting Minority Shareholders in Close Corporations: An Analysis and Critique of the Statutory Protection in Saudi Companies Law* (SJD Dissertation, Indiana University Maurer School of Law, 2019) at 151 -152.

company.⁷⁴ This right would serve as the most appropriate recourse for minority shareholders who are against a firm's merger.⁷⁵ Also, although the Company Law allows shareholders who acquire 90% of the company's voting shares to exit the company when they desire,⁷⁶ it does not provide an exit option for individuals who dissent with the merger decision made during the General Meeting and wish to exit the firm.⁷⁷ Saudi Arabia could learn from the European Union (EU) in this regard where the EU by its Article 126a of Directive 2019/2121 provides a minimum standard of protection and rights to shareholders of a merging company that opposed the approval of the cross-border merger. It allows a shareholder who dissents from the merger resolution at the General Meeting to withdraw from the firm in exchange for equitable recompense for their shares.⁷⁸ Furthermore, the Saudi Law also does not give a parent firm the right to merge with its 90%-owned subsidiary without obtaining shareholder permission, which would enable efficient mergers. Implementing regulations that address legislative deficiencies, such as mergers between parent companies and 90%-owned subsidiaries, will enhance corporate governance and promote efficient M&A transactions. Saudi Arabia could draw lessons from the legal provisions in the United States of America. The Delaware General Corporation Law codifies appraisal rights, enabling dissenting shareholders to demand a judicial determination of 'fair value' of their shares during certain transactions like M&A.⁷⁹

⁷⁴ Gill Mathews, 'The 'Market Exception' in Appraisal Statutes' (2020) Harvard Law School Forum on Corporate Governance at 1

⁷⁵ Jeffery G MacIntosh, 'The Shareholders' Appraisal Right in Canada: A Critical Reappraisal' (1986) 24 Osgoode Hall Law Journal 201-98.

⁷⁶ The Companies Law, 2022, Article 113/a&b

⁷⁷ Omar Salem Alhasani and Shafiqul Hassan, 'Shareholder Protection in Saudi Companies Law: Assessing Merger and Acquisition Efficacy for Unlisted Joint Stock Companies' (2024) International Journal of Scientific Research at 653.

⁷⁸ Thomas Papadopoulos 'Protection of Shareholders in cross-border Merger: The New Harmonized Rules' (2021) 18 European Company and Financial Law Review-ECFR (De Gruyter) at 5-7.

⁷⁹ Delaware General Corporation Law, 8 Del Code § 262 (2023).

COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION AND IMPACT, A LEGAL ANALYSIS

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

Secondly, whereas there are sufficient provisions on mergers in Saudi Arabia, there are inadequate provisions on acquisitions. Despite the significance of acquisitions, particularly in a swiftly expanding emerging market such as that of Saudi Arabia, the Company Law as amended in 2022 failed to address or govern this pre-existing category of transaction.⁸⁰ The lack of explicit definitions and distinctions among various sorts of these relatively new activities in Saudi Arabia may lead to misapplication and misinterpretation of these terminology by investors, company executives, academics, and the media.⁸¹ This ambiguity can adversely affect the financial-legal system of Saudi Arabia. This loophole calls for a closer look at using the Law to regulate acquisitions. Saudi Arabia could learn from the U.S again in this regard where there are plethora of laws regulating acquisitions in the states.

Thirdly, Saudi Arabia's Companies Law and CMA Regulations lack clear guidelines for valuation standards during an M&A.⁸² The Law merely requires that the standards should be 'fair' without defining what is fair, leading to varying results and potential disputes. The Law relies on the opinion of independent experts. However, the lack of standardised qualifications and certification processes for independent experts also contributes to inconsistent valuations and concerns about their impartiality and competence.⁸³ This paper recommends the adoption of internationally recognised

⁸⁰ Acquisition is not mentioned in the Company Law; only mergers were regulated under the section 'Companies transformation and merger' in Articles 225 - 230 of the Company Law, 2022.

⁸¹ For example, an article about a new imminent merger in Al-Jazirah, a well-known newspaper in KSA, used the term 'acquisition' in the title and the term 'merger' in the article to describe the same possible deal. See Al-Jazirah 1 (October 8 2020) 1171518 Arabic version, available at: <<https://www.al-jazirah.com/2020/20201018/ar5.htm>>

⁸² Salem and Hassan, *ibid* note 77 at 652.

⁸³ *Ibid*.

valuation standards like the International Standards Council or International Financial Reporting Standards for consistency and transparency. The Companies Law should define "fair value" clearly, outlining appropriate valuation methods and guidelines for weighting factors like market value, future earnings, or asset value. This would ensure transparency and consistency in financial reporting.

CONCLUSION

Companies' merger has emerged as a widespread phenomenon across various industries and regions worldwide. It is generally ascribed to variables like globalisation, technological improvements, legislative changes, and consumer preferences. It provides benefits and challenges, presenting growth opportunities and competitive advantages while also introducing integration issues, cultural clashes, financial strains, and reduced shareholder satisfaction. While some companies' mergers transactions could lead to extraordinary success, others end in bankruptcy and unprofitability. Current research suggests that wealth generation resulting from mergers, if it occurs, is merely transient. Unusual stock performance subsequent to companies' mergers news rapidly reverts shortly thereafter. Finance experts have concluded that, over an extended duration, companies' mergers operations diminish shareholder wealth, resulting in negative abnormal performance for the acquiring organisations.⁸⁴ In the 1990s, research indicated that long-term post-acquisition performance produced results statistically indistinguishable from zero.⁸⁵ Nevertheless, the concerns regarding the short- and long-term impacts of companies'

⁸⁴ R Yaghoubi and Others, 'Mergers and acquisitions: A review (Part 1)' (2016 a) *Studies in Economics and Finance*, 33(1), 147-188.

⁸⁵ F Mager, F., & Meyer-Fackler, 'Mergers and acquisitions in Germany: 1981-2010' (2017) *Global Finance Journal* 32-42; A Zaremba & M Plotnicki, 'Mergers and acquisitions: Evidence on post-announcement performance from CEE stock markets' (2025) 17 (2) *Journal of Business Economics and Management* 251-266.

**COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION
AND IMPACT, A LEGAL ANALYSIS**

Dr. Badar Mohammad Almeajel

مجلة علمية محكمة

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية)

mergers activities on share price performance, the merging entities and the Saudi economy are considered one of the numerous enigmas in corporate finance.⁸⁶

This paper has revealed the increase in companies' mergers activities in Saudi Arabia, especially as the government works to achieve its vision 2030. M&A Regulations, Companies Law, and Competition Law has been used to control merger activities in Saudi Arabia. Despite the existence of these Laws, this research concludes that these laws are insufficient to regulate M&A in Saudi Arabia. Legislative review is necessary to ensure grey areas are tackled as companies' mergers discussions continue to take centre stage in the Saudi Corporate Landscape.

⁸⁶A Agrawal, J.F Jaffe & GN Mandelker, 'The post-merger performance of acquiring firms: A re-examination of an anomaly' (1992) 47 (4) The Journal of Finance 1605-1621.

REFERENCES

- A Zaremba & M Płotnicki, 'Mergers and acquisitions: Evidence on post-announcement performance from CEE stock markets' (2025) 17 (2) *Journal of Business Economics and Management* 251-266.
- Aseh, Abdulrahman Nabil *Protecting Minority Shareholders in Close Corporations: An Analysis and Critique of the Statutory Protection in Saudi Companies Law* (SJD Dissertation, Indiana University Maurer School of Law, 2019)
- A Agrawal, J.F Jaffe & GN Mandelker, 'The post-merger performance of acquiring firms: A re-examination of an anomaly' (1992) 47 (4) *The Journal of Finance* 1605-1621.
- Abbas Ali, *Business and Management Environment in Saudi Arabia: Challenges and Opportunities for Multinational Corporations* (Routledge 2009)15.
- Abdul Malik Syed, Doaa AlJedani, and Mahdy Othman, 'Impact of Mergers and Acquisitions on Accounting-based Performance of Acquiring Firms in Saudi Arabia' (2024) 22 (2) *Pakistan Journal of Life and Social Sciences* 8724 – 8744.
- Abdulmohsen H. Alarfaj, *Acquisitions and Mergers in Saudi Arabia: Reasons and Effects* (PhD thesis, University of St. Andrews, 1997).
- Dennis W. Carlton and Jerrery M Perloff, *Modern Industrial Organization* (4th Edition, Pearson Addison Wesle 2005) 642
- Fadi Alkaraan, 'Strategic Investment Decision-Making: Mergers and Acquisitions toward Industry 4.0' (2021) *Advances in Mergers and Acquisitions* 39 – 52
- F Mager, & Meyer-Fackler, 'Mergers and acquisitions in Germany: 1981-2010' (2017) *Global Finance Journal* 32-42
- Faizan Malik and Others, 'Mergers and Acquisitions: A Conceptual Review' (2014) 1 *International Journal of Accounting and Financial Reporting*, 520.

**COMPANIES MERGER IN SAUDI CAPITAL MARKET: DECISION
AND IMPACT, A LEGAL ANALYSIS**

Dr. Badar Mohammad Almeajel

المجلة القانونية (مجلة متخصصة في الدراسات والبحوث القانونية) مجلة علمية محكمة

Jeffery G MacIntosh, 'The Shareholders' Appraisal Right in Canada: A Critical Reappraisal' (1986) 24 Osgoode Hall Law Journal 201-98.

Gill Mathews, 'The 'Market Exception' in Appraisal Statutes' (2020) Harvard Law School Forum on Corporate Governance at 1.

Hitt, Michael A.; King and Others, 'Creating Value Through Mergers and Acquisitions: Challenges and Opportunities' (2012) Management Faculty Research and Publications.

Mohammed Sawkat Hossain, 'Mergers and Acquisitions (M&A) as an Important Strategic vehicle in Business: Thematic Areas, Research Avenues & Possible Suggestions' (2021) 116 Journal of Economics and Business 106004.

Musaed N Alotaibi, *Does the Saudi Competition Law Guarantee Protection for Fair Competition*, (PhD Thesis University of Central Lancashire) at 125.

Mulhim Hamad Almulhim, *A Critique of Saudi M&A Laws* (SJD Dissertation, The Pennsylvania State University, 2016).

Mamduoh Abdulaziz Saleh Al-Faryan, 'Corporate Governance in Saudi Arabia: An Overview of its Evolution and Recent Trends' (2020) 10 Risk Governance and Control: Financial Markets and Institutions.

Nora Memeti, 'Widening the Frontiers of Competition Law: The Impact of Digital Market on our Privacy' (2008) Special Supplement, issue no. 3 Part 2.

Omar Salem Alhasani and Shafiqul Hassan, 'Shareholder Protection in Saudi Companies Law: Assessing Merger and Acquisition Efficacy for Unlisted Joint Stock Companies' (2024) International Journal of Scientific Research.

Rob Van der Laan, 'New Merger Filing Thresholds in Saudi Arabia' (2024) 45 European Competition Law Review, at 226.

- Richard Whish and David Bailey, *Competition Law* (5th ed Lexis Nexis Butterworths, 2003) 785.
- Reem Walid, 'Saudi Arabia's M&A Approvals Surge 17.4% to Reach Record High' (Arab News, January 8 2025) <<https://www.arabnews.com/node/2585665/amp>> accessed January 25 2025.
- Ruby Khan and Tabassum Wajida Syed, 'A Comprehensive Analysis of Mergers and Acquisitions- The Saudi National Bank Perspective' (2024) *Indiana Journal of Economics and Business Management* 2583 – 3758.
- R Yaghoubi and Others, 'Mergers and acquisitions: A review (Part 1)' (2016 a) *Studies in Economics and Finance*, 33(1), 147-188.
- Said Gattoufi, Saeed Al-Muharrami, and Aiman Al-Kiyumi, 'The Impacts of Mergers and Acquisitions on the Efficiency of GCC Banks' (2009) 4 (4) *Banks and Bank Systems* 94 – 101.
- Sara Khotbi, and Patrick Rousseau 'The characteristics of mergers and acquisitions and their impact on performance in emerging countries: A Saudi Arabian study' (2018) *Hal, Open Science*, hal-01932855<<https://amu.hal.science/hal-01932855/document>> accessed January 20 2025.
- Tamer Nagy, Reem Albakr and Nazly Khedr, 'Saudi Arabia: New Thresholds for Merger Filings and New Conditional Approvals' *White and Case* (November 2, 2023) <<https://www.whitecase.com/insight-alert/saudi-arabia-new-thresholds-merger-filings-and-new-conditional-approvals>> accessed January 21 2025.
- Thomas Papadopoulos 'Protection of Shareholders in cross-border Merger: The New Harmonized Rules' (2021) 18 *European Company and Financial Law Review-ECFR* (De Gruyter).
- William S Comanor and Akira Goto, *Competition Policy in the Global Economy; Modalities for Cooperation* (New York, Routledge, 2005) 373.