Qoyod Report

The Birth of Business in Saudi Arabia: 71,000 Commercial Registers in One Quarter

A full read in numbers of the Ministry of Commerce Quarterly Business Sector Bulletin for Q2 2026: the size of the Saudi business base, business forms split between establishments and companies, the regional map, the top sectors by issuance, growth rates across the promising sectors, and the accounting obligations that begin the moment the commercial register is issued.

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Every single day, hundreds of new businesses are born in Saudi Arabia. In the second quarter of 2026 alone, more than 71,000 commercial registers were issued, roughly 780 a day, taking the total number of active registers in the Kingdom past 1.9 million with 12% annual growth. This report reads the Ministry of Commerce business sector bulletin in numbers: who is opening these registers, in which regions, in which sectors, and what the promising sectors reveal about the shape of the Saudi economy to come. It then answers the question that follows incorporation immediately: which accounting obligations start the moment the register is issued?

71K	1.92M	12%	47%
commercial registers issued during Q2 2026	total active commercial registers at the end of Q2 2026	growth in active registers versus Q2 2025	women's share of the registers issued during the quarter

A success story written daily: 780 new registers

The headline figure in the Ministry of Commerce business sector bulletin for Q2 2026 deserves a pause: more than 71,000 new commercial registers in three months. Across the 91 days of a single quarter, that means the Saudi economy sees roughly 780 new businesses born every day, holidays included. And this momentum is not a one-quarter exception: the first quarter of the same year also recorded more than 71,000 issued registers, which means the pace of incorporation has settled at a high level rather than spiking seasonally.

The cumulative result is that the total number of active commercial registers in the Kingdom reached 1,918,512 by the end of Q2 2026, up 12% on the same quarter of 2025. This broad base is the real engine of the non-oil economy, and at the same time it is the clearest signal that the Saudi business environment has become attractive for incorporation to a record degree.

The size of the Saudi business base at the end of Q2 2026

1,918,512 **active commercial registers**

across all regions of the Kingdom, up 12% on Q2 2025

71K registers issued in the quarter | **about 780 registers a day** | **1.89M at the end of Q1**

Source: Ministry of Commerce, Quarterly Business Sector Bulletin, issue 14, Q2 2026. The daily rate is a Qoyod calculation dividing issued registers by the days in the quarter.

This progress has been crowned with notable global standing: the Kingdom ranked 3rd worldwide in the legislative support for company establishment index, 4th worldwide in the economic opportunity equality index, and 7th worldwide in the index of large companies operating efficiently by international standards, according to the Global Competitiveness Report. Third place worldwide in incorporation legislation explains the daily figure: the regulatory environment itself was designed to make starting a business easier and faster.

Sole establishment or company? The map of business forms

The base of active registers splits into two main forms: establishment registers and company registers. The Q2 2026 distribution gives a precise picture of the economy's composition.

Composition of active commercial registers at the end of Q2 2026

Establishment registers

1,280,505

including 1,033,041 main registers and 247,464 subsidiary registers, up 18% over five years

versus

Company registers

638,007

including 550,941 main registers and 87,066 subsidiary registers

establishments 67% of the base | **companies 33%** | **branches 17% of the total**

Source: Ministry of Commerce, Quarterly Business Sector Bulletin, Q2 2026. Percentages are Qoyod calculations from the published counts.

More telling than the static picture is the direction of travel over five years (2021 to 2026), and here a genuine leap appears in the legal form businesses choose: establishment registers grew 18%, while limited liability company registers grew 173% to exceed 612,000, and joint stock company registers grew 47%. Limited liability companies are therefore growing at close to ten times the pace of sole establishments.

Five-year growth in active registers (2021 to 2026) by business form

612K limited liability company registers | **a shift toward the corporate form**

Source: Ministry of Commerce, Quarterly Business Sector Bulletin, Q2 2026, overview of commercial register growth.

This shift from the sole establishment to the limited liability company is not a legal detail, it is a fundamental change in obligations: a company must file annual financial statements, separate its finances from those of its owner, and keep books that can withstand audit. So 173% growth in this form means parallel growth in demand for structured, compliant accounting.

The regional map: where Saudi business clusters

The geographic distribution of active registers draws the Kingdom's economic centres of gravity. Riyadh leads by a clear margin, followed by Makkah and then the Eastern Province, and these three regions together hold roughly 71% of all active registers.

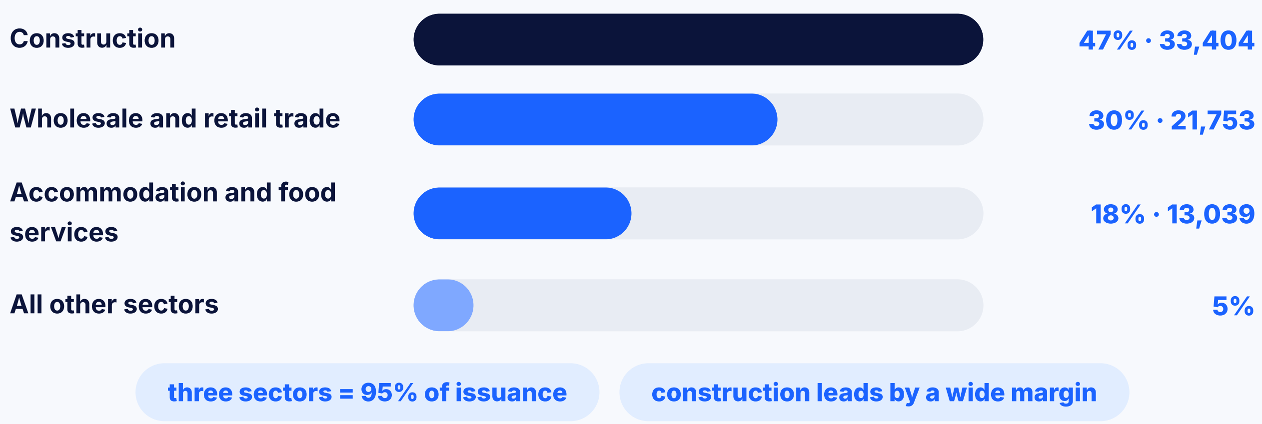
Region	Active registers	Share of total
Riyadh	666,108	34.7%
Makkah	397,029	20.7%
Eastern Province	302,165	15.7%
Qassim	101,550	5.3%
Asir	95,990	5.0%
Madinah	93,995	4.9%
All other regions	261,675	13.7%
Total	**1,918,512**	**100%**

The practical meaning of this map is that market opportunity is no longer confined to the three largest cities. A single region such as Qassim hosts more than 101,000 commercial registers, a complete market in its own right, while the remaining regions together exceed a quarter of a million registers. The spread of commercial activity into cities, governorates and villages, driven by the rise of those cities as attractive tourism destinations, feeds directly into commercial establishments and small and medium enterprises through higher spending inside those areas.

Three sectors take 95% of new incorporations

Where exactly are new businesses born? The bulletin shows that construction, wholesale and retail trade, and accommodation and food service activities together took roughly 95% of all commercial registers issued during Q2 2026.

Top sectors by commercial registers issued in Q2 2026



Source: Ministry of Commerce, Quarterly Business Sector Bulletin, Q2 2026, top 10 sectors in issued registers by added activities. Percentages as published in the bulletin.

This distribution fits the building phase the Kingdom is living through: construction in front, responding to the scale of giga projects and urban expansion; wholesale and retail trade meeting growing consumer demand; and accommodation and food services accompanying the growth in tourism traffic. The next sectors on the list include transport and storage, manufacturing, administrative and support services, and professional, scientific and technical activities.

Each of these three sectors has a completely different accounting nature. Construction needs project accounting, cost centers and progress billing; retail needs point of sale linked to inventory; restaurants need recipe costing and shift cash management. For the full picture of the smallest cost lines a business carries, see the [Cost of Running a Small Business in Saudi Arabia report].

Women and youth: half of the new economy

One of the finest things the bulletin reveals is that the birth of businesses in Saudi Arabia has become a story shared across genders and generations. Registers issued to women during Q2 2026 accounted for about 47% of all issued registers, women-owned registers made up 46% of all active establishment registers, and youth-owned registers reached 38%.

Participation of women and youth in the Saudi business base

Women's share of registers issued in Q2 2026	47%
Women's share of active establishment registers	46%
Youth share of owned registers	38%

Kingdom ranked 4th worldwide in economic opportunity equality

Source: Ministry of Commerce, Quarterly Business Sector Bulletin, Q2 2026.

The 47% figure for issued registers is an achievement worth celebrating, and it maps directly onto the Kingdom's 4th place worldwide in the economic opportunity equality index. With youth at 38%, the Saudi business base today is broader in representation and more diverse than at any point before, a direct fruit of the empowerment path launched by Saudi Vision 2030.

Promising sectors: how the coming economy is taking shape

Alongside the traditional sectors, the bulletin devotes space to the promising sectors opened up by Saudi Vision 2030, and their growth rates reveal where the Saudi economy is heading in the years ahead. The figures below compare active registers at the end of Q2 2026 with their counterparts in Q2 2025.

Activity	Q2 2025	Q2 2026	Growth
Cloud computing services	4,763	6,802	42%
Hotels	19,380	26,801	38%
Artificial intelligence technologies	16,908	22,591	33%
Railway infrastructure	4,192	5,607	33%
Sports academies	3,255	4,218	29%
Museums	2,338	3,035	29%
Home medical service centers	3,577	4,580	28%
Logistics services	23,723	29,856	25%
Market research and opinion polling	9,394	11,748	25%
Research and development in biotechnology	2,394	3,005	25%
Amusement and gaming cities	7,710	9,117	18%

Cloud computing growing 42% and artificial intelligence technologies 33% in a single year reflects the acceleration of technology adoption in the Saudi economy. The bulletin confirms the same trend over a longer window: commercial registers in artificial intelligence technology activities reached 19,042 in 2025 against 14,163 in 2024, while cybersecurity activities recorded 9,766 registers against 7,689 over the same period.

Tourism repeats the same rising picture: resort registers grew 43% to 16,147, tour operation grew 33% to 12,264, tourist guide activities grew 38% to 7,963, and travel and tourism agencies grew 32% to 17,536.

E-commerce: growth in active registers over one year

Q2 2025		Q2 2026
39,366 active e-commerce registers	up 23%	**48,497** active e-commerce registers

Riyadh 21,388 | Makkah 12,269 | Eastern Province 7,235

Source: Ministry of Commerce, Quarterly Business Sector Bulletin, Q2 2026, top five regions by active e-commerce registers.

E-commerce added more than 9,000 active registers in a single year. The full picture of the sector's sales and indicators is in the E-Commerce in Saudi Arabia report.

What actually begins the moment the register is issued

Issuing a commercial register is not the end of the paperwork, it is the beginning. The most significant item the Q2 bulletin covered on this front is Ministerial Decision No. 236 dated 26/11/1447H, issued by the Minister of Commerce Dr Majid Al-Qasabi, which imposes a direct penalty on anyone who fails in the duty to file financial statements.

The decision imposes a warning penalty on those in breach for financial year 2024, increases the fine by 50% for the second financial year where the non-filing violation is repeated for two consecutive financial years from the date of the decision and the first year's violation decision becomes final, and replaces Ministerial Decision No. 239 dated 27/11/1445H. Most importantly for small businesses, the decision accounts for their size: the fine on small and micro companies under article seven of the implementing regulations of the Companies Law is SAR 4,000 where there is a single manager or chairman, and SAR 2,000 where management responsibility is shared.

Ministerial Decision 236: the fine on the person responsible for management for failing to file financial statements

Small and micro companies, single manager	**SAR 4,000**
Small and micro companies, two or more managers	**SAR 2,000**
Fine increase on repetition in a second financial year	**50%**

the fine is personal to the manager **warning for financial year 2024**

Source: Ministry of Commerce, Ministerial Decision No. 236 dated 26/11/1447H, as covered in the Quarterly Business Sector Bulletin for Q2 2026.

Beyond filing financial statements, a familiar chain of financial obligations starts with the commercial register: VAT registration is mandatory once annual taxable supplies exceed SAR 375,000 and optional above SAR 187,500; e-invoicing phase two keeps widening through revenue-based waves set by the Zakat, Tax and Customs Authority; and then annual financial statements must be prepared and filed through the Qawaem platform.

For the e-invoicing integration wave path, see the E-Invoicing Adoption in Saudi Arabia report, and for the wider SME picture see Saudi SMEs in 2026.

This is where the practical value of an accounting system shows from day one. A business that builds its books correctly from the first entry prepares its financial statements on time without pressure, issues invoices compliant with the Zakat, Tax and Customs Authority, and knows its profit and costs at any moment. Qoyod is an Arabic cloud accounting system that does exactly this for small and medium businesses: structured double-entry bookkeeping, an income statement and balance sheet ready whenever you need them, compliant electronic invoicing, and profit and cost reports that reflect your entries as you post them.

Recommendations

Five practical steps to take away from the figures in this report:

- Choose your business form knowing its obligations. The limited liability company is growing 173% over five years because it is the preferred form for expansion, but it must file annual financial statements.
- Open the books with the register, not a year later. Preparing financial statements on time requires structured entries from day one, and the non-filing fine is personal to the person responsible for management.
- Watch the tax registration threshold. Crossing SAR 375,000 in annual taxable supplies makes VAT registration mandatory.
- Weigh your location decision with market numbers. Qassim alone hosts more than 101,000 registers, and opportunity is no longer confined to the three largest cities.
- Review the promising sectors before choosing your activity. Cloud computing, hotels, artificial intelligence and logistics are growing between 25% and 42% in a single year.

1.9 million active commercial registers, 71,000 new registers in a single quarter, and 47% of them issued to women: these are the numbers of an economy expanding with confidence and opening its doors to everyone. The businesses that turn this opportunity into lasting success are the ones that build their financial foundation with the same precision they bring to their ambition.

Sources

1. Ministry of Commerce: Quarterly Business Sector Bulletin, issue 14, Q2 2026 (the primary source for all register, sector and region figures in this report).

2 Saudi Press Agency (SPA): the Ministry of Commerce issues the business sector bulletin, with more than 71,000 commercial registers issued during Q2 2026.

3 Ministry of Commerce: quarterly business sector bulletins page.

4 Ministry of Commerce via Argaam: more than 71,000 commercial registers issued during Q1 2026 with total active registers at 1.89 million.

5 Saudi Press Agency (SPA): the Minister of Commerce issues a ministerial decision imposing a direct penalty on anyone failing in the duty to file financial statements.

6 Ministry of Commerce: companies whose financial year ended at the close of 2025 called to file their financial statements before the statutory deadline.

7 Zakat, Tax and Customs Authority: mandatory VAT registration threshold of SAR 375,000 and voluntary threshold of SAR 187,500, with e-invoicing phase two rolled out in revenue-based waves.