

Circular No. E/5/2021

Chairpersons,
Chief Executive Officers/General Managers,
Auditors,
Public Joint Stock Companies
Investment Funds
Insurance Companies and Brokers
The Companies Operating in the Field of Securities

After Compliments,

Subject: Electronic Disclosure using XBRL

The Capital Market Authority is always endeavoring to upgrade the capital market and insurance sector in Oman; by enhancing the levels of disclosure and transparency in the MSM by adopting the relevant best international practices or enhancing and updating the legislations and laws or through betterment and advancement of the electronic systems. We are delighted to inform you of the commencement of implementation of electronic disclosure system using “ ***Extensible Business Reporting Language***” (XBRL) which is one of the key strategic projects of the CMA scheduled for implementation this year.

The project aims to provide the companies and investors the ability to conduct audit and analysis of information in efficient electronic way. XBRL transforms financial statements and data using IFRS Taxonomies and codes which are then readable by humans as well as machines (computers) enabling easier access to the information therein and comparison of its contents.

Electronic disclosure using XBRL language will reduce the time and effort required for processing of financial data or obtaining specific information or reports as the companies issue various reports required by different regulators. Most often such reports contain the same data but in different forms leading to repetition of work. The main features of XBRL is that the output fulfills the requirements of different

entities the company is required to disclose thereto as such entities are equipped with computers and systems that are able to read the XBRL language without the need to prepare the reports in specific manner.

XBRL allows for quick analysis of the data released by the companies for use by financial analysts without the need for rearrangement or re-preparation. Moreover, the data is more reliable because they are directly issued by the company not through any other provider of data which involves operational risks and errors resulting from manual entry of data.

The project will be implemented and combined with the existing disclosure system of MSM. The taxonomy will be in Arabic and English.

Hence, CMA would like all regulated entities to take part in its projects and invite them to visit the CMA's website www.cma.gov.om to access the documentation and details of the project. We also invite you to attend and take part in the meetings and workshops to be organized during the period from February 8 to 14, 2021 to discuss the documents and working mechanisms of the system.

For any enquiries or comments you may communicate through email: xbri@cma.gov.om or Telephone # 24823224

Best Regards,

Abdullah Salim Abdullah Al Salmi
Executive President

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