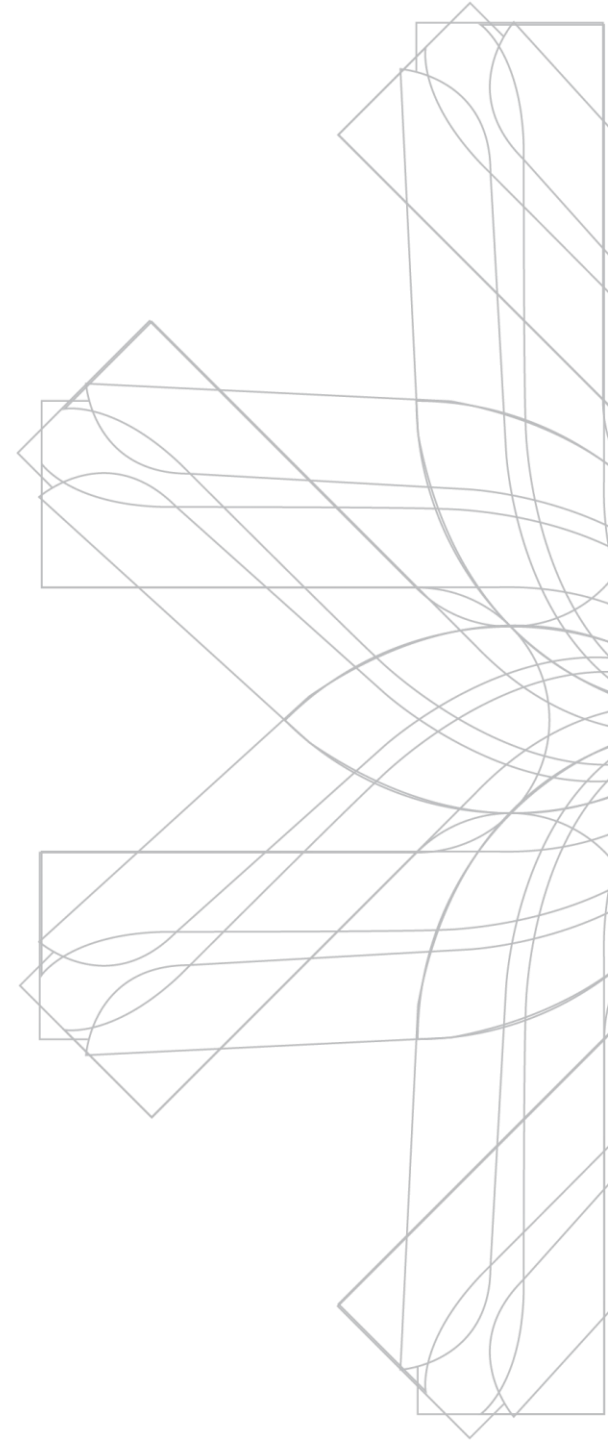




المتحدة للأوراق المالية ش.م.م
UNITED SECURITIES LLC.

Top 20 Investment Ideas for 2026

18 December 2025



2026 >> an inflexion point



GCC regional growth remains resilient despite softer oil prices, ongoing OPEC+ supply management, and heightened global uncertainty. The key stabilizing force continues to be strong non-oil activity across the region, which offsets weaker hydrocarbon contributions. Saudi Arabia and the UAE remain the principal drivers of expansion, supported by solid private-sector momentum, normalized inflation, and sizable fiscal and external buffers that provide meaningful policy flexibility, supporting real incomes and consumption. Although headline GDP growth has slowed alongside oil output, macroeconomic fundamentals remain robust. Strong sovereign balance sheets and manageable fiscal trajectories are cushioning the impact of lower oil revenues.

In **Saudi Arabia**, non-oil growth remains resilient even as fiscal policy turns mildly restrictive. The 2026 budget statement signals a wider deficit in 2026, followed by gradual consolidation rather than abrupt austerity. Structural reforms remain a key positive, particularly the removal of foreign ownership limits, which could attract up to USD 30 billion in inflows, including passive index-related flows. The Public Investment Fund's strategic shift away from heavy concentration in mega-projects toward AI, gaming, and high-tech manufacturing reflects a recalibration toward more scalable and economically efficient investments that support long-term diversification.

The **UAE** continues to deliver the region's strongest non-oil growth story. Economic expansion is underpinned by population inflows, robust tourism, strong PMI momentum, and sustained investment in infrastructure, logistics, energy transition, and industrial projects. Fiscal positions remain firmly in surplus, and inflation is benign. However, equity markets appear fully priced after a strong rally, and leaves them vulnerable to near-term profit-taking, even as medium-term fundamentals remain favorable.

Oman stands out as one of the region's most credible reform stories. Fiscal consolidation has significantly reduced public debt, inflation is among the lowest in the GCC, and non-oil growth is steady. These improvements support further sovereign rating upgrades and raise the prospect of eventual EM index inclusion, which could unlock additional upside in equity markets.

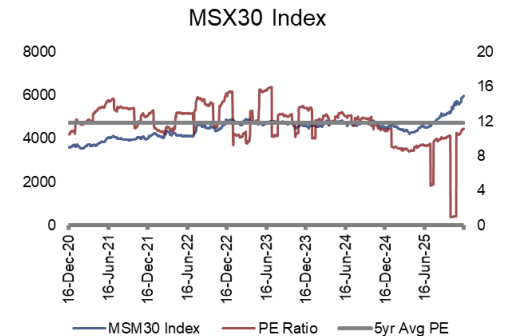
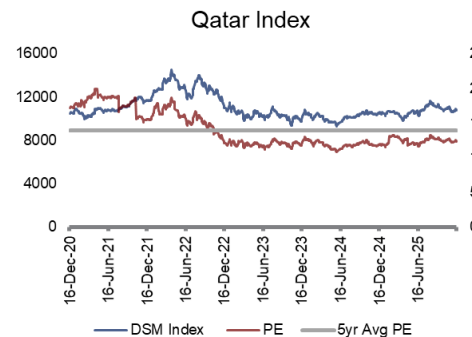
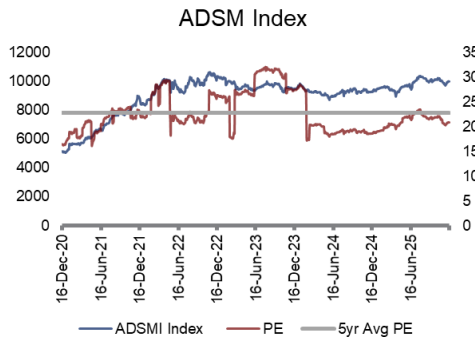
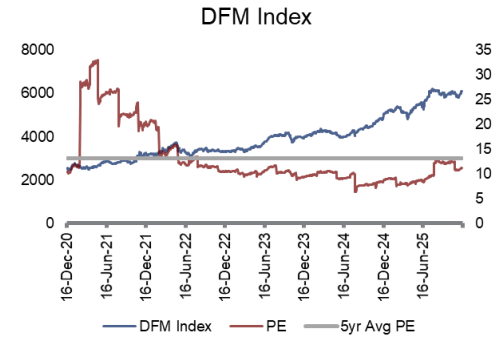
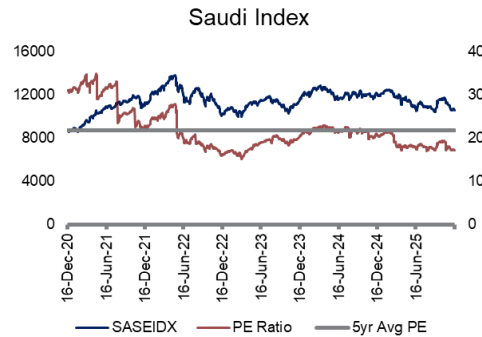
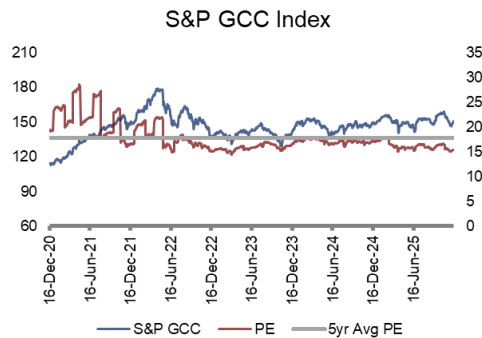
Kuwait's growth profile is more subdued. While non-oil momentum has stabilized, it lacks strong acceleration. The approval of the new debt law represents a significant milestone, restoring sovereign market access and improving fiscal flexibility. However, recent political developments and uncertainty surrounding mortgage law implementation mean that effective execution will be critical to unlocking stronger growth outcomes. Despite these challenges, substantial external assets and low inflation continue to underpin macroeconomic stability.

Qatar's economy remains stable, supported by steady non-hydrocarbon expansion. While near-term growth is moderate, the medium-term outlook is strengthened by the North Field LNG expansion, which is expected to boost output, fiscal revenues, and external balances from 2026 onward.

Overall, while oil price dynamics remain a constraint and face limited upside due to OPEC+ supply increases and easing physical market tightness, GCC growth is increasingly anchored by non-oil engines, structural reforms, and diversification efforts. This shift is creating selective opportunities across both equity and fixed-income markets. In addition, progress in ceasefire talks has begun to reduce regional geopolitical risk, improving investor sentiment. *We expect 2026 to mark a positive inflection point for GCC economies, with favorable implications for regional equity markets.*



GCC markets trading below long term averages



Top 20 for 2026



S.No	Company	Exchange	CMP LCL	TGT LCL	Upside (%)	Market cap (USD mn)	Rationale
Banking							
1	Saudi National Bank	TASI	36.72	46.00	25.3%	59,486	Market leader. Focus on expanding market share/enhancing fee income
2	Abu Dhabi Com Bank	ADX	14.42	17.50	21.4%	28,500	Guided for doubling profits in next 5 years, raised AED 6.1bn, growth capital
3	Abu Dhabi Islamic Bank	ADX	20.90	25.50	22.0%	20,495	High ROE. Share of individual and govt loans at 80%. Strong retail franchise
4	Saudi Awwal Bank	TASI	32.06	38.00	18.5%	17,788	High dividend yield, strong parentage and market leader in trade business in KSA
5	Bank Muscat	MSX	0.337	0.410	21.7%	6,577	Largest bank in Oman, undervalued relative to its regional peers
6	Sohar International	MSX	0.164	0.195	18.9%	2,416	Post acquisition of HSBC Oman, change in asset mix to drive profitability growth
Telecom							
7	E&	ADX	18.06	20.00	10.7%	42,407	Stable domestic performance, growth potential in EMs and diversification of business
8	Zain Group	KSE	0.517	0.585	13.2%	7,293	Diversified exposure and strong dividend yield
Healthcare							
9	Dr. Sulaiman Al Habib	TASI	252.20	295.00	17.0%	23,833	Strong capacity addition keep revenue growth momentum strong
10	Mouwasat	TASI	68.85	85.00	23.5%	3,718	Capacity expansion to help long term performance
11	National Medical Care	TASI	133.40	190.00	42.4%	1,615	Recent capacity expansion and improved utilization to aid performance
Consumer Discretionary							
12	Adnoc Distribution	ADX	3.99	4.50	12.8%	13,466	Volume growth, high margins, increasing NFR
13	Nadec	TASI	18.49	21.30	15.2%	1,506	Volume growth in protein and agri segment
Transport and Logistics							
14	Adnoc LS	ADX	5.74	6.50	13.2%	11,466	Long-term contracted income, Consolidation of Navig8
15	Parkin	DFM	5.87	6.50	10.7%	4,755	Transaction volume growth, expanding parking space
16	Asyad Shipping	MSX	0.185	0.225	21.6%	2,505	Long-term contracts, fleet expansion
17	Budget Saudi	TASI	64.55	78.00	20.8%	1,362	Strong rental and leasing operations
Building Materials							
18	Oman Cables	MSX	2.500	3.100	24.0%	583	Expanding product and market base, robust balance sheet
19	Al Anwar ceramics	MSX	0.181	0.225	24.3%	104	Positive regulations pick up in demand
20	Al Maha ceramics	MSX	0.280	0.360	28.6%	40	Positive regulations pick up in demand

A mix of Growth and Value



S.No	Company	Exchange	CMP	TGT	Upside	Market cap	Revenue (LCL mn)	PAT	2026e		DY (%)	ROE (%)
			LCL	LCL	(%)	(USD mn)		(LCL mn)	PE (x)	PBV (x)		
Banking												
1	Saudi National Bank	TASI	36.72	46.00	25.3%	59,486	41,907	24,826	8.1	1.1	6.1	12.8
2	Abu Dhabi Com Bank	ADX	14.42	17.50	21.4%	28,500	23,376	11,769	9.7	1.3	4.9	13.7
3	Abu Dhabi Islamic Bank	ADX	20.90	25.50	22.0%	20,495	13,358	7,676	9.9	2.5	4.5	25.8
4	Saudi Awwal Bank	TASI	32.06	38.00	18.5%	17,788	12,274	8,989	7.3	1.0	6.8	13.0
5	Bank Muscat	MSX	0.337	0.410	21.7%	6,577	610	274	9.2	1.2	5.9	12.8
6	Sohar International	MSX	0.164	0.195	18.9%	2,416	226	117	7.9	1.1	6.2	11.7
Telecom												
7	E&	ADX	18.06	20.00	10.7%	42,407	76,144	10,802	14.5	2.9	4.9	19.8
8	Zain Group	KSE	0.517	0.585	13.2%	7,293	2,390	226	9.9	1.6	7.1	16.6
Healthcare												
9	Dr. Sulaiman Al Habib	TASI	252.20	295.00	17.0%	23,833	14,991	2,714	32.5	9.9	2.0	30.5
10	Mouwasat	TASI	68.85	85.00	23.5%	3,718	3,695	844	16.3	3.1	3.1	19.3
11	National Medical Care	TASI	133.40	190.00	42.4%	1,615	1,706	354	16.9	2.8	1.9	16.8
Consumer Discretionary												
12	Adnoc Distribution	ADX	3.99	4.50	12.8%	13,466	36,374	2,809	18.9	16.3	5.2	81.0
13	Nadec	TASI	18.49	21.30	15.2%	1,506	3,712	447	12.5	1.1	4.0	9.1
Transport and Logistics												
14	Adnoc LS	ADX	5.74	6.50	13.2%	11,466	4,687	884	12.6	2.0	3.1	12.1
15	Parkin	DFM	5.87	6.50	10.7%	4,755	1,410	712	24.7	36.9	4.0	149.4
16	Asyad Shipping	MSX	0.185	0.225	21.6%	2,505	374	51	18.1	2.0	6.3	11.2
17	Budget Saudi	TASI	64.55	78.00	20.8%	1,362	2,655	440	11.8	1.6	3.0	13.4
Building Materials												
18	Oman Cables	MSX	2.500	3.100	24.0%	583	319	25	9.2	1.1	5.0	13.7
19	Al Anwar ceramics	MSX	0.181	0.225	24.3%	104	21	1	28.9	1.2	3.5	4.6
20	Al Maha ceramics	MSX	0.280	0.360	28.6%	40	8	1	16.7	1.7	0.0	10.6



CMP : SAR 36.72

12M Target Price SAR 46.00

Exchange Saudi Arabia
Index weight (%) 6.2%

(bn)	SAR	USD
Market Cap	220	59
Total Assets	1,207	324

Major shareholders

Public Investment Fund	37.2%
Vanguard Group Inc	2.1%
Blackrock Inc	1.3%
Others	59.3%

Valuation Summary

PER TTM (x)	9.4
P/Book (x)	1.2
Dividend Yield (%)	5.4
Free Float (%)	59%
Shares O/S (mn)	6,000
YTD Return (%)	10%
Beta	1.2

Key ratios	2022	2023	2024
EPS (SAR)	3.03	3.23	3.44
BVPS (SAR)	25.38	27.05	28.83
DPS (SAR)	0.45	0.85	1.90
Payout ratio (%)	15%	26%	55%

Price performer	1M	3M	12M
SNB	-4%	7%	10%
TASI	-6%	-3%	-13%

52 week	High	Low	CTL*
Price (SAR)	41.000	31.550	16.4

* CTL is % change in CMP to 52wk low

Saudi National Bank (SNB) is the largest bank in the Kingdom and the second-largest in the GCC by asset size and loan book. The bank maintains a dominant market position, with a 23.3% overall loan market share, including 19.1% in wholesale financing and 27.7% in retail financing as of 3Q25. SNB Capital is the market leader in terms of assets under management (AUM) and ranks as the second-largest player in investment banking and brokerage in Saudi Arabia. We view this positioning positively, particularly as the Saudi economy undergoes a structural transformation supported by more than USD 1.25tn in planned infrastructure investments. With Vision 2030 approaching its deadline, alongside Saudi Arabia's successful bids to host Expo 2030 and the FIFA World Cup 2034, we expect execution momentum to accelerate. Given SNB's strong standing across both retail and corporate banking, we see significant growth potential. This outlook is further strengthened by the bank's strong parentage, with the Public Investment Fund (PIF) holding a 37% stake, providing a clear competitive advantage.

For 9M25, SNB reported operating income of SAR 29.2bn, reflecting YoY growth of 8.2%, while net income increased by a robust 19.3% YoY. Net interest income (NII) rose 4% YoY, and management continues to guide for low- to mid-single-digit NII growth in 2025e. Non-interest income grew 22% YoY, supported by an 11.5% increase in core fee income driven by deeper customer penetration, higher cross-border transactions, 23% growth in FX income, and a 48% rise in investment income. Fee income covered 95.4% of operating expenses during the period. Net income growth was further supported by a sharp 90.7% YoY decline in provision expenses, largely due to strong recoveries from fully provisioned legacy exposures. The cost of risk declined to 0.13% in 3Q25 and 0.02% for 9M25, with management guiding for 5–15 bps in 2025, implying higher provisioning in 4Q25. Management expects low double-digit loan growth in 2025e and a group cost-to-income ratio of below 26%. Year-to-date net loan growth reached 11%, driven primarily by a 19% expansion in the corporate loan book, while retail loans grew 6%, led by mortgages. The retail portfolio continues to account for 48.7% of total loans. Asset quality improved meaningfully, with NPLs declining by 47 bps YoY to 1.10% in 3Q25. Deposits increased 10% YTD, supported by a 16% rise in CASA balances, while time deposits declined 5%. CASA reached 76.2%, representing a 54-bps improvement over 3Q24. In light of the strong 9M25 performance, we believe management's 2025e guidance is readily achievable.

Valuations: We remain positive on SNB's strong franchise, underpinned by its leading market position across key banking verticals. The bank's well-balanced loan portfolio has supported effective credit risk management while sustaining NIMs amid market volatility. SNB has reiterated its 2025–27 strategy, focusing on expanding loan market share, accelerating CASA acquisition, and enhancing fee income generation. The stock is currently trading at a 2026e P/E of 8.9x and a P/B of 1.1x, while offering an attractive dividend yield of 6.1%. These valuations are compelling relative to its largest peer, which trades at higher multiples. We have a target price of SAR 46 per share.



CMP : SAR 36.72

12M Target Price SAR 46.00

(SAR bn)	2024	2025e	2026e	2027e	2028e
Net Interest Income	27.7	29.0	30.9	33.3	36.5
Non Interest Income	8.3	10.1	11.0	12.4	13.3
Total OI	36.0	39.1	41.9	45.7	49.7
Operating Expenses	(11.0)	(10.9)	(11.7)	(12.5)	(13.7)
Provision expense	(1.0)	(0.6)	(1.3)	(1.5)	(2.0)
PBT*	23.6	27.1	28.4	31.2	33.6
Tax expense	(2.5)	(3.1)	(3.5)	(3.9)	(4.7)
PAT	21.1	23.9	24.8	27.3	28.9
Key Balance sheet numbers					
Total Assets	1,104.2	1,217.5	1,325.1	1,433.1	1,533.2
Loans and advances	654.3	728.6	797.6	866.0	927.6
Customer deposits	579.8	647.3	751.9	816.7	875.7
Total shareholder equity	171.4	182.4	193.9	206.5	219.9

Ratio analysis	2024	2025e	2026e	2027e	2028e
NII/Total Income (%)	76.9%	74.1%	73.7%	72.8%	73.3%
Non-int Income/OI	23.1%	25.9%	26.3%	27.2%	26.7%
Cost to income (%)	30.6%	27.9%	28.0%	27.4%	27.5%
Loan to deposit ratio (%)	112.8%	112.6%	106.1%	106.0%	105.9%
Per share ratio (SAR)					
EPS	3.52	3.99	4.14	4.55	4.82
BVPS	28.56	30.41	32.32	34.42	36.65
DPS	1.90	2.15	2.22	2.45	2.59
Valuations ratios					
Price (SAR)	33.40	36.72	36.72	36.72	36.72
Market Cap (SAR mn)	2,00,400	2,20,320	2,20,320	2,20,320	2,20,320
P/E (x)	9.5	9.2	8.9	8.1	7.6
P/B (x)	1.2	1.2	1.1	1.1	1.0
Dividend yield (%)	5.7%	5.8%	6.1%	6.7%	7.1%



CMP : AED 14.42

12M Target Price AED 17.50

Exchange ADX
Index weight (%) 5.6%

(bn)	AED	USD
Market Cap	107	29
Total Assets	653	177

Major shareholders

ONE HUNDRED & FOURTEEN	60.2%
Vanguard Group Inc/T	1.8%
FMR LLC	1.3%
Others	36.8%

Valuation Summary

PER TTM (x)	10.6
P/Book (x)	1.5
Dividend Yield (%)	4.0
Free Float (%)	37%
Shares O/S (mn)	7,320
YTD Return (%)	41%
Beta	2.2

Key ratios	2022	2023	2024
EPS (AED)	0.81	1.07	1.20
BVPS (AED)	7.57	8.54	9.13
DPS (AED)	0.52	0.56	0.59
Payout ratio (%)	64%	52%	49%

Price performer	1M	3M	12M
ADCB	4%	0%	44%
FTSE ADX GENI	1%	-1%	7%

52 week	High	Low	CTL*
Price (AED)	16.240	8.770	64.5

* CTL is % change in CMP to 52wk low

Abu Dhabi Commercial Bank (ADCB) is the third-largest bank in the UAE by assets, with total assets of AED 744.3 billion. Loans and advances account for 54% of assets, while investments contribute a further 21%, together comprising 75% of the balance sheet. ADCB Group is a leading UAE banking franchise serving more than 2.1 million customers across Retail Banking, Private Banking, Corporate and Investment Banking, and Treasury & Investments. The bank operates a nationwide network of 41 branches and over 536 ATMs. ADCB was formed through the merger of Emirates Commercial Bank, Federal Commercial Bank, and Khaleej Commercial Bank and has since expanded through a combination of organic and inorganic growth. As of September 2025, loan growth increased by 16.7% year-on-year, while deposits grew by a stronger 18.6% year-on-year. The loan book is conservatively positioned, with government and public sector exposures accounting for approximately 24% of gross loans, while personal loans represent 18%. Geographically, 51% of loan exposure is concentrated in Abu Dhabi, 20% in Dubai, and 25% outside the UAE. The bank is majority owned by Mubadala Investment Company, which holds a 60.20% stake.

For 9M25, ADCB reported operating income and net income growth of 18.6% and 18.4% YoY, respectively. Operating income growth was primarily driven by a 12% increase in net interest income, while non-interest income rose sharply by 34% year-on-year. Consequently, non-interest income contributed 34.7% of total income in 9M25, up from 30.6% in 9M24. Net profit growth was supported by a 25.9% year-on-year increase in operating profit, partially offset by a 57.5% rise in provisioning expenses. Operating expenses remained well controlled, growing by just 3% year-on-year, resulting in a healthy cost-to-income ratio of 27.7%. In 3Q25, net income rose by a strong 29.3% year-on-year, driven by higher operating profits and the reversal of excess tax provisions. Management has outlined a five-year strategic plan to double net profit to AED 20.0 billion, implying a compound annual growth rate of approximately 20%. In addition, the bank has guided towards progressively increasing dividend payouts, targeting a cumulative AED 25.0 billion over the same period. We believe ADCB is well positioned to achieve these long-term objectives, supported by a clearly articulated strategy and strong operating momentum.

To support loan growth and execute its five-year strategy, ADCB recently completed a rights issue of AED 6.1 billion at a price of AED 10.3 per share, increasing share capital by approximately 8.1%. The capital raise is expected to strengthen the bank's capital adequacy ratio and Tier 1 capital by around 120 basis points from June 2025 levels. Following the bank's recent growth and its classification as a systemically important institution, the regulatory minimum capital adequacy ratio has increased to 11.0%, including a 0.5% countercyclical buffer.

Valuations: At the current share price of AED 14.42, ADCB trades at 1.3x price-to-book, 9.7x FY26E earnings, and offers a FY26E dividend yield of 4.9%. We believe the stock is attractively valued given its earnings growth potential and capital return outlook. We have a target price of AED 17.5 per share, implying an upside potential of 21.4%.



CMP : AED 14.42

12M Target Price AED 17.50

(AED bn)	2024	2025e	2026e	2027e	2028e
Net Interest Income	13.2	14.6	15.3	17.3	18.3
Non Interest Income	6.3	7.4	8.1	8.5	8.9
Total OI	19.5	22.0	23.4	25.8	27.2
Operating Expenses	(6.0)	(6.2)	(6.4)	(7.1)	(7.3)
Provision expense	(2.9)	(3.4)	(3.6)	(3.9)	(3.6)
PBT*	10.6	12.4	13.4	14.9	16.3
Tax expense	(1.2)	(1.5)	(1.6)	(1.9)	(2.3)
PAT	9.4	11.0	11.8	12.9	14.0

Key Balance sheet numbers

Total Assets	652.8	751.1	819.4	880.3	945.2
Loans and advances	350.6	415.2	465.3	499.9	537.7
Customer deposits	421.1	496.9	546.5	587.5	631.6
Total shareholder equity*	66.8	79.1	85.8	93.2	101.7

* after considering rights issue of AED 6.1bn (additional 592mn shares) in Dec 25

Ratio analysis	2024	2025e	2026e	2027e	2028e
NII/Total Income (%)	67.9%	66.2%	65.4%	67.2%	67.3%
Non-int Income/OI	32.1%	33.8%	34.6%	32.8%	32.7%
Cost to income (%)	31.0%	28.0%	27.5%	27.5%	27.0%
Loan to deposit ratio (%)	83.3%	83.6%	85.1%	85.1%	85.1%
Per share ratio (AED)					
EPS*	1.29	1.38	1.49	1.64	1.77
BVPS*	9.13	10.00	10.84	11.78	12.86
DPS*	0.590	0.650	0.700	0.750	0.750
Valuations ratios					
Price (AED)	10.42	14.42	14.42	14.42	14.42
Market Cap (AED mn)	76,274	1,14,094	1,14,094	1,14,094	1,14,094
P/E (x)	8.1	10.4	9.7	8.8	8.1
P/B (x)	1.1	1.4	1.3	1.2	1.1
Dividend yield (%)	5.7%	4.5%	4.9%	5.2%	5.2%



CMP : AED 20.90

12M Target Price AED 25.50

Exchange
Index weight (%)

ADX
5.0%

(bn)	AED	USD
Market Cap	76	21
Total Assets	270	75

Major shareholders

Emirates International	39.4%
EMIRATES NBD BANK	6.8%
Capital Group Cos	3.0%
Others	50.8%

Valuation Summary

PER TTM (x)	12.5
P/Book (x)	3.1
Dividend Yield (%)	4.0
Free Float (%)	51%
Shares O/S (mn)	3,632
YTD Return (%)	51%
Beta	1.8

Key ratios	2022	2023	2024
EPS (AED)	0.92	1.28	1.49
BVPS (AED)	4.88	5.61	6.22
DPS (AED)	0.49	0.71	0.83
Payout ratio (%)	54%	56%	56%

Price performer	1M	3M	12M
ADIB	-2%	-9%	54%
FTSE ADX GENI	1%	-1%	7%

52 week	High	Low	CTL*
Price (AED)	24.720	13.240	57.9

* CTL is % change in CMP to 52wk low

Abu Dhabi Islamic Bank (ADIB) is the sixth-largest bank in the UAE by assets, with a balance sheet of AED 269.7bn as of 3Q25. It is the second-largest Islamic bank in the country, following Dubai Islamic Bank. As of 3Q25, ADIB's customer financing (loans) and deposits stood at AED 170.8bn and AED 221.7bn, respectively, resulting in a loan-to-deposit ratio of 77.1%. Over 9M25, loans and deposits grew by a robust 26.4% YoY and 23.3% YoY, respectively—the highest growth rates in the UAE banking sector. ADIB operates across six countries, with 60 branches in the UAE, three overseas branches in Iraq, Qatar, and Sudan, and subsidiaries in Egypt, the United Kingdom, and Saudi Arabia. Beyond Islamic banking, the group offers brokerage, real estate, property management, payment, and insurance services. The bank's balance sheet is well diversified, with retail customers accounting for 54% of loans and 50% of deposits. We view ADIB's rapidly expanding Islamic franchise favorably, and given that approximately 80.1% of loans are to individuals, government, and the public sector, we expect limited asset-quality stress, unlike the pressures observed in 2021. ADIB is rated A2/P1 (stable) by Moody's and A+/F1 (stable) by Fitch. The bank is majority owned by Emirates International Investment Company LLC, which holds a 39.4% stake.

For 9M25, ADIB reported operating income and net income growth of 14.4% and 14.7% YoY, respectively. Operating income growth was driven by a 13% YoY increase in net interest income (NII), supported by strong loan growth, partially offset by net interest margin compression. Non-interest income rose 17% YoY, reflecting higher fee and commission income as well as stronger foreign exchange gains. A slower pace of operating expense growth supported a 15.7% YoY increase in operating profit. These gains were partly offset by a sharp rise in impairment charges and a 36.1% YoY increase in taxes. Impairments increased by 15% YoY on a normalized basis, primarily due to an 85.8% YoY rise in retail banking provisions, partially offset by declines in other segments. The cost of risk for 9M25 stood at 0.46%, comfortably within management's guidance range of 0.40%–0.60%.

Net loans/deposits expanded by 26%/23% YoY. Loan growth was driven by a 25% YoY rise in retail lending and a 57% YoY increase in exposure to government GREs, which now account for 56.8% and 23.3% of the total loan book, respectively. Retail growth was broad-based, supported by higher housing, auto, and personal loans. Asset quality continued to improve, with the NPL ratio declining to 3.3% in 3Q25, the lowest level since 2016. Deposit growth was led primarily by wholesale banking (+48% YoY), with positive contributions from other segments. CASA deposits stood at a healthy 65.3% as of 3Q25, underscoring ADIB's strong core retail franchise.

Valuation: ADIB continues to deliver double-digit growth across loans, investments, and deposits, providing a solid foundation for future performance. Supported by its strong retail franchise, the bank remains well positioned for sustained expansion. Management has revised loan growth guidance to above 20% for 2025e. The stock currently trades at a 2026e P/E of 9.9x and a P/B of 2.5x, while offering a dividend yield of 4.5%. We have a target price of AED 25.5 per share.



CMP : AED 20.90

12M Target Price AED 25.50

(AED bn)	2024	2025e	2026e	2027e	2028e	Ratio analysis	2024	2025e	2026e	2027e	2028e
Net Interest Income	6.6	7.3	8.0	8.9	9.5	NII/Total Income (%)	61.8%	60.0%	59.6%	60.7%	60.5%
Non Interest Income	4.1	4.8	5.4	5.8	6.2	Non-int Income/OI	38.2%	40.0%	40.4%	39.3%	39.5%
Total OI	10.6	12.1	13.4	14.7	15.7	Cost to income (%)	29.6%	29.0%	29.0%	28.5%	28.0%
Operating Expenses	(3.1)	(3.5)	(3.9)	(4.2)	(4.4)	Loan to deposit ratio (%)	78.1%	78.5%	78.3%	76.5%	75.0%
Provision expense	(0.6)	(0.7)	(0.8)	(0.8)	(0.9)	Per share ratio (AED)					
PBT*	6.9	7.9	8.7	9.7	10.4	EPS	1.68	1.91	2.11	2.26	2.45
Tax expense	(0.8)	(0.9)	(1.0)	(1.5)	(1.5)	BVPS	6.22	7.13	8.20	9.37	10.62
PAT	6.1	6.9	7.7	8.2	8.9	DPS	0.83	0.90	0.95	1.00	1.10
Key Balance sheet numbers						Valuations ratios					
Total Assets	225.9	268.8	296.2	326.4	351.4	Price (AED)	13.82	20.90	20.90	20.90	20.90
Loans and advances	142.6	172.1	188.8	202.9	212.8	Market Cap (AED mn)	50,194	75,909	75,909	75,909	75,909
Customer deposits	182.7	219.2	241.1	265.2	283.8	P/E (x)	8.2	10.9	9.9	9.2	8.5
Total shareholder equity	22.6	25.9	29.8	34.0	38.6	P/B (x)	2.2	2.9	2.5	2.2	2.0
						Dividend yield (%)	6.0%	4.3%	4.5%	4.8%	5.3%



CMP : SAR 32.06

12M Target Price SAR 38.00

Exchange Saudi Arabia
Index weight (%) 2.1%

(bn)	SAR	USD
Market Cap	66	18
Total Assets	399	109

Major shareholders

HONGKONG & SHANGHAI	31.0%
Olayan Saudi Investment	20.5%
Vanguard Group Inc	2.1%
Others	46.4%

Valuation Summary

PER TTM (x)	8.2
P/Book (x)	1.0
Dividend Yield (%)	6.2
Free Float (%)	46%
Shares O/S (mn)	2,055
YTD Return (%)	-5%
Beta	1.1

Key ratios	2022	2023	2024
EPS (SAR)	2.35	3.41	3.78
BVPS (SAR)	26.59	28.19	29.36
DPS (SAR)	1.29	1.86	2.00
Payout ratio (%)	55%	55%	53%

Price performer	1M	3M	12M
SAB	2%	4%	1%
TASI	-6%	-3%	-13%

52 week	High	Low	CTL*
Price (SAR)	38.000	29.900	7.2

* CTL is % change in CMP to 52wk low

Saudi Awwal Bank (SAB) is the fourth-largest bank in Saudi Arabia by assets and loan book size. Established in 1926, SAB was formed in 2021 through the merger of Saudi British Bank and Bank Alawwal. The bank offers both Islamic and conventional banking solutions. Its strong franchise is further reinforced by its parentage, with HSBC holding a 31% stake. Being an associate of HSBC provides SAB with a strong brand presence, especially in the commercial banking vertical, along with knowledge sharing of banking's best practices. SAB's loan book is predominantly commercial, which accounts for 76.3% of total loans. Although its retail presence remains relatively modest, the bank has significantly strengthened its position in the mortgage segment, achieving a 12.7% market share. Mortgage origination market share has expanded sharply from approximately 2% in 2021 to 12.7% by 3Q25. We view this increased exposure favorably, as it not only diversifies the loan book but also supports overall credit quality. During 9M25, SAB recorded strong loan growth of 13% YTD, supported by robust performance in both the commercial (13% YoY) and retail (14% YoY) portfolios.

For 9M25, operating income and net income increased by 5.0% and 7.8% YoY, respectively. Operating income growth was driven primarily by a 4.1% YoY increase in net interest income, as loan growth of 16% YoY more than offset a modest 2 bps YoY contraction in NIMs. Non-interest income was supported by a 4% YoY increase in core net fee income, while other income rose 12.3% YoY. Supported by its parentage, SAB has a strong trade and off-balance-sheet business and ranks first in KSA, with a 25% market share as of June 30. Trade income contributes 10% of total revenue and accounts for over half of fee income. Operating expenses grew at a slower pace of 2.2% YoY, resulting in 6.2% YoY growth in operating profit. Additionally, provisions declined 12.2% YoY, further supporting net profit growth of 7.8% YoY. Management has guided for mid-teens loan growth in 2025E and NIMs of 2.60%–2.65%. We believe SAB is well positioned to achieve this guidance, having already met four of the five key parameters.

Gross loans rose 15.8% YoY, driven by growth in corporate lending (+15.6% YoY) and retail lending (+16.8% YoY). The corporate segment maintained a stable 75% share of the loan book, while retail growth was led by mortgages, which increased 23.8% YoY. The share of mortgages within the retail portfolio rose from 53% in 3Q24 to 56% in 3Q25. Asset quality continued to improve, with NPLs declining by 7 bps YoY to 1.35%. Deposits grew 14% YoY, supported by a healthy CASA ratio of 43%.

Valuation: Our positive outlook on SAB is underpinned by its strong franchise, consistent loan growth, robust funding and liquidity profile, and market leadership in trade finance. The bank currently trades at 1.0x FY2026E book value and 7.3x earnings and a dividend yield of 6.8%. offering attractive upside potential. We have a BUY rating on SAB, with a target price of SAR 38 per share.



CMP : SAR 32.06

12M Target Price SAR 38.00

(SAR bn)	2024	2025e	2026e	2027e	2028e	Ratio analysis	2024	2025e	2026e	2027e	2028e
Net Interest Income	11.0	11.5	12.3	12.7	13.8	NII/Total Income (%)	78.6%	78.0%	77.5%	76.7%	76.2%
Non Interest Income	3.0	3.2	3.6	3.8	4.3	Non-int Income/OI	21.4%	22.0%	22.5%	23.3%	23.8%
Total OI	14.0	14.8	15.8	16.5	18.1	Cost to income (%)	30.6%	30.5%	30.7%	30.6%	31.5%
Operating Expenses	(4.3)	(4.5)	(4.9)	(5.1)	(5.7)	Loan to deposit ratio (%)	97.1%	97.1%	97.1%	96.2%	95.0%
Provision expense	(0.6)	(0.7)	(0.9)	(1.0)	(1.0)	Per share ratio (SAR)					
PBT*	9.4	9.7	10.3	10.7	11.7	EPS	3.93	4.12	4.37	4.54	4.94
Tax expense	(1.3)	(1.3)	(1.3)	(1.4)	(1.5)	BVPS	29.35	31.42	33.60	35.87	38.34
PAT	8.1	8.5	9.0	9.3	10.2	DPS	2.00	2.06	2.19	2.27	2.47
Key Balance sheet numbers						Valuations ratios					
Total Assets	399.4	452.0	493.7	543.0	589.7	Price (SAR)	37.00	32.06	32.06	32.06	32.06
Loans and advances	259.3	298.0	327.6	359.9	388.3	Market Cap (SAR mn)	76,035	65,883	65,883	65,883	65,883
Customer deposits	267.0	306.9	337.5	374.3	408.6	P/E (x)	9.4	7.8	7.3	7.1	6.5
Total shareholder equity	60.3	64.6	69.1	73.7	78.8	P/B (x)	1.3	1.0	1.0	0.9	0.8
						Dividend yield (%)	5.4%	6.4%	6.8%	7.1%	7.7%



CMP : RO 0.337

12M Target Price RO 0.410

Exchange	MSX
Index weight (%)	9.2%

(mn)	RO	USD
Market Cap	2,530	6,571
Total Assets	13,912	36,133

Major shareholders

Royal Court Affairs	27.3%
Social Protection Fund	24.6%
Ominvest	15.0%
Others	33.1%

Valuation Summary

PER TTM (x)	9.6
P/Book (x)	1.3
Dividend Yield (%)	4.8
Free Float (%)	33%
Shares O/S (mn)	7,506
YTD Return (%)	36%
Beta	0.8

Key ratios	2022	2023	2024
EPS (RO)	0.026	0.025	0.027
BVPS (RO)	0.230	0.246	0.258
DPS (RO)	0.015	0.016	0.017
Payout ratio (%)	58%	61%	61%

Price performer	1M	3M	12M
Bank Muscat	2%	5%	34%
MSX 30 Index	6%	17%	33%

52 week	High	Low	CTL*
Price (RO)	0.346	0.241	39.8

* CTL is % change in CMP to 52wk low

Bank Muscat is the largest bank in Oman and operates a diversified portfolio of business lines, holding leading positions in both corporate and retail banking. It has the most extensive retail banking platform in the country, serving more than 3.8 million customers through a network of over 198 branches. The bank maintains a dominant market position across key banking metrics, including credit, asset quality, and net profit, reinforcing its status as the undisputed market leader. As of 9M25, the corporate banking segment accounted for 33.2% of total assets and contributed 31.3% of total profits, while the personal banking segment represented 28.5% of assets and contributed 33.0% of profits. The bank's capital adequacy ratio stands at 19.2%. Bank Muscat holds the largest market share in both net loans (RO 10.7 billion) and deposits (RO 10.0 billion), driven primarily by its strong retail franchise.

During 9M25, operating revenue reached RO 434.5 million (vs. RO 404.2 million, +7.5% YoY), supported by a 5.8% YoY increase in net interest and Islamic financing income and a 12% rise in non-interest income. Non-interest income contributes a healthy 28.4% to total income. Reported net profit was RO 191.6 million (vs. RO 170.8 million, +12.2% YoY). Year-to-date loan and deposit growth stood at 4.6% and 3.3% respectively, resulting in a loan-to-deposit ratio of 106%. As of September 2025, 91.4% of assets were interest-earning, comprising loans (73.5%) and investments (17.9%).

Bank Muscat remains a prime beneficiary of Oman's strengthening economy, supported by stable oil prices and increased government spending. Its market leadership and scale position it well to capture rising credit demand across sectors, including large corporate facilities and SME financing. As the largest lender to the government and government-related entities, the bank benefits from increased infrastructure spending fuelled by fiscal surpluses. It is also well-positioned to finance major projects currently under various stages of implementation. Its digital transformation strategy continues to enhance efficiency and customer experience, reflected in a cost-to-income ratio of ~37.5% in 9M25, comfortably within the management's 40% target. The bank's asset quality remains strong, with an NPL ratio of 3.6%, a provision coverage ratio of 158%, and a low annualized credit cost of 0.50%. Stable oil prices also support liquidity through higher government deposits, enabling sustained loan growth. Given tighter spreads in retail lending due to capped lending rates, the bank is expected to prioritize corporate lending going forward.

At current levels, Bank Muscat's shares appear undervalued relative to regional peers, trading at a 2026e P/B of 1.2x and P/E of 9.2x. We derive a blended target price of RO 0.410. At the current share price of RO 0.337, the stock offers a dividend yield of 5.8%. We have a rating of STRONG BUY on the stock with a 12-month target price of RO 0.410, implying an upside potential of 21.7%.



CMP : RO 0.337

12M Target Price RO 0.410

(RO mn)	2024	2025e	2026e	2027e	2028e
Net Interest Income	398	417	433	447	465
Non Interest Income	145	167	177	183	189
Total OI	543	584	610	630	654
Operating Expenses	(209)	(219)	(226)	(230)	(239)
Provision expense	(64)	(57)	(59)	(60)	(62)
PBT*	270	270	270	270	270
Tax expense	(44)	(49)	(52)	(54)	(57)
PAT	226	259	274	286	298

Key Balance sheet numbers

Total Assets	13,912	14,774	15,249	15,745	16,222
Loans and advances	10,237	10,864	11,249	11,474	11,704
Customer deposits	9,777	10,377	10,673	10,981	11,262
Total shareholder equity	1,940	2,034	2,134	2,239	2,348

**incl share of profits from JV*

Ratio analysis	2024	2025e	2026e	2027e	2028e
NII/Total Income (%)	73.3%	71.5%	71.0%	71.0%	71.1%
Non-int Income/OI	26.7%	28.5%	29.0%	29.0%	28.9%
Cost to income (%)	38.6%	37.5%	37.0%	36.5%	36.5%
Loan to deposit ratio (%)	104.7%	104.7%	105.4%	104.5%	103.9%
Per share ratio (RO)					
EPS	0.030	0.034	0.036	0.038	0.040
BVPS	0.258	0.271	0.284	0.298	0.313
DPS	0.017	0.019	0.020	0.021	0.022
Valuations ratios					
Price (RO)	0.251	0.337	0.337	0.337	0.337
Market Cap (RO mn)	1,884	2,530	2,530	2,530	2,530
P/E (x)	8.35	9.77	9.24	8.85	8.50
P/B (x)	0.97	1.24	1.19	1.13	1.08
Dividend yield (%)	6.6%	5.6%	5.9%	6.2%	6.5%



CMP : RO 0.164

12M Target Price RO 0.195

Exchange MSX
Index weight (%) 9.8%

(mn)	RO	USD
Market Cap	1,085	2,819
Total Assets	8,324	21,626

Major shareholders

Royal Court Affairs	19.4%
DIDIC	13.1%
Others >5% holding	17.3%
Others <5% holding	50.2%

Valuation Summary

PER TTM (x)	7.6
P/Book (x)	1.2
Dividend Yield (%)	5.9
Free Float (%)	50%
Shares O/S (mn)	6,617
YTD Return (%)	21%
Beta	1.1

Key ratios	2022	2023	2024
EPS (RO)	0.010	0.014	0.018
BVPS (RO)	0.123	0.128	0.136
DPS (RO)	0.005	0.006	0.008
Payout ratio (%)	79%	60%	47%

Price performer	1M	3M	12M
Bank Sohar	5%	12%	23%
MSX 30 Index	6%	17%	33%

52 week	High	Low	CTL*
Price (RO)	0.169	0.120	36.7

* CTL is % change in CMP to 52wk low

Sohar International Bank (BKSb), the second-largest bank in Oman, offers commercial, investment, and Islamic banking services through a network of 54 commercial branches and 20 Islamic branches across the Sultanate. The bank employs over 1,500 people and serves approximately 543,000 customers. In October 2023, BKSb expanded regionally by opening a branch in Riyadh to provide both commercial and Islamic banking services. The bank completed its acquisition of HSBC Bank Oman through a merger in August 2023, executed via a share swap and a combination of cash and shares. In November 2024, it completed a rights issue of 1.04 billion shares at 127 bz per share, increasing paid-up capital by RO 130 million. Government and quasi-government entities collectively hold 65% of the bank's shares.

BKSb operates across four key segments: wholesale banking (69% of total earning assets), retail banking (16%), Islamic banking (12%), and KSA operations (3%). The bank holds an 18.6% market share in assets and reports the highest return on average equity in the sector at 13.2%. Its capital adequacy ratio stands at 18.35%, second only to Bank Muscat at 19.2%. BKSb carries ratings of BB+ from Fitch and Baa3 from Moody's.

As of September 2025, assets, loans, investments, and deposits stood at RO 8.3 billion, RO 5.1 billion, RO 2.2 billion, and RO 6.5 billion respectively. The balance sheet mix has shifted notably, with the share of net loans rising from 55.8% in September 2024 to 60.9% in September 2025, while investment securities increased from 25.3% to 27.0% over the same period. This reflects the bank's accelerated growth strategy following the HSBC Oman acquisition. For 9M25, operating income totaled RO 180.1 million (vs. RO 182.9 million, -1.2% YoY), while profit after tax reached RO 70.7 million (vs. RO 76.2 million, -7.2% YoY), largely due to a high base effect and a shift in asset mix toward higher lending and reduced investments. BKSb maintains one of the highest CASA ratios in Oman at 63% as of September 2025. The rights issue strengthened its capital adequacy ratio to 18.35%, well above the regulatory minimum of 12.5%. The cost-to-income ratio improved to 43.8%, down 160 bps sequentially. NPLs stood at 4.6% with a provision coverage ratio of 156%. Earnings are expected to improve as the bank benefits from a higher-yielding asset mix and cost efficiencies from merger synergies.

With an LD ratio of 80%, a strong CASA base of 63%, and substantial capital buffers, the bank is well-positioned to benefit from rising domestic credit demand, supported by higher oil prices and the government's focus on achieving Vision 2040 objectives. BKSb currently trades at a 2026 P/E of 7.9x, P/B of 1.0x, and offers a dividend yield of 6.2%. We assign a target price of RO 0.195 per share, representing an upside potential of 18.9% from the current market price.



CMP : RO 0.164

12M Target Price RO 0.195

(RO mn)	2024	2025e	2026e	2027e	2028e
Net Interest Income	181	176	226	230	240
Non Interest Income	64	69	74	78	82
Total Operating Income	245	245	300	308	322
Operating Expenses	(98)	(97)	(118)	(120)	(126)
Provision expense	(38)	(41)	(44)	(45)	(45)
Profit Before Taxation*	118	107	137	143	151
Tax expense	(18)	(16)	(21)	(21)	(23)
Profit for the year	100	91	117	122	128
Key Balance sheet numbers					
Total Assets	7,361	8,201	8,594	8,939	9,298
Loans and advances	4,270	5,055	5,461	5,723	6,003
Customer deposits	5,777	6,355	6,672	6,939	7,217
Total shareholder equity^	898	939	992	1,047	1,104

* Includes one off of RO 9.2mn towards gain on purchase in 2024

Ratio analysis	2024	2025e	2026e	2027e	2028e
NII/Total Income (%)	73.9%	72.0%	75.4%	74.6%	74.5%
Non-int Income/OI	26.1%	28.0%	24.6%	25.4%	25.5%
Cost to income (%)	40.2%	39.5%	39.5%	39.0%	39.0%
Loan to depost ratio (%)	73.9%	79.6%	81.8%	82.5%	83.2%
Per share ratio (RO)					
EPS	0.018	0.016	0.021	0.021	0.023
BVPS	0.136	0.142	0.150	0.158	0.167
DPS	0.008	0.010	0.010	0.011	0.011
Valuations ratios					
Price (RO)	0.135	0.164	0.164	0.164	0.164
Market Cap (RO mn)	893	1,085	1,085	1,085	1,085
P/E (x)	7.64	10.20	7.97	7.63	7.23
P/B (x)	0.99	1.16	1.09	1.04	0.98
Dividend yield (%)	5.6%	5.9%	6.2%	6.5%	6.9%

^ Total shareholder equity is before Tier 1 capital



Emirates Telecommunications Group Company

CMP : AED 18.06

12M Target Price AED 20.00

Exchange Abu Dhabi
Index weight (%) 8%

(mn)	AED	USD
Market Cap	157,063	42,763
Enterprise Value	204,956	55,802

Major shareholders

Emirates Investment	60.0%
Vanguard Group Inc	1.8%
Blackrock Inc	1.1%
Others	37.1%

Valuation Summary (TTM)

PER TTM (x)	11.1
P/Book (x)	3.0
EV/EBITDA (x)	6.7
Dividend Yield (%)	4.7
Free Float (%)	37%
Shares O/S (mn)	8,697
YTD Return (%)	11%
Beta	0.9

Key ratios	2022	2023	2024
EPS (AED)	1.15	1.18	1.24
BVPS (AED)	4.86	4.91	5.24
DPS (AED)	0.80	0.80	0.83
Payout ratio (%)	70%	68%	67%

Price performance (%)	1M	3M	12M
Emirates Telecommunica	-2%	1%	11%
FTSE ADX GENERAL INI	0%	-1%	7%

52 week	High	Low	CTL*
Price (AED)	19.94	15.60	15.8

* CTL is % change in CMP to 52w k low

Emirates Telecommunications Group Company PJSC (e&) is a leading global telecommunications and technology group headquartered in the UAE, with a growing footprint across the Middle East, Africa, Asia, and Europe. The company has successfully repositioned itself from a traditional telecom operator into a diversified, digital, and technology-driven conglomerate, enhancing both growth visibility and earnings resilience. In the UAE, its largest revenue contributor, e& holds a dominant market position as one of only two licensed telecom operators. The UAE remains among the most attractive telecom markets globally, characterized by high mobile and broadband penetration, premium ARPU levels, a supportive regulatory environment, and favorable demographics.

Beyond its home market, e& has built a diversified international portfolio that includes high-growth markets such as Egypt, Pakistan, and parts of Africa. These geographies provide meaningful growth opportunities, while more mature markets contribute stable and predictable cash flows. In 9M25, international operations accounted for c.45% of group revenue and EBITDA. This diversification helps mitigate country-specific regulatory, currency, and macroeconomic risks, while offering upside from increasing digital adoption across emerging markets.

In line with global telecom peers, e& has also expanded its presence in the technology and digital services space, including fintech, cloud services, cybersecurity, data centers, IoT, AI-driven solutions, and digital entertainment. While these segments currently contribute a relatively small share of group revenue and operate at lower margins than traditional telecom services, they provide significant long-term growth potential and support the company's strategic transformation.

Revenue grew by a robust 25% YoY in 9M25, driven by broad-based growth across geographies and the recent acquisition and consolidation of PPF Telecom. Following this strong performance, management raised its revenue growth guidance from 17–20% to 23–24%, while EBITDA margin guidance was increased from c.43% to 43–44%. Capex intensity stood at 13.5% in 9M25, with full-year FY25e guidance of 15–16%. While we expect growth momentum to moderate beyond 2025e due to a higher base effect, we forecast a healthy revenue CAGR of 8% over 2024–28e.

e& also offers an attractive income proposition, with a dividend yield of approximately 5%. At around 14.5x 2026e EPS, the stock appears reasonably valued relative to its growth profile and defensive cash flow characteristics. We therefore see potential upside and maintain our target price of AED 20 per share, implying a Buy rating.



Emirates Telecommunications Group Company

CMP : AED 18.06

12M Target Price AED 20.00

Income Statement (AED mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	52,434	53,752	59,203	72,796	76,144	79,046	81,225
Operating profit	18,305	18,400	17,586	21,016	21,933	22,678	23,142
EBITDA	26,202	26,117	26,454	31,614	33,048	34,307	35,253
PBT	18,049	19,027	17,582	24,847	20,102	21,134	21,892
Net income	10,007	10,305	10,752	13,351	10,802	11,357	11,764
Balance Sheet (AED mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	90,597	96,827	124,182	128,994	131,883	134,762	137,518
Total current assets	54,488	50,787	58,768	68,067	68,810	69,524	69,957
Total assets	145,085	147,613	182,950	197,061	200,693	204,285	207,475
Total equity	49,999	51,710	53,896	61,419	65,816	70,575	75,530
Total current liabilities	63,433	51,664	76,904	83,850	84,127	84,098	83,585
Total non-current liabilities	31,653	44,239	52,150	51,792	50,751	49,612	48,360
Total Liabilities	95,086	95,903	129,054	135,642	134,877	133,711	131,944
Equity and liabilities	145,085	147,613	182,950	197,061	200,693	204,285	207,475
Cash Flows (AED mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	19,135	15,206	21,733	25,816	26,080	26,797	27,225
Cash from investments	(48,461)	2,083	(22,983)	(3,760)	(8,663)	(9,044)	(9,316)
Cash from financing	13,621	(10,599)	392	(17,652)	(17,880)	(18,083)	(18,261)
Net changes in cash	(15,706)	6,690	(858)	4,404	(463)	(331)	(351)
Ending cash	32,839	28,989	33,628	38,032	37,569	37,238	36,887

Ratios	2022	2023	2024	2025e	2026e	2027e	2028e
Per Share (AED)							
EPS	1.151	1.185	1.236	1.535	1.242	1.306	1.353
BVPS	4.860	4.905	5.239	5.914	6.267	6.652	7.055
DPS	0.800	0.800	0.830	0.860	0.890	0.920	0.950
Valuations							
M.Cap (AED mn)	198,808	170,804	169,587	157,063	157,063	157,063	157,063
EV (AED mn)	222,396	202,628	215,445	197,122	195,783	194,294	192,789
P/E	19.9	16.6	15.8	11.8	14.5	13.8	13.4
EV/EBITDA	8.5	7.8	8.1	6.2	5.9	5.7	5.5
P/BV	4.7	4.0	3.7	3.1	2.9	2.7	2.6
Div. yield	3.5%	4.1%	4.3%	4.8%	4.9%	5.1%	5.3%
Return ratio							
ROA	7.3%	7.5%	5.8%	7.6%	6.0%	6.2%	6.4%
ROE	23.7%	24.2%	23.6%	26.0%	19.8%	19.6%	19.2%
ROCE	18.1%	17.7%	13.8%	15.9%	16.5%	16.8%	17.0%
Cash cycle							
Payable days	419	388	334	342	342	342	342
Receivables days	109	111	105	105	105	105	105
Inventory days	13	14	13	13	13	13	13
Cash Cycle	(297)	(262)	(216)	(224)	(224)	(224)	(224)
Profitability ratio							
EBITDA margins	50.0%	48.6%	44.7%	43.4%	43.4%	43.4%	43.4%
EBIT margins	34.9%	34.2%	29.7%	28.9%	28.8%	28.7%	28.5%
Net margins	19.1%	19.2%	18.2%	18.3%	14.2%	14.4%	14.5%
Leverage							
Total debt (AED mn)	51,099	52,503	73,604	70,557	67,420	64,197	60,886
Net debt (AED mn)	15,853	22,771	37,527	30,077	27,402	24,510	21,551
Debt/Equity	1.0	1.0	1.4	1.1	1.0	0.9	0.8



Mobile Telecommunications Company

CMP : KD 0.517

12M Target Price KD 0.585

Exchange	Kuwait
Index weight (%)	4%

(mn)	KWd	USD
Market Cap	2,237	7,290
Enterprise Value	4,584	14,938

Major shareholders

Oman Telecommunication	21.9%
State of Kuwait	21.9%
Nohoudh Dev Trad	5.1%
Others	51.2%

Valuation Summary (TTM)

PER TTM (x)	8.9
P/Book (x)	1.8
EV/EBITDA (x)	6.2
Dividend Yield (%)	6.8
Free Float (%)	51%
Shares O/S (mn)	4,327
YTD Return (%)	10%
Beta	0.9

Key ratios	2022	2023	2024
EPS (KWD)	0.05	0.05	0.05
BVPS (KWD)	0.28	0.29	0.28
DPS (KWD)	0.04	0.04	0.04
Payout ratio (%)	77%	70%	73%

Price performance (%)	1M	3M	12M
Mobile Telecom Co K	-2%	-1%	10%
Boursa Kuwait All Share	1%	1%	22%

52 week	High	Low	CTL*
Price (KWD)	0.54	0.44	17.2

* CTL is % change in CMP to 52w k low

Mobile Telecommunications Company KSCP (Zain Group) is a leading telecommunications conglomerate with a diversified presence across countries in the MENA region. The company derives revenue exposure from Saudi Arabia (40% of 9M25 revenue), Kuwait (17%), Iraq (17%), Jordan (8%), Sudan (7%), Bahrain (3%), and other markets (8%). Zain holds a dominant competitive position across most of its operating regions, with market leadership in Kuwait (38% value share), Iraq (52% market share), Jordan (35% value share), and Sudan (54% market share). It also maintains a strong foothold in Saudi Arabia, where it is the third-largest telecom operator.

Most of the countries in which Zain operates, particularly in the GCC, are undergoing economic transformation, driven by substantial government investment in infrastructure and local industries aimed at economic diversification. In addition, tourism, a key revenue driver for the region, has returned to pre-COVID levels, which should support demand for telecom services. Given the essential nature of Zain's offerings, the company is expected to continue generating stable and recurring revenue streams.

The primary challenge to Zain's operations stems from socioeconomic instability in certain markets, most notably the ongoing conflict in Sudan, which has historically been one of the company's most profitable segments. In 2024, revenue from Sudan declined by more than 50%, and although performance is expected to recover sharply in 2025e, normalization is likely to be gradual and subject to considerable uncertainty. Iraq, another key growth market within Zain's portfolio, also faces competitive pressures following the entry of a new telecom player. Zain's ability to manage these risks will be a critical factor to monitor.

These challenges are partially offset by the group's expansion into next-generation businesses, including ZOI, which recorded 172% YoY revenue growth in 9M25, Zain Tech (74% YoY), and Zain Fintech (57% YoY). Collectively, these emerging segments accounted for 10% of consolidated revenue in 9M25, highlighting their growing strategic importance.

Zain Group's operations are capital-intensive, with capital expenditure historically averaging approximately 15% of revenue and management guidance of 15–17% for the current year. Consequently, leverage remains relatively elevated, with a debt-to-total-capital ratio of 51% as of September 2025, though still within manageable levels. The company has a strong track record of dividend payments, with a historical payout ratio of around 70–75%. This is further supported by its dividend policy, which commits to a minimum dividend of 35 fils per share through 2028, implying a minimum dividend yield of approximately 7% at current share prices. Based on these factors, we maintain our target price of KD 0.585 per share and reiterate our Buy rating.



CMP : KD 0.517

12M Target Price KD 0.585

Income Statement (KD mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	1,728	1,909	1,972	2,260	2,390	2,511	2,623
Gross profit	1,162	1,292	1,323	1,471	1,556	1,635	1,708
EBITDA	673	705	689	746	789	829	866
EBIT	338	359	338	395	418	441	462
PBT	246	332	275	308	300	321	339
Net income	196	215	208	232	226	242	255

Balance Sheet (KD mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	3,512	3,606	3,712	3,930	4,106	4,265	4,430
Total current assets	1,437	1,390	1,552	1,747	1,801	1,871	1,932
Total assets	4,950	4,996	5,264	5,676	5,907	6,136	6,363
Total equity	1,896	1,960	1,962	2,072	2,180	2,295	2,417
Total current liabilities	1,387	1,372	1,948	1,778	1,883	1,982	1,970
Total non-current liabilities	1,666	1,664	1,354	1,826	1,844	1,859	1,976
Total Liabilities	3,054	3,035	3,302	3,604	3,727	3,841	3,946
Equity and liabilities	4,950	4,996	5,264	5,676	5,907	6,136	6,363

Cash Flows (KD mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	491	548	420	669	635	670	703
Cash from investments	(265)	(39)	(263)	(422)	(420)	(414)	(431)
Cash from financing	(224)	(394)	(243)	(233)	(240)	(260)	(279)
Net changes in cash	(4)	86	(119)	15	(24)	(4)	(7)
Ending Cash	240	327	212	226	202	198	191

Ratios	2022	2023	2024	2025e	2026e	2027e	2028e
Per Share (KD)							
EPS	0.045	0.050	0.048	0.054	0.052	0.056	0.059
BVPS	0.284	0.288	0.284	0.300	0.315	0.332	0.350
DPS	0.035	0.035	0.035	0.037	0.037	0.039	0.041
Valuations							
M.Cap (KD mn)	2,436	2,194	2,055	2,237	2,237	2,237	2,237
EV (KD mn)	4,273	4,009	4,199	4,426	4,525	4,604	4,684
P/E	12.4	10.2	9.9	9.7	9.9	9.3	8.8
EV/EBITDA	6.3	5.7	6.1	5.9	5.7	5.6	5.4
P/BV	2.0	1.8	1.7	1.7	1.6	1.6	1.5
Div. yield	6.2%	6.9%	7.4%	7.2%	7.1%	7.6%	8.0%
Return ratio							
ROA	4.5%	5.8%	4.8%	4.8%	4.5%	4.6%	4.7%
ROE	15.9%	17.3%	16.9%	17.9%	16.6%	16.8%	16.9%
ROCE	10.0%	10.4%	9.2%	10.4%	10.6%	10.7%	10.8%
Cash cycle							
Payable days	635	644	654	654	654	654	654
Receivables days	166	171	190	190	190	190	190
Inventory days	31	32	44	44	44	44	44
Cash Cycle	(438)	(441)	(420)	(420)	(420)	(420)	(420)
Profitability ratio							
Gross margins	67.3%	67.7%	67.1%	65.1%	65.1%	65.1%	65.1%
EBITDA margins	38.9%	36.9%	34.9%	33.0%	33.0%	33.0%	33.0%
Net margins	11.3%	11.3%	10.5%	10.3%	9.5%	9.6%	9.7%
Leverage							
Total debt (KD mn)	1,471	1,487	1,703	1,745	1,782	1,817	1,848
Net debt (KD mn)	1,231	1,161	1,491	1,518	1,580	1,619	1,657
Debt/Equity	0.8	0.8	0.9	0.8	0.8	0.8	0.8



Dr. Sulaiman Al Habib Medical Services Group

CMP : SAR 252.20

12M Target Price SAR 295.00

Exchange	Saudi Arabia	
Index weight (%)	2%	

(mn)	SAR	USD
Market Cap	88,270	23,533
Enterprise Value	95,488	25,457

Major shareholders

Al Habib Sulaiman	40.0%
Mohammed Abdulaziz	28.8%
Al Habib Hesham Sulaiman	2.0%
Others	29.2%

Valuation Summary (TTM)

PER TTM (x)	37.3
P/Book (x)	11.5
EV/EBITDA (x)	30.0
Dividend Yield (%)	1.9
Free Float (%)	29%
Shares O/S (mn)	350
YTD Return (%)	-10%
Beta	1.0

Key ratios	2022	2023	2024
EPS (SAR)	4.72	5.85	6.62
BVPS (SAR)	16.80	18.53	20.50
DPS (SAR)	3.48	4.32	4.77
Payout ratio (%)	74%	74%	72%

Price performance (%)	1M	3M	12M
Dr Sulaiman Al Habib Mei	-2%	2%	-15%
Tadawul All Share Index	-6%	-2%	-13%

52 week	High	Low	CTL*
Price (SAR)	304.00	227.70	10.8

* CTL is % change in CMP to 52w k low

Al Habib is the largest listed private healthcare provider in Saudi Arabia, with its revenue accounting for nearly 50% of the cumulative revenue of its listed peers. The company currently operates c.3,500 beds and has a strong presence across the Kingdom's major regions. Al Habib has pursued aggressive capacity expansion over the past few years, culminating in the addition of six new hospitals in 2024 and 2025.

In a move further consolidate its position the company has announced two new projects in Dammam and Riyadh. The Dammam project entails an investment of SAR 988 mn and will have a capacity of 145 beds, while the Riyadh project involves an investment of SAR 991 mn with a capacity of 160 beds. Construction for both projects is expected to commence in 4Q25, with operations beginning by 2Q29. In addition, Al Habib has leased land in Tabuk and Jubail and secured management contracts for Amaala Hospital and Red Sea Hospital, all of which are upcoming facilities. Most of these projects are expected to commence operations between 2028 and 2029.

Against this backdrop, we expect Al Habib's revenue growth to remain strong, forecasting a CAGR of 15% over the 2024–28e period, driven primarily by new facilities coming online. However, we anticipate near-term pressure on operating margins, as newly commissioned facilities typically require time to reach break-even. Accordingly, we forecast EBIT margins to decline from 22% in 2023 to approximately 19% by 2025e, before gradually recovering to historical levels. Overall, we expect net income growth to broadly mirror revenue growth during the forecast period.

Al Habib's revenue base is dominated by insurance and cash-paying customers, with the latter accounting for more than 20% of total revenue, higher than most peers. This customer mix has enabled the company to maintain relatively low receivable days, supporting stronger working capital management. We view this as a positive, particularly in the context of the company's aggressive expansion strategy. That said, leverage (debt to total capital) has risen steadily, increasing from 37% in 2022 to 52.8% as of September 2025. We expect leverage to remain elevated relative to peers, given the company's upcoming capital investments.

Overall, Al Habib benefits from its strong positioning as a leading private healthcare operator in Saudi Arabia. Ongoing capacity additions are expected to reinforce its market leadership, provide clear revenue visibility over the next five years, and support diversification of its revenue base. Accordingly, we maintain our target price of SAR 295 per share and reiterate our Buy rating.



Dr. Sulaiman Al Habib Medical Services Group

CMP : SAR 252.20

12M Target Price SAR 295.00

Income Statement (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e	Ratios	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	8,311	9,508	11,200	13,544	14,991	17,186	19,405	Per Share (SAR)							
Gross profit	2,748	3,270	3,744	4,212	4,737	5,517	6,132	EPS	4.7	5.8	6.6	6.7	7.8	9.4	10.6
Operating profit	1,700	2,096	2,356	2,603	2,982	3,588	4,018	BVPS	16.8	18.5	20.5	22.8	25.4	28.6	32.2
EBITDA	2,010	2,408	2,777	3,032	3,420	4,034	4,487	DPS	3.5	4.3	4.8	4.4	5.1	6.2	7.0
PBT	1,797	2,170	2,413	2,472	2,856	3,464	3,898	Valuations							
Net income	1,651	2,046	2,315	2,350	2,714	3,293	3,705	M.Cap (SAR mn)	70,145	91,025	91,700	88,270	88,270	88,270	88,270
								EV (SAR mn)	71,206	93,923	97,462	93,715	93,700	93,615	92,540
								P/E	42.5	44.5	39.6	37.6	32.5	26.8	23.8
								EV/EBITDA	35.4	39.0	35.1	30.9	27.4	23.2	20.6
								P/BV	11.9	14.0	12.8	11.1	9.9	8.8	7.8
								Div. yield	1.7%	1.7%	1.8%	1.8%	2.0%	2.5%	2.8%
								Return ratio							
								ROA	13.4%	13.3%	11.5%	10.8%	11.7%	13.1%	13.5%
								ROE	28.1%	31.5%	32.3%	29.5%	30.5%	32.9%	32.9%
								ROCE	17.6%	17.5%	14.9%	15.6%	16.8%	18.9%	19.7%
								Cash cycle							
								Receivables days	32	27	36	36	36	36	36
								Inventory days	32	31	41	41	41	41	41
								Payable days	62	74	89	89	89	89	89
								Cash Cycle	2	(16)	(12)	(12)	(12)	(12)	(12)
								Profitability ratio							
								Gross margins	33.1%	34.4%	33.4%	31.1%	31.6%	32.1%	31.6%
								EBITDA margins	24.2%	25.3%	24.8%	22.4%	22.8%	23.5%	23.1%
								Net margins	19.9%	21.5%	20.7%	17.3%	18.1%	19.2%	19.1%
								Leverage							
								Total debt (SAR mn)	3,582	5,238	8,215	8,209	8,217	8,243	8,266
								Net debt (SAR mn)	835	2,618	5,324	4,930	4,825	4,631	3,433
								Debt/Equity	58.7%	77.4%	107.9%	96.7%	86.5%	76.8%	68.2%
Balance Sheet (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e								
Total non-current assets	8,424	11,660	15,239	16,196	17,303	18,640	19,204								
Total current assets	4,160	4,138	5,319	6,252	6,674	7,364	9,081								
Total assets	12,584	15,798	20,558	22,448	23,977	26,005	28,285								
Total equity	6,106	6,766	7,613	8,489	9,502	10,730	12,113								
Total current liabilities	2,590	3,299	4,162	5,169	5,668	6,434	7,301								
Total non-current liabilities	3,888	5,733	8,783	8,790	8,807	8,841	8,871								
Total Liabilities	6,478	9,032	12,945	13,959	14,475	15,275	16,172								
Equity and liabilities	12,584	15,798	20,558	22,448	23,977	26,005	28,285								
Cash Flows (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e								
Cash from operations	2,844	3,244	2,970	3,302	3,411	4,119	4,644								
Cash from investments	(1,939)	(3,487)	(3,775)	(1,354)	(1,499)	(1,719)	(970)								
Cash from financing	(801)	116	1,075	(1,559)	(1,799)	(2,181)	(2,453)								
Net changes in cash	103	(127)	270	388	113	220	1,221								
Ending Cash	2,747	2,620	2,891	3,279	3,392	3,612	4,833								



CMP : SAR 68.85

12M Target Price SAR 85.00

Exchange Saudi Arabia
Index weight (%) 0%

(mn)	SAR	USD
Market Cap	13,770	3,671
Enterprise Value	14,408	3,841

Major shareholders

Al-Subaie Nasser	19.2%
Al-Subaie Mohammed	17.8%
Al-Saleem Suleiman	17.5%
Others	45.4%

Valuation Summary (TTM)

PER TTM (x)	18.2
P/Book (x)	3.7
EV/EBITDA (x)	13.7
Dividend Yield (%)	2.9
Free Float (%)	45%
Shares O/S (mn)	200
YTD Return (%)	-19%
Beta	1.0

Key ratios	2022	2023	2024
EPS (SAR)	3.00	3.29	3.23
BVPS (SAR)	14.61	16.39	17.84
DPS (SAR)	1.50	1.75	2.00
Payout ratio (%)	50%	53%	62%

Price performance (%)	1M	3M	12M
Mouwasat Medical Servic	-2%	-5%	-22%
Tadawul All Share Index	-6%	-2%	-13%

52 week	High	Low	CTL*
Price (SAR)	93.70	65.60	5.0

* CTL is % change in CMP to 52w k low

Mouwasat is one of the leading private healthcare providers in Saudi Arabia, operating 1,600 beds and 600 clinics as of 2024. The company is primarily concentrated in the Eastern region, which accounts for over 65% of its beds and more than 60% of its clinics. It also maintains a presence in the Western region (over 20% of beds and clinics) and the Central region (13% of beds and 17% of clinics). To diversify its geographic footprint, Mouwasat is strengthening its presence in the Western and Central regions through the development of new facilities. As a result, the share of beds in the Eastern region is expected to decline to below 50%, leading to a more balanced geographic exposure.

Mouwasat's growth trajectory remains intact, supported by the planned addition of 500 beds in Yanbu Industrial City and Jeddah, which are expected to begin contributing to revenue from 2026e. In addition, the company has announced further capacity expansions totaling 580 beds across four cities. These include 100-bed expansions at its Riyadh and Qatif facilities, as well as new 180-bed and 200-bed hospitals in Abha and Al Ahsa, respectively. Cumulative investment for these projects is estimated at over SAR 2 bn and is expected to be deployed over the next four to five years.

We forecast revenue growth of over 10% CAGR during 2024–28e, driven by improving utilization at new facilities and the incremental addition of beds and clinics, which will begin contributing meaningfully from 2026e. The introduction of new capacity is likely to exert some pressure on margins in the initial years; however, we expect margins to normalize as utilization levels improve. Mouwasat's operating performance weakened in 3Q25, reflecting softer gross margins and higher operating expenses. Hiring for new facilities was likely the primary driver of the increase in costs, while relatively modest revenue growth during the quarter further weighed on performance. We expect revenue momentum to improve in 4Q25; however, margins are likely to remain under pressure until the new facilities reach meaningful utilization. This trend may persist over the medium term, as newly commissioned facilities typically require time to reach breakeven.

Overall, we forecast net income growth to slightly outpace topline growth over 2024–28e, with profitability strengthening toward the latter part of the forecast period. We also factor in Mouwasat's strong financial position, with leverage at 21.5% (debt-to-capital). While this represents an increase from c.17% in 2024, reflecting higher capital expenditure on expansion, leverage remains at manageable levels.

Despite the weak financial performance in the most recent quarter, we continue to see attractive long-term growth potential for Mouwasat. Accordingly, we maintain our target price of SAR 85 per share, implying a **STRONG BUY** rating.



CMP : SAR 68.85

12M Target Price SAR 85.00

Income Statement (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	2,334	2,706	2,879	3,177	3,695	4,113	4,422
Gross profit	1,102	1,313	1,289	1,375	1,553	1,764	1,933
Operating profit	666	748	716	836	921	1,085	1,208
EBITDA	854	972	954	1,108	1,212	1,385	1,518
PBT	660	727	706	846	912	1,078	1,208
Net income	599	658	646	783	844	998	1,118
Balance Sheet (SAR mn)							
	2022	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	3,088	3,347	3,646	3,851	4,114	4,226	4,359
Total current assets	1,574	1,618	1,756	2,050	2,383	2,893	3,307
Total assets	4,662	4,965	5,403	5,901	6,498	7,119	7,666
Total equity	3,076	3,427	3,714	4,128	4,583	5,122	5,725
Total current liabilities	767	831	881	906	1,057	1,149	1,409
Total non-current liabilities	818	707	808	867	858	848	532
Total Liabilities	1,585	1,538	1,689	1,773	1,914	1,997	1,941
Equity and liabilities	4,662	4,965	5,403	5,901	6,498	7,119	7,666
Cash Flows (SAR mn)							
	2022	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	707	814	1,256	1,053	1,103	1,264	1,414
Cash from investments	(473)	(475)	(468)	(651)	(729)	(861)	(442)
Cash from financing	(247)	(434)	(411)	(409)	(431)	(508)	(676)
Net changes in cash	(13)	(95)	378	(8)	(58)	(106)	296
Ending Cash	144	49	427	419	361	255	551

Ratios	2022	2023	2024	2025e	2026e	2027e	2028e
Per Share (SAR)							
EPS	3.0	3.3	3.2	3.9	4.2	5.0	5.6
BVPS	14.6	16.4	17.8	19.8	21.9	24.4	27.2
DPS	1.5	1.8	2.0	2.0	2.1	2.5	2.8
Valuations							
M.Cap (SAR mn)	21,575	22,408	18,000	13,770	13,770	13,770	13,770
EV (SAR mn)	22,365	23,197	18,395	14,020	13,926	13,612	13,244
P/E	36.0	34.1	27.9	17.6	16.3	13.8	12.3
EV/EBITDA	26.2	23.9	19.3	12.7	11.5	9.8	8.7
P/BV	7.4	6.8	5.0	3.5	3.1	2.8	2.5
Div. yield	1.4%	1.6%	2.2%	2.9%	3.1%	3.6%	4.1%
Return ratio							
ROA	12.9%	13.2%	12.0%	13.3%	13.0%	14.0%	14.6%
ROE	20.5%	20.1%	18.1%	19.8%	19.3%	20.5%	20.6%
ROCE	16.8%	17.7%	16.0%	17.1%	17.3%	18.5%	19.1%
Cash cycle							
Receivables days	160	153	116	116	116	116	116
Inventory days	59	51	53	53	53	53	53
Payable days	63	60	63	63	63	63	63
Cash Cycle	156	144	106	106	106	106	106
Profitability ratio							
Gross margins	47.2%	48.5%	44.8%	43.3%	42.0%	42.9%	43.7%
EBITDA margins	36.6%	35.9%	33.1%	34.9%	32.8%	33.7%	34.3%
Net margins	25.7%	24.3%	22.4%	24.7%	22.9%	24.3%	25.3%
Leverage							
Total debt (SAR mn)	892	788	762	752	743	734	616
Net debt (SAR mn)	748	739	335	334	382	478	65
Debt/Equity	29.0%	23.0%	20.5%	18.2%	16.2%	14.3%	10.8%



CMP : SAR 133.40

12M Target Price SAR 190.00

Exchange Saudi Arabia
Index weight (%) 0%

(mn)	SAR	USD
Market Cap	5,983	1,595
Enterprise Value	6,035	1,609

Major shareholders

Saudi Medical Care	49.2%
Vanguard Group Inc	2.0%
Blackrock Inc	0.9%
Others	47.8%

Valuation Summary (TTM)

PER TTM (x)	17.9
P/Book (x)	3.3
EV/EBITDA (x)	14.7
Dividend Yield (%)	1.5
Free Float (%)	48%
Shares O/S (mn)	45
YTD Return (%)	-20%
Beta	1.0

Key ratios	2022	2023	2024
EPS (SAR)	3.79	5.37	6.65
BVPS (SAR)	28.17	32.41	36.33
DPS (SAR)	1.00	2.00	2.00
Payout ratio (%)	26%	37%	30%

Price performance (%)	1M	3M	12M
National Medical Care Co	-13%	-18%	-19%
Tadawul All Share Index	-6%	-2%	-13%

52 week	High	Low	CTL*
Price (SAR)	183.50	132.60	0.6

* CTL is % change in CMP to 52w k low

National Medical Care Co. (Care) is a mid-sized healthcare provider with a total capacity of 1,178 beds as of September 2025. Capacity has expanded steadily from 655 beds in 2023, representing an increase of nearly 80%. This growth has been driven primarily by the addition of new facilities in Al Balad, Al Haram, Al Salam, and Relib, which collectively contributed approximately 350 beds over the past two years. Further capacity expansions at the Al Rawabi and Al Malaz branches added an additional 170 beds during the same period. Its facilities has traditionally been concentrated in Riyadh, though it has also acquired exposure to Jeddah and Mecca regions through its expansions. Despite these additions, Care's bed utilization has remained strong and improved from the levels of c.70% in 2023 and 2024 to c.84% in the current period (9M25). Consistently strong utilization of its legacy facilities of Rawabi and Malaz, along with improved utilization of its new facilities of Al Balad and Al Salam was the main reason for this. Going forward, we also see potential for an improvement in the utilization of Haram and Re Lib facilities.

These developments are expected to underpin continued topline growth over the medium term. Supported by this expanded footprint, we forecast Care's revenue to grow at a CAGR of 10–12% between 2024 and 2028e, with net income growth broadly tracking revenue performance.

GOSI (37% of 9M25 revenue) and the Ministry of Health (MoH) & other government entities (31%) together accounted for c.70% of total revenue. This concentration has resulted in relatively high receivable days compared with peers (around 200 days). However, this risk is partially mitigated by the fact that these are government counterparties. In addition, GOSI directly owns a stake in Saudi Medical Care Group, which in turn holds a 49.2% stake in Care.

Care's operating performance in 9M25 has been robust, supported by continued improvements in bed utilization despite the substantial increase in capacity. This has allowed the company to maintain relatively strong margins compared with its historical trend, although higher operating expenses exerted some pressure. Looking ahead, we expect revenue growth to remain steady, driven primarily by improving utilization of newly added capacity. The company's ability to sustain current margin levels will be critical to preserving its strong financial performance. Further its leverage remains well controlled, with debt-to-total capital at 19.2% as of September 2025, a modest improvement from 23.0% in 2024. Care is currently trading at 17x its 2026e EPS, which we believe offers further upside. Accordingly, we maintain our target price of SAR 190 per share, implying a **STRONG BUY** rating.



CMP : SAR 133.40

12M Target Price SAR

Income Statement (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	918	1,082	1,294	1,625	1,706	1,811	1,986
Gross profit	290	370	454	601	633	652	722
Operating profit	189	243	248	371	386	385	433
EBITDA	235	298	329	448	464	496	545
PBT	199	265	294	362	380	383	434
Net income	170	241	298	338	354	357	404
Balance Sheet (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	657	936	1,273	1,423	1,567	1,546	1,534
Total current assets	1,056	1,278	1,229	1,292	1,339	1,552	1,798
Total assets	1,713	2,214	2,502	2,715	2,906	3,098	3,333
Total equity	1,264	1,453	1,630	1,866	2,109	2,342	2,612
Total current liabilities	286	348	348	389	401	425	454
Total non-current liabilities	163	413	524	460	396	332	267
Total Liabilities	449	761	873	849	797	756	721
Equity and liabilities	1,713	2,214	2,502	2,715	2,906	3,098	3,333
Cash Flows (SAR mn)	2022	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	217	467	245	302	406	438	458
Cash from investments	(212)	(625)	(193)	(228)	(222)	(91)	(99)
Cash from financing	(51)	138	(97)	(179)	(178)	(190)	(201)
Net changes in cash	(46)	(21)	(45)	(105)	6	158	158
Ending Cash	329	309	264	159	165	323	480

Ratios	2022	2023	2024	2025e	2026e	2027e	2028e
Per Share (SAR)							
EPS	3.8	5.4	6.6	7.5	7.9	8.0	9.0
BVPS	28.2	32.4	36.3	41.6	47.0	52.2	58.2
DPS	1.0	2.0	2.0	2.3	2.5	2.8	3.0
Valuations							
M.Cap (SAR mn)	3,082	5,064	6,414	5,983	5,983	5,983	5,983
EV (SAR mn)	2,836	4,701	6,335	5,931	5,858	5,635	5,411
P/E	18.1	21.0	21.5	17.7	16.9	16.8	14.8
EV/EBITDA	12.1	15.8	19.3	13.2	12.6	11.4	9.9
P/BV	2.4	3.5	3.9	3.2	2.8	2.6	2.3
Div. yield	1.5%	1.8%	1.4%	1.7%	1.9%	2.1%	2.2%
Return ratio							
ROA	9.9%	10.9%	11.9%	12.4%	12.2%	11.5%	12.1%
ROE	13.5%	16.6%	18.3%	18.1%	16.8%	15.2%	15.5%
ROCE	14.0%	13.6%	11.7%	16.3%	15.7%	14.7%	15.4%
Cash cycle							
Receivables days	268	177	168	168	168	168	168
Inventory days	24	27	25	25	25	25	25
Payable days	109	115	106	106	106	106	106
Cash Cycle	184	88	87	87	87	87	87
Profitability ratio							
Gross margins	31.6%	34.2%	35.1%	37.0%	37.1%	36.0%	36.4%
EBITDA margins	25.6%	27.5%	25.4%	27.6%	27.2%	27.4%	27.4%
Net margins	18.5%	22.3%	23.0%	20.8%	20.8%	19.7%	20.3%
Leverage							
Total debt (SAR mn)	83	330	488	409	343	277	211
Net debt (SAR mn)	(246)	22	224	251	178	(45)	(269)
Debt/Equity	6.6%	22.7%	29.9%	21.9%	16.3%	11.8%	8.1%



CMP : AED 3.99

12M Target Price AED

Exchange Abu Dhabi
Index weight (%) 1%

(mn)	AED	USD
Market Cap	50,125	13,648
Enterprise value	54,401	14,688

Major shareholders

Emirate of Abu Dhabi	77.0%
Vanguard Group Inc/T	1.0%
Blackrock Inc	0.9%
Others	21.1%

Valuation Summary (TTM)

PER TTM (x)	18.5
P/Book (x)	16.4
EV/EBITDA (x)	12.9
Dividend Yield (%)	5.1
Free Float (%)	21%
Shares O/S (mn)	12,500
YTD Return (%)	14%
Beta	0.8

Key ratios	2022	2023	2024
EPS (AED)	0.22	0.21	0.19
BVPS (AED)	0.28	0.28	0.24
DPS (AED)	0.21	0.21	0.21
Payout ratio (%)	94%	99%	106%

Price performance (%)	1M	3M	12M
Abu Dhabi National Oil Cc	6%	7%	17%
FTSE ADX GENERAL INI	1%	-1%	8%

52 week	High	Low	CTL*
Price (AED)	4.03	2.95	35.9

* CTL is % change in CMP to 52w k low

Abu Dhabi National Oil Company for Distribution (Adnoc) was established in 1973 as a UAE government-owned company specialized in the marketing and distribution of petroleum products. ADNOC Distribution is now one of the region's largest companies. It is UAE's leading operator of retail fuel service stations and have near monopoly status in Abu Dhabi and Sharjah. The company operates network of 562 retail service stations and 382 convenience stores across UAE. It also provides bunkering services at Sheik Zayed Port and aviation fuel services at most of the country's airports and sells its own brand of lubricants throughout the Gulf region. It is also active in the retail sales of liquefied petroleum gas (LPG) and compressed natural gas (CNG). Beyond UAE, the company operates 172 retail fuel stations in Saudi Arabia, with a strong intention to expand internationally. The company has entered another new territory through an agreement with Total Energies to acquire a 50% equity stake in Total Energies Marketing Egypt. It has two reporting segments namely, Retail and Commercial contributing 67% and 33% respectively to the revenues. Abu Dhabi National Oil Company is the parent company and owns 77% stake in ADNOC Distribution.

ADNOC is strongly anchored in the UAE, one of the region's most dynamic markets, driven by robust growth in both business and tourism. Over the past two decades, the country has experienced substantial expansion in population, road infrastructure, and vehicular traffic. Since 2000, the UAE's population has increased by 5.4% (2.8x), resulting in a significant rise in road traffic. However, the pace of public transport development has not kept up with this growth, which has further accelerated reliance on private vehicles keeping demand buoyant. Additionally the company is future proofing itself by establishing EV charging ports, expanding the scope of forecourt into car services, food courts and convenience stores. Most importantly, the company maintains the highest margins in the industry due to a favorable agreement with its parent company, which is its sole supplier of refined fuel.

Management raised its target for new fuel stations to 1,150 (from ~977) by 2028, and aims to double NFR revenue by 2030 (versus 2023 levels). We consider this guidance conservative and forecast a faster growth trajectory over the next few years given the company's aggressive rollout strategy. Accordingly, we revise our 2025e revenue and profit forecasts upward to AED 35.1bn and AED 2.68bn, respectively, implying a target price of AED 4.50 per share. The company also confirmed that its dividend policy will remain unchanged through 2030, with quarterly payouts. While we had anticipated an increase, the current policy provides visibility and stability to future cash flows. The stock continues to trade at a discount to peers and offers a dividend yield of 5.2%.



CMP : AED 3.99

12M Target Price AED

Income Statement (in AED Mn)	2022	2023	2024	2025E	2026E	2027E	2028E	Ratio Analysis	2022	2023	2024	2025E	2026E	2027E	2028E
Revenue	32,111	34,629	35,454	35,154	36,374	38,482	40,743	Per Share							
Gross profit	5,668	5,836	6,216	6,726	6,859	7,228	7,495	EPS (AED)	0.220	0.208	0.194	0.211	0.222	0.237	0.246
Operating profit	2,973	2,983	3,069	3,414	3,504	3,718	3,823	BVPS (AED)	0.276	0.278	0.239	0.244	0.261	0.292	0.332
EBITDA	3,411	3,490	3,823	4,226	4,374	4,632	4,783	DPS (AED)	0.206	0.206	0.206	0.206	0.206	0.206	0.206
Profit before tax	2,749	2,649	2,756	3,008	3,122	3,328	3,451	Valuation							
Net profit	2,749	2,630	2,472	2,686	2,809	2,995	3,106	P/E (x)	20.1	17.8	19.1	19.0	18.0	16.9	16.3
								EV/EBITDA (x)	17.4	14.5	13.3	12.9	12.5	11.8	11.3
								Price/Book (x)	16.0	13.3	15.5	16.4	15.4	13.7	12.1
								Dividend Yield (%)	4.7%	5.6%	5.6%	5.1%	5.1%	5.1%	5.1%
								Price to sales (x)	1.7	1.3	1.3	1.4	1.4	1.3	1.2
								EV to sales (x)	1.8	1.5	1.4	1.6	1.5	1.4	1.3
								Returns Ratio							
								ROA (%)	17.2%	13.9%	13.6%	14.2%	14.3%	14.3%	14.2%
								ROE (%)	79.8%	69.3%	77.7%	81.0%	79.3%	75.5%	68.8%
								ROCE (%)	26.3%	23.2%	23.2%	25.0%	25.1%	25.2%	25.3%
								Profitability Ratio							
								Net Margins (%)	8.6%	7.6%	7.0%	7.6%	7.7%	7.8%	7.6%
								EBITDA Margins (%)	10.6%	10.1%	10.8%	12.0%	12.0%	12.0%	11.7%
								PBT Margins (%)	8.6%	7.7%	7.8%	8.6%	8.6%	8.6%	8.5%
								EBIT Margins (%)	9.3%	8.6%	8.7%	9.7%	9.6%	9.7%	9.4%
								Leverage							
								Total Debt (AED Mn)	6,796	7,240	7,313	7,204	7,454	7,741	7,666
								Net Debt (AED Mn)	4,179	4,246	4,579	4,439	4,488	4,301	3,990
								Debt/Total Assets (x)	0.4	0.4	0.4	0.4	0.4	0.4	0.3
								Debt/Equity (x)	2.0	1.9	2.3	2.2	2.1	2.0	1.7
Balance Sheet (in AED Mn)	2022	2023	2024	2025E	2026E	2027E	2028E								
Total non-current assets	7,820	10,078	9,940	10,372	10,775	11,208	11,674								
Total current assets	8,198	8,814	8,241	8,526	8,904	9,669	10,231								
TOTAL ASSETS	16,018	18,892	18,181	18,898	19,678	20,876	21,905								
Net equity	3,445	3,796	3,181	3,318	3,543	3,968	4,512								
Total non-current liabilities	6,996	7,544	7,486	7,440	7,655	7,903	7,786								
Total current liabilities	5,578	7,552	7,514	8,140	8,480	9,005	9,606								
Total liabilities	12,574	15,096	15,000	15,580	16,135	16,908	17,392								
TOTAL EQUITY AND LIABILITIES	16,018	18,892	18,181	18,898	19,678	20,876	21,905								
Cash Flow (in AED Mn)	2022	2023	2024	2025E	2026E	2027E	2028E								
Cash from operations	4,507	5,051	3,931	5,580	4,502	4,827	5,016								
Investing cash flow	-1,062	-1,537	-1,012	-2,761	-1,536	-1,588	-1,616								
Financing cash flow	-2,954	-3,130	-3,081	-2,788	-2,765	-2,764	-3,163								
Change in cash	492	377	-260	31	201	474	237								
Beginning cash	2,126	2,617	2,994	2,734	2,765	2,966	3,440								
Ending cash	2,617	2,994	2,734	2,765	2,966	3,440	3,677								


CMP : SAR 18.49
12M Target Price SAR 21.30

Exchange Saudi Arabia
Index weight (%) 0.2%

(mn)	SAR	USD
Market Cap	5,577	1,487
Enterprise value	5,700	1,519

Major shareholders

Saudi Agricultural a	38.7%
Vanguard Group Inc/T	2.0%
Blackrock Inc	1.0%
Others	58.4%

Valuation Summary

PER TTM (x)	7.2
P/Book (x)	1.2
EV/EBITDA (x)	7.7
Dividend Yield (%)	NA
Free Float (%)	58%
Shares O/S (mn)	302
YTD Return (%)	-25%
Beta	0.9

Key ratios	2022	2023	2024
EPS (SAR)	0.45	1.77	2.57
BVPS (SAR)	6.08	11.91	14.25
DPS (SAR)	0.00	0.00	0.00
Payout ratio (%)	0%	0%	0%

Price performance (%)	1M	3M	12M
National Agriculture Devel	-4%	-13%	-27%
Tadawul All Share Index	-6%	-2%	-13%

52 week	High	Low	CTL*
Price (SAR)	28.00	18.02	2.6

* CTL is % change in CMP to 52w k low

The National Agricultural Development Company (NADEC) was established in 1980 as the first agricultural company in the Kingdom of Saudi Arabia (KSA). Today, it is one of the largest food, agricultural, and dairy producers in the MENA region, with a regional leadership position in the dairy and juice segments. NADEC is engaged in the production and marketing of more than 200 food products, distributed through an extensive network of over 48,000 outlets across Saudi Arabia, other GCC countries, and the wider MENA region. The company operates a dairy and juice production capacity of over 1.4mn liters per day and maintains a dairy herd of approximately 92k cows. NADEC owns four major agricultural facilities within KSA, located in Haradh (home to one of the largest integrated dairy farms in the world), Wadi Al Dawaser, Hail, and Al Jouf. To fund its strategic expansion into new product categories and reduce debt levels, the company launched a SAR 2 billion rights issue, offering 200 million shares at an offer price of SAR 10. This increased its share capital by 197% to SAR 3 billion. As a result, NADEC added a new protein segment in early 2024. As of 9M25, revenue is generated across three operating segments: dairy & food (90%), agriculture (6%), and protein (7%).

Saudi has the most attractive demographic profile in the region with a young and affluent population of over 35mn. It is expected that the overall Saudi population will reach 50-60mn by 2030e. Consumption trends indicate significant spending on food and beverage (F&B), which will lead to an industry growth of 5.9% CAGR (2022-26e). Nadec has leadership position across dairy products and fruit juices and will be a major beneficiary of the current growth. Over the years it has built a well-recognized brand that is available across the MENA region, which will further enhance the prospects of the company.

NADEC's expansion strategy focuses on strengthening its presence across markets and food segments through infrastructure upgrades, expanded storage capacity, and the modernization of storage and distribution systems. The company has established a new multi-vertical distribution center in Riyadh, with a storage capacity of 10k tons and a warehousing land area of 20k square meters. The facility is equipped with advanced technology to enhance logistics efficiency and streamline operations, supporting the company's expansion across multiple markets. Additionally, NADEC continues to benefit from value-added beef products within its protein segment and expects further traction once its new slaughterhouse becomes operational in 4Q25. The agriculture segment is also expected to sustain its growth momentum, supported by the delivery of 65k tons of wheat in 2H25. We remain positive on the company, underpinned by favorable industry growth prospects, structural improvements in demand, and planned expansion into new product categories. We forecast 2025E revenue of SAR 3.52bn and net profit of SAR 433mn, arriving at a blended target price of SAR 21.30 per share, which implies 15.2% upside from the current price. Accordingly, we assign a BUY rating.


CMP : SAR 18.49
12M Target Price SAR 21.30

Income statement (in SAR Mn)	2023	2024	2025e	2026e	2027e	2028e
Revenue	3,197	3,220	3,527	3,712	3,904	3,948
Gross Profit	1,184	1,192	1,233	1,373	1,444	1,461
EBIT	345	389	411	445	468	454
EBITDA	572	636	712	754	782	761
PBT	290	827	475	491	515	522
Net Profit	302	775	433	447	469	475
Balance Sheet (in SAR Mn)	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	2,695	2,829	3,387	3,380	3,380	3,390
Total current assets	2,415	2,875	2,704	3,054	3,310	3,524
TOTAL ASSETS	5,110	5,704	6,091	6,435	6,690	6,914
Total equity	3,593	4,297	4,473	4,919	5,165	5,405
Total non-current liabilities	284	162	395	277	258	241
Total current liabilities	1,232	1,245	1,223	1,238	1,267	1,268
Total liabilities	1,517	1,407	1,618	1,515	1,526	1,509
Total equity and liabilities	5,110	5,704	6,091	6,435	6,690	6,914
Cash Flow (in SAR Mn)	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	655	670	773	824	859	869
Investing cash flow	-757	82	-353	-223	-234	-237
Financing cash flow	825	-221	-364	-285	-423	-431
Change in cash	722	531	56	316	201	202
Beginning cash	113	835	1,365	1,421	1,738	1,939
Ending cash	835	1,365	1,421	1,738	1,939	2,141

Ratio Analysis	2023	2024	2025e	2026e	2027e	2028e
Per Share						
EPS (SAR)	1.0	2.6	1.4	1.5	1.6	1.6
BVPS (SAR)	11.9	14.2	14.8	16.3	17.1	17.9
DPS (SAR)	-	-	-	0.7	0.8	0.8
Valuation						
Market Cap (SAR Mn)	8,401	7,444	5,577	5,577	5,577	5,577
EV (SAR Mn)	7,995	6,326	4,652	4,284	4,045	3,816
P/E (x)	27.8	9.6	12.9	12.5	11.9	11.7
EV/EBITDA (x)	14.0	9.9	6.5	5.7	5.2	5.0
Price/Book (x)	2.3	1.7	1.2	1.1	1.1	1.0
Dividend Yield (%)	0.0%	0.0%	0.0%	4.0%	4.2%	4.3%
Returns Ratio						
ROA (%)	5.9%	13.6%	7.1%	6.9%	7.0%	6.9%
ROE (%)	8.4%	18.0%	9.7%	9.1%	9.1%	8.8%
ROCE (%)	7.8%	17.4%	8.9%	8.6%	8.6%	8.4%
Profitability Ratio						
Net Margins (%)	9.4%	24.1%	12.3%	12.0%	12.0%	12.0%
EBITDA Margins (%)	17.9%	19.7%	20.2%	20.3%	20.0%	19.3%
PBT Margins (%)	9.1%	25.7%	13.5%	13.2%	13.2%	13.2%
EBIT Margins (%)	10.8%	12.1%	11.6%	12.0%	12.0%	11.5%
Leverage						
Debt/Equity (x)	0.1	0.1	0.1	0.1	0.08	0.07
Net Debt/Equity (x)	-0.1	-0.3	-0.2	-0.3	-0.3	-0.3



CMP : AED 5.74

12M Target Price AED 6.50

Exchange Abu Dhabi
Index weight (%) 1%

(mn)	AED	USD
Market Cap	42,467	11,562
Enterprise value	44,096	12,007

Major shareholders

Emirate of Abu Dhabi	81.0%
Vanguard Group Inc/T	0.8%
Schroders PLC	0.2%
Others	18.0%

Valuation Summary

PER TTM (x)	15.0
P/Book (x)	2.3
EV/EBITDA (x)	8.2
Dividend Yield (%)	2.8
Free Float (%)	21%
Shares O/S (mn)	7,398
YTD Return (%)	6%
Beta	1.2

Key ratios	2022	2023	2024
EPS (USD)	0.26	0.08	0.10
BVPS (USD)	1.80	0.60	0.66
DPS (USD)	0.00	0.03	0.04
Payout ratio (%)	0%	31%	36%

Price performance (%)	1M	3M	12M
ADNOC Logistics & Servi	3%	2%	7%
FTSE ADX GENERAL INI	0%	-1%	7%

52 week	High	Low	CTL*
Price (AED)	6.22	4.01	43.1

* CTL is % change in CMP to 52w k low

ADNOC Logistics & Services (ADNOC L&S), established in 2016, is a leading global logistics provider with world-class assets headquartered in Abu Dhabi. The company is a subsidiary of the ADNOC Group and primarily serves the group's downstream operations. ADNOC L&S plays a critical role as a dedicated logistics provider to ADNOC and its group companies, offering highly specialized and mission-critical services across the energy supply chain. In early 2025, ADNOC L&S acquired an 80% stake in Navig8 for USD 1.04 billion, marking a key milestone in its transformational growth strategy and significantly strengthening its global footprint. ADNOC L&S operates the largest diversified shipping fleet in the Middle East, with 258 owned vessels and an additional approximately 600 vessels chartered annually. The company provides maritime and logistics solutions through three core business segments: Integrated Logistics, Shipping, and Marine Services. While over 70% of revenue is generated from the ADNOC Group, the company also serves more than 100 customers across over 50 countries and employs over 7,000 people worldwide.

ADNOC, the parent company of ADNOC L&S, is a key revenue driver for the UAE, with energy assets spanning the entire value chain and investments across multiple geographies. Energy transportation and logistics are critical functions for the group, with operational efficiency being essential to the country's energy infrastructure. This positions ADNOC L&S as a systemically important company and a direct beneficiary of government-led initiatives aimed at strengthening the energy ecosystem. Investments in seaports, logistics hubs, and oil production capacity expansion are expected to have a direct positive impact on ADNOC L&S. The volume transported by the company on behalf of ADNOC and other group entities is expected to double by 2030.

ADNOC L&S's share price has doubled since its listing in June 2023, supported by positive news flow related to acquisitions and service expansion. The company remains focused on its transformational growth strategy, driven by value-efficiency initiatives, strategic expansion, partnerships, and portfolio diversification. Notably, dividends for 2025e are expected to increase by 19% YoY to USD 325mn, paid quarterly, and are projected to grow at 5% annually from 2026 to 2030. Additionally, ADNOC L&S is set to be included in the MSCI Market Index following a USD 317mn share placement by ADNOC, which increased free float to 22%. MSCI inclusion is expected to attract over USD 200mn in passive capital inflows, supporting stock liquidity. Management has maintained its 2025e guidance, projecting revenue growth in the high-20% YoY range and net profit growth in the low to mid double-digit range. Accordingly, we forecast 2025e revenue of USD 4.6bn and net profit of USD 832mn. Strong parental support, favorable regulation, high entry barriers, stable contracted cash flows, and a clear dividend policy provide a solid valuation underpinning. Given the company's long-term contracted income and ongoing value-efficiency initiatives, we arrive at a target price of AED 6.50, implying an 13.2% upside from current levels, and assign a BUY rating.



CMP : AED 5.74

12M Target Price AED 6.50

Income statement (in USD Mn)	2023	2024	2025e	2026e	2027e	2028e
Revenue from contracts	2,755	3,549	4,603	4,687	4,804	4,962
Gross Profit	752	941	1,054	1,172	1,249	1,340
EBIT	614	817	925	982	1,054	1,139
EBITDA	862	1,135	1,448	1,562	1,691	1,828
PBT	622	829	890	941	1,019	1,145
Net Profit	620	756	832	884	958	1,076
Balance Sheet (in USD Mn)	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	4,259	5,370	7,482	7,817	8,117	8,395
Total current assets	1,487	1,633	2,340	2,573	3,141	3,483
TOTAL ASSETS	5,746	7,003	9,822	10,389	11,259	11,877
Total equity	4,406	4,895	6,732	7,292	7,908	8,626
Total non-current liabilities	333	756	924	939	885	774
Total current liabilities	1,006	1,352	2,165	2,159	2,466	2,477
Total liabilities	1,340	2,109	3,090	3,098	3,350	3,251
Total equity and liabilities	5,746	7,003	9,822	10,389	11,259	11,877
Cash Flow (in USD Mn)	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	823	1,069	1,015	1,258	1,544	2,009
Investing cash flow	-763	-1,201	-699	-690	-708	-722
Financing cash flow	-9	115	-159	-741	-324	-1,024
Change in cash	51	-17	157	-173	512	264
Beginning cash	165	216	199	356	182	694
Ending cash	216	199	356	182	694	958

Ratio Analysis	2023	2024	2025e	2026e	2027e	2028e
Per Share						
EPS (USD)	0.08	0.10	0.11	0.12	0.13	0.15
BVPS (USD)	0.60	0.66	0.70	0.77	0.85	0.95
DPS (USD)	0.03	0.04	0.04	0.05	0.05	0.05
Valuation						
P/E (x)	12.4	14.5	13.9	13.1	12.1	10.7
EV/EBITDA (x)	9.0	10.1	8.8	8.6	7.3	6.5
Price/Book (x)	1.8	2.2	2.2	2.0	1.8	1.6
Dividend Yield (%)	2.5%	2.5%	2.8%	3.0%	3.1%	3.3%
Returns Ratio						
ROA (%)	10.8%	10.8%	8.5%	8.5%	8.5%	9.1%
ROE (%)	14.1%	15.4%	12.4%	12.1%	12.1%	12.5%
ROCE (%)	13.1%	13.4%	10.9%	10.7%	10.9%	11.5%
Profitability Ratio						
Net Margins (%)	22.5%	21.3%	18.1%	18.9%	19.9%	21.7%
EBITDA Margins (%)	31.3%	32.0%	31.5%	33.3%	35.2%	36.9%
PBT Margins (%)	22.6%	23.4%	19.3%	20.1%	21.2%	23.1%
EBIT Margins (%)	22.3%	23.0%	20.1%	21.0%	22.0%	23.0%
Leverage						
Net Debt/EBITDA (x)	0.1	0.5	0.8	1.2	0.5	0.2
Net Debt/Equity (x)	0.0	0.1	0.2	0.3	0.1	0.0



CMP : AED 5.87

12M Target Price AED 6.50

Exchange DFM
Index weight (%) 2%

(mn)	AED	USD
Market Cap	17,550	4,778
Enterprise value	17,500	4,765

Major shareholders

DUBAI INVESTMENT FUN	75.0%
Norges Bank	1.7%
Vanguard Group Inc/T	1.1%
Others	22.2%

Valuation Summary

PER TTM (x)	30.8
P/Book (x)	27.5
EV/EBITDA (x)	22.5
Dividend Yield (%)	3.4
Free Float (%)	22%
Shares O/S (mn)	3,000
YTD Return (%)	20%
Beta	0.9

Key ratios	2024	2025e	2026e
EPS (AED)	0.14	0.20	0.24
BVPS (AED)	0.16	0.16	0.16
DPS (AED)	0.16	0.20	0.24
Payout ratio (%)	113%	100%	100%

Price performance (%)	1M	3M	12M
Parkin Co PJSC	0%	3%	22%
DFM Index	3%	2%	20%

52 week	High	Low	CTL*
Price (AED)	6.79	4.25	37.6

* CTL is % change in CMP to 52w k low

Parkin is the largest and exclusive public paid parking solutions provider in Dubai. The company operates about 219k paid parking spaces accounting for 100% of Dubai's public on and off-street paid parking market and 91% of the total parking spaces across Dubai. Dubai's parking operations which was under the Dubai Municipality until 1995, became part of the RTA in 2005. Later, the parking operations were carved out of RTA, consequently establishing the company Parkin in December 2023. The company soon proceeded with its IPO and was listed on the Dubai Financial Market in March 2024. Parkin has a 49-year Concession Agreement with the RTA to exclusively operate all of the paid public on and off-street parking and public multi-storey car parks in Dubai. The company operates across six key verticals namely the public parking, developer-owned parking, permits & seasonal parking subscriptions, public multi-storey parking (MSCP's), parking reservations and other services. It has a fully digitized parking infrastructure and AI parking management system. Parkin services over 4.2mn customers and has completed 103.8mn parking transactions as of 9M25.

Cars remain the most preferred mode of transportation in the region, and parking facilities are an inevitable component of the transportation ecosystem. Dubai has developed world-class infrastructure to support this segment, particularly through a high-quality road network. Supported by several visa and residency initiatives, Dubai's population is expected to grow at a 2.7% CAGR, reaching 5.8 million by 2040, up from 4.2 million in 2024. In parallel, the Dubai Tourism Vision 2025 is forecast to increase the number of tourists to 25 million by 2025, from 18.72 million in 2024, representing a 34% year-on-year growth rate. The number of registered vehicles in Dubai is expected to rise to 2.5 million by 2025 and further to 3.3 million by 2033. Consequently, demand for public parking is projected to grow by 60%, representing a compound annual growth rate (CAGR) of 4.8% from 2023 to 2033. We believe that the confluence of population growth, rising road traffic, and a favorable regulatory environment will directly drive demand for parking spaces, thereby benefiting Parkin.

Since its listing in early 2024, Parkin's share price has more than doubled, driven by a strong positive news flow, the introduction of variable pricing, better-than-expected operational performance, and a high dividend yield. Parkin's transaction volume growth and expansion of parking spaces through strategic partnerships reinforce its position as a market leader in parking operations. We remain optimistic about Parkin's growth prospects, market leadership, and asset-light model. The company represents a defensive play on rising road traffic in Dubai and a one-of-a-kind opportunity in the region. Management has maintained its full-year 2025 guidance, alongside an upward revision to enforcement revenue. Accordingly, we have slightly upgraded our 2025E revenue forecast to AED 1.25 billion and net profit to AED 592 million, implying a target price of AED 6.50 and a dividend yield of 4%.



CMP : AED 5.87

12M Target Price AED 6.50

Income statement (in AED Mn)	2024	2025e	2026e	2027e	2028e
Revenue	916	1,251	1,410	1,539	1,629
EBIT	521	699	841	921	976
EBITDA	569	748	897	980	1,038
PBT	465	651	782	863	917
Net Profit	423	592	712	785	835

Balance Sheet (in AED Mn)	2024	2025e	2026e	2027e	2028e
Total non-current assets	1,434	1,414	1,397	1,381	1,364
Total current assets	777	932	1,032	1,115	1,179
TOTAL ASSETS	2,210	2,346	2,429	2,496	2,544
Total equity	480	477	477	477	477
Total non-current liabilities	1,144	1,150	1,161	1,168	1,173
Total current liabilities	587	719	791	852	894
Total liabilities	1,730	1,869	1,952	2,019	2,067
Total equity and liabilities	2,210	2,346	2,429	2,496	2,544

Cash Flow (in AED Mn)	2024	2025e	2026e	2027e	2028e
Cash from operations	546	828	932	1,009	1,060
Investing cash flow	-1,466	-1,534	-1,534	-1,534	-1,534
Financing cash flow	962	739	648	565	508
Change in cash	42	33	46	39	34
Beginning cash	-	42	75	121	160
Ending cash	42	75	121	160	194

Ratio Analysis	2024	2025e	2026e	2027e	2028e
Per Share					
EPS (AED)	0.141	0.197	0.237	0.262	0.278
BVPS (AED)	0.160	0.159	0.159	0.159	0.159
DPS (AED)	0.160	0.197	0.237	0.262	0.278
Valuation					
P/E (x)	34.5	29.6	24.6	22.4	21.0
EV/EBITDA (x)	27.6	24.9	20.7	18.9	17.8
Price/Book (x)	30.4	36.8	36.8	36.8	36.8
Dividend Yield (%)	3.3%	3.4%	4.1%	4.5%	4.8%
Returns Ratio					
ROA (%)	19.2%	25.3%	29.3%	31.4%	32.8%
ROE (%)	88.2%	124.2%	149.4%	164.7%	175.1%
ROCE (%)	26.1%	36.4%	43.5%	47.7%	50.6%
Profitability Ratio					
Net Margins (%)	46.2%	47.3%	50.5%	51.0%	51.3%
EBITDA Margins (%)	62.1%	59.8%	63.6%	63.7%	63.8%
PBT Margins (%)	50.8%	52.0%	55.5%	56.1%	56.3%
EBIT Margins (%)	56.9%	55.9%	59.6%	59.9%	59.9%
Leverage					
Debt/Equity (x)	2.3	2.4	2.4	2.4	2.4
Net Debt/EBITDA (x)	1.9	1.4	1.1	1.0	0.9
Net Debt/Equity (x)	2.3	2.2	2.1	2.1	2.0



CMP : RO 0.185

12M Target Price RO 0.225

Exchange Muscat
Index weight (%) 6%

(mn)	RO	USD
Market Cap	964	2,503
Enterprise value	1,107	2,880

Major shareholders

Asyad Group	80.0%
Qatar Investment Aut	4.0%
Mars Development & I	2.0%
Others	14.0%

Valuation Summary

PER TTM (x)	20.2
P/Book (x)	1.4
EV/EBITDA (x)	5.6
Dividend Yield (%)	6.0
Free Float (%)	14%
Shares O/S (mn)	5,209
YTD Return (%)	NA
Beta	1.4

Key ratios	2023	2024	2025e
EPS (RO)	0.269	0.009	0.008
BVPS (RO)	3.408	0.090	0.089
DPS (RO)	0.324	0.010	0.011
Payout ratio (%)	121%	115%	137%

Price performance (%)	1M	3M	12M
Asyad Shipping Co	9%	40%	NA
Muscat Stock Exchange	5%	16%	31%

52 week	High	Low	CTL*
Price (RO)	0.19	0.10	79.6

* CTL is % change in CMP to 52w k low

Asyad Shipping Co (ASC) is one of the largest shipping companies in the region with 98 vessels, 49 owned, 38 chartered, and 11 committed. The fleet reaches over 60 countries and 900 ports, serving a wide range of clientele and catering to various industry demands. Further, the company is part of the Asyad group which has interests across the logistics value chain. ASC is at the core of the logistics eco system and benefits from the shared infrastructure offered by the group. The current operations of the company can be classified into five core segments – crude oil, gas, products, dry bulk and liner shipping. In addition, the company also provides ship chartering, cargo and voyage management, container and feeder services, and technical ship management services through its subsidiaries, allowing it to offer full-fledged maritime transportation services.

Our investment case in ASC is driven by the company's (i) strong operating history of over the last two decades and achieving nearly 100% utilization across all segments; (ii) clarity on fleet development and capex over the next five years; (iii) an efficient capital allocation and cost structure; (iv) industry leading superior margins and cash flows; and strong balance sheet supporting clear visibility for consistent dividend distributions. We expect ASC to grow at a faster pace than industry aided by its locational advantage and management capability. Revenue is estimated to grow at 10% CAGR (2024-28e) on account of fleet addition and volume growth. Net profit is expected to increase by 4% CAGR (2024-28e) on the back of pressure on TCE rates in the medium term.

ASC's diverse fleet continues to benefit from long-term contracts, which account for more than 30% of revenue. A robust contracted revenue backlog of over USD 1.9bn through 2034 and the execution of its USD 2.3-2.7bn capex program (2025-29) support strong earnings visibility. To enhance dry bulk capabilities, the company invested USD 209mn in three new castlemax carriers scheduled for delivery in 1H26. It also secured a 10-year affreightment contract with a global mining major. In 9M25, ASCO acquired two newly built product tankers and took delivery of two second-hand VLCCs. We believe the combination of long-term contracts and fleet expansion will drive revenue growth and stabilize margins. Both revenue and profit exceeded our earlier forecasts, with margins outperforming expectations. Based on current results and ongoing strategic initiatives, we revise our 2025 revenue forecast to RO 340mn and net profit to RO 46.4mn. We also increase the target price to RO 0.225 per share on the back of improvement in the fundamentals and focus on dry bulk additions next year and VLCC additions this year. These are expected to be EBITDA positive and will lead to improvement in the bottom-line.



CMP : RO 0.185

12M Target Price RO 0.225

Income Statement (in RO '000)	2023	2024	2025e	2026e	2027e	2028e
Total revenue	389,382	367,909	339,589	375,805	414,076	457,057
Gross Profit	234,635	243,126	232,547	259,888	286,354	316,078
Operating profit	87,781	86,876	72,875	88,954	102,133	116,604
EBIDTA	209,678	216,821	204,537	229,974	253,394	279,696
PBT	37,310	57,846	46,677	53,597	63,840	69,947
Net profit for the period	35,131	51,553	46,377	50,918	60,648	66,450

Balance Sheet (RO '000)	2023	2024	2025e	2026e	2027e	2028e
Total Non-Current Assets	933,812	898,882	1,039,782	1,133,866	1,200,032	1,277,155
Total current assets	222,538	186,116	182,841	177,970	166,490	143,619
Total Assets	1,156,350	1,084,998	1,222,623	1,311,836	1,366,521	1,420,774
Total equity	443,845	469,289	461,057	453,679	456,438	400,874
Total non-current liabilities	512,978	434,592	588,680	658,999	708,546	811,786
Total current liabilities	199,528	181,116	172,886	199,158	201,538	208,114
Total liabilities	712,506	615,709	761,566	858,156	910,084	1,019,899
Total equity and liabilities	1,156,350	1,084,998	1,222,623	1,311,836	1,366,521	1,420,774

Cash Flow (RO '000)	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	182,457	155,477	159,165	134,847	152,094	162,164
Investing cash flow	-11,401	4,220	-148,502	-82,178	-73,001	-83,693
Financing cash flow	-177,623	-169,501	-13,571	-60,938	-94,328	-105,559
Change in cash	-6,568	88,258	-2,908	-8,269	-15,235	-27,088
Beginning cash	50,329	43,762	132,020	129,111	120,842	105,607
Ending cash	43,762	132,020	129,111	120,842	105,607	78,519

Ratio Analysis	2023	2024	2025e	2026e	2027e	2028e
Per share						
EPS (RO)	0.269	0.009	0.008	0.009	0.011	0.012
BVPS (RO)	3.408	0.090	0.089	0.087	0.088	0.077
DPS (RO)	0.324	0.010	0.011	0.011	0.010	0.011
Valuation Ratios						
P/E (x)	0.5	13.6	22.8	20.8	17.2	15.6
EV/EBITDA (x)	2.4	5.0	7.6	7.2	6.8	6.6
Price/Book (x)	0.0	1.4	2.1	2.1	2.1	2.4
Dividend Yield (%)	263.5%	8.4%	6.0%	6.0%	5.5%	6.1%
Return Ratios						
ROA (%)	3.0%	4.8%	3.8%	3.9%	4.4%	4.7%
ROE (%)	7.9%	11.0%	10.1%	11.2%	13.3%	16.6%
ROCE (%)	3.7%	5.7%	4.4%	4.6%	5.2%	5.5%
Profitability Ratio						
Gross Margins (%)	60.3%	66.1%	68.5%	69.2%	69.2%	69.2%
EBITDA Margins (%)	53.8%	58.9%	60.2%	61.2%	61.2%	61.2%
PBT Margins (%)	9.6%	15.7%	13.7%	14.3%	15.4%	15.3%
Net Margins (%)	9.0%	14.0%	13.7%	13.5%	14.6%	14.5%
Leverage						
Net debt/EBITDA	2.3	2.1	2.9	3.0	3.0	3.2
Debt/Equity (x)	1.5	1.2	1.5	1.8	1.9	2.4



CMP : SAR 64.55

12M Target Price SAR 78.00

Exchange Saudi Arabia
Index weight (%) 0.2%

(mn)	SAR	USD
Market Cap	5,046	1,345
Enterprise value	7,492	1,997

Major shareholders

FIRST SUMMIT INVESTM	5.9%
SAUDI ECONOMIC & DEV	5.0%
Fiera Capital Europe	2.1%
Others	87.0%

Valuation Summary

PER TTM (x)	14.2
P/Book (x)	1.8
EV/EBITDA (x)	7.5
Dividend Yield (%)	2.3
Free Float (%)	87%
Shares O/S (mn)	78
YTD Return (%)	-21%
Beta	1.1

Key ratios	2022	2023	2024
EPS (SAR)	3.54	3.90	4.25
BVPS (SAR)	24.23	26.14	34.51
DPS (SAR)	1.80	1.50	1.45
Payout ratio (%)	51%	39%	34%

Price performance (%)	1M	3M	12M
United International Trans	-6%	-6%	-14%
Tadawul All Share Index	-6%	-2%	-13%

52 week	High	Low	CTL*
Price (SAR)	87.80	63.60	1.5

* CTL is % change in CMP to 52w k low

Budget Saudi is a leading player in the vehicle lease and rental market, with a fleet size of 53,526 vehicles and operating through more than 111 rental locations, including 13 airport locations, 4 Haramain train locations, and 8 in-house transportation desks at 5-star hotels. The operations are supported through 14 maintenance centers and more than 75 mobile mechanics. It also operates 4 used car sales showrooms, through which the company pursues resale of its vehicles. As of 2024, 75% of the company's fleet was accounted for leasing operations and the balance 25% was towards short-term rental. The age of its fleet is relatively young, with an average fleet age of c.17 months. In the past five years, leasing operations have accounted for 65-72% of the total fleet size, while short-term rental accounted for 28-35%. Budget operates under three main segments, lease (long long-term rental of vehicles), which was the largest segment accounting for 44.5% of 9M25 revenue, followed by the sale of used cars, which accounted for 30.5%, and rental, which accounted for 18%.

The car leasing and rental industry in Saudi Arabia is highly fragmented, with approximately 615 companies currently operating in the market. Smaller operators, with fleet sizes ranging from 15 to 100 vehicles, account for more than 50% of the industry, while the top five players collectively represent just 38% of the total fleet. Over the years, Budget Saudi has established a leadership position, capturing an 18% market share based on active fleet size. One of the key revenue drivers for car rental operations is the growth of tourism. Saudi Arabia's tourism sector has expanded rapidly under the Vision 2030 reforms. In 2024, the Kingdom welcomed approximately 116mn visitors, including nearly 30mn international tourists, supported by strong growth in tourism spending. Total tourism expenditure exceeded SAR 280bn, underscoring the sector's increasing economic significance. Having surpassed its initial target of 100mn visitors ahead of schedule, Saudi Arabia now aims to attract 150mn tourists annually by 2030.

Budget Saudi's strong presence in the Kingdom's vehicle leasing and rental market, its high exposure to long-term rentals, robust growth in fleet size, and consistent performance from vehicle resale operations are expected to support the company's solid financial performance. The recent acquisition of Auto World is generating value through cost synergies, further strengthening profitability. Also, the company plans to increase its capital from SAR 781.67mn to SAR 1 bn through the issuance of bonus shares. Revenue momentum is expected to remain strong, driven by the company's core rental and leasing operations. Accordingly, we arrive at a target price of SAR 78 and assign a STRONG BUY rating.



CMP : SAR 64.55

12M Target Price SAR 78.00

Income statement (in SAR Mn)	2023	2024	2025e	2026e	2027e	2028e
Revenue	1,378	1,971	2,415	2,655	2,795	2,891
Gross Profit	447	556	706	774	794	833
EBIT	322	394	445	549	571	602
EBITDA	642	822	1,005	1,157	1,226	1,303
PBT	285	323	347	456	476	504
Net Profit	277	312	337	440	459	486

Balance Sheet (in SAR Mn)	2023	2024	2025e	2026e	2027e	2028e
Total non-current assets	2,620	4,142	4,498	4,864	5,209	5,554
Total current assets	393	867	881	942	1,001	1,030
TOTAL ASSETS	3,013	5,009	5,379	5,806	6,210	6,584
Total equity	1,903	2,741	2,969	3,291	3,597	3,922
Total non-current liabilities	427	1,124	1,128	1,195	1,273	1,314
Total current liabilities	683	1,144	1,282	1,320	1,341	1,349
Total liabilities	1,110	2,268	2,410	2,515	2,614	2,662
Total equity and liabilities	3,013	5,009	5,379	5,806	6,210	6,584

Cash Flow (in SAR Mn)	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	8	83	62	113	125	150
Investing cash flow	-10	-18	-18	-18	-18	-18
Financing cash flow	14	-13	-42	-113	-96	-134
Change in cash	13	52	2	-18	12	-2
Beginning cash	21	34	86	88	71	82
Ending cash	34	86	88	71	82	81

Ratio Analysis	2023	2024	2025e	2026e	2027e	2028e
Per Share						
EPS (SAR)	3.895	3.988	4.316	5.632	5.876	6.224
BVPS (SAR)	26.141	34.507	37.468	41.589	45.495	49.662
DPS (SAR)	1.995	1.356	1.511	1.971	2.057	2.178
Valuation						
P/E (x)	20.3	20.5	15.0	11.5	11.0	10.4
EV/EBITDA (x)	9.7	9.7	6.7	5.9	5.6	5.3
Price/Book (x)	3.0	2.4	1.7	1.6	1.4	1.3
Dividend Yield (%)	2.5%	1.7%	2.3%	3.1%	3.2%	3.4%
Returns Ratio						
ROA (%)	9.2%	6.2%	6.3%	7.6%	7.4%	7.4%
ROE (%)	14.6%	11.4%	11.4%	13.4%	12.8%	12.4%
ROCE (%)	11.9%	8.1%	8.2%	9.8%	9.4%	9.3%
Profitability Ratio						
Net Margins (%)	20.1%	15.8%	14.0%	16.6%	16.4%	16.8%
EBITDA Margins (%)	46.6%	41.7%	41.6%	43.6%	43.9%	45.1%
PBT Margins (%)	20.7%	16.4%	14.4%	17.2%	17.0%	17.4%
EBIT Margins (%)	23.4%	20.0%	18.4%	20.7%	20.4%	20.8%
Leverage						
Net Debt/EBITDA (x)	0.9	1.9	1.7	1.6	1.5	1.5
Net Debt/Equity (x)	0.3	0.6	0.6	0.5	0.5	0.5



CMP : RO 2.500

12M Target Price RO

Exchange	MSX
Index weight (%)	2%

(mn)	RO	USD
Market Cap	225	585
Enterprise Value	154	401

Major shareholders

DRAKA HOLDING B.V.	51.2%
MOHAMED MUSTAFA MUKHTAR	18.0%
SOCIAL PROTECTION FUND	6.5%
Others	24.3%

Valuation Summary

PER TTM (x)	9.8
P/Book (x)	1.4
EV/EBITDA (x)	5.3
Dividend Yield (%)	4.2
Free Float (%)	24%
Shares O/S (mn)	90
YTD Return (%)	-10%
Beta	0.7

Key ratios	2022	2023	2024
EPS (RO)	0.125	0.211	0.252
BVPS (RO)	1.304	1.461	1.625
DPS (RO)	0.056	0.085	0.092
Payout ratio (%)	45%	40%	36%

Price performance (%)	1M	3M	12M
Oman cables	17%	14%	-7%
MSX 30 Index	6%	17%	32%
Industry Index	8%	12%	51%

52 week	High	Low	CTL*
Price (RO)	2.90	2.00	25.6

* CTL is % change in CMP to 52w k low

Oman cables (OCAI) is the foremost cable manufacturing company in the GCC. The company manufactures a wide range of products and has established an extensive network of distributors and dealers over the past four decades of operation. The current buoyancy in the economy, impetus on renewables, pipeline of infrastructure projects and expansion plans of the company will auger well for the revenue growth. Further, OCAI's focus on product innovation through strong R&D, improving product mix, cost rationalization will help improve both realization and volumes. We believe the strong operating leverage of the company provides opportunity to deliver superior results as capacity utilization improves. OCAI has been in the forefront of innovation through which it has serviced a wide variety of customers across geographies. The current impetus provided to renewables will increase the demand for cables as most of these projects are greenfield. The company is also capable of manufacturing specialized cables that are customized as per the customer requirements. The expansion of the conductors has come on stream which will diversify the product profile. We expect OCAI to move from a being a commodity provider to an enabler of technology which will warrant a re-rating in terms of valuation

OCAI belongs to a group of handful companies that can be truly considered as a MNC in all aspects. The company has international shareholders, customers and follows global best practices. The company has built a solid brand on the back of its reputation over the years of operations. Its global pedigree has given access to the latest products which the company has managed to successfully distribute in the region. OCAI has access to the biggest and high growth markets such as Saudi and India through its subsidiaries and distributors which provide significant scope for growth. We believe the global parentage is a comparative advantage and differentiator providing OCAI an upper hand in an industry that is currently facing intense competition.

We maintain a positive outlook on both the company and the industry in which it operates. OCAI remains among the best-managed companies in the sector, supported by a strong and consistent performance record. The company is well-positioned to capitalize on rising demand and emerging market opportunities. Technical support from its parent company, Prysmian, has transformed OCAI from a commodity manufacturer into a strategic enabler within the industry. In light of the recent results, we have raised our 2025E revenue and profit forecasts to RO 289 million and RO 23.8 million, respectively. We have also revised our target price to RO 3.100 per share, implying an upside potential of 24% from current levels. The positive outlook, capex plan and potential upside provide sufficient reason to buy the stock for the long term.



CMP : RO 2.500

12M Target Price RO

Income Statement (In RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e	Ratio Analysis	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	258,598	248,165	268,783	289,034	319,088	332,294	345,306	Per Share							
Gross profit	25,291	32,353	37,169	38,035	41,481	43,198	44,890	EPS (RO)	0.125	0.211	0.252	0.266	0.273	0.283	0.302
Operating profit	14,416	21,086	24,230	25,692	26,325	27,414	29,351	BVPS (RO)	1.304	1.461	1.625	1.821	1.987	2.162	2.350
EBITDA	17,862	24,499	27,560	28,917	30,131	31,493	33,698	DPS (RO)	0.056	0.085	0.092	0.106	0.109	0.113	0.121
Profit before tax (PBT)	13,269	22,459	27,017	28,201	28,825	29,914	31,851	Valuation							
Net profit (PAT)	11,173	18,929	22,622	23,841	24,501	25,427	27,073	Market Cap (RO '000)	152,490	201,825	251,160	225,237	225,237	225,237	225,237
								EV (RO '000)	113,356	147,573	190,101	154,390	149,417	139,691	128,176
Balance Sheet (in RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e	EBITDA (RO '000)	17,862	24,499	27,560	28,917	30,131	31,493	33,698
Non-current assets	28,147	26,542	26,852	27,770	30,665	33,564	36,122	P/E (x)	13.6	10.7	11.1	9.4	9.2	8.9	8.3
Current assets	130,959	142,394	158,807	175,640	191,134	205,423	221,434	EV/EBITDA (x)	6.3	6.0	6.9	5.3	5.0	4.4	3.8
ASSETS	159,107	168,936	185,659	203,409	221,799	238,986	257,556	Price/Book (x)	1.3	1.5	1.7	1.4	1.3	1.2	1.1
EQUITY	116,970	131,072	145,736	163,310	178,275	193,901	210,804	Dividend Yield (%)	3.3%	3.8%	3.3%	4.2%	4.4%	4.5%	4.8%
Non-current liabilities	5,167	5,557	5,256	5,487	5,631	5,654	5,678	Cash Cycle							
Current liabilities	36,970	32,307	34,667	34,612	37,893	39,430	41,074	Inventory days	36	41	41	40	40	40	40
LIABILITIES	42,137	37,864	39,923	40,099	43,524	45,085	46,752	Payable Days	51	48	44	44	44	44	44
EQUITY AND LIABILITIES	159,107	168,936	185,659	203,409	221,799	238,986	257,556	Receivables days	89	87	91	93	93	93	93
								Cash Cycle	73	81	89	89	89	89	89
Cash Flow (In RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e	Profitability Ratio							
Cash from operations	24,026	20,622	16,045	21,645	20,776	26,115	28,072	Net Margins (%)	4.3%	7.6%	8.4%	8.2%	7.7%	7.7%	7.8%
Investing cash flow	-3,620	-20,592	-17,244	-4,336	-6,382	-6,646	-6,906	EBITDA Margins (%)	6.9%	9.9%	10.3%	10.0%	9.4%	9.5%	9.8%
Financing cash flow	5,034	25,527	8,712	-8,348	-9,490	-9,812	-9,717	PBT Margins (%)	5.1%	9.1%	10.1%	9.8%	9.0%	9.0%	9.2%
Change in cash	25,441	25,557	7,513	8,962	4,904	9,657	11,448	EBIT Margins (%)	5.6%	8.5%	9.0%	8.9%	8.3%	8.3%	8.5%
Beginning cash	18,598	32,295	57,852	65,364	74,326	79,230	88,887	Leverage							
Ending cash	44,039	57,852	65,364	74,326	79,230	88,887	100,335	Total Debt (RO '000)	4,905	3,600	4,305	3,480	3,410	3,342	3,275
								Net Debt (RO '000)	-39,134	-54,252	-61,059	-70,847	-75,820	-85,545	-97,060
								Debt/Equity (x)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
								Net Debt/Equity (x)	-0.3	-0.4	-0.4	-0.4	-0.4	-0.4	-0.5



CMP : RO 0.181

12M Target Price RO

Exchange MSX
Index weight (%) 1%

(mn)	RO	USD
Market Cap	41	106
Enterprise value	43	112

Major shareholders

Al Jazeera Services Co	37.0%
Oman Investment Authority/3	9.4%
SOCIAL PROTECTION FUND	8.5%
OMAN INVESTMENT AUTHORITY	5.4%
Others	39.7%

Valuation Summary (TTM)

PER TTM (x)	105.1
P/Book (x)	1.4
EV/EBITDA (x)	16.0
Dividend Yield (%)	1.4
Free Float (%)	40%
Shares O/S (mn)	220
YTD Return (%)	75%
Beta	0.9

Key ratios	2022	2023	2024
EPS (RO)	0.013	0.017	0.001
BVPS (RO)	0.145	0.154	0.135
DPS (RO)	0.010	0.020	0.004
Payout ratio (%)	77%	118%	0%

Price performance (%)	1M	3M	12M
AI Anwar Ceramics	11%	6%	102%
MSX 30 Index	6%	17%	32%
Industry Index	8%	12%	51%

52 week	High	Low	CTL*
Price (RO)	0.21	0.09	109.0

* CTL is % change in CMP to 52w k low

Established in 1998, AI Anwar Ceramics Tile Company SAOG (AACT) is the first ceramic tile manufacturer in the Sultanate of Oman. The company began operations under the brand name Al Shams. Based in Nizwa, its manufacturing plant is equipped with state-of-the-art machinery and advanced technical expertise from leading Italian technology providers, including digital printing systems. Over the past 20 years, AI Anwar has expanded from a single production line with a capacity of 6,000 square meters per day to five production lines with a total installed capacity of 55,000 square meters per day. The company operates the largest third-firing unit of its kind in the region, producing listellos, decors, skirting, as well as pencils and molded borders. AI Anwar has consistently ranked among the top three ceramic tile manufacturers in the GCC. AI Shams maintains a strong presence across all GCC countries, with products exported to more than 20 countries throughout the Middle East and Africa. A commitment to quality, supported by an efficient dealer network, has established AI Shams as the largest-selling ceramic tile brand in the GCC.

We remain optimistic about AACT, supported by its market leadership, strong demand for new housing driven by favorable demographics, and government initiatives promoting affordable housing projects. The company is also one of the lowest-cost ceramic tile producers in the region, supported by a zero-debt balance sheet and a stable working capital cycle. We believe the anti-dumping duty, approved by the GCC Secretariat, will remain in place and continue to benefit local producers such as AACT. Furthermore, agreements between the Saudi and Omani governments to waive import duties on Omani companies remove a long-standing trade barrier and are expected to drive higher exports to Saudi Arabia. Oman's real estate sector remains buoyant and is projected to grow at a robust pace following several policy reforms, triggering new residential and commercial developments. Several large-scale commercial and mixed-use projects scheduled for completion in 2026 are expected to stimulate tile demand in the coming quarters.

AACT has been among the top-performing stocks on the MSX this year, with its share price rallying on the back of sales recovery, favorable regulatory changes, and stronger organic demand. Given these positive developments, we remain optimistic about the long-term prospects of Oman's tile manufacturing sector. While we forecast 9% CAGR (2024-28e) revenue growth we expect recovery in profitability from the lows of 2024. Based on our estimates we arrive at a target price of RO 0.225 per share, representing an upside potential of 24.3%% from current levels.



CMP : RO 0.181

12M Target Price RO

Income Statement (In RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e	Ratio Analysis	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	27,634	20,850	18,285	18,569	21,354	23,489	25,838	Per Share							
Gross profit	11,348	5,504	3,554	3,437	4,698	5,168	5,684	EPS (RO)	0.013	0.017	0.001	0.003	0.006	0.007	0.007
Operating profit	5,795	1,165	110	561	1,547	1,696	1,861	BVPS (RO)	0.145	0.154	0.135	0.134	0.138	0.139	0.140
EBITDA	7,832	3,733	2,300	2,698	3,604	3,773	3,958	DPS (RO)	0.010	0.020	0.004	0.003	0.006	0.006	0.007
Profit before tax	3,439	4,481	186	765	1,627	1,771	1,931	FCF per share (RO)	-0.009	0.031	0.033	0.008	0.005	0.003	0.007
Net profit	2,926	3,799	172	650	1,383	1,506	1,641	Valuation							
								P/E (x)	31.1	9.8	135.3	62.9	29.6	27.2	24.9
Balance Sheet (in RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e	EV/EBITDA (x)	12.9	11.6	11.6	16.0	11.9	11.5	10.9
Non-current assets	26,600	24,355	22,637	20,994	19,426	17,900	16,419	Price/Book (x)	2.9	1.1	0.8	1.4	1.3	1.3	1.3
Current assets	21,134	21,073	16,708	18,598	20,243	22,540	24,866	Dividend Yield (%)	2.4%	11.8%	3.8%	1.4%	3.0%	3.3%	3.6%
ASSETS	47,734	45,428	39,345	39,592	39,669	40,440	41,285	Returns Ratio							
EQUITY	31,940	33,844	29,802	29,536	30,350	30,606	30,886	ROA (%)	6.1%	8.4%	0.4%	1.6%	3.5%	3.7%	4.0%
Non-current liabilities	8,341	7,181	5,643	5,724	5,893	6,075	6,273	ROE (%)	9.2%	11.2%	0.6%	2.2%	4.6%	4.9%	5.3%
Current liabilities	7,452	4,403	3,900	4,332	3,426	3,759	4,126	ROCE (%)	7.3%	9.3%	0.5%	1.8%	3.8%	4.1%	4.4%
LIABILITIES	15,794	11,584	9,543	10,056	9,319	9,834	10,399	Cash Cycle							
EQUITY AND LIABILITIES	47,734	45,428	39,345	39,592	39,669	40,440	41,285	Inventory days	120	148	162	164	164	164	164
								Payable Days	126	79	96	102	73	73	73
Cash Flow (In RO'000)	2022	2023	2024	2025e	2026e	2027e	2028e	Receivables days	130	185	189	201	183	201	201
Cash from operations	5,702	-1,013	3,651	1,815	1,304	848	1,918	Cash Cycle	124	255	255	263	274	292	292
Investing cash flow	-7,583	7,765	3,532	-71	-257	-298	-354	Profitability Ratio							
Financing cash flow	-1,665	-4,202	-7,274	-880	-553	-1,245	-1,355	Net Margins (%)	10.6%	18.2%	0.9%	3.5%	6.5%	6.4%	6.4%
Change in cash	-3,546	2,550	-91	863	495	-694	209	EBITDA Margins (%)	28.3%	17.9%	12.6%	14.5%	16.9%	16.1%	15.3%
Beginning cash	1,800	-1,746	804	713	1,576	2,071	1,377	PBT Margins (%)	12.4%	21.5%	1.0%	4.1%	7.6%	7.5%	7.5%
Ending cash	-1,746	804	713	1,576	2,071	1,377	1,586	EBIT Margins (%)	21.0%	5.6%	0.6%	3.0%	7.2%	7.2%	7.2%
								Leverage							
								Total Debt (RO mn)	8,000	6,572	4,056	3,892	3,916	3,940	3,964
								Net Debt (RO mn)	9,747	5,768	3,343	2,316	1,845	2,563	2,378
								Debt/Equity (x)	0.3	0.2	0.1	0.1	0.1	0.1	0.1
								Net Debt/Equity (x)	0.3	0.2	0.1	0.1	0.1	0.1	0.1



CMP : RO 0.280

12M Target Price RO

Exchange MSX
Index weight (%) NA

(mn)	RO	USD
Market Cap	16	40
Enterprise value	15	40

Major shareholders

AL ANWAR INVESTMENTS	18.7%
MASOUD HUMAID MALIK AL HARTHY	17.5%
SOCIAL PROTECTION FUND	11.6%
OMAN INVESTMENT AUTHORITY	8.7%
Others	43.5%

Valuation Summary (TTM)

PER TTM (x)	55.9
P/Book (x)	2.0
EV/EBITDA (x)	11.7
Dividend Yield (%)	NA
Free Float (%)	44%
Shares O/S (mn)	55
YTD Return (%)	122%
Beta	0.8

Key ratios	2022	2023	2024
EPS (RO)	0.057	-0.020	-0.027
BVPS (RO)	0.216	0.175	0.134
DPS (RO)	0.040	0.015	0.000
Payout ratio (%)	70%	-74%	0%

Price performance (%)	1M	3M	12M
AI Maha Ceramics	2%	-10%	120%
MSX 30 Index	6%	17%	32%
Industry Index	8%	12%	51%

52 week	High	Low	CTL*
Price (RO)	0.33	0.11	147.4

* CTL is % change in CMP to 52w k low

AI Maha Ceramics SAOG (AMCI), established in 2006, was founded with the vision of delivering high-quality ceramic tiles featuring world-class designs embedded in every product. Located in the Sohar Industrial Area, the company operates a state-of-the-art manufacturing facility spread across 150,000 square meters, making it the second largest ceramic tile producers in Oman. AI Maha Ceramics is a pioneer in introducing innovative and differentiated products that have set new benchmarks in the industry. The company has launched its digitally printed “Digiplus” range, which includes large-format floor tiles, hexagon-shaped exterior tiles, and hexagon-shaped unitiles. The Sohar plant employs a wide range of advanced technologies, including digital printing, squaring machines, polishing machines, and nanotechnology. The company has consistently maintained its reputation as a high-quality manufacturer, distinguished by innovative designs and differentiated products. AI Maha Ceramics has established a strong presence across the Middle East, exporting its products to the UAE, Saudi Arabia, Qatar, Bahrain, Jordan, Syria, Lebanon, Yemen, as well as markets in Africa and South Asia. Its product portfolio includes glazed wall tiles, floor tiles, skirtings, borders, and highlighter tiles, offered in a wide variety of designs and shades to suit diverse décor requirements.

AMCI underwent significant revenue pressure from 1H23 due to both external and internal challenges resulting in losses and declining production. Production at AI Hael also remained sub optimal with delays in production. However, several positive developments have taken place in 2025 leading to recovery in both financial and operational performance. A new management team stepped in early during the year and has brought with it renewed strength to the team and a strategy that will enable sustainable recovery. The government introduced anti dumping duties on low cost imports from China and India which is reducing the inventory of imports in the country. The organic demand for tiles are set to increase with rising demand from housing and commercial projects in Oman which will now be predominatly serviced by local companies like AMCI.

AMCI has been one of the top performers on the MSX this year, with its stock price more than doubling on the back of expectations of financial recovery and positive news flow. Oman is implementing quality standards for construction goods which will regulate import of low-quality products. Further AI Hael has started production of large profile tiles in one line and we expect them to expand to second line in 2H26. We do not expect Oman-India CEPA to remove the anti-dumping duties which were approved by GCC secretariat. Based on these developments we remain optimistic about the long-term growth prospects of Oman’s tile manufacturing sector and its local producers. We expect top-line growth to improve in the coming quarters driving stronger margins and better profitability. We forecast 25.2% CAGR (2024-28e) revenue growth from a low witnessed in 2024, profitability is also expected to increase significantly normalizing from 2026 onwards. Based on our estimate we arrive at a target price at RO 0.360 per share, implying an upside potential of 28.6% from current levels. Accordingly, we maintain a STRONG BUY rating on the stock.



CMP : RO 0.280

12M Target Price RO

Income Statement (In RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e
Revenue	9,977	5,707	4,929	7,002	8,403	10,083	12,100
Gross profit	4,015	1,325	490	1,470	2,101	3,025	3,630
Operating profit	3,187	761	-642	551	1,008	1,714	2,057
EBITDA	4,028	1,617	104	1,298	1,759	2,470	2,819
Profit before tax (PBT)	3,542	-1,033	-1,569	515	1,090	1,899	2,344
Net profit (PAT)	3,124	-1,121	-1,465	465	927	1,614	1,992
Balance Sheet (in RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e
Non-current assets	8,956	6,741	5,061	4,388	3,763	3,163	2,593
Current assets	7,669	4,924	4,225	5,890	7,323	9,702	11,507
ASSETS	16,625	11,665	9,286	10,278	11,086	12,865	14,100
EQUITY	11,862	9,641	7,351	7,816	8,743	10,357	11,219
Non-current liabilities	975	1,040	779	733	710	695	722
Current liabilities	3,789	984	1,155	1,728	1,633	1,813	2,158
LIABILITIES	4,764	2,024	1,935	2,462	2,343	2,508	2,880
EQUITY AND LIABILITIES	16,625	11,665	9,286	10,278	11,086	12,865	14,100
Cash Flow (In RO '000)	2022	2023	2024	2025e	2026e	2027e	2028e
Cash from operations	2,949	734	649	600	369	1,129	1,174
Investing cash flow	-1,236	-1,083	531	-21	-87	-97	-115
Financing cash flow	-2,262	-1,842	-968	-171	-91	-99	-1,201
Change in cash	-548	-2,191	212	408	190	933	-142
Beginning cash	3,388	2,840	43	255	663	853	1,787
Ending cash	2,840	648	255	663	853	1,787	1,645

Ratio Analysis	2022	2023	2024	2025e	2026e	2027e	2028e
Per Share							
EPS (RO)	0.057	-0.020	-0.027	0.008	0.017	0.029	0.036
BVPS (RO)	0.216	0.175	0.134	0.142	0.159	0.188	0.204
DPS (RO)	0.040	0.015	-	-	-	0.021	0.025
FCF per share (RO)	0.031	-0.006	0.021	0.011	0.005	0.019	0.019
Valuation							
P/E (x)	7.3	-8.3	-4.8	33.3	16.7	9.6	7.8
EV/EBITDA (x)	5.2	5.7	68.7	11.7	8.5	5.7	5.0
Price/Book (x)	1.9	1.0	1.0	2.0	1.8	1.5	1.4
Dividend Yield (%)	9.7%	8.8%	0.0%	0.0%	0.0%	7.3%	9.0%
Returns Ratio							
ROA (%)	18.8%	-9.6%	-15.8%	4.5%	8.4%	12.5%	14.1%
ROE (%)	26.3%	-11.6%	-19.9%	6.0%	10.6%	15.6%	17.8%
ROCE (%)	24.3%	-10.5%	-18.0%	5.4%	9.8%	14.6%	16.7%
Cash Cycle							
Inventory days	100	153	170	128	146	164	164
Payable Days	159	62	86	110	91	91	91
Receivables days	117	156	141	172	172	172	183
Cash Cycle	58	247	225	190	226	245	256
Profitability Ratio							
Net Margins (%)	31.3%	-19.6%	-29.7%	6.6%	11.0%	16.0%	16.5%
EBITDA Margins (%)	40.4%	28.3%	2.1%	18.5%	20.9%	24.5%	23.3%
PBT Margins (%)	35.5%	-18.1%	-31.8%	7.4%	13.0%	18.8%	19.4%
EBIT Margins (%)	31.9%	13.3%	-13.0%	7.9%	12.0%	17.0%	17.0%
Leverage							
Total Debt (RO '000)	1,083	544	439	388	326	274	230
Net Debt (RO '000)	-1,758	-104	184	-274	-527	-1,513	-1,415
Debt/Equity (x)	0.09	0.06	0.06	0.05	0.04	0.03	0.02
Net Debt/Equity (x)	-0.15	-0.01	0.03	-0.04	-0.06	-0.15	-0.13

Key contacts

Research Team

Joice Mathew	Manna Thomas ACCA	Contact Address
Sr. Manager - Research	Research Associate	P. O Box: 2566; P C 112
E-Mail: joice@usoman.com	Email: manna.t@usoman.com	Sultanate of Oman
Tel: +968 2476 3311	Tel: +968 2476 3347	Tel: +968 2476 3300

DISCLAIMER

This document is not for public distribution and has been furnished to you solely for your information and must not be reproduced or redistributed to any other person. Persons into whose possession this document may come are required to observe these restrictions. Opinion expressed is our current opinion as of the date appearing on this material only. We do not undertake to advise you as to any change of our views expressed in this document. While we endeavour to update on a reasonable basis the information discussed in this material, United Securities, its subsidiaries and associated companies, their directors and employees are under no obligation to update or keep the information current. Also, there may be regulatory, compliance, or other reasons that prevent us from doing so. Prospective investors and others are cautioned that any forward-looking statements are not predictions and may be subject to change without notice. Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein. The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true and are for general guidance only. While every effort is made to ensure the accuracy and completeness of information contained, the company takes no guarantee and assumes no liability for any errors or omissions of the information. No one can use the information as the basis for any claim, demand or cause of action.

Recipients of this material should rely on their own investigations and take their own professional advice. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance. United Securities LLC, and affiliates, including the analyst who has issued this report, may, on the date of this report, and from time to time, have long or short positions in, and buy or sell the securities of the companies mentioned herein or engage in any other transaction involving such securities and earn brokerage or compensation or act as advisor or have other potential conflict of interest with respect to company/ies mentioned herein or inconsistent with any recommendation and related information and opinions. United Securities LLC and affiliates may seek to provide or have engaged in providing corporate finance, investment banking or other advisory services in a merger or specific transaction to the companies referred to in this report, as on the date of this report or in the past.

