# Daily Bulletin

**September 2, 2026**

## *Kingdom Holding completes acquisition of 70% stake in Al Hilal Club from PIF*

**Last Price: SAR 14.2 | YoY Performance: 85.6% | Target Price: SAR 14.0**

Kingdom Holding (KINGDOM) has completed the acquisition of a 70% stake in Al Hilal Club from the Public Investment Fund (PIF), with all SPA conditions and regulatory approvals fulfilled as of September 1. KINGDOM paid SAR 840.0 mn for the stake, implying an equity valuation of SAR 1.2 bn for 100% of the club and an enterprise value of SAR 1.4 bn. The transaction was fully funded from internal resources with no additional borrowings, while PIF retains the remaining 30%. The financial impact is expected to begin in 4Q26.

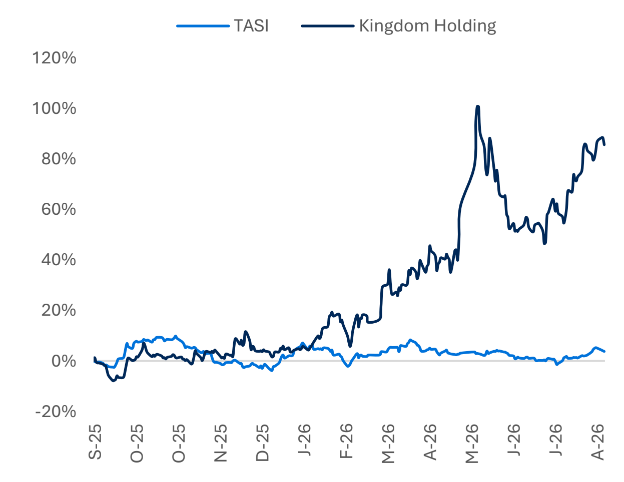
Al Hilal reported revenue from main activities of SAR 842.0 mn in 2025, up 27.8% YoY from SAR 659.0 mn in 2024. Based on the disclosed enterprise value, the transaction implies 1.7x Al Hilal's 2025 revenue. The SAR 840.0 mn consideration represents 55.1% of KINGDOM's SAR 1.5 bn cash balance at end-2025.

Following the acquisition, KINGDOM will fully consolidate Al Hilal's financials, with PIF's 30% share recognized as non-controlling interest. Al Hilal's 2025 revenue is equivalent to 31.3% of KINGDOM's SAR 2.7 bn revenue and around 80% of its hotels segment, its largest operating revenue contributor. This highlights the meaningful scale of the new revenue stream relative to KINGDOM's existing operations.

Strategically, the acquisition expands KINGDOM into the Saudi sports and entertainment sector while diversifying its revenue mix. This is particularly relevant given the company's reliance on investment income, with dividend income accounting for 35.2% of 2025 revenue. In 1H26, KINGDOM's net profit declined 28% YoY to SAR 602.1 mn, largely reflecting a 42% decline in dividend income. Consolidating Al Hilal therefore adds a sizeable operating revenue stream at a time when investment income has been the main source of earnings weakness.

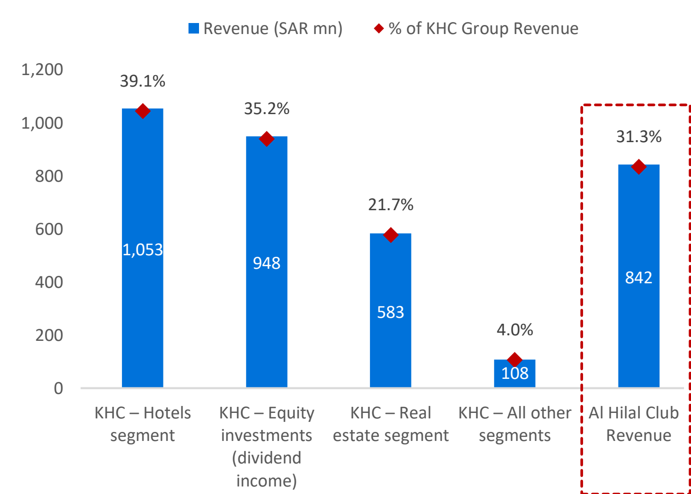
KINGDOM's stock has gained 85.6% YoY, significantly outperforming TASI's 3.8% increase. The stock currently trades at a 2026e P/E of 47.7x, while the consensus target price of SAR 14.0 implies 1.5% downside from the current price.

### Relative price chart




*Source: Tadawul, anbc research*

### KINGDOM's revenue mix & Al-Hilal contribution




*Source: Company financials, Tadawul, anbc research*

## Disclaimer:

This report has been prepared on the basis of information believed to be reliable, but anb capital makes no guarantee, representation or warranty, express or implied, as to the accuracy, correctness or completeness of such information, nor do they accept any responsibility for loss or damage arising in any way (including by negligence) from errors in, or omissions from the information.

This report has been prepared by anb capital for information purposes only and is not and does not form part of nor should be considered advice, recommendation, offer for sale or solicitation of any offer to subscribe for, purchase or sell any securities, nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment whatsoever, and any views or opinions expressed herein are subject to change without notice.

This report and information contained herein, are provided for informational purpose only and does not take into consideration any investment objective, financial situation or particular needs of any recipient and are not designed with the objective of providing information to any particular recipient and only provides general information.