

Daily Bulletin

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IPO activity held firm in 2025, but sentiment shifted sharply.

Across the Main Market (TASI) and the Parallel Market (Nomu), 2025 saw 38 company listings and one ETF issuance. The Main Market delivered 13 IPOs and the public offering of the Albilad MSCI Saudi Equity ETF, while Nomu registered 24 qualified-investor offerings and a single direct listing.

The 13 IPOs completed on TASI raised a combined value of SAR 14.5 bn compared to SAR 14.2 bn raised in 2024 via 14 offerings. The Capital Market Authority (CMA) also approved several additional IPOs during the year, including Saleh Abdulaziz Al Rashed & Sons, Al-Romansiah Co., Alandalus Education Co., Dar Albalad for Business Solutions Co., and Mutlaq Al-Ghowairi Contracting Co., although these offerings have yet to be completed.

Subscription demand remained strong for the earlier part of the year, with several offerings attracting strong interest from both institutional and retail investors. Flynas Co. stood out as the largest IPO of 2025, raising around SAR 4.1 bn. However, momentum on the retail side softened in the latter part of the year, with subscription coverage declining to 71% and then to 36% in the final two IPOs. EFSIM Facilities Management cancelled its planned IPO in December following consultations with its financial advisor.

In terms of post-listing performance, 10 out of the 13 companies listed in 2025 are trading below their IPO price. Al Masar Al Shamil Education Co. led the 2025 IPO cohort, rising 28.3% from its offer price to the close on Dec. 31, followed by Umm Al Qura for Development and Construction Co. (+14.6%) and Sport Clubs (+10.0%). Notably, all three top performers belong to the consumer services sector, which also recorded the highest number of IPOs on TASI during the year. This was followed by the transportation sector, represented by Flynas and Cherry Trading Co., and the real estate management and development sector, with listings from Alramz Real Estate and Almajdiah.

Looking ahead, we highlight that Cherry Trading Co. & Derayah Financial Co. (amongst the 5 companies with consensus estimates) currently present the highest upside potential of 60.0% and 51.6% based on their Bloomberg consensus target prices of SAR 39.8 and SAR 38.8, respectively.

2025 IPO Review

Company	Sector	Offer Value (SAR mn)	Institutional Coverage (x)	Change (%)*	Upside (%)**
Almasar Alshamil Education Co.	Consumer Services	599.0	103	28.3	14.3
Umm Al Qura for Development & Const. Co	Consumer Services	1,961.9	241	14.6	-
Sport Clubs	Consumer Services	257.4	44	10.0	3.7
CGS	Capital Goods	300.0	62	-9.1	-
Cherry Trading Co.	Transportation	252.0	86	-13.9	60.0
Derayah Financial Co.	Financial Services	1,498.5	162	-14.3	51.6
Flynas	Transportation	4,100.8	100	-18.7	45.8
Alramz Real Estate Co.	Real Estate Mgmt. & Development	900.2	11	-22.4	-
SMC Healthcare	Health Care Svc	1,875.0	65	-27.8	-
Almajdiah	Real Estate Mgmt. & Development	1,260.0	107	-28.3	-
Build Station	Cons. Discr. Dist. & Retail	408.0	10	-36.4	-
Entaj	Food and Beverages	450.0	208	-37.6	-
UCIC	Materials	600.0	126	-48.5	-
Total		14,463			

Source: Tadawul, anbc research, Bloomberg, Argaam.

*31-Dec-25 closing price vs. listing price.

** Based on Bloomberg consensus and anbc estimates, using 04-Jan-26 closing price.

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