

Daily Bulletin

June 29, 2026

Cenomi Centers: SAR 1.33bn Al Khobar mall project awarded; delivery timeline now the key watch item.

Last Price: SAR 17.1 | Target Price: SAR 23.2 | YoY Performance: -10.9%

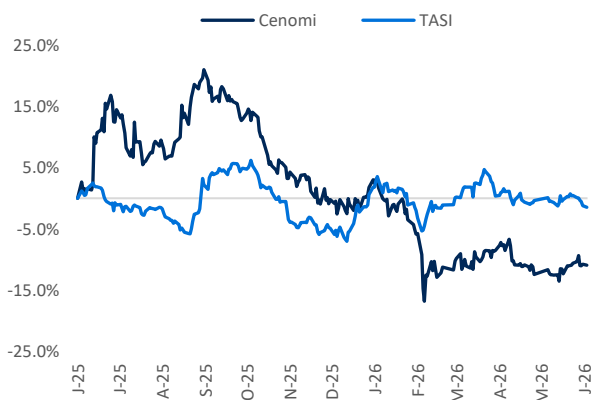
Cenomi Centers has awarded a SAR 1.33bn design-and-build contract to Lynx Contracting for the Al Khobar Downtown Mall and Boulevard, activating the last of its three flagship projects. The Eastern Province destination — developed in partnership with PIF-backed Saudi Downtown Company — will comprise approximately 370 stores across 110k sqm of GLA, rounding out Cenomi’s flagship destination expansion program alongside Westfield Riyadh and Westfield Jeddah, which are nearing completion. Together, the three projects are set to add ~434k sqm (35%) of GLA by 2028/29.

The Al Khobar project is underpinned by two agreements announced on 1 April 2026: a 25-year Promise to Lease agreement covering the mall’s leasing and operation, and a Development Services Agreement under which Cenomi oversees construction through to completion. Construction is expected to span 36 months from the commencement notice, with financial impact recognized during the execution phase.

Alongside the flagship pipeline, the company is developing three lifestyle destinations: U-Walk Qassim, Murcia Mall, and Barakah Mall. The significant increase in GLA projected over the next few years will remain the key driver of medium-term revenue growth. We estimate the Al Khobar project to commence operations in late 4Q28, though we flag that the 36-month construction timeline from the June 2026 contract award implies a delivery closer to mid-2029. This expansion is anticipated to drive total revenue from SAR 2.28bn in FY25 to SAR 3.54bn by FY28. As leasing activity gains traction, occupancy improves to 61% and 82% in FY29 and FY30, respectively, supporting revenue growth to SAR 3.89bn and SAR 4.20bn. Any delay in project delivery remains a key risk to our estimates.

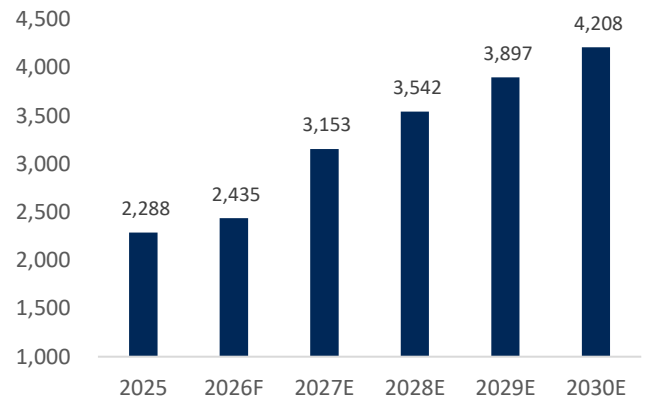
Cenomi Centers has underperformed the broader market, declining 10.9% YoY against a 1.5% decline in the TASI as of yesterday’s close. At current levels, the stock trades at a 2026e P/E of 6.5x, which we view as undemanding given the company’s growth pipeline. Our target price of SAR 23.2/share implies 36.3% upside, and we maintain our Overweight rating.

Relative price chart



Source: Tadawul, anbc research

Revenue Trend (SAR bn)



Source: Company financials, anbc research

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