

Daily Bulletin

October 5, 2026

AWPT: SAR 80.0 mn Dammam Airport contract strengthens Project Services pipeline

Last Price: SAR 90.3 | YoY Performance: -33.9% | Consensus Target Price: SAR 141.4

Alkhorayef Water and Power Technologies Co. (AWPT) signed an 18-month contract with Dammam Airports Co. for the rehabilitation of water infrastructure at King Fahad International Airport around SAR 80.0 mn, excluding VAT. The scope includes the design, construction, supply, installation, replacement and integration of water and wastewater infrastructure, including pumps, storage tanks and reservoirs, RO facilities, piping, electrical and instrumentation works. The financial impact of the contract is expected to start from 4Q26.

The Dammam Airports contract falls under AWPT's Project Services segment, which generated SAR 862.0 mn of revenue and SAR 35.0 mn of gross profit in 2025, implying a gross margin of around 4.1%. The SAR 80.0 mn contract is equivalent to around 9.3% of 2025 Project Services segment's revenue. Assuming a similar gross margin, the contract could generate around SAR 3.2 mn of gross profit over its 18-month term, equivalent to around 9.1% of Project Services' 2025 gross profit.

AWPT recently signed another contract of SAR 101.3 mn with National Water Co. for the operation and maintenance of water and waste water networks in Al Khobar City. The contract duration is 36-month with financial impact expected from 4Q26. This contract relates to the O&M segment which generated SAR 1,612.0 mn of revenue in 2025, accounting for 65% of total revenue, making the Al Khobar contract equivalent to around 6.3% of 2025 O&M revenue.

Together, the two recently signed contracts have a combined value of SAR 181.3 mn, equivalent to around 7.3% of AWPT's 2025 revenue. AWPT ended 2025 with a revenue backlog of SAR 10.2 bn, up 39% YoY, while new contract awards during the year reached SAR 5.3 bn, providing visibility on revenue recognition over the coming years.

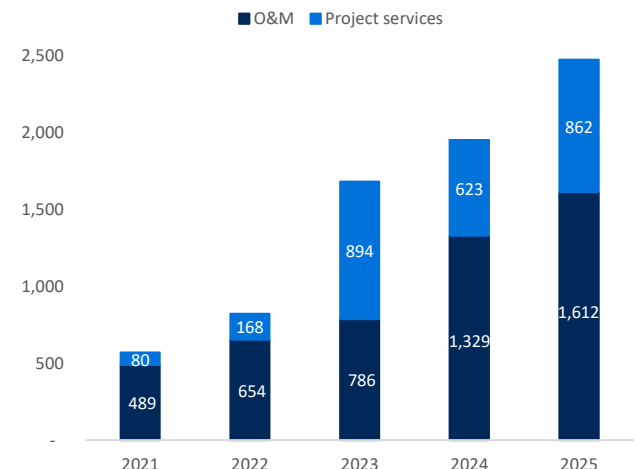
AWPT's stock price has declined around 33.9% YoY, underperforming TASI, which declined around 8.6% during the same period. The stock is currently trading at a 2027e P/E of 10.0x and P/B of 2.5x. The consensus target price stands at SAR 141.4/share, implying an upside potential of 56.7% from its last close price.

Relative price chart



Source: Tadawul, anb research

Revenue by contract type - SAR mn



Source: Company financials, investor presentation, anb 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.