

# Daily Bulletin

April 8, 2026

## Riyadh Cables secures SAR 450 mn supply deal with Al Ojaimi

**Last Price: SAR 114.8 | Consensus Target Price: SAR 133.3 | YoY Performance: 1.1%**

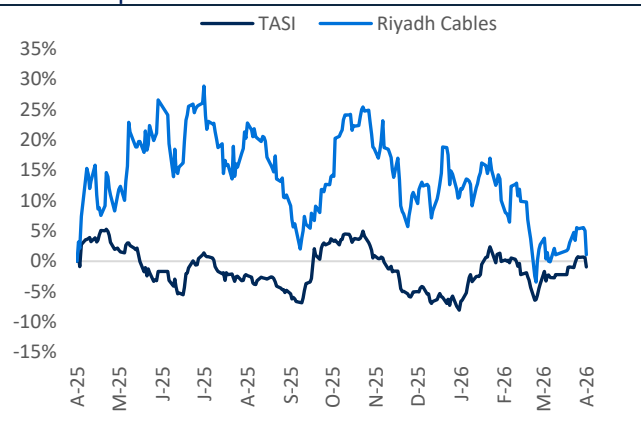
Riyadh Cables announced that it has secured a SAR 450 mn (4.2% of revenue in 2025) supply contract with Mohammed Al Ojaimi Contracting Establishment for the provision of power transmission cables. The agreement covers supply for several key power generation and transmission projects being executed by the contractor across the region, with the contract scheduled to be completed over a 12-month period.

Riyadh Cables operates through an extensive regional network across Saudi Arabia as well as international markets including the UAE and Iraq, manufacturing a wide range of wire and cable products primarily serving power transmission and infrastructure projects. Meanwhile, Mohammed Al Ojaimi Contracting Establishment is a leading Saudi electrical contracting company specializing in power transmission, distribution, and substation projects, making it a key participant in the Kingdom’s ongoing energy and infrastructure development initiatives.

The financial impact of the contract is expected to materialize in Q4 26. We estimate a net profit contribution of SAR 46 mn (EPS: SAR 0.3/share), driven by incremental revenue of SAR 450 mn and an assumed net profit margin of 10.1%, in line with FY25 levels.

Riyadh cables group company stock price has inched up 1.1% YoY, outperforming TASI, which declined 1.0% during the same period. The stock is currently trading at a 2026e P/E of 15.8x, with a consensus target price of SAR 133.3/sh, implying a potential upside of 16.1% from its last close.

Relative price chart



Source: Bloomberg, anbc research

Key financials (SAR mn)

	2025	2024	YoY (%)	Consensus	Var (%)
Revenue	10,674	9,007	18.5	10,277	3.9
COGS	-8,940	-7,721	15.8	-8,882	0.7
<b>Gross profit</b>	<b>1,733</b>	<b>1,287</b>	<b>34.7</b>	<b>1,395</b>	<b>24.3</b>
Gross margin (%)	16.2	14.3	-	13.6	-
Operating exp.	-467	-318	46.7	26	-
<b>Operating profit</b>	<b>1,267</b>	<b>968</b>	<b>30.8</b>	<b>1,421</b>	<b>-10.9</b>
Opt. margin (%)	11.9	10.8	-	13.8	-
<b>Net income</b>	<b>1,080</b>	<b>817</b>	<b>32.3</b>	<b>1,024</b>	<b>5.5</b>
Net margin (%)	10.1	9.1	-	10.0	-
<b>EPS</b>	<b>7.22</b>	<b>5.45</b>	-	<b>7.22</b>	-

Source: Company financials, anbc research

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