INITIATION OF COVERAGE

Electrical Industries Co.

14 April 2026

We initiate coverage on Electrical Industries Co. (EIC) with 'Neutral' rating and a price target of SAR 17.5/share. EIC is well-positioned to capitalize on Kingdom's rising construction and real estate activity driven by giga projects and increasing population (up 4.7% YoY in 2024). EIC's product portfolio positions it to gain directly from Saudi Electricity's ~SAR 472 bn CAPEX program. We project a 9.0% CAGR (2025a-2030f) for company's topline, aided by strong volumetric growth. EIC has gained from commodity cycle, which we believe will continue to benefit, with expected gross margins to expand up to 44% by 2030f. The stock has delivered a strong performance, gaining 173.7% YoY, outperforming TASI, which is down 1.4% YoY.

KSA targets 940k transformers by 2030f and complementary product growth to drive topline. The Transformers and Substations segment made up 78.9% of EIC's topline in 2025 and grew at a CAGR of 33.1% between 2020-2025, while distribution transformers in the Kingdom increased at a 4.9% CAGR over the same period. With transformers projected to reach 940,000 by 2030f (5.8% CAGR from 2025), EIC is positioned to capture volumetric growth and will become Saudi Arabia's only local manufacturer of extra-high voltage transformers (380 kV) from 2027f. EIC's complementary products, including switchgears and cable trays, are critical to power infrastructure. A single transformer typically requires at least two switchgears, while cable trays provide structured pathways for cables. Switchgear revenue is projected to grow at 5.8% CAGR to SAR 371 mn by 2030f, with cable trays growing at 5.1% CAGR, supporting topline growth at an 9.0% CAGR to SAR 3.5 bn by 2030f.

Favorable commodity cycle to keep costs under control. Ferrosilicon and copper together account for 58% of transformer production costs for EIC, while steel influences the pricing of other key materials, such as silicon steel. Between 2021-2025, prices for ferrosilicon and steel declined by 46.2% and 48.5%, respectively, while copper prices remained relatively stable. Over the same period, EIC's gross margin expanded by 1,810bps, rising from 19.4% in 2021 to 37.5% in 2025. We expect commodity prices to remain subdued, driven by weak downstream demand, particularly from the steel sector. Additionally, the ferrosilicon market is facing oversupply pressure, particularly from China. In our view, these dynamics will support further margin expansion, with EIC's gross margin projected to be in the range of 38-44% by 2030f.

Strong cash buildup to drive other income and potential dividends. Strong cash accumulation, projected to reach SAR 2,363 mn by 2030f from SAR 350 mn in 2025, driven by robust operating cash flows and efficient working capital management, is expected to boost EIC's other income through interest and investment returns. We project investment returns of SAR 88 mn in 2030f. This liquidity also provides flexibility for potential dividend distributions, with a projected payout ratio of 70.0% between 2026e-2030f, supporting shareholder returns while maintaining financial stability for future growth projects.

Valuation: Our Dec-26 TP of SAR 17.5/share is based on an FCFF-based discounted cash flow model, resulting in an upside of 1.0%.

Risks: Rising local competition could put pressure on margins. Additionally, raw material shortages, which account for 60-70% of transformer costs, driven by regional disruptions, along with higher shipping rates, may raise production and supply chain costs and cause delivery delays.

RATING SUMMARY — **NEUTRAL**

Target Price (SAR)	17.5
Upside/Downside	1.0%
Div. Yield (%)	2.6
Total Exp. Return	3.6%

Source: Company financials, anbc research

ISSUER INFORMATION

Bloomberg Code	EIC AB
Last Price (SAR)	17.4
No of Shares (mn)	1,125
Market Cap bn (SAR/USD)	18.7/5.0
52-week High / Low (SAR)	17.1/4.9
12-month ADTV (mn) (SAR/USD)	49.3/13.1
Free Float (%)	62.9
Foreign Holdings (%)	18.7

Last price as of April 13th, 2026

VALUATIONS

	2025	2026e	2027f	2028f
EPS (SAR)	0.6	0.6	0.9	0.9
PER (x)	20.0	27.2	19.8	18.9
PBV (x)	9.7	12.9	10.8	9.2
DPS (SAR)	0.5	0.5	0.6	0.7
Div. Yield (%)	4.5	2.6	3.5	3.7
RoE (%)	56.1	51.3	59.5	52.7
RoA (%)	27.7	26.9	32.2	28.8

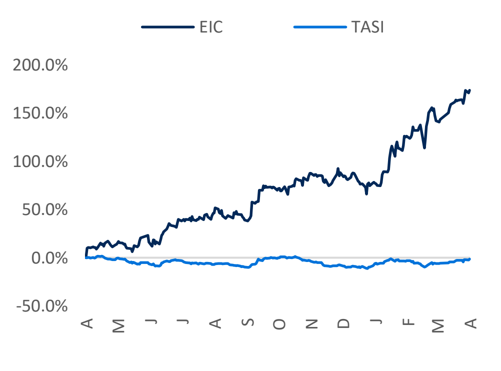
Source: Company financials, anbc research

FINANCIALS (SAR mn)

	2025	2026e	2027f	2028f
Revenue	2,296	2,431	2,999	3,078
Gross Profit	860	926	1,219	1,266
EBITDA	711	801	1,082	1,141
Net Income	630	719	988	1,034

Source: Company financials, anbc research

RELATIVE PRICE PERFORMANCE



Source: Bloomberg, anbc research

Sulaiman A. Alharbi
Senior Analyst - Sell-Side Research
sulaiman.alharbi@anbcapital.com.sa
+966 11 4062500 Ext. 3583

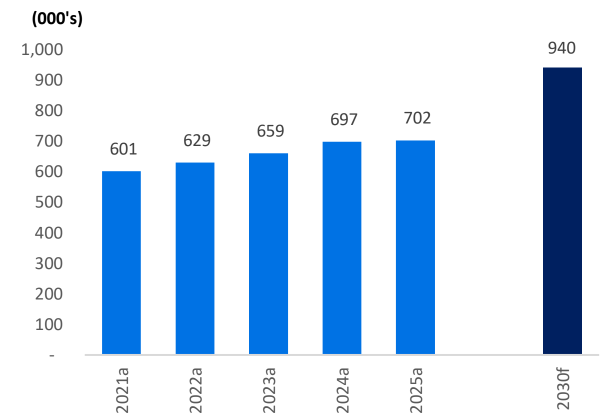
Investment Thesis

KSA targets 940k transformers by 2030f and complementary product growth to drive topline

The number of distribution transformers in Saudi Arabia, as reported by SEC, grew at a CAGR of 4.3% between 2020 and 2025, reaching 709,790 units. Total transformer capacity stood at 378,624 MVA in 2025.

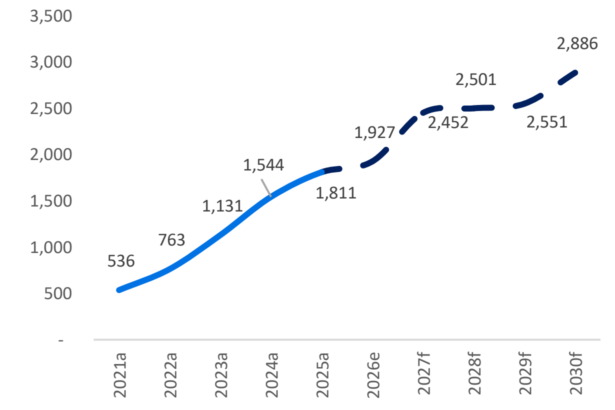
Electricity demand is expected to rise sharply, driven by population growth toward 50-60 mn and the development of mega-projects such as Qiddiya, and the Red Sea Project. Additionally, Saudi Arabia's emergence as a global hub for large-scale events, including Expo 2030 and the FIFA World Cup 2034, is expected to further accelerate demand. To meet this growth, the Kingdom targets 940,000 distribution transformers by 2030f, with total transformer capacity projected to reach 510,577 MVA.

Chart 44: Distribution transformers to reach 940k



Source: Saudi electricity, anbc research

Chart 45: Transformer segment revenue - SAR mn



Source: Company financials, anbc research

EIC's transformer segment: market share and expansion

In line with this demand, we project EIC's transformer unit sales to reach 25,532 units by 2030f, implying a 8.1% CAGR and a market share of 50.0%, supported by increased grid integration and rising electricity demand. EIC's Transformers & Substations segment revenue rose to SAR 1,811 mn in 2025 from SAR 434 mn in 2020, representing a CAGR of 33.1%. We forecast this segment to reach SAR 2.9 bn by 2030f, implying a 9.8% CAGR over 2025-2030f.

EIC ramped up its transformer capacity by 70% in 2H24, strengthening its ability to capture growth in the domestic market. Building on this expansion, its subsidiary, Saudi Power Transformer Company (SPTC), which is among the few local manufacturers of high-voltage (≥100 MVA) transformers, is now increasing its capacity to produce extra-high-voltage (EHV ~380 kV) transformers in 2027f. This move would position EIC as the only domestic manufacturer with EHV capability, further aligning with the Kingdom's focus on localization and supporting the growth of EIC's order pipeline, which reached SAR 3.3 bn by end-2025.

In line with these developments, EIC also secured a SAR 1.4 bn contract in 3Q25 from SEC for EHV & HV transformers and reactors, spanning 84 months, with the financial impact expected between 2027f and 2033f.

Table 05: Contracts value and durations

Customer	Deliverable	Value (mn)	Duration (month)	Financial impact
Saudi Electricity Co	Electrical Equipment	199	19	2025e-2027f
Saudi Electricity Co	Electrical Equipment	786	19	2025e-2027f
Saudi Electricity Co	EHV & HV transformers and reactors	1,411	84	2027f-2033f

Source: Company financials, anbc research

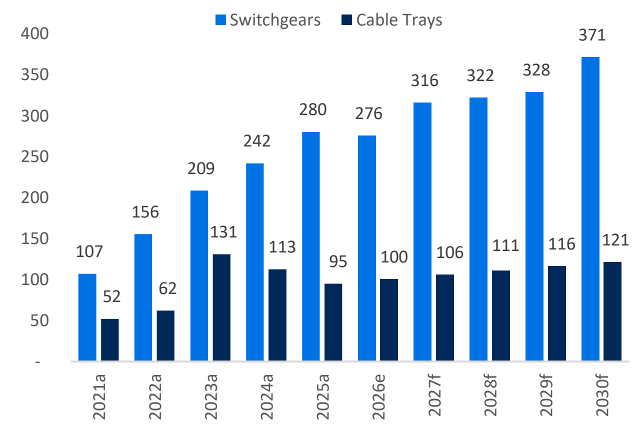
Complementing product portfolio to support sales growth.

EIC's product portfolio is wide-ranging within the power sector. The company's product line spans across low and MV Switchgears, motor control centers, switch racks, and cable trays. These products are essential input in a power infrastructure and go in conjunction with EIC's main product, i.e., Power Transformers.

A typical transformer usually requires at least 2 switchgears, and the complimentary demand goes as high as 10 switchgears/transformer for EHV transformers.

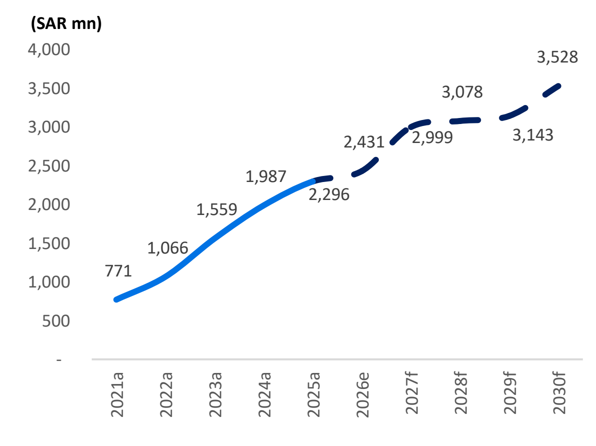
EIC's cable trays segment benefits from diversified demand across commercial buildings, data centers, and residential projects, providing insulation against sector-specific volatility. Switchgear revenue increased to SAR 280 mn in 2025 from SAR 109 mn in 2020, implying a CAGR of 20.8%. We project revenue to reach SAR 371 mn by 2030f, reflecting a CAGR of 5.8%, with units sold rising to 30,639. Cable tray revenue reached SAR 95 mn in 2025 from SAR 51 mn in 2020, registering a CAGR of 13.2%. We forecast revenue to grow to SAR 121 mn by 2030f, representing a CAGR of 5.1%.

Chart 46: Switchgear & cable tray revenue - SAR mn



Source: SEC, anbc research

Chart 47: EIC's topline to cross SAR 3 bn by 2030f



Source: Company financials, anbc research

Topline performance and segment mix

EIC's topline grew by a CAGR of 28.8% between 2020-2025, driven by new product launches such as HV transformers and expansion into foreign markets. We believe the growth will continue, however at a moderate pace now coming from a high base, with revenue growing at a CAGR of 9.0% between 2025 to 2030f, aided by new launches in 2027f and overall expansion in the market size.

Transformers' revenue share stands at 78.9% (2025) and has risen steadily from 66.8% in 2020. We note that this segment will remain EIC's flagship domain and revenue mix will remain consistent. The export contribution to total topline has almost doubled from 8.6% in 2021 to 10.5% in 2025. We believe this mix can further tilt towards exports driven by EIC's manufacturing facility in Belgium and recent framework agreements.

Company's services segment contributes just 4.8% (2025) to the revenue and deals with low and MV switchgear products. However, this segment is a star as far as margins are concerned as it has highest margins (66.5% in 2024) among the sectors. We note that 'services' segment is dependent upon 'switchgear' unit and an increase in business flow in the latter will concurrently result in higher revenue in the former.

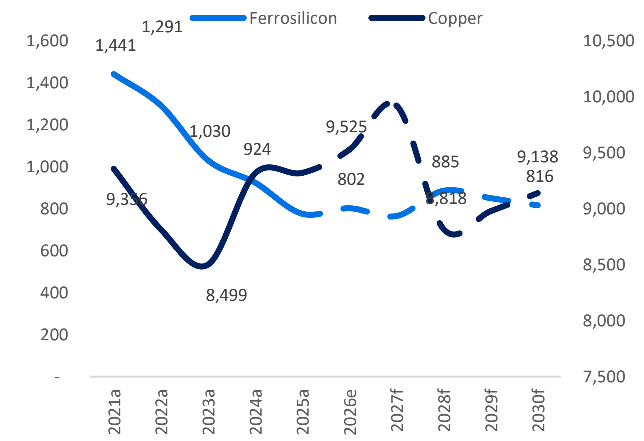
Favorable costs and strategic edge support sustainable growth

Ferrosilicon and copper are key inputs in transformer manufacturing, accounting for approximately 35% and 23% of total costs, respectively. Ferrosilicon enhances transformer efficiency, while copper's low-resistance properties help minimize energy loss. Other significant materials include steel and steel alloys. Notably, EIC has established strong long-term relationships with its suppliers, allowing the company to gain from uninterrupted raw material supply at competitive prices.

During the COVID-19 period, commodity prices experienced a super cycle due to widespread supply chain disruptions. Since 2021, prices have declined: ferrosilicon fell 46.2% to SAR 776/ton in 2025 from SAR 1,441/ton in 2021, and steel dropped 48.5% to SAR 830/ton in 2025 from SAR 1,610/ton in 2021, while copper remained relatively stable, decreasing only 0.5% over the same period. This relative stability has supported EIC's cost base, contributing to gross margin expansion from 19.4% in 2021 to 37.5% in 2025. Ferrosilicon and steel are interrelated, as ferrosilicon is a critical alloying component in steel production.

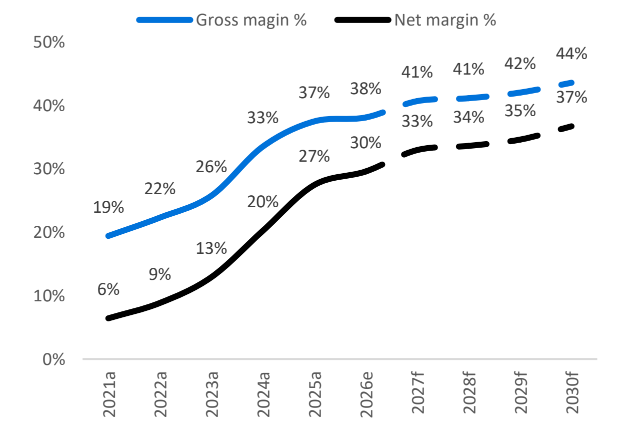
Looking ahead, prices are projected to decline further before stabilizing, with ferrosilicon expected to increase slightly at a CAGR of 1.0% to SAR 816/ton in 2030f and copper to decline at only 0.4% CAGR to SAR 9,138/ton. We project EIC's margins to rise further to 43.6% in 2030f from 37.5% in 2025, supported by stable copper and ferrosilicon prices and declining steel costs, and operational efficiencies.

Chart 48: Ferrosilicon and copper prices - USD/mt



Source: Bloomberg, anbc research

Chart 49: Margins to improve before settling



Source: Company financials, anbc research

International exposure and competitive advantage

Through its Belgian subsidiary, Pauwels Transformers NV, EIC gains access to the European market. Pauwels secured a 4-year (extendable to 7-year) SAR 302 mn supply agreement for distribution transformers, while the acquisition of a 92,846 sq.m industrial plot for SAR 79.7 mn ensures long-term operational stability. Combined with Saudi Arabia's low-cost power, these factors enable EIC to offer competitive international pricing.

At the same time, EIC's local manufacturing capabilities provide a significant competitive edge, including shorter delivery timelines, lower risk of customs penalties, reduced transportation costs, 24-hour after-sales support, and enhanced quality oversight. These advantages are increasingly important as industry trends show a shift in transformer and switchgear manufacturing from Europe and the US to lower-cost regions, including the Middle East.

This strategic relocation is driven by several factors: enhanced competitiveness and market share, cheaper labor, and other cost benefits such as lower electricity, permit, and tax expenses. Manufacturing within the GCC further strengthens EIC's positioning by reducing transportation and tax-related costs compared with other Middle Eastern countries, reinforcing both its local and international competitive advantage.

Strong cash buildup to drive other income and potential dividends.

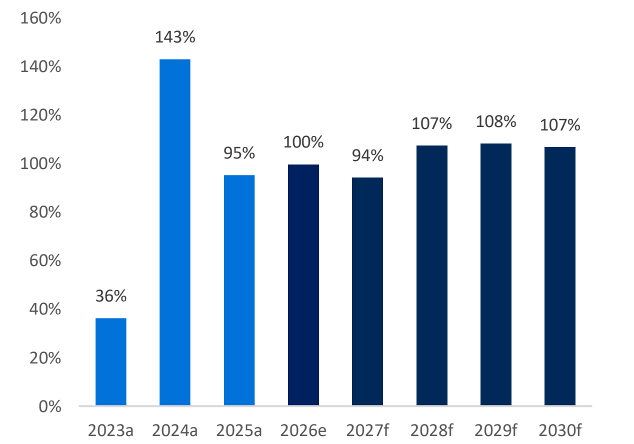
EIC's balance sheet is expected to strengthen materially over the forecast period, underpinned by robust operating cash flows and efficient working capital management. Cash balances are projected to rise sharply to SAR 2,363 mn by 2030f from SAR 350 mn in 2025, reflecting strong internal generation and minimal reliance on external funding. This liquidity expansion is anticipated to drive higher other income, with investment returns rising to SAR 88 mn by 2030f from SAR 5 mn in 2025. As a result, the contribution of other income to EBIT is projected to increase to 6.3% in 2030f, while EBIT margins are expected to expand to 39.2% from 29.4% over the same period. Despite normalized yields, the growth in cash balances will sustain a meaningful contribution to earnings, enhancing earnings quality and reducing dependence on core margins.

Strong cash accumulation also supports shareholder returns. We model a dividend payout ratio of 70% over 2026e-2030f, with DPS rising to SAR 0.80 in 2030f from SAR 0.5 in 2025 and EPS reaching SAR 1.15 from SAR 0.56 over the same period. This reflects EIC's ability to fund growth, including EHV transformer production starting in 2027f, while maintaining attractive distributions.

Limited leverage and rising liquidity further reduce financial risk, enabling the company to absorb commodity price volatility, working capital swings, or project delays. The balance sheet strength also improves supplier negotiations, inventory management, and execution of large contracts without straining cash.

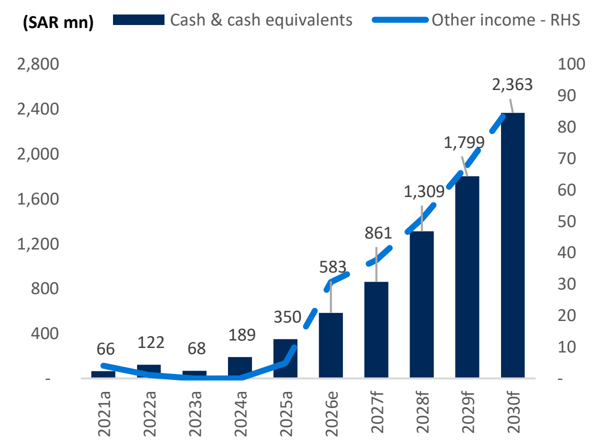
Overall, EIC's accelerating cash generation underpins higher other income, sustainable dividends, and financial stability, while preserving flexibility for strategic growth. As operations scale and the product portfolio expands, the growing cash position remains a key pillar for long-term value creation.

Chart 50: Operating cashflow/EBITDA



Source: Company financials, anbc research

Chart 51: Other income to rise on strong cash



Source: Company financials, anbc research

Valuation

We have valued EIC using a discounted cashflow model to arrive at our target price of SAR 17.5/share, providing a potential upside of 1.0%. We recommend an 'Neutral' rating on the stock.

We used an FCFF-based model, applying a beta of 1.02, a risk-free rate of 5.2%, and a market risk premium of 5.2%, resulting in a cost of equity of 10.5%. Incorporating a cost of debt of 3.1%, we derived a weighted average cost of capital (WACC) of 10.4%.

SAR mn	2027f	2028f	2029f	2030f	2031f
FCFF	967	1,171	1,248	1,469	1,690
Terminal Value					23,574
FCFF + Terminal	967	1,171	1,248	1,469	25,263
Discounted FCFF	876	961	928	989	15,416
Enterprise Value	19,170				
Cash	583				
Debt	32				
Equity Value	19,722				
Target Price	**17.5**				

Source: Company financials, anbc research

Sensitivity Analysis

WACC	Growth Rate				
	2.0%	**2.5%**	**3.0%**	**3.5%**	**4.0%**
8.4%	21.0	22.5	24.2	26.3	28.8
9.4%	18.1	19.1	20.3	21.7	23.4
10.4%	15.9	16.7	**17.5**	18.5	19.7
11.4%	14.2	14.7	15.4	16.1	17.0
12.4%	12.7	13.2	13.7	14.3	14.9

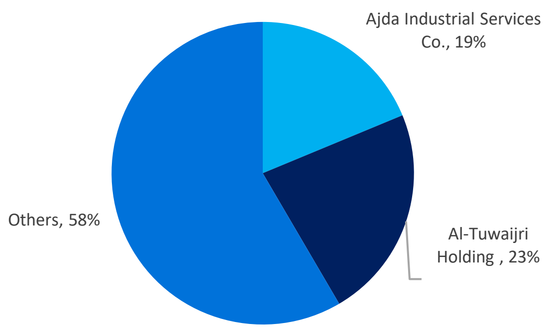
Source: Company financials, anbc research

Company Overview

Electrical Industries Co. (EIC) is one of the leading electrical equipment manufacturers in the Kingdom. The company operates in manufacturing, delivering, and repairing electrical transformers, compact substations, LV control panels, cable trays, MV & LV switchgears, and services related to these activities. EIC was established in 2005 as a result of a merger between Saudi Transformers Company (STC) and Wahah Electric Supply Company of Saudi Arabia Ltd. (WESCOSA).

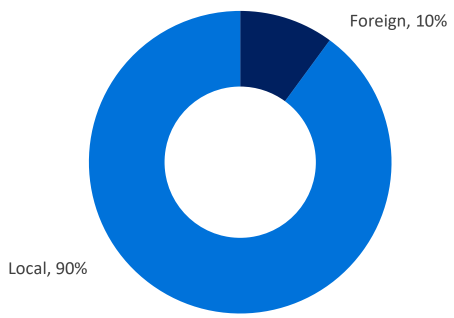
EIC has business in Saudi Arabia, Asia, Europe, and exports its products to other GCC countries. At the time of IPO, the company operated 3 manufacturing facilities in Dammam, Saudi Arabia with the unit capacity of 19,631 Since then, EIC has expanded its manufacturing operations to Europe with a facility in Belgium.

Chart 52: Ownership (%) by investor



Source: Tadawul, anbc research

Chart 53: Ownership (%) by type of investor



Source: Tadawul, anbc research

The company offers wide range of electrical products through its subsidiaries, catering to the growing demand of electrical industry in the Kingdom and in its other target geographies.

EIC also owns a 2.5% stake in Gulf Laboratory Co. for Testing Electrical Equipment (GCC Lab). GCC Lab is headquartered in Dammam and is broadly responsible for testing and inspection of electrical equipment.

Table 07: EIC's network of subsidiaries

Name	Scope of Business	Ownership %	Country
STC	Transformers, Compact Substations and LV Panels.	100%	KSA
WESCOSA	Transformers, Substations, Switchgears, Cable Trays, and services.	100%	KSA
SPTC	Medium Power and Extra high voltage Transformers.	100%	KSA
Gulf Electrical Equipment	Trading in Power Generation, Transmission and Distribution Equipment.	100%	UAE
Pauwels Transformer	Transformers, Engineering and Technical consultancy.	100%	Belgium

Source: Company financials, anbc research

EIC is engaged in the manufacturing, delivery, and repair of electrical equipment, including power and distribution transformers, compact substations, LV control panels, cable trays, and MV & LV switchgear. The company supports reliable power distribution and control across industrial, commercial, and infrastructure projects. In addition to manufacturing, EIC provides installation, maintenance, and technical services related to these electrical systems. This integrated offering enables end-to-end support across the equipment lifecycle, from design and supply to after-sales service.

Table 08: EIC's main products listed under each category

Product	
LV & MV Switchgears	
Motor Control Centers	Centralized motor control and protection
LV Switch racks	Low voltage switch mounting framework
Cable Bus	Rigid enclosed high-current conductors
Relays & Control Panels	System monitoring and protection units
Cable Tray	Cable routing and support system
Bus Duct	Enclosed power distribution busway
Service & Technical Support	Maintenance and operational assistance
Electrical Substations	
Unit Substations (≤1.5 MVA)	Compact power distribution with transformer
Package Substations (≤3.15 MVA)	Integrated substation with higher capacity
LV Distribution Panels	Low-voltage power control and distribution
Electrical Transformers	
Distribution Transformers 3 Phase Oil Filled (≤3.15 MVA)	Standard oil-cooled 3-phase distribution units
Pad Mounted Transformers	Ground-mounted enclosed distribution transformers
Special Transformers	Custom-designed transformers for specific applications
Small Power Transformers (>3.15 MVA & ≤20 MVA)	Compact transformers for medium power needs
Medium Power Transformers (>20 MVA & ≤100 MVA)	High-capacity transformers for industrial distribution

Source: Company financials, anbc research

Financial Overview

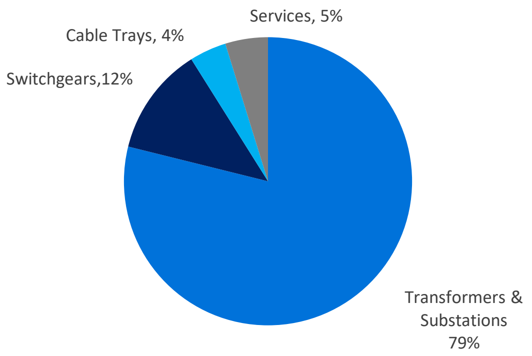
EIC operates through four key vertical namely 1) Transformers & Substations, 2) Switchgears, 3) Cable Trays, and 4) Services. Transformers is the largest segment, contributing 78.9% (2025) to the topline. Saudi Arabia is the major geographical market, with EIC driving 89% (2025) of its revenue from there.

Table 09: EIC's revenue segment

Segment	Description
Transformers & Substations	Power, distribution, special transformers, compact substations, and LV panels
Switchgears	L&MV switchgears, LV panels, MCCs, and switch racks
Cable Trays	Aluminum, Stainless Steel, HDG Steel Cable Trays and Ladders
Services	Support for LV/MV switchgear, including repairs, upgrades, and on-site testing.

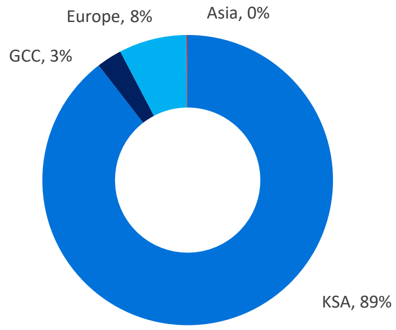
Source: Company financials, anbc research

Chart 54: Revenue by segment (%) - 2025



Source: Company financials, anbc research

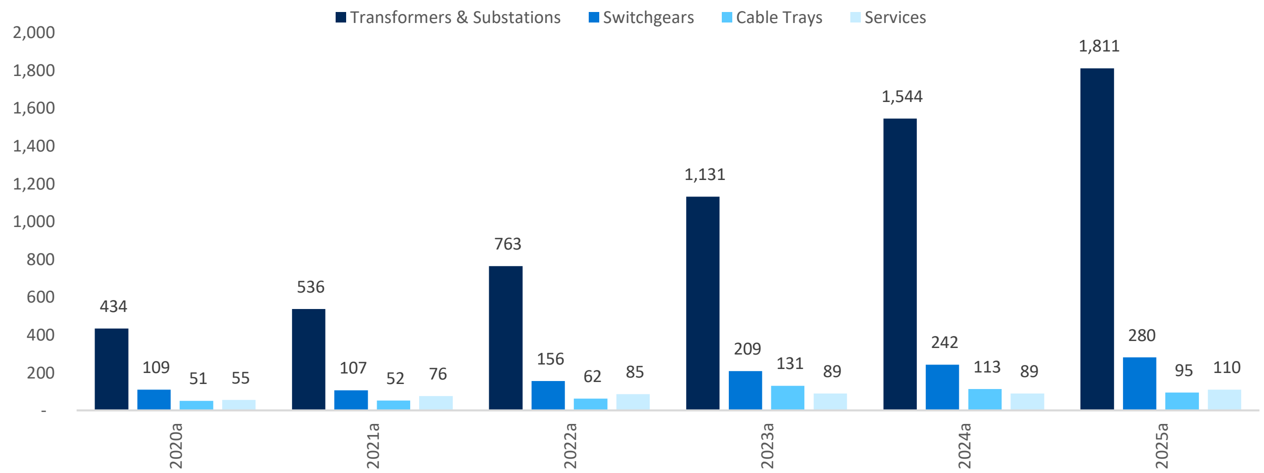
Chart 55: Revenue by geography (%) - 2025



Source: Company financials, anbc research

EIC's revenue grew at a CAGR of 28.8% from 2020 to 2025, driven by a 33.1% expansion in the Transformers & Substations segment, supported by robust infrastructure spending and rising power demand from residential and commercial sectors in the Kingdom. The Services segment is the company's smallest in terms of revenue (4.8% contribution in 2025) yet delivers significantly higher gross margins at 66.5%.

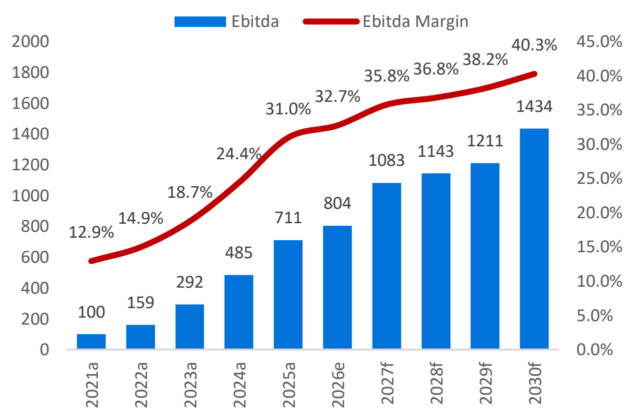
Chart 56: EIC's segment-wise revenue over the years - SAR mn



Source: Company financials, anbc research

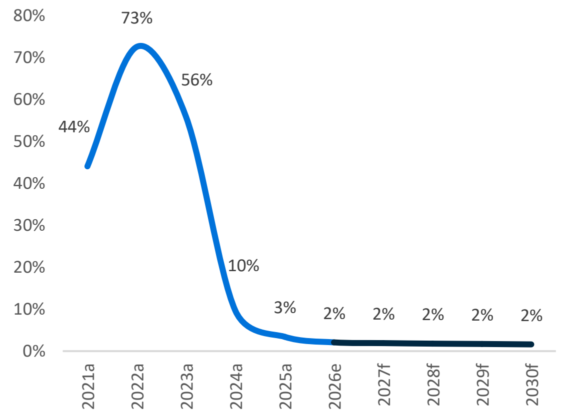
EIC's chart bank

Chart 57: EBITDA margin to reach 40.3% in 2030f



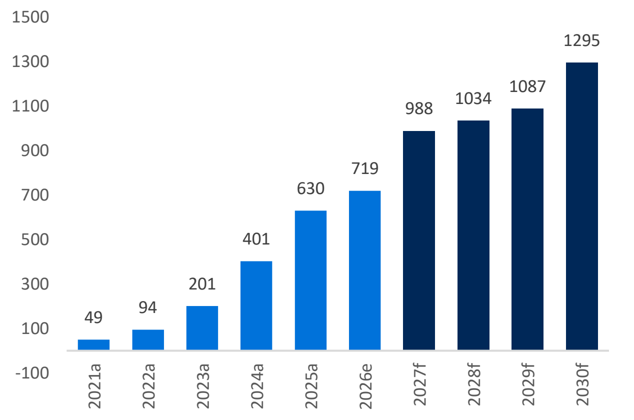
Source: Company financials, anbc research

Chart 58: Debt-to-equity declines post 2022



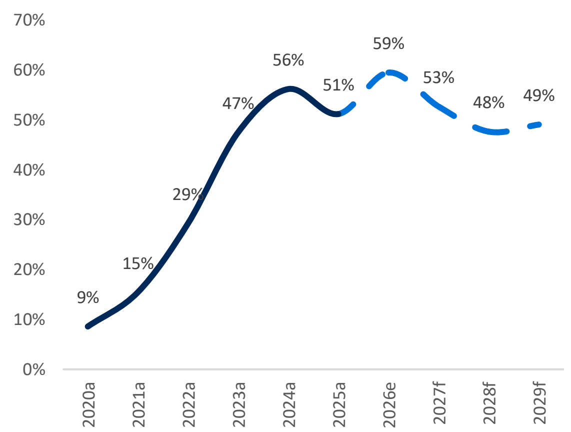
Source: Company financials, anbc research

Chart 59: Earnings to project a 5yr CAGR of 15.5%



Source: Company financials, anbc research

Chart 60: ROE Peaks at 59% Before Normalizing



Source: Company financials, anbc research

Financial Summary

Income statement (SAR mn)	2024a	2025a	2026e	2027f	2028f	2029f	2030f	CAGR 2025-2030f
Revenue	1,987	2,296	2,431	2,999	3,078	3,142	3,528	9%
Cost of Revenue	(1,322)	(1,436)	(1,505)	(1,779)	(1,812)	(1,822)	(1,991)	7%
Gross Profit	**665**	**860**	**926**	**1219**	**1265**	**1320**	**1537**	**12%**
Operating Expenses	210	186	163	178	168	159	155	-4%
EBIT	**456**	**675**	**763**	**1041**	**1098**	**1161**	**1382**	**15%**
Dep & Amort	29	36	38	41	43	46	49	
EBITDA	**485**	**711**	**801**	**1082**	**1141**	**1207**	**1431**	**15%**
Finance Cost	(34)	(10)	(2)	(1)	(1)	(2)	(2)	-29%
Finance income	-	-	-	-	-	-	-	
Profit Before Tax	**422**	**664**	**761**	**1040**	**1096**	**1160**	**1380**	**16%**
Zakat Tax	(20)	(34)	(42)	(52)	(62)	(73)	(86)	20%
PAT	**401**	**630**	**719**	**988**	**1034**	**1087**	**1295**	**15%**
Number of Share	1125	1125	1125	1125	1125	1125	1125	
EPS	0.4	0.6	0.6	0.9	0.9	1.0	1.2	15%

Balance Sheet	2024a	2025a	2026e	2027f	2028f	2029f	2030f	
Property & equipment	273	435	446	459	472	487	501	3%
Right to use asset	22	17	16	16	14	13	11	-8%
Others	22	22	22	22	22	22	22	
Intangible asset	8	6	6	5	4	4	3	-13%
Non-current assets	**325**	**479**	**490**	**501**	**513**	**525**	**537**	**2%**
Trade receivables	619	835	784	967	992	1,013	1,137	6%
Cash and Cash equivalents	189	350	583	861	1,309	1,799	2,363	46%
Others	61	57	62	77	79	81	91	10%
Inventories	757	873	836	937	906	868	905	1%
Current Asset	**1626**	**2116**	**2266**	**2841**	**3286**	**3760**	**4496**	**16%**
Total Assets	**1951**	**2595**	**2756**	**3342**	**3799**	**4285**	**5033**	**14%**
Share capital	563	563	563	563	563	563	563	
Retain earnings	394	738	953	1,250	1,560	1,886	2,274	25%
Statutory reserve	-	-	-	-	-	-	-	
Total Equity	**946**	**1298**	**1514**	**1810**	**2120**	**2446**	**2835**	**17%**
Loan and borrowings	0	12	12	12	12	12	12	
Lease liabilities	23	14	17	20	22	26	29	15%
Employees' service benefit	115	134	134	134	134	134	134	
Non-current liabilities	**138**	**161**	**163**	**166**	**169**	**172**	**175**	**2%**
Trade payables	142	197	177	209	213	214	234	4%
Lease liabilities	2	3	2	3	3	4	4	9%
Current Liabilities	**867**	**1,137**	**1,079**	**1,366**	**1,510**	**1,667**	**2,023**	12%
Total liabilities &equity	**1951**	**2595**	**2756**	**3342**	**3799**	**4285**	**5033**	**14%**

Source: Company financials, anbc research

Valuation Ratios	2024a	2025a	2026e	2027f	2028f	2029f	2030f
EPS (SAR)	0.4	0.6	0.6	0.9	0.9	1.0	1.2
DPS (SAR)	0.2	0.5	0.5	0.6	0.7	0.7	0.8
BVPS (SAR)	0.8	1.2	1.3	1.6	1.9	2.2	2.5
PER (x)	20.3	20.0	27.2	19.8	18.9	18.0	15.1
DY (%)	3.1	4.5	2.6	3.5	3.7	4.0	4.6
PBV (x)	8.6	9.7	12.9	10.8	9.2	8.0	6.9
EV/Sales (x)	4.0	5.4	7.8	6.2	5.9	5.7	4.9
Price/Sales (x)	4.1	5.5	8.0	6.5	6.3	6.2	5.5
EV/EBITDA (x)	16.6	17.3	23.7	17.3	16.0	14.7	12.0
Margins (%)	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Gross Margins	33.5	37.5	38.1	40.7	41.1	42.0	43.6
EBITDA Margins	22.9	29.4	31.4	34.7	35.7	37.0	39.2
Operating Margins	24.4	31.0	33.0	36.1	37.1	38.4	40.6
Net Margins	20.2	27.4	29.6	32.9	33.6	34.6	36.7
Returns (%)	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
ROA	20.9	27.7	26.9	32.4	29.0	26.9	27.8
ROE	47.5	56.1	51.1	59.4	52.6	47.6	49.0
Health Ratios	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Debt to Asset	4.7	1.7	1.1	1.0	1.0	1.0	0.9
Debt to Equity	9.6	3.4	2.1	1.9	1.8	1.7	1.6
Debt to Capital	8.8	3.3	2.0	1.9	1.8	1.7	1.6
Activity Ratio	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Current Ratio	1.9	1.9	2.1	2.1	2.2	2.2	2.2
Days Sales Outstanding	108.1	115.6	120.9	106.6	116.1	116.4	111.2
Days Sales in Inventory	230.4	207.2	205.8	181.8	185.6	177.7	162.5
Days Payable Outstanding	42.4	43.1	45.0	39.6	42.6	42.8	41.1
Cash Conversion Cycle	296.1	279.6	283.5	248.7	259.2	251.3	232.6
Growth Ratios (%)	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Revenue Growth	27.4	15.6	5.9	23.4	2.6	2.1	12.3
Gross Profit Growth	65.8	29.3	7.6	31.7	3.8	4.3	16.5
EBITDA Growth	65.9	46.7	12.7	35.0	5.5	5.8	18.6
Operating Profit Growth	72.3	48.1	13.1	36.5	5.4	5.8	19.0
Net Profit Growth	99.7	56.9	14.1	37.4	4.7	5.1	19.1

Source: Company financials, anbc research

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Contact

ANB Capital Head Office
3581 Al Mouyyad Al Jadid, Al Murabba, Riyadh 11311,
PO Box 22009, Kingdom of Saudi Arabia
Tel: +966 11 406 2500, 800 124 0055
Email: research@anbcapital.com.sa
Web: www.anbcapital.com.sa