Riyadh Cables Group Co.

19 April 2026

INITIATION OF COVERAGE

We initiate coverage on Riyadh Cables Group Co. (RCGC) with an 'Overweight' rating and a target price of SAR 152.3/share. The company's diverse product portfolio positions it to capitalize on both conventional power infrastructure and renewable energy projects. We forecast a revenue CAGR of 5.5% (2025-2030f), supported by strong domestic electrification demand and expanding international opportunities. A robust backlog of SAR 5.1 bn (163 kt) underpins our confidence in medium-term growth, while a high utilization rate of 97% indicates near-peak operational efficiency. With an almost debt-free balance sheet and strong earnings visibility, RCGC is well positioned to sustain growth, with a projected earnings CAGR of 10.8% between 2025-2030f. The stock currently trades at a 2026e P/E of 13.3x, with an attractive dividend yield of 4.4%.

Regional growth and record backlog boost revenue visibiltiy. RCGC's market leadership and expanding regional footprint provide a strong foundation for sustained growth. With a 38% share in Saudi Arabia and growing presence across the GCC and Iraq, the company is well positioned to benefit from accelerating electrification, industrial development, and transmission infrastructure upgrades. The regional cables market is forecasted to reach SAR 37.4 bn by 2028f (6.5% CAGR), creating a broad demand runway. This growth outlook is reinforced by a record backlog of SAR 5.1 bn (48% of 2025 revenues), providing revenue visibility and supporting stable plant utilization. As a result, sales volumes are projected to reach 333 kt by 2030f (4.2% CAGR), with capacity utilization expected to average 97% through 2030f, translating into a revenue CAGR of 5.5%, reaching SAR 13.9 bn by 2030f.

Pricing power and operational efficiency underpin margin resilience. The company has consistently delivered strong performance across both copper and aluminum segments, supported by its cost-plus pricing model, efficient operations, and effective hedging strategies. Despite an increase in copper and aluminum prices to SAR 37k/ton and SAR 10k/ton respectively, in 2025 (from SAR 32k/ton and SAR 9k/ton in 2023), gross margins rose to 16.2% in 2025 from 14.3% in 2024, demonstrating the effectiveness of its pricing framework in mitigating raw material volatility. Looking ahead, gross margins are expected to reach 16.9% in 2026e and are projected to stabilize between 16-17% over 2026f-2030f, supported by scale benefits, strategic pricing, and optimized product mix.

Strong balance sheet enables capex growth and sustainable dividend distribution. RCGC's low debt balance sheet (8.2% debt-to-asset as of 2025) and strong internal cash generation provide significant financial flexibility to fund growth while sustaining dividends. The company initiated an expansion program in 2022 to add 6-7% annual capacity through 2027f, fully funded through internal cash flows, preserving balance-sheet strength and mitigating financing risk. RCGC has maintained dividend payout ratio above 60% over the past three years, supported by consistent free cash flow generation, and we expect dividend payouts to remain stable, translating into an estimated dividend yield of 4.4% in 2026e.

Valuation: Our Dec-26 target price of SAR 152.3/share is derived using an FCFF-based DCF, implying an upside potential of 22.9% from current levels.

Risk: Slower market growth could result in underutilized capacity, while rising local competition may pressure margins. Geopolitical risks in GCC, supply chain disruptions, or delays in Vision 2030 projects could also affect demand.

RATING SUMMARY	OVERWEIGHT
Target Price (SAR)	152.3
Upside/Downside	21.8%
Div. Yield (%)	4.4
Total Exp. Return	27.4%

Source: Company financials, anbc research

ISSUER INFORMATION	
Bloomberg Code	RIYADHCA AB
Last Price (SAR)	123.9
No of Shares (mn)	150.0
Market Cap bn (SAR/USD)	18.0/4.8
52-week High / Low (SAR)	147.7/105.4
12-month ADTV (mn) (SAR/USD)	27.6/7.4
Free Float (%)	77.4
Foreign Holdings (%)	12.9

Last price as of April 13th, 2026

VALUATIONS

	2025a	2026e	2027f	2028f
EPS (SAR)	7.2	9.3	9.9	10.6
PER (x)	18.1	13.4	12.6	11.7
PBV (x)	5.9	4.8	4.3	3.8
DPS (SAR)	4.3	5.5	6.0	6.5
Div. Yield (%)	3.3	4.4	4.8	5.2
RoE (%)	36.6	38.7	36.1	34.4
RoA (%)	16.6	18.8	19.3	19.5

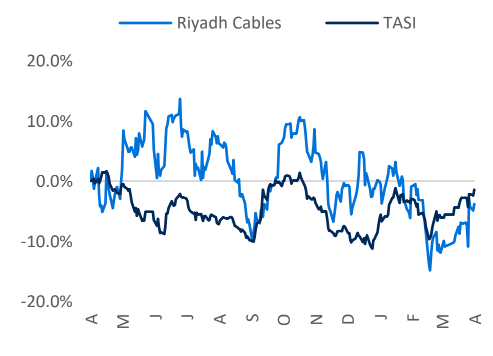
Source: Company financials, anbc research

FINANCIALS (SAR mn)

	2025a	2026e	2027f	2028f
Revenue	10,674	11,126	11,737	12,497
Gross Profit	1,733	1,877	1,991	2,111
EBITDA	1,352	1,674	1,729	1,837
Net Income	1,085	1,399	1,487	1,599

Source: Company financials, anbc research

RELATIVE PRICE PERFORMANCE



Source: Bloomberg, anbc research

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Investment Thesis

Regional growth and record backlog boost revenue visibility

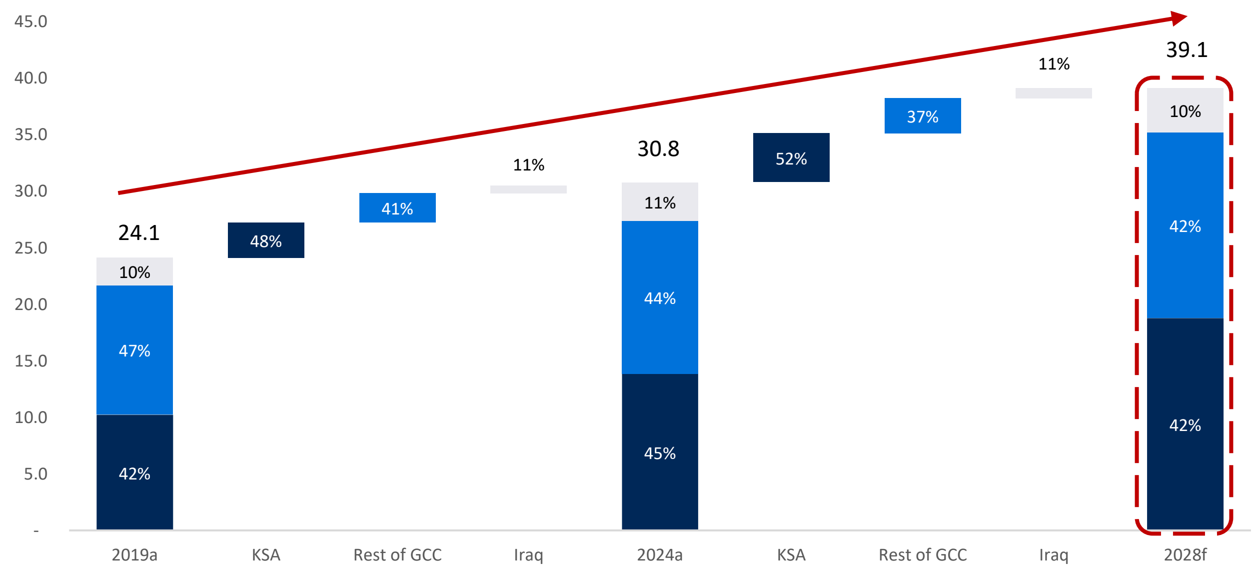
Riyadh Cables Group Co. (RCGC) is well-positioned to sustain strong topline momentum, supported by robust demand across its core geographies: Saudi Arabia, the broader GCC, and Iraq. The company's addressable market expanded to an average of SAR 29.1-32.4 bn, growing at a 4.8% CAGR between 2019 and 2024, with Saudi Arabia accounting for most of the incremental growth at a 6.2% CAGR over the same period. During this time, the Kingdom's share of the GCC power cable market increased from 42% to 45%, reflecting accelerating investments in energy infrastructure, power transmission, and construction.

Looking ahead, the regional cables market is projected to reach SAR 37-41 bn by 2024-2028f, representing a 6.2% CAGR, with the Saudi power cables market expected to grow at a 7.9% CAGR through 2024-2028f, reaching SAR 18.0-19.6 bn. Saudi Arabia's share is anticipated to rise to 48%, strengthening its role as the key growth driver for RCGC. Market visibility is supported by structural long-term demand drivers, including Vision 2030 giga-projects. The KSA's steadily growing population, expected to reach 39.9 mn by 2027f, and its youth-heavy demographic, with 58% below the age of 35, underscore the strong need for housing and urban development for the next generation.

This demographic momentum aligns with sustained investment in public infrastructure (e.g., Riyadh Airport, Saudi Landbridge Rail), smart and economic cities (e.g., Jeddah Economic City), and mega-projects (e.g., Red Sea Project, Qiddiya, Diriyah Gate, Roshn). Alongside infrastructural development, the KSA is also expanding the industrial sector through projects such as the industrial complex in Ras Al Khair, RCJY LED factory, Waad Al Shamal Phosphate City, and oil and gas developments including the Marjan offshore oil field expansion.

In parallel, Saudi Arabia has embarked on one of the world's most ambitious green energy programs, targeting 130 GW of renewable capacity by 2030f, with the goal of producing 50% of electricity from zero-carbon sources. This will drive a major transformation of the Kingdom's power infrastructure, complemented by the large-scale expansion of transmission and distribution networks, targeting over 0.16 mn c.km in transmission lines and 1.1 mn c.km in distribution networks, which will underpin sustained growth in power demand and cable consumption.

Chart 22: Total addressable market of cables (SAR bn)



Source: Earnings presentation, anbc research

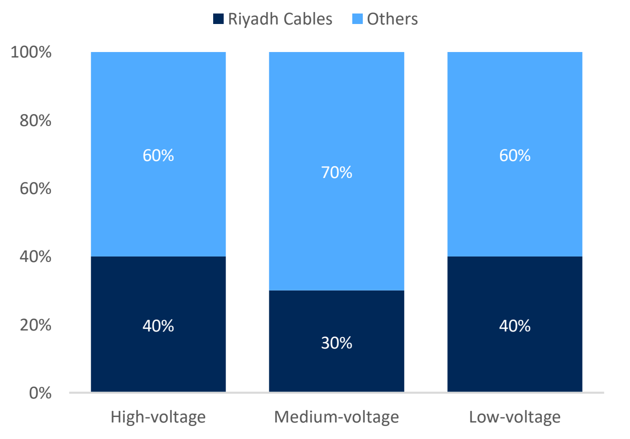
Regional cable industry growth and forecast

Exports to the rest of the GCC provide a steady, diversified revenue base beyond the Kingdom, with the regional cables market forecasted to grow at a 5.0% CAGR through 2024-2028f, reaching SAR 15.7-17.1 bn. Growth is supported by national visions emphasizing economic diversification and sustainable infrastructure, backed by large-scale investments: the UAE's Energy Strategy 2050 targets 50% clean energy with SAR 611 bn planned investments yielding over SAR 716 bn returns; Kuwait Vision 2035 allocates SAR 375 bn for housing and energy and has achieved SAR 12.8 bn in direct investments since 2015, including the 400k-resident South Saad Al Abdullah smart city; and other GCC national visions similarly prioritize industrial diversification, renewable energy, and private sector participation.

The GCC population is projected to reach 25.7 mn by 2027f, growing at a 1.7% CAGR, with 57% below age 35, fueling demand for housing and infrastructure. Renewable energy targets, UAE (70% carbon reduction by 2050f), Kuwait (15% renewables by 2030f), Qatar (20% non-gas energy by 2030f), Oman (30% renewables by 2030f), and Bahrain (15% renewables by 2035f), along with regional grid interconnections to Iraq, Egypt, and Jordan, where RCGC already supplies key cable projects, and collectively reinforce sustained medium-term cable demand across the GCC.

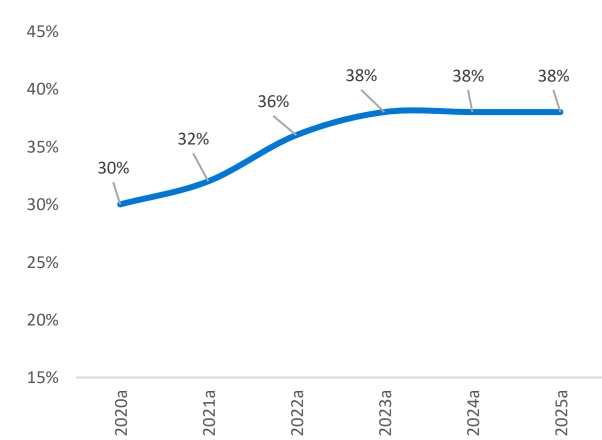
Outside Saudi Arabia and the GCC, Iraq represents a compelling frontier growth story, contributing 6% to total revenue. With a forecasted CAGR of 3.7% through 2024-2028f, reaching SAR 3.7-4.1 bn, Iraq's power cables market is set to expand, supported by reconstruction efforts, infrastructure development, and growing foreign investment. The government's SAR 1.4 tn project pipeline across power, housing, and transportation presents a strong opportunity for RCGC, which is well-positioned to capture this demand through its scale, regional presence, and integrated cable solutions. Additionally, Iraq's National Vision for Sustainable Development 2030, led by the Ministry of Planning with UNDP support, emphasizes human development, good governance, economic diversification, social stability, and environmental sustainability. The plan prioritizes investment in electricity, water, transportation, communication, and housing projects, further reinforcing long-term demand for power cables.

Chart 23: Market share product wise %



Source: Companies financials, anbc research

Chart 24: Overall Market Share in Saudi (%)



Source: Companies financials, anbc research

Competitive positioning

RCGC has the largest production capacity and the most diversified product portfolio in the industry. The company holds a dominant 40% share in the high-voltage segment, supporting gross margin improvement amid sustained demand, with the remaining 60% held by other players. In the medium-voltage segment, Riyadh Cables leads with a 30% share, while other players hold the remaining 70%. In low-voltage cables, Riyadh Cables again lead with a 40% market share, while other players hold the remaining 60%. This underscores RCGC's leading competitive position across all product segments.

At the overall domestic market level, RCGC's share increased from 30% in 2020 to 38% in 2025 reflecting its ability to capture incremental demand and sustain market leadership. Stabilization at this level suggests that the company has consolidated its domestic presence, with future growth expected through targeted capacity expansion, technological advancement, and continued product diversification focused on quality and reliability.

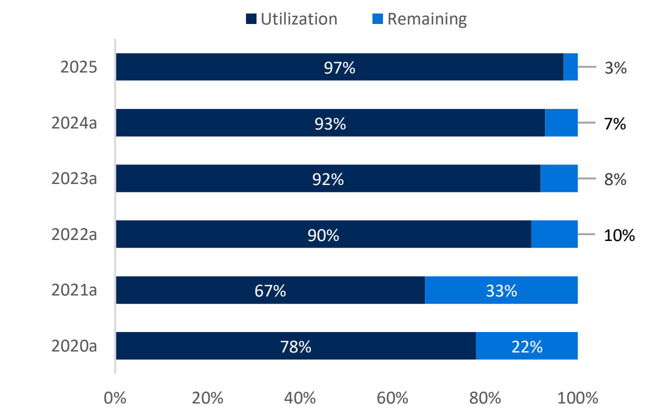
Operational performance

RCGC delivered strong topline momentum in 2025, with revenues rising 18.5% YoY to SAR 10.7 bn, up from SAR 9.0 bn in 2024. Growth was supported by both higher sales volumes and favorable pricing across key segments.

Sales volumes expanded at a 9.6% CAGR to 271 kt in 2025, up from 159 kt in 2020, reflecting RCGC's ability to capture incremental demand. Looking ahead, volumes are projected to grow at a 4.2% CAGR between 2025-2030f, reaching 333 kt by 2030f, driven by healthy export demand from regional markets and Iraq and rising transmission product sales supported by Vision 2030 targets, which aim to expand Saudi Arabia's transmission network to 160k c.km and distribution network to 1,100k c.km by 2030f.

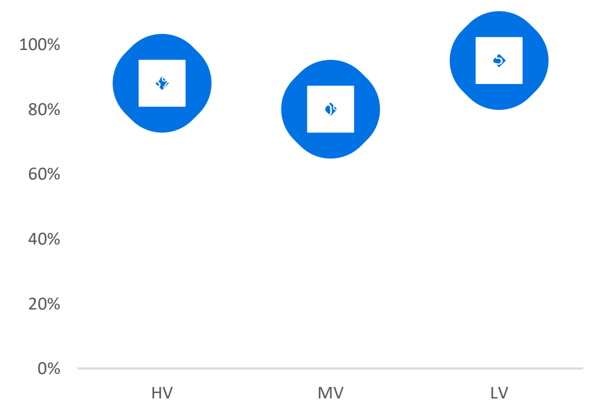
Operationally, RCGC continues to optimize production efficiency, with utilization reaching 97% in 2025. Utilization is expected to average around 97% between 2026e-2030f, while the company retains the flexibility to exceed 100%, up to 105-110%, through operating three shifts, seven days a week, underscoring its agility and operational scalability to meet growing demand.

Chart 25: RCGC's capacity utilization %



Source: Company financials, anbc research

Chart 26: Product wise utilization % (2025)



Source: Company financials, anbc research

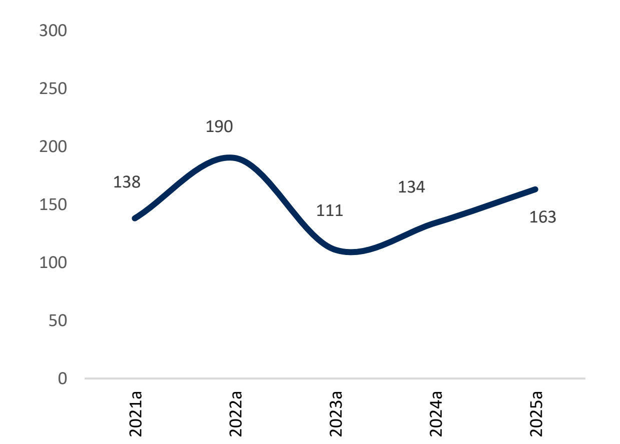
Backlog and growth visibility

RCGC's backlog reached a record level in 2025, providing solid visibility on future revenues. Backlog volume surged 21% YoY to 163 kt from 134 kt in 2024, while backlog value increased 5% YoY to SAR 5.1 bn from SAR 4.9 bn. This represents 47.6% of 2025 revenues (SAR 10.7 bn), ensuring a strong revenue pipeline for the next 16-18 months.

Backlog composition supports sustained growth, with nearly 70% of orders in the transmission segment, benefiting from rising power demand and the ongoing expansion of Saudi Arabia's grid infrastructure. This aligns with Vision 2030 and renewable energy integration initiatives, where grid and transmission upgrades are essential enablers of national energy goals.

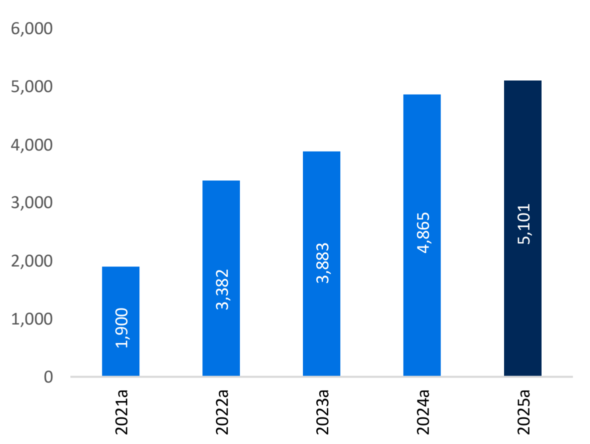
Order-book expansion has been a consistent trend, with backlog volume and value growing at CAGR of 4.3% and 28.0%, respectively, between 2021 and 2025. This demonstrates RCGC's ability to secure long-term contracts and maintain high visibility on forward revenues. The order pipeline remains broad-based, supported by demand from domestic utilities and resilient export markets, with exports showing notable strength in 2025.

Chart 27: Backlog volumes (kt)



Source: Company financials, anbc research

Chart 28: Backlog value (SAR mn)



Source: Companies financials, anbc Research

Financial outlook

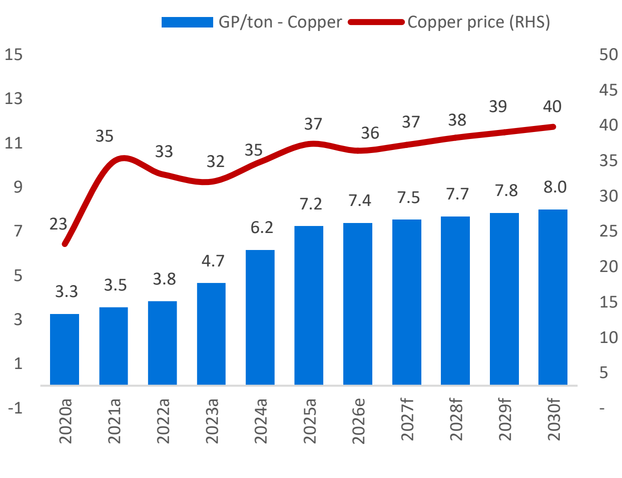
Looking ahead, we forecast RCGC's topline to grow at a 5.5% CAGR between 2025-2030f, reaching SAR 13.9 bn, underpinned by healthy backlog realization, robust transmission product demand, and recurring export orders. The combination of a record-high backlog and repeat demand from Saudi utilities and international clients' positions RCGC to sustain revenue and earnings growth over the medium term.

Furthermore, the diversified order pipeline enhances earnings visibility by minimizing revenue volatility, a key differentiator in a cyclical industry. The geographic and sectoral diversity within the backlog also mitigates concentration risk, balancing domestic growth with expanding export exposure. As these orders are executed, operating leverage is expected to strengthen, with higher volumes spreading fixed costs more efficiently. Importantly, RCGC's backlog expansion is occurring in tandem with sector-wide demand growth, ensuring that future revenue recognition remains secure and supported by structural market drivers.

Pricing power and operational efficiency underpin margin resilience

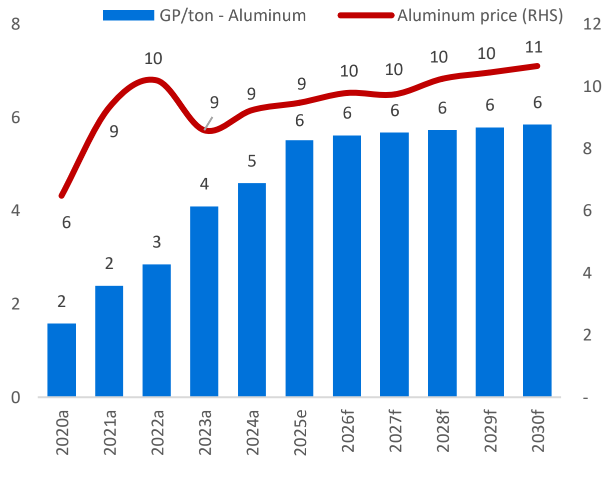
RCGC has demonstrated steady improvement in unit profitability across both copper and aluminum segments despite rising commodity prices. In the copper segment, GP/ton increased from SAR 3,253 in 2020 to SAR 7,227 in 2025, while copper prices rose from SAR 23k/ton to SAR 37k/ton, reflecting the company's ability to preserve spreads through its "Cost+" pricing model. Similarly, in the aluminum segment, GP/ton rose from SAR 1,579 in 2020 to SAR 5,176 in 2025, even as aluminum prices climbed from SAR 6k/ton to SAR 10k/ton. This improvement highlights RCGC's pricing discipline, operational efficiency, and effective hedging strategy to mitigate input cost volatility.

Chart 29: Copper GP/kt vs price (SAR '000)



Source: Company financials, Bloomberg, and anbc research

Chart 30: Aluminum GP/ton vs price (SAR '000)

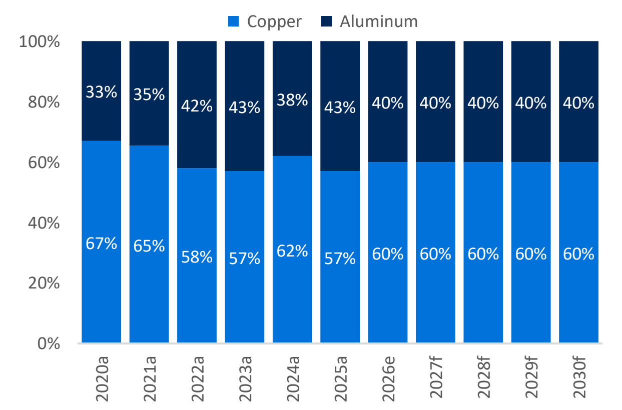


Source: Company financials, Bloomberg, and anbc research

Looking ahead, copper prices are projected to reach SAR 40k/ton by 2030f, with segment gross profit per ton increasing to SAR 7,979 and sustaining an average gross margin of ~17% over 2026e-30f. In the aluminum segment, prices are expected to reach SAR 11k/ton by 2030f, driving gross profit per ton to SAR 5,715 and sustaining an average gross margin of ~29% over 2026e-30f. The company's ability to maintain profitability despite commodity inflation underscores its resilient pricing model and cost efficiency.

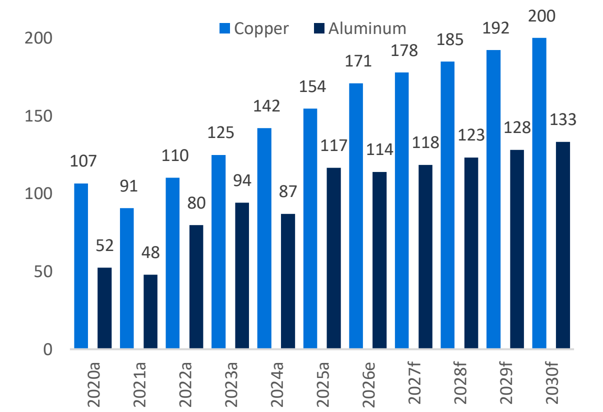
The company manufactures two main types of wire: copper, used primarily in household applications due to higher conductivity, and aluminum, used in transmission and low-current applications. Aluminum's share in volume rose from 33% in 2020 to 43% in 2025 and is projected to stabilize at ~40% over 2026e-30f as transmission demand normalizes, which should be supportive of margins given aluminum's higher-margin and lower-competition profile.

Chart 31: Volume mix



Source: Company financials, anbc research

Chart 32: Volumetric sales (kt)

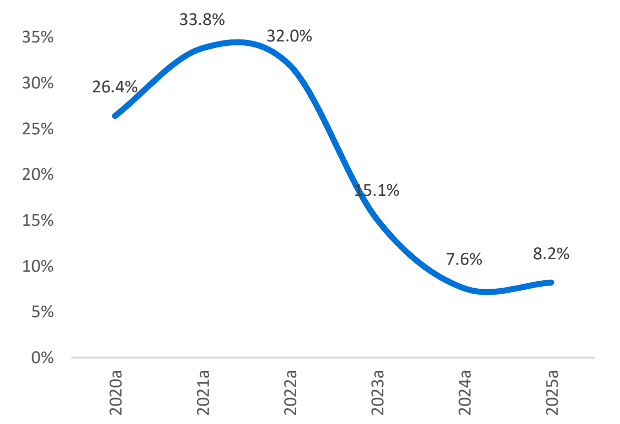


Source: Company financials, anbc research

Strong balance sheet enables capex growth and sustainable dividend distribution.

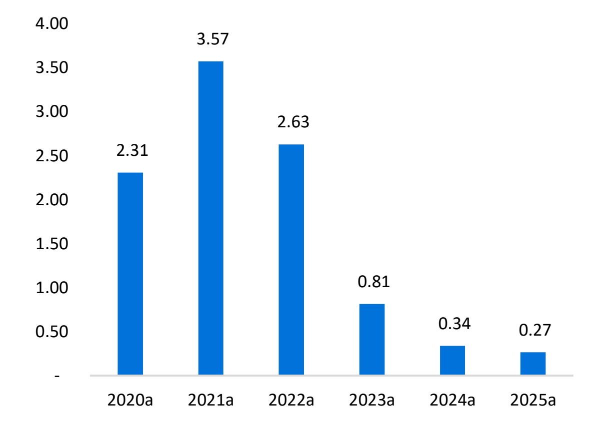
RCGC maintains a conservative balance sheet, with its debt-to-asset ratio declining to 4.3% in 2026e from 33.8% in 2021. This deleveraging trend is further reflected in a sharp improvement in leverage metrics, with net debt to EBITDA declining to ~0.2x in 2025a from a peak of 3.6x in 2021.

Chart 33: Debt-to-asset (%)



Source: Company financials, anbc research

Chart 34: Net debt / EBITDA (x)



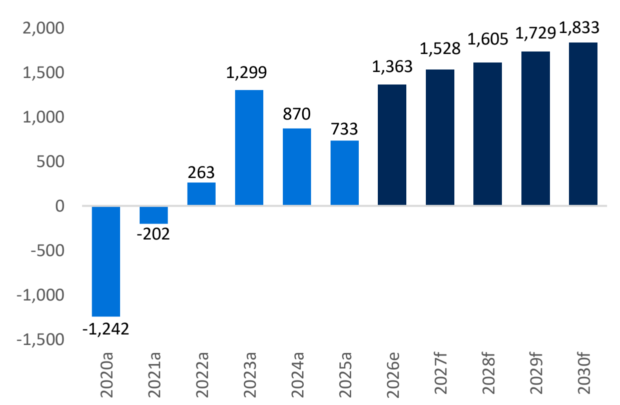
Source: Company financials, anbc research

Strong internal cash generation underpins RCGC's financial flexibility, enabling the company to fund growth initiatives while sustaining attractive shareholder returns. Operating cash flow is forecast to increase to SAR 1,833 mn by 2030f from SAR 733mn in 2025, implying a solid CAGR of 20.1%. Supported by a robust balance sheet and consistent free cash flow generation, RCGC has maintained a dividend payout ratio above 60% over the past three years, a trend we expect to continue. We forecast an average payout ratio of 60% over 2026e-30f, translating into an estimated dividend yield of 4.6% in 2026e and expanding further to 5.8% by 2030f. This outlook underscores the company's ability to deliver stable and growing shareholder returns without compromising financial strength.

RCGC initiated an expansion program in 2022, targeting a 6-7% annual increase in production capacity through 2027. The program is fully funded through internal cash flows, limiting financing risk. We are expecting a capex of SAR 255 mn in 2026e, broadly in line with historical investment levels and focused on capacity expansion and operational efficiency. Current installed capacity stands at 220 kt in Saudi Arabia and 55 kt across Iraq and the rest of the GCC, reflecting the company's regional footprint. Production volumes expanded at 14.3% CAGR to 271 kt in 2025 from 159 kt in 2020. We forecast volumes to grow at a 4.2% CAGR over 2025-30f, reaching 333 kt by 2030f, supporting revenue growth.

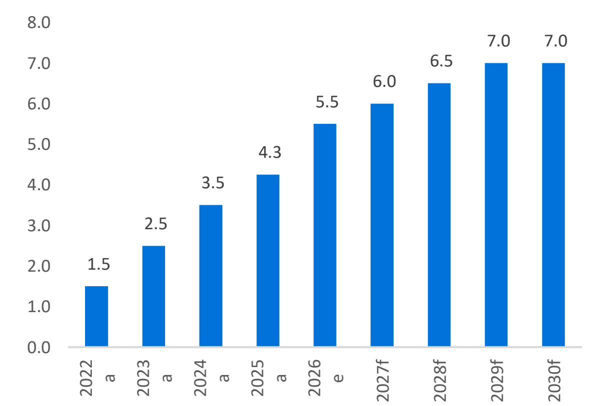
Overall, RCGC's low leverage, strong cash generation, and disciplined capital allocation support a resilient financial profile. The company appears well positioned to fund growth, sustain dividends, and maintain balance sheet strength.

Chart 35: Cashflow from operations



Source: Company financials, anbc research

Chart 36: Dividend/share (SAR)



Source: Company financials, anbc research

Valuation

We have valued Riyadh Cables using a discounted cashflow model to arrive at our target price of SAR 152.3/share, providing a potential upside of 22.9%. We recommend a 'Overweight' rating on the stock as we see Riyadh Cables as a key beneficiary of Saudi Arabia's expanding power demand and housing ownership growth.

We used an FCFF-based model, applying a beta of 0.82, a risk-free rate of 5.2%, and a market risk premium of 5.2%, resulting in a cost of equity of 9.5%. Incorporating a cost of debt of 4.8%, we derived a weighted average cost of capital (WACC) of 9.4%.

Moreover, RCGC is trading at an attractive 2026e P/E of 13.3x, representing a 31% discount to its historical 3-year average forward P/E of 19.4x.

SAR mn	2027F	2028F	2029F	2030F	2031F
FCFF	1,293	1,352	1,474	1,576	1,686
Terminal Value					27,067
FCFF + Terminal	1,293	1,352	1,474	1,576	28,753
Discounted FCFF	**1,182**	**1,130**	**1,125**	**1,100**	**18,337**
Enterprise Value	22,873				
Cash	254				
Debt	325				
Equity Value	22,802				
Target Price	**152.3**				

Sensitivity Analysis

		Growth Rate				
		2.0%	**2.5%**	**3.0%**	**3.5%**	**4.0%**
WACC	**7.4%**	187.5	203.4	222.8	247.3	279.0
	8.4%	157.6	168.3	181.0	196.4	215.2
	9.4%	135.8	143.4	**152.3**	162.7	174.9
	10.4%	119.2	124.9	131.3	138.7	147.3
	11.4%	106.1	110.5	115.3	120.8	127.1

Source: Company financials, anbc research

Company Overview

RCGC is a pioneering leader in the cables and wires industry across Saudi Arabia, the GCC, and international markets. Established over three decades ago, the Group has built a strong reputation for delivering high-quality, high-performance cable solutions trusted by leading engineering, construction, and industrial companies worldwide.

The company operates one of the largest integrated manufacturing footprints in the region, spanning over 1.5 mn square meters across facilities in Saudi Arabia (Riyadh), the UAE (Sharjah), and Iraq (Baghdad). With advanced production technologies, RCGC manufactures a comprehensive range of products, including wires, low-, medium-, high- and extra-high-voltage cables, overhead conductors, fiber optic cables, instrumentation and control cables, and renewable energy cables.

RCGC is home to the Middle East's largest extra-high-voltage testing facilities and has successfully delivered 220/380 (420) kV solutions to several mega projects in Saudi Arabia and the wider region. Alongside manufacturing, the Group provides end-to-end services, including testing, commissioning, and maintenance, ensuring reliability and longevity of its products in critical infrastructure.

Through its subsidiaries, RCGC also undertakes electrical contracting projects and maintains a strong domestic distribution network with multiple sales and service centers across the Kingdom. With a firm commitment to innovation, quality, and customer satisfaction, RCGC continues to play a vital role in supporting the Kingdom's infrastructure development and energy transition.

Table 02: Riyadh Cables' Products

Product	Description
Cables & Wires	
Low Voltage Cables	Power distribution cables for residential and commercial use
Medium Voltage Cables	Cables for industrial facilities and utility networks
Building Wires & Conductors	Internal electrical wiring for buildings and infrastructure
Overhead Conductors	Aerial cables for power transmission and distribution
Telecom Cables	Copper and fiber optic cables for communication networks
High Voltage Cables	
High Voltage Cables	Cables for grid transmission and large-scale utility projects
Extra-High Voltage Cables	Specialized cables for long-distance and high-capacity power networks
Other	
Instrumentation & Control Cables	For oil & gas, industrial, and automation systems
Telephone & Fiber Cables	Cables support telecom and data transmission
Raw Materials	Copper and aluminum rods, PVC/LSHF compounds, wooden drums
Turnkey Services	Engineering, installation, testing, and commissioning of cable systems

Source: Company financials, anbc research

RCGC diversified product portfolio is supported by its wide network of subsidiaries operating across the Middle East and North Africa.

Table 03: Riyadh cables - Subsidiary Ownership Structure

Company	Ownership%	Country
Direct		
Saudi Modern Company for Metals, Cables, and Plastic Industry Ltd.	100%	KSA
Saudi Modern Company for Specialized Wires and Cables Industry	100%	KSA
Saudi Modern Company for Telephone Cables Industry	100%	KSA
Riyadh Cables Company	100%	KSA
Saudi Modern Company for Cables Industry Ltd.	100%	KSA
Indirect		
National Cables Industry (NCI)	100%	UAE
Al Rowad Company to produce Electrical Cables and Wires Ltd.	100%	Iraq
Iraqi National Company for the Manufacture of Cables	100%	UAE
Arabian Gulf Company for Electrical Cables	49%	Kuwait
Qatar Cables Company	50%	Qatar
Gulf Company for Electrical Works	100%	Oman
Egyptian Riyadh Cables Company for Electrical Works	49%	Egypt
ARTIKUL AZIYA KABEL LLC	51%	Uzbekistan
Gulf and Riyadh Company for the Manufacture of Electrical & Electronic Cables & Wires	50%	Kuwait

Source: Company financials, anbc research

Financial Overview

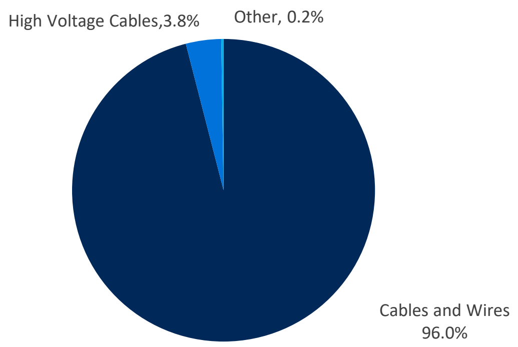
RCGC operates through three main verticals: 1) Cables and Wires, 2) High Voltage Cables, and 3) Other Specialized Products. The Cables and Wires segment is by far the dominant contributor, accounting for 96.0% of total revenue in 2025, while High Voltage Cables contributed 3.8% and Other Products just 0.2%. Geographically, Saudi Arabia remains the core market, representing 69% of revenues in 2025, followed by the UAE at 20%, Iraq at 7%, and other international markets collectively at 4%. This concentration highlights RCGC's strong domestic anchor, complemented by a steadily growing export base across the GCC and Iraq.

Table 04: Revenue Profile – Segment wise

Segment	Description
Cables and Wires	Low Voltage (LV), Medium Voltage (MV), Building Wires, Overhead Conductors, Telecom Cables, Raw Copper & Aluminum Rods
High Voltage Cables	High Voltage (HV) and Extra High Voltage (EHV) power cables used in transmission and utility projects
Other	Accessories (joints, terminations), specialized solutions, and turnkey project services (design, supply, installation, testing)

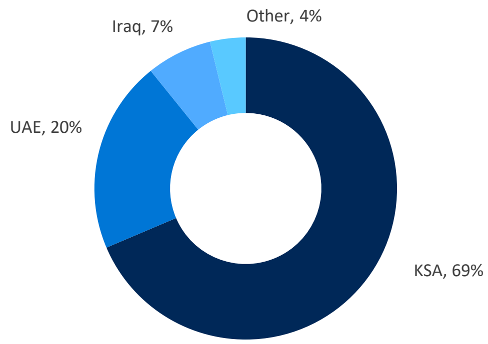
Source: Company financials, anbc research

Chart 37: Revenue by segment (%) - 2025



Source: Company financials, anbc research

Chart 38: Revenue by geography (%) - 2025

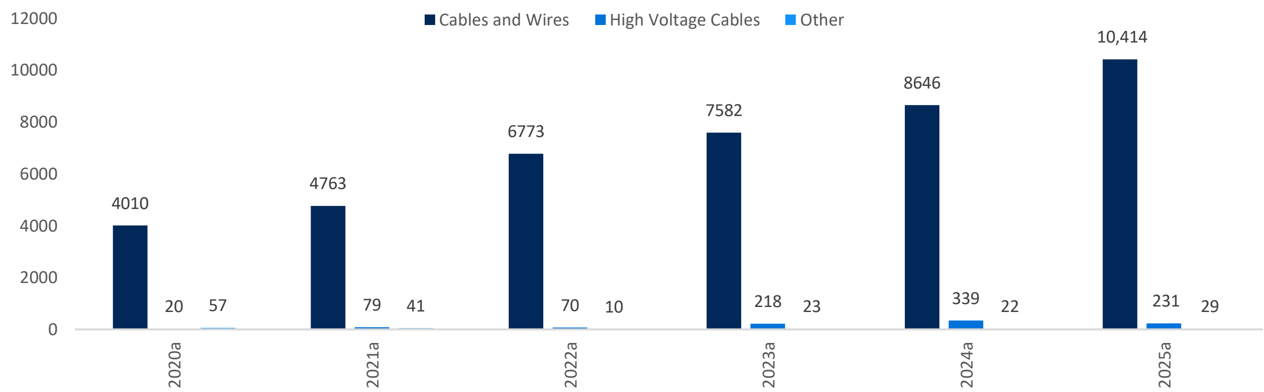


Source: Company financials, anbc research

RCGC revenue grew at a CAGR of 21.2% between 2020 to 2025, increasing from SAR 4.1 bn to SAR 10.7 bn. The growth was primarily driven by the Cables & Wires segment, which expanded at a CAGR of 21.2% during the same period, supported by rising demand in both domestic and export markets. Meanwhile, High Voltage Cables posted the fastest growth, rising from SAR 20 mn in 2020 to SAR 231 mn in 2025, translating into a CAGR of 62.5% between 2020-2025, reflecting strong traction from utilities and transmission projects across KSA and regional markets.

RCGC Cables & Wires segment remained the dominant contributor, growing steadily from SAR 4.0 bn in 2020 to SAR 10.4 bn in 2025, accounting for 96.0% of total revenues in 2025. The High Voltage Cables segment, though small in base, showed exceptional momentum, rising more than sixteen-fold during the period and improving its revenue share from 0.5% in 2020 to 3.8% in 2025. The Other segment remained negligible, fluctuating between SAR 10 mn and SAR 57 mn, with a declining share of revenues (0.2% in 2025).

Chart 39: Segment-wise revenue over the years - SAR mn

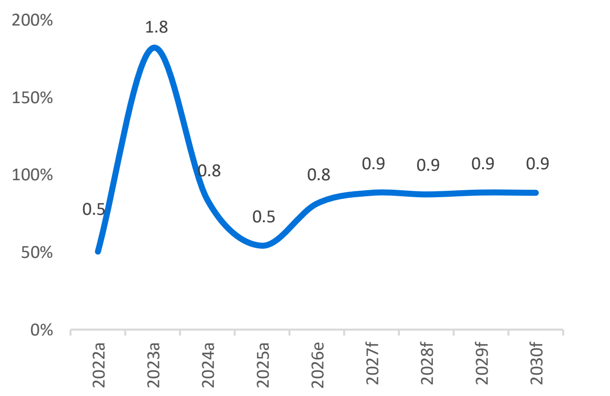


Source: Company financials, anbc research

This growth trajectory underscores RCGC ability to capture increasing demand in both conventional low/medium-voltage wires and specialized high-voltage cables. The company's revenue expansion was also reinforced by its strong domestic footprint in Saudi Arabia (69% of 2025 revenues), complemented by rising exports to the UAE (20%) and Iraq (7%). With its scale, product mix, and diversified geographic presence, RCGC remains strategically positioned to benefit from ongoing grid modernization, urban expansion, and regional reconstruction activities.

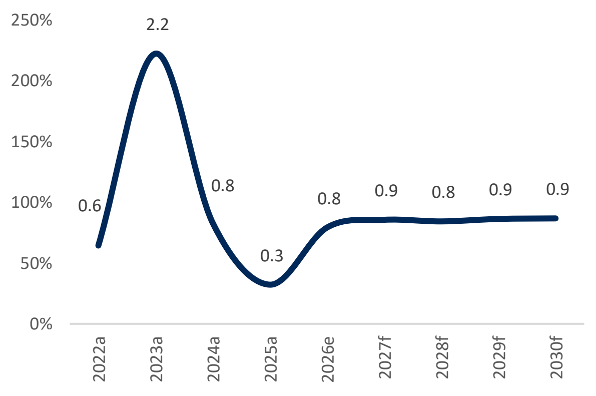
Riyadh Cables chart bank

Chart 40: Operating cashflow to EBITDA



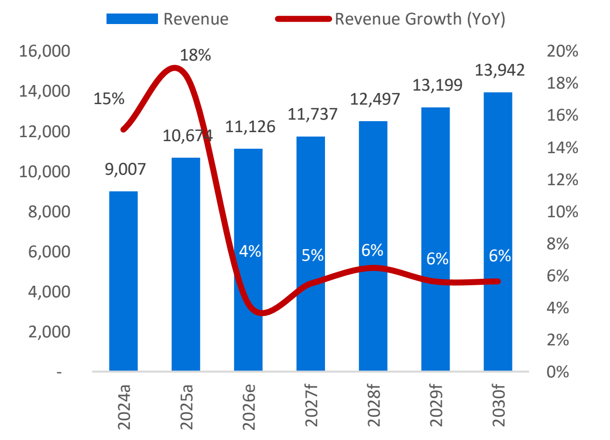
Source: Company financials, anbc research

Chart 41: Free cash flow to net income



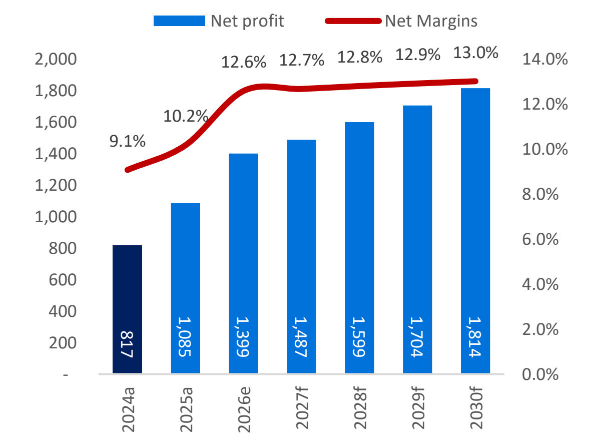
Source: Company financials, anbc research

Chart 42: Revenue to reach SAR 13.9 bn by 2030



Source: Company financials, anbc research

Chart 43: Net margins to reach 13.0% by 2030



Source: Company financials, anbc research

Financial Summary

Income statement (SAR mn)	2024a	2025a	2026e	2027f	2028f	2029f	2030f	CAGR 2025-2030f
Revenue	9,007	10,674	11,126	11,737	12,497	13,199	13,942	5%
Cost of Revenue	(7,721)	(8,940)	(9,249)	(9,746)	(10,386)	(10,961)	(11,569)	5%
Gross Profit	**1,287**	**1,733**	**1,877**	**1,991**	**2,111**	**2,238**	**2,373**	**6%**
Operating Expenses	-318	(467)	(281)	(341)	(354)	(367)	(383)	-4%
EBIT	**968**	**1,267**	**1,596**	**1,650**	**1,757**	**1,871**	**1,991**	9%
Dep & Amort	69	85	78	79	80	82	83	-1%
EBITDA	**1,037**	**1,352**	**1,674**	**1,729**	**1,837**	**1,952**	**2,074**	**9%**
Finance Cost	(90)	(75)	(64)	(21)	(5)	(4)	(3)	-46%
Finance income	2	1	-	-	-	-	-	
Profit Before Tax	**881**	**1,193**	**1,533**	**1,629**	**1,752**	**1,867**	**1,987**	**11%**
Zakat Tax	(72)	(105)	(134)	(143)	(154)	(164)	(174)	11%
PAT	**817**	**1,085**	**1,399**	**1,487**	**1,599**	**1,704**	**1,814**	**11%**
Number of Share	150	150	150	150	150	150	150	
EPS	5	7	9	10	11	11	12	11%

Balance Sheet	2024a	2025a	2026e	2027f	2028f	2029f	2030f	CAGR 2025-2030f
Property & equipment	1336	1492	1601	1712	1825	1940	2057	7%
Right to use asset	7	69	59	50	42	36	31	-15%
Others	77	52	65	65	65	65	65	4%
Intangible asset	57	138	216	291	363	432	498	29%
Non-current assets	**1478**	**1751**	**1940**	**2118**	**2295**	**2473**	**2650**	**9%**
Trade receivables	2,023	2,485	2,559	2,571	2,613	2,640	2,672	1%
Cash and Cash equivalents	91	236	254	138	530	981	1,470	44%
Others	94	398	336	345	356	367	378	-1%
Inventories	2,126	2,411	2,500	2,634	2,807	2,963	3,127	5%
Current Asset	**4,334**	**5,531**	**5,649**	**5,688**	**6,306**	**6,950**	**7,646**	**7%**
Total Assets	**5,812**	**7,282**	**7,589**	**7,806**	**8,601**	**9,423**	**10,297**	7%
Share capital	1,500	1,500	1,500	1,500	1,500	1,500	1,500	
Retain earnings	815	1,293	1,851	2,443	3,080	3,759	4,482	28%
Statutory reserve	288	288	288	288	288	288	288	
Total Equity	**2,624**	**3,309**	**3,915**	**4,327**	**4,971**	**5,657**	**6,387**	**14%**
Loan and borrowings	0	0	0	0	0	0	0	
Lease liabilities	6	9	9	9	9	9	9	-1%
Employees' service benefit	126	135	135	135	135	135	135	
Non-current liabilities	**139**	**169**	**144**	**144**	**144**	**144**	**144**	**-3%**
Trade payables	1,598	1,584	1,646	1,735	1,849	1,951	2,059	5%
Lease liabilities	1	2	2	2	2	2	2	-1%
Others	1,449	2,217	1,882	1,598	1,635	1,669	1,704	-5%
Current Liabilities	**3,049**	**3,804**	**3,530**	**3,334**	**3,486**	**3,622**	**3,766**	**0%**
Total liabilities &equity	**5,812**	**7,282**	**7,589**	**7,806**	**8,601**	**9,423**	**10,297**	**7%**

Source: Company financials, anbc research

Valuation Ratios	2024a	2025a	2026e	2027f	2028f	2029f	2030f
EPS (SAR)	5.5	7.2	9.3	9.9	10.6	11.3	12.1
DPS (SAR)	3.5	4.3	5.5	6.0	6.5	7.0	7.0
BVPS (SAR)	17.5	22.1	26.1	28.9	33.2	37.8	42.7
PER (x)	25.3	18.1	13.3	12.5	11.6	10.9	10.3
DY (%)	2.5	3.3	4.4	4.8	5.2	5.6	5.6
PBV (x)	7.9	5.9	4.7	4.3	3.7	3.3	2.9
EV/Sales (x)	0.5	0.4	0.4	0.4	0.4	0.4	0.3
Price/Sales (x)	2.3	1.8	1.7	1.6	1.5	1.4	1.3
EV/EBITDA (x)	5.8	4.9	9.1	10.2	10.7	11.6	12.2
Margins (%)	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Gross Margins	14.3	16.2	16.9	17.0	16.9	17.0	17.0
EBITDA Margins	11.5	12.7	15.0	14.7	14.7	14.8	14.9
Operating Margins	10.8	11.9	14.3	14.1	14.1	14.2	14.3
Net Margins	9.1	10.2	12.6	12.7	12.8	12.9	13.0
Returns (%)	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
ROA	15.4	16.6	18.8	19.3	19.5	18.9	18.4
ROE	33.5	36.6	38.7	36.1	34.4	32.1	30.1
Health Ratios	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Debt to Asset	7.6	8.2	4.3	0.1	0.1	0.1	0.1
Debt to Equity	16.8	18.0	8.3	0.3	0.2	0.2	0.2
Debt to Capital	14.4	15.3	7.7	0.3	0.2	0.2	0.2
Activity Ratio	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Current Ratio	1.4	1.5	1.6	1.7	1.8	1.9	2.0
Days Sales Outstanding	71.5	83.5	91.3	86.9	83.0	79.3	76.0
Days Sales in Inventory	100.3	96.8	101.4	101.4	101.4	101.4	101.4
Days Payable Outstanding	66.0	65.0	65.0	65.0	65.0	65.0	65.0
Cash Conversion Cycle	105.7	115.3	127.7	123.3	119.4	115.8	112.5
Growth Ratios (%)	**2024a**	**2025a**	**2026e**	**2027f**	**2028f**	**2029f**	**2030f**
Revenue Growth	15.1	18.5	4.2	5.5	6.5	5.6	5.6
Gross Profit Growth	32.3	34.7	8.3	6.0	6.0	6.0	6.0
EBITDA Growth	10.8	11.9	14.3	14.1	14.1	14.2	14.3
Operating Profit Growth	49.5	30.8	26.0	3.4	6.5	6.5	6.4
Net Profit Growth	57.5	32.8	29.0	6.2	7.6	6.5	6.4

Source: Company financials, anbc research

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