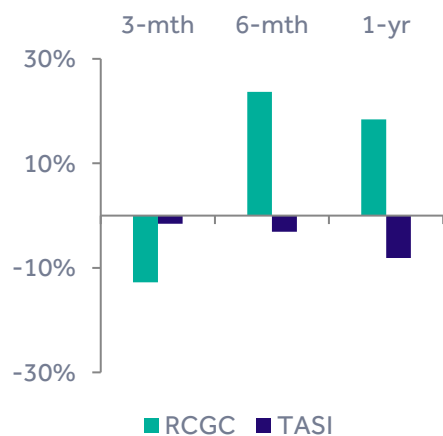


Market Data	
52-week high/low	SAR 165.0/83.8
Market Cap	SAR 19,110 mln
Shares Outstanding	150 mln
Free-float	70.8 %
12-month ADTV	303,517
Bloomberg Code	RIYADHCA AB



■ Solid Year Top to Bottom

March 20, 2025

Upside to Target Price	2.0%	Rating	Neutral
Expected Dividend Yield	2.7%	Last Price	SAR 127.40
Expected Total Return	4.7%	12-mth target	SAR 130.00

Riyadh Cables	4Q2024	4Q2023	Y/Y	3Q2024	Q/Q	RC Estimate
Sales	2,497	1,890	32%	2,433	3%	2,555
Gross Profit	332	237	39%	401	(17%)	350
Gross Margins	13%	13%		16%		14%
Operating Profit	294	175	68%	277	6%	269
Net Profit	252	139	82%	235	8%	223

(All figures are in SAR mln)

- Riyadh Cables reported excellent results as bottomline beat estimates while topline came in line with our expectations. Strong volumes (+32% Y/Y to 59k tons) led 4Q revenues to SAR 2.5 bln (+32% Y/Y, +3% Q/Q) while full year 2024 revenues were up +15% crossing SAR 9 bln on the back of domestic sales, export and turn-key projects. Sales volume went up +5% Y/Y for 2024 to 229k tons with a 93% utilization rate.
- For 2024, share of copper increased from 56% to 62% while that of Aluminum decreased from 44% to 38% and expectations is for this trend to continue into 2025.
- Gross margins for 4Q were similar to last year at 13% while we were expecting around 500bps higher. Gross profit per ton has witnessed steady growth over the last 3 years and is at SAR 5,550 in 2024 versus SAR 4,395 in 2023 on better efficiencies due to high utilization, improved demand in transmission products, cost efficiencies and vertical integration of production processes. Their unique hedging mechanism has played a key role as well.
- 4Q net profit inclined by +82% Y/Y and +8% Q/Q to SAR 252 mln, beating our SAR 223 mln forecast due to lower-than-expected operating costs. Full year bottomline was up +58% to SAR 817 mln.
- Backlog stands at SAR 4.9 bln, similar to 3Q but much higher than SAR 3.9 bln at the end of 2023. 2H DPS of SAR 2.00 is an improvement over SAR 1.50 in the 1H. We tweak our target price to SAR 130.00 but maintain a Neutral rating.

Muhammad Faisal Potrik
 muhammed.faisal@riyadcapital.com
 +966-11-203-6807

■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors
For any feedback on our reports, please contact research@riyadcapital.com

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