Al Masane Al Kobra Mining Company (AMAK)

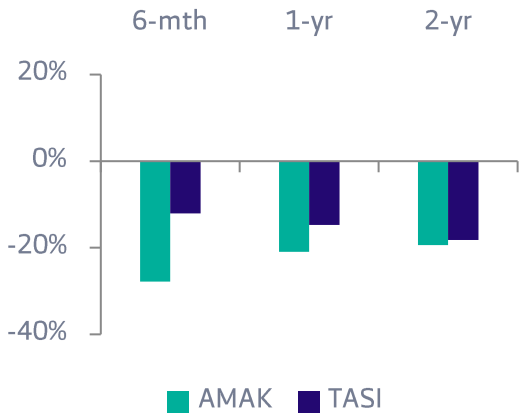
3Q2026 First Look

Base Metals Strike Back, Gold Volumes Fall Short

November 2, 2026

Upside to Target Price	70.2%	Rating	Buy
Expected Dividend Yield	0.0%	Last Price	SAR 58.75
Expected Total Return	70.2%	12-mth target	SAR 100.00

Market Data	
52-week high/low	SAR 117.5 / 55.5
Market Cap	SAR 5,288 mln
Shares Outstanding	90 mln
Free-float	65.00%
12-month ADTV	401,656
Bloomberg Code	AMAK AB



AMAK	3Q2026	3Q2025	Y/Y	2Q2026	Q/Q	RC Estimate
Sales	288	271	6%	237	21%	310
Gross Profit	103	122	(16%)	66	57%	126
Gross Margins	36%	45%		28%		41%
Operating Profit	78	105	(26%)	44	76%	105
Net Profit	60	81	(27%)	35	72%	87

(All figures are in SAR mln)

- AMAK reported revenues of SAR 288 mln in 3Q26, increasing +6% Y/Y and +21% Q/Q, below our estimate of SAR 310 mln. The first full quarter of operation at the Al Masane (ALM) base-metals plant since the January to May suspension delivered the volume we expected: management attributes the Y/Y growth to higher sales volumes of copper, zinc, and silver and higher selling prices for copper, zinc, gold and silver, partially offset by lower gold sales volumes, which is where the shortfall against our estimate sits. Prices were a tailwind in 3Q26, with copper and zinc quarterly spot averages up +43% and +34% Y/Y (+6% and +9% Q/Q), gold +21% Y/Y but -2% Q/Q, and silver +54% Y/Y and -9% Q/Q.
- Gross profit of SAR 103 mln fell -16% Y/Y and rose +57% Q/Q, below our estimate of SAR 126 mln. Cost of revenue of SAR 185 mln was in line with the SAR 184 mln we expected, so the 36% gross margin against our 41% is the revenue deviation falling through a largely fixed cost base. A lower margin than 3Q25's 45%, Guyan's unusually high-grade gold quarter, was in our estimate; the quarter shows the gold volume decline running deeper than our range, consistent with the lower gold sales volumes management cites as well.
- AMAK reported net profits of SAR 60 mln in 3Q26, decreasing -27% Y/Y and increasing +72% Q/Q, below our estimate of SAR 87 mln, with the gap driven by lower gold volumes; higher G&A, selling and zakat expenses also added to the Y/Y decline, partly offset by lower severance costs. No dividend was declared with the results, a negative for near-term returns; we assume no distribution until the SAR 680 mln rights issue completes. With a full quarter of ALM volumes now in the base, Khutainah ore as a potential offset to lower Guyan volumes, the rights issue and drilling subsidiary advancing the growth pipeline, the stock down from prior highs, and copper especially having maintained strong pricing, we maintain our target price, rating, and outlook.

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Disclaimer

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

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