

April 14, 2026

## Net Profit Exceeds Expectations

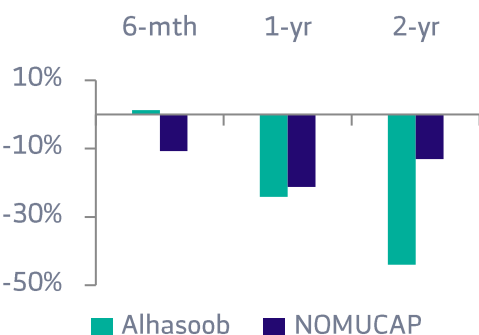
Upside to Target Price	12.8%	Rating	Neutral
Expected Dividend Yield	0%	Last Price	SAR 39.00
Expected Total Return	12.8%	12-mth target	SAR 44.00

Market Data	
52-week high/low	SAR 54.0/30.0
Market Cap	SAR 109.20 mln
Shares Outstanding	2.80 mln
Free-float	%22.6
12-month ADTV	1,453
Bloomberg Code	ALHASOOB AB

Alhasoob Co.	2H2025	2H2024	Y/Y	1H2025	H/H	RC Estimate
Sales	176	137	29%	127	38%	144
Gross Profit	12	10	22%	8.5	46%	10
Gross Margins	7%	7%		7%		7%
Operating Profit	4.0	2.7	48%	2.4	64%	3.0
Net Profit	5.6	2.2	155%	1.8	220%	2.3

(All figures are in SAR mln)

- Alhasoob's full-year revenues reached SAR 303 mln, up +17% Y/Y, driven by entry into new markets and expansion of its customer base. Net income reached SAR 7.4 mln by the end of 2025 compared to SAR 3.9 mln in 2024, supported by strong revenues, in addition to improved operating cost control and a -5% decline in financing costs.
- For 2H25, Alhasoob recorded its highest semi-annual revenues at SAR 176 mln, with a strong increase of +29% Y/Y and +38% H/H, exceeding our estimate of SAR 144 mln. This was driven by an increase in the customer base in addition to improved efficiency in distribution and marketing operations. Gross income reached SAR 12 mln, increasing on both Y/Y and H/H basis by +22% and +46%, respectively, in line with our expectations. Gross margin stood at 7%, relatively stable on both Y/Y and H/H basis.
- Operating income reached SAR 4.0 mln, increasing by +48% Y/Y and +64% H/H, exceeding our expectations, supported by strong revenue growth. Operating expenses reached SAR 8 mln, increasing by +13% Y/Y and +39% H/H, in line with our estimate of SAR 7 mln. Operating margin remained stable on both Y/Y and Q/Q basis at 2%, in line with our expectations.
- Net income for 2H25 came in at SAR 5.6 mln, recording strong semi-annual profitability levels not seen since 2021, supported by revenue growth in addition to the reversal of provisions of SAR 2.3 mln during 2H25. Excluding this one-off impact, adjusted net profit stood at SAR 3.3 mln, reflecting a noticeable improvement in profitability. After revising our assumptions, we have reduced our target price from SAR 49.00 to SAR 44.00, as we do not see sufficient catalysts to support upside in the near term, while maintaining our Neutral rating.



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## ■ 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](mailto:research@riyadcapital.com)

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