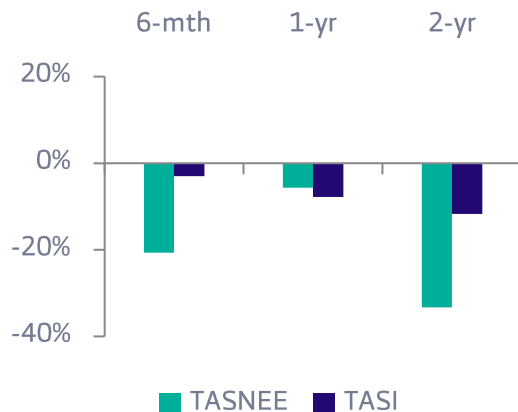


Market Data	
52-week high/low	SAR 11.94 / 8.05
Market Cap	SAR 5,907 mln
Shares Outstanding	669 mln
Free-float	88.75%
12-month ADTV	1,829,307
Bloomberg Code	NIC AB



Business Rationalization Simplifies, More Cash also Helps

March 29, 2026

Upside to Target Price	(9.4%)	Rating	Neutral
Expected Dividend Yield	-	Last Price	SAR 8.83
Expected Total Return	(9.4%)	12-mth target	SAR 8.00

Tasnee	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	(43)	1,103	-	860	-	818
Gross Profit	(153)	5	-	47	-	41
Gross Margins	(1%)	0%	-	5%	-	5%
Operating Profit	(151)	(63)	(3,555%)	(117)	(1,859%)	(115)
Net Profit	(2,037)	(98)	(1,983%)	(559)	(265%)	(135)

(All figures are in SAR mln)

- Tasnee generated in 4Q25 an accounting adjusted topline loss of SAR (43) mln, which was triggered by the reduction in the contribution of the Downstream business segment; due to Tasnee's recent sale of Al-Rowad Industrial Transformation Co. (RITC). These topline results were lower than our estimate, driven by a significant transaction and the related accounting changes. The full sale of the business will net Tasnee proceeds of SAR 700 mln, while we note the potential for other closing costs or adjustments, could bring the contribution between SAR 650-785 mln (depending on SPA). In our view, the sale of RITC is actually in-line with our previous conversations with management, which stressed operational focus on the petrochemical business moving forward, instead of the downstream manufacturing and metallurgy business segments.
- Operating losses during 4Q25 were SAR (151) mln, significantly lower Q/Q and Y/Y. The operating loss, which was lower than our estimate of SAR (115) mln, was driven by significantly lower sales, triggered by the Downstream business sale; while the petrochemical segment has been muted by lower sales prices overall, which could not offset the accounting changes.
- During 4Q25, Tasnee recorded a SAR 2,108 mln impairment (Tasnee share, roughly SAR 1,760 mln), related to the complex in Jazan and the Acrylic Monomers plant in Jubail; driving a net loss of SAR (2,037) mln. With negative macro factors, but with more cash and several impairments in the rear-view mirror, we maintain our Neutral rating and lower our target price.

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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

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