# SABIC Agri-Nutrients Co.

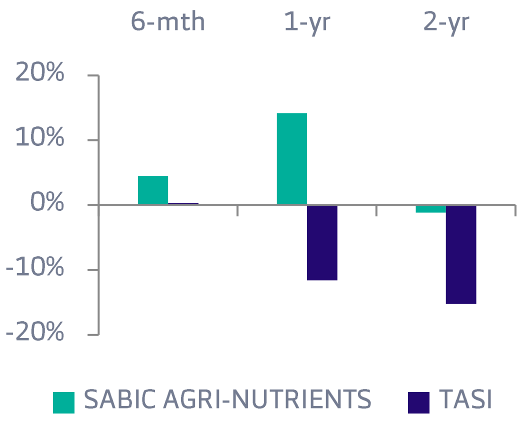
# 4Q2025 First Look

## Dividends and Cash Flows Good; Strong Setup for 2026

**March 3, 2026**

| | | | |
|---|---|---|---|
| Upside to Target Price | 24.1% | Rating | Buy |
| Expected Dividend Yield | 5.8% | Last Price | SAR 120.90 |
| Expected Total Return | 29.9% | 12-mth target | SAR 150.00 |

| Market Data | |
|---|---|
| 52-week high/low | SAR 129.6 / 94.7 |
| Market Cap | SAR 57,553 mln |
| Shares Outstanding | 476 mln |
| Free-float | 49.89% |
| 12-month ADTV | 564,118 |
| Bloomberg Code | SAFCO AB |




| SABIC Agri-Nutrients | 4Q2025 | 4Q2024 | Y/Y | 3Q2025 | Q/Q | RC Estimate |
|---|---|---|---|---|---|---|
| Sales | 3,194 | 3,018 | 6% | 3,522 | (9%) | 3,094 |
| Gross Profit | 1,204 | 1,113 | 8% | 1,443 | (17%) | 1,178 |
| Gross Margins | 38% | 37% | | 41% | | 38% |
| Operating Profit | 913 | 850 | 7% | 1,224 | (25%) | 952 |
| Net Profit | 988 | 954 | 3% | 1,290 | (23%) | 1,020 |

(All figures are in SAR mln)

- SABIC AN reported a topline of SAR 3.2 bln vs. SAR 3.0 bln in 4Q24, a +6% Y/Y increase, driven by higher average prices (+12%), while we also note, that Q/Q results were driven by -15% decrease in average prices, not offset by quantities sold. According to management, average sales prices in 4Q25 dipped based upon urea supply rebound, recovering from mid-year shutdowns.
- In 4Q25, gross margins were in-line with our estimate at 38%, lower vs. 41% in the preceding quarter. EBITDA performance improved Y/Y, coming in at SAR 1,136 mln, representing a solid increase of +30%; while a decrease of -25% Q/Q. Management's market outlook for 1Q2026 highlighted Chinese volumes leaving the export market and Russian facilities suffering conflict related damage; which will support pricing. According to Bloomberg, as of the date of this report, urea appears to be around USD 490/ton, while Green Markets cites USD 550/ton (Egypt-FOB), which could lift future results.
- SABIC Agri-Nutrients produced net profit of SAR 988 mln in 4Q25 (-23% Q/Q, +3% Y/Y), in-line with our SAR 1,020 mln forecast, which also stayed tightly correlated through gross and operating profits. We also note, free cash flow generation during 4Q25 was SAR 1,254 mln, increasing +30% Y/Y and decreasing -25% Q/Q. China's limited presence on the export market of urea, means there will be more tightness in 1Q2026, when combined with recent events in the region, we believe prices of urea will be elevated in 2026. Based on free cash flow generated (TTM) for SABIC AN, we estimated (based on 3Q2025 financials) a ~10.4x EV/FCF ratio, which is significantly lower than that of 2024 (TTM). Based on this valuation and our estimates for urea prices, a higher dividend, and of course a lower share price, we upgrade our rating to Buy and increase our target price.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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

For any feedback on our reports, please contact research@riyadcapital.com

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