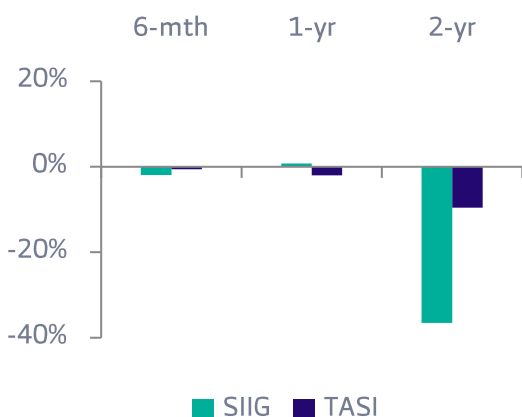


Market Data	
52-week high/low	SAR 20.00 / 11.41
Market Cap	SAR 10,129 mln
Shares Outstanding	679.3 mln
Free-float	81.40%
12-month ADTV	1,070,804
Bloomberg Code	SIIG AB



## Asset Lives and Expectations Tempered

May 5, 2026

Upside to Target Price	(12.8%)	Rating	Neutral
Expected Dividend Yield	1.7%	Last Price	SAR 14.91
Expected Total Return	(11.1%)	12-mth target	SAR 13.00

SIIG	1Q2026	1Q2025	Y/Y	4Q2025	Q/Q	RC Estimate
Sales	-	-	-	-	-	-
Gross Profit	-	-	-	-	-	-
Gross Margins	-	-	-	-	-	-
Operating Profit	252	20	1,160%	(196)	-	(12)
Net Profit	252	18	1,300%	(150)	-	66

(All figures are in SAR mln)

- SIIG reported operating income of SAR 252 mln in 1Q26, up +1,160% Y/Y, with a complete loss reversal Q/Q, significantly higher than our estimate, although directionally consistent with our fundamental understanding of the Company's JVs. These Y/Y results are driven by lower feedstock costs, before March (Hormuz etc.), despite lower end-product prices, as well as a significant reassessment of the Company's useful life of assets. That being said, for 1Q26, Q/Q feedstock price changes were characterized by rapid increases (on average), with propane and butane both moving up by +10% and +13%, respectively. We also note that Q/Q prices of polypropylene rose +13%, among other products which experienced similar spikes in March 2026, dragging up all averages, based on the Hormuz shipping lane disruptions, which are material for SIIG given its facility locations.
- SIIG posted a net profit of SAR 252 mln in 1Q26, a significant increase Q/Q and Y/Y, driven by the reassessment of useful lives of certain PPE and joint ventures, shifting those lives from 25 to 40 years approximately. Other items had an insignificant effect in comparison, such as a decrease in G&A expenses, an increase in zakat expenses, and continued lower income from Murabaha financing vehicles. Investors will need to look past the noise of the assessment, volume changes, and shipping disruptions. Of note, operating and net profit were identical at SAR 252 mln this quarter, just highlighting as a potential error on Tadawul.
- SIIG announced the intention to buy-back up to 10 mln (maximum) shares to be held in treasury, which is in line with their view that the shares are undervalued. We maintain our Neutral rating and 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](mailto:research@riyadcapital.com)

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