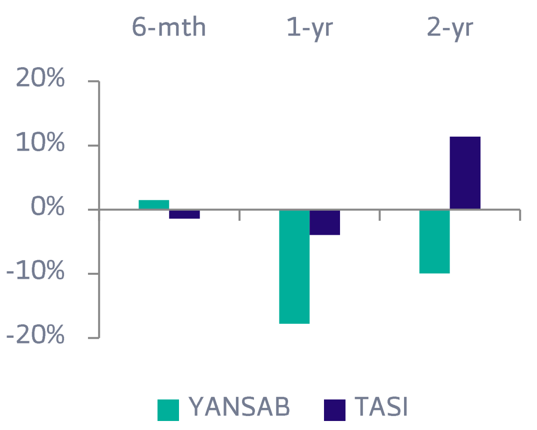
Yanbu National Petrochemical Co. (Yansab) 3Q2025 First Look

Lower Prices Persist, Cheaper Inputs Still Move Needle

October 27, 2025

Upside to Target Price	(4.7%)	Rating	Neutral
Expected Dividend Yield	5.9%	Last Price	SAR 33.54
Expected Total Return	1.4%	12-mth target	SAR 32.00

Market Data	
52-week high/low	SAR 40.80 / 28.25
Market Cap	SAR 18,866 mln
Shares Outstanding	562.5 mln
Free-float	49.00%
12-month ADTV	459,754
Bloomberg Code	YANSAB AB



Yansab	3Q2025	3Q2024	Y/Y	2Q2025	Q/Q	RC Estimate
Sales	1,316	1,628	(19%)	1,394	(6%)	1,374
Gross Profit	207	291	(29%)	185	12%	254
Gross Margins	16%	18%		13%		18%
Operating Profit	66	138	(52%)	48	39%	116
Net Profit	74	131	(43%)	45	67%	120

(All figures are in SAR mln)

- Yansab's topline decreased by -6% Q/Q and -19% Y/Y, to SAR 1.3 bln, in-line with our cautious forecast. The Q/Q decrease in sales was driven by lower average prices (-4%) and what we speculate, are similar sales volumes Q/Q. While price changes Y/Y were similar, with prices down -4% as well, gross margins increased over +200 bps Q/Q, coming in at 16%, but down from 18% in 3Q24. These margin results were driven by lower input prices, but tempered by lower selling prices.
- Yansab generated gross profits of SAR 207 mln in 3Q25, an increase of +12% Q/Q, despite this, we reiterate our cautious view to investors regarding the pricing environment for the Company's products. Based on management's commentary, average prices decreased -4% Q/Q and Y/Y. Our own observations in the market hold these factors to be true, as the prices of MEG and LLDPE, both decreased -2% Y/Y.
- Net profit of SAR 74 mln was recorded for the quarter, a solid increase of +67% Q/Q, up from a net profit of SAR 45 mln in the preceding quarter. With lower sales prices Q/Q and Y/Y, these net profit results were purely driven by gross margins Q/Q, and the cascade into net profits, showcases the effect of lower input prices. Although lower input prices can help, we still regard a lower pricing environment which continues to decline, as a threat. With prices continuing to decline Q/Q, despite declines being less pronounced sequentially, we maintain both our skepticism toward the market in general, and our rating and 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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