Company

SABIC Agri-Nutrients Co.

2Q26 Result Review

Rating

Under Review

Bloomberg Ticker

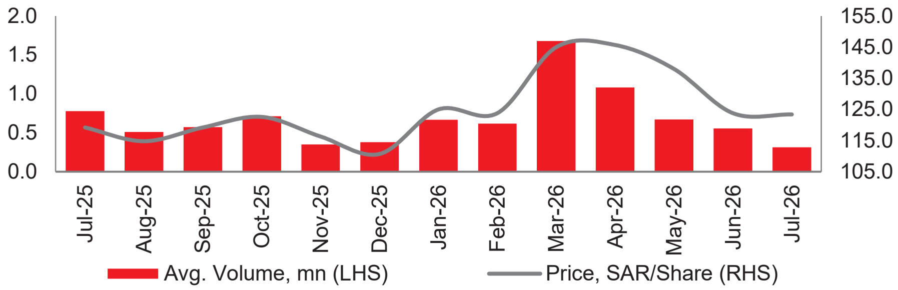
SAFCO AB

Date

27 July 2026

Results

Target Price SAR	Under Review
Total Return	-



Current Market Price (SAR)	123.4
52-week High | Low	159.3 | 108.3
Price Perf. (1m | 3m)	-2.1% | -13.3%
Mkt. Cap. (USD/SAR mn)	15,861 | 58,743
Free Float	49.9%
3m ADTO (000 shares)	493.6
6m ADTO (000 shares)	741.8
3m ADTV (SAR 000)	67,419.9
6m ADTV (SAR 000)	102,241.1
P/E 27e	12.3x
P/B 27e	2.5x
DY 27e	6.3%

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Revenue declined on lower sales volumes

During 2Q26, the company reported revenue of SAR 2.4bn, down 27% YoY, primarily due to lower sales volumes resulting from supply chain disruptions. The decline was partially offset by higher average selling prices across most of the company's product portfolio.

Earnings pressured by lower volumes as margins contract

The company reported a net profit of SAR 379mn in 2Q26, down 64% YoY, as lower sales volumes weighed on profitability. Gross profit declined 44% YoY, while gross margin contracted to 29.5% from 38.5% in 2Q25, reflecting the impact of weaker volumes.

U-Capital View

Urea prices rose during 2Q26 due to supply disruptions but softened toward quarter-end as the tension eased. SABIC Agri's earnings fell YoY, weighed by supply chain disruptions and lower sales volumes. We expect margins to improve as tension eases. We are currently placing the stock under review and will update our investment case shortly.

Financial Statements

SAR mn	2Q25	3Q25	4Q25	1Q26	2Q26	2Q26e	YoY	QoQ	Var.	1H25	1H26	YoY
P&L												
Revenue	3,287	3,522	3,194	2,874	2,411	2,643	-27%	-16%	-9%	6,361	5,285	-17%
Gross profit	1,267	1,443	1,204	1,369	712	1,088	-44%	-48%	-35%	2,432	2,081	-14%
Operating profit	1,029	1,223	913	1,168	423	890	-59%	-64%	-52%	1,886	1,591	-16%
Net profit	1,060	1,289	988	1,227	379	940	-64%	-69%	-60%	2,044	1,606	-21%
BS												
Sh. Equity	20,156	19,702	21,203	20,831	21,192		5%	2%		20,156	21,192	5%
Ratios												
Gross margin	38.5%	41.0%	37.7%	47.6%	29.5%	41.2%				38.2%	39.4%	
Operating margin	31.3%	34.7%	28.6%	40.6%	17.5%	33.7%				29.6%	30.1%	
Net profit margin	32.2%	36.6%	30.9%	42.7%	15.7%	35.6%				32.1%	30.4%	
RoE (TTM)					18.7%							
P/E (TTM)					15.0							
Current P/B					2.8							

Source: Financials, Tadawul, Bloomberg, U Capital Research.

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