

Company

Saudi Basic Industry Corp
1Q26 Result Review

Rating

Under Review

Bloomberg Ticker

SABIC AB

Date

7 May 2026

Results

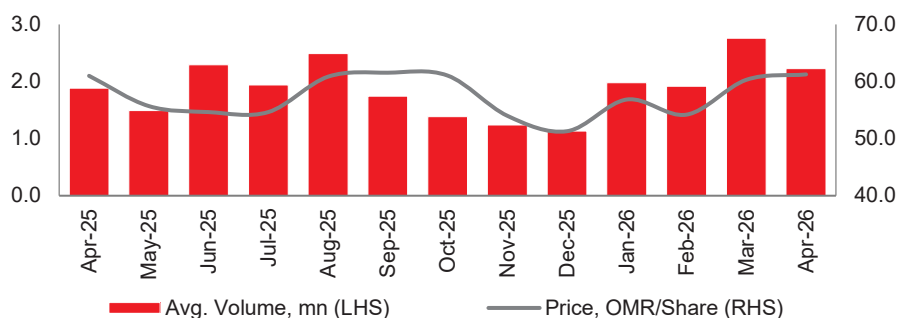
Target Price (SAR)	UR
Total Return	-

Current Market Price (SAR)	59.6
52wk High / Low (SAR)	64/48.2
12m Average Vol. (m)	1,797.8
Mkt. Cap. (USD/SAR bn)	47.7/178.8
Shares Outstanding (mn)	3,000.0
Free Float (%)	30.0%
3M ADTV (SAR mn)	127.3
6M ADTV (SAR mn)	101.1
P/E'26e (x)	110.1
P/B'26e (x)	1.4
Dividend Yield '26e (%)	0.8%
Price Perf. (1m/3m) (%)	0.4/7.4

Research Department

Email: ubhar-research@u-capital.net

For our last report



Revenue declines QoQ on lower volumes despite price support

SABIC reported revenue of SAR 26bn in 1Q26, declining 11% YoY and 6% QoQ. The sequential decline was driven by a 13% drop in sales volumes. This was partially offset by higher realized prices.

Sharp recovery in net profit QoQ on normalization of one-offs

Net profit for the quarter was reported at SAR 0.01 bn. The sharp sequential improvement reflects the absence of non-cash losses recorded in the last quarter. These losses, amounting to SAR 17.3bn, were related to asset impairments and deferred tax valuation.

U-Capital view

SABIC has completed the divestment of its European petrochemicals business as part of its strategic repositioning, aimed at exiting structurally challenged assets, optimizing its geographic footprint, and reallocating capital toward core growth areas. Over the longer term, projects such as the MTBE facility at Petrokemya and the SABIC Fujian complex in China remain key to driving sustainable growth and value creation. We are currently placing the stock under review and will update our investment case shortly.

Financial Summary

SAR bn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Revenue	29.3	35.6	34.3	28.0	26.2	34.0	-11%	-6%	-23%
Gross profit	5.0	4.4	6.1	3.9	5.1	5.8	2%	33%	-12%
Operating profit	0.3	(1.9)	1.7	(0.9)	1.5	0.9	383%	n.m	58%
Net profit	(1.2)	(4.1)	0.4	(21.0)	0.0	0.5	n.m	n.m	-98%
BS									
Shareholders' Equity	156.1	153.9	149.4	128.7	124.0		-21%	-4%	
Ratios									
Gross profit margin	17.2%	12.4%	17.8%	13.8%	19.6%	17.1%			
Operating profit margin	1.0%	-5.3%	4.8%	-3.1%	5.5%	2.7%			
Net profit margin	-4.1%	-11.4%	1.3%	-75.0%	0.0%	1.6%			
RoE (TTM)					n.m				
P/E (TTM)					n.m				
Current P/B					1.5				

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

Investment Research

Ubhar-Research@u-capital.net

Head of Research

Tahir Abbas

+968 2494 9036 | tahir@u-capital.net

Research Team

Ahlam Al Harthi

+968 2494 9024 | ahlam.harthi@u-capital.net

Rao Aamir Ali

+968 2494 9066 | rao@u-capital.net

Sandesh Shetty

+968 2494 9059 | sandesh@u-capital.net

Amira Al Alawi

+968 2494 9012 | amira.alalawi@u-capital.net

Head of Brokerage

Talal Al Balushi

+968 2494 9051 | talal@u-capital.net

Visit us at

www.u-capital.net

Disclaimer

Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

Ubhar Capital SAOC (U Capital)

Website: www.u-capital.net

PO Box 1137, PC 111, Sultanate of Oman

Tel: +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** research@u-capital.net

Disclaimer: This report has been prepared by Ubhar Capital (U Capital) Research and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell or solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. The company accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. All opinions and estimates included in this document constitute U Capital Research team's judgment as at the date of production of this report and are subject to change without notice. This report may not be reproduced, distributed or published by any recipient for any other purpose.