

Lower Feedstock Costs, Reiterate Losing Luster

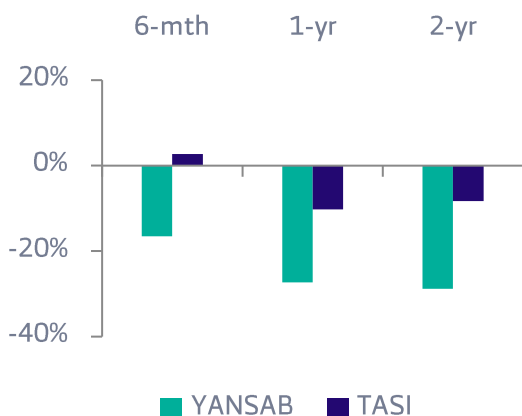
February 10, 2026

Upside to Target Price	(18.3)	Rating	Neutral
Expected Dividend Yield	7.4%	Last Price	SAR 26.92
Expected Total Return	(10.9%)	12-mth target	SAR 22.00

Market Data	
52-week high/low	SAR 37.60 / 26.08
Market Cap	SAR 15,143 mln
Shares Outstanding	562.5 mln
Free-float	49.00%
12-month ADTV	466,126
Bloomberg Code	YANSAB AB

Yansab	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	1,379	1,486	(7%)	1,316	5%	1,253
Gross Profit	101	103	(2%)	207	(51%)	203
Gross Margins	7%	7%		16%		16%
Operating Profit	(59)	(43)	(37%)	64	-	63
Net Profit	(53)	(35)	(54%)	74	-	70

(All figures are in SAR mln)



- Yansab's topline increased by +5% Q/Q (-7% Y/Y), which is remarkable, given where the prices have moved sequentially; reaching SAR 1.4 bln, higher than our estimate. The Q/Q increase in sales, given the lack of sequential related commentary from management, when combined with decreases in sales prices, supports our speculation that these topline results were driven by significantly higher sales volumes. With sales prices down, gross margins decreased over -800 bps Q/Q, coming in at 7%, but when compared Y/Y to 4Q24, margins were up by +39 bps. These margin results are concerning, given lower feedstock prices.
- Yansab generated gross profits of SAR 101 mln in 4Q25, a decrease of -51% Q/Q, we are vindicated this quarter, as despite previously stronger profits in 3Q25 we reiterated our cautious view to investors regarding the pricing environment for the Company's products. Based on our observations in the market, some of these price decreases are nearly double-digits, as the prices of MEG and LLDPE, both decreased Q/Q, by -8% and -5%, respectively.
- Net loss of SAR (53) mln was recorded for the quarter, a decrease of -54% Y/Y, down from a net profit of SAR 74 mln in the preceding quarter. With higher sales Q/Q, these net profit results were once again driven by gross margin fluctuations, which were not typical; given the drop in propane prices Q/Q (-9%). With prices continuing to decline Q/Q and margins now following despite feedstock prices, we lower our target price and maintain our Neutral rating.

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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

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