

Company

Advanced Petrochemical Co.

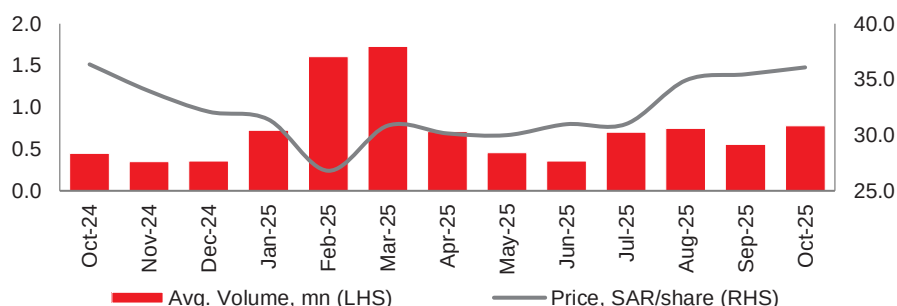
3Q25 Result Review

Rating**Hold****Bloomberg Ticker****APPC AB****Date**

22 October 2025

Results

Target Price SAR	37.8
Upside/ Downside	4.8%

**New operational rollouts fuel revenue growth in 3Q25**

APPC reported 3Q25 revenue of SAR 1,018mn (+58% YoY and +46% QoQ), mainly due to an increase in the sales volume by 82% as the company started operations at projects for Polypropylene lines under Advanced Polyolefins during the quarter.

Revenue momentum drives net profit in 3Q25

APPC's net profit rose 57% YoY to SAR 72mn in 3Q25, driven by higher sales volumes and lower feedstock costs. Additionally, no share of losses was recorded from SK Advanced in 3Q25 due to last year's investment impairment, compared to a SAR 30mn loss share in 3Q24.

U-Capital View

APPC's profitability improved YoY following the commencement of operations for both polypropylene lines under Advanced Polyolefins in 3Q25. However, netback prices declined on both a YoY and a QoQ basis during the quarter, partially offsetting the positive volume impact. Given the limited upside potential, we maintain a Hold rating on the stock with a target price of SAR 37.8/share.

Financial Summary

SAR mn	3Q24	4Q24	1Q25	2Q25	3Q25	3Q25e	YoY	QoQ	Var.	9M24	9M25	YoY
Income Statement												
Revenue	643	579	614	698	1,018	1,284	58%	46%	-21%	1,613	2,330	44%
Gross Profit	119	19	107	134	235	240	98%	75%	-2%	269	476	77%
Operational Profit/(loss)	76	(24)	73	92	182	161	140%	98%	13%	126	347	175%
Net Profit/(loss)	46	(288)	72	82	72	62	57%	-12%	15%	29	225	676%
BS												
Sh. Equity	3,212	2,873	2,915	3,006	3,139		-2%	4%		3,212	3,139	-2%
Ratios (%)												
Gross Margin	18.5%	3.3%	17.5%	19.2%	23.1%	18.7%				16.7%	20.4%	
OPM	11.8%	-4.2%	11.9%	13.2%	17.9%	12.5%				7.8%	14.9%	
NPM	7.1%	-49.7%	11.7%	11.7%	7.1%	4.9%				1.8%	9.7%	
EPS, SAR	0.18	(1.11)	0.28	0.31	0.28	0.24				0.11	0.87	
PE, TTM					NM							
ROE, TTM					NM							
P/Bv					3.0							

Source: Financials, Tadawul Disclosure, Bloomberg, U Capital Research; NM=not meaningful

Current Market Price (SAR)	36.1
52wk High / Low (SAR)	37.5/25.9
12m Average Vol. (mn)	0.7
Mkt. Cap. (USD/SAR mn)	2,501/9,360
Shares Outstanding (mn)	260.0
Free Float	83.4%
3m ADTV (SAR mn)	22.2
6m ADTV (SAR mn)	19.3
P/E'26e (x)	22.1
EV/EBITDA'26e (x)	16.8
Dividend Yield '26e	3.6%
Price Perf. (1m/3m) (%)	7.3/10.7

Ubhar Research

Email: ubhar-research@u-capital.net

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Investment Research

Ubhar-Research@u-capital.net

Head of
Research

Tahir Abbas

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

Research
Team

Ahlam Al-Harhi

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

Sandesh Shetty

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

Amira Al Alawi

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

Dua Al Mawali

+968 2494 9021 | dua@u-capital.net

Head of
Brokerage

Talal Al Balushi

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

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Recommendation

BUY	ACCUMULATE	HOLD	REDUCE	SELL
Greater than 20%	Between +10% and +20%	Between +10% and -10%	Between -10% and -20%	Lower than -20%

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

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