SAL Saudi Logistics Services Co. (SAL)

November 4, 2026

Record quarterly revenue as cargo volumes recover; net profit beats on richer cargo mix

Last Price: SAR 147.9 | YoY Performance: -15.0%

3Q26 FIRST TAKE

KEY TAKEAWAYS

- SAL posted 3Q26 net profit of SAR 231.9 mn, up 28.2% YoY and 21.2% QoQ. The result came ahead of our estimate of SAR 194.9 mn on higher cargo volumes and a richer cargo mix.
- Revenue recorded at SAR 579.3 mn, rose 37.5% YoY and 13.1% QoQ, 20.6% above our estimate. Cargo Ground Handling revenue grew 35.5% YoY to SAR 504 mn as volumes rose 18% YoY to 278 mn kg (incl. 27 mn kg from Liège for Aug-Sep), supported by stronger imports, terminal handling and pricing. Logistics revenue jumped 53.1% YoY to SAR 76 mn on new freight forwarding and contract logistics mandates.
- Gross margin expanded to 61.3% in 3Q26 from 59.5% in 3Q25 and 58.4% in 2Q26, ahead of our estimate of 59.5%. Higher volumes and a higher-yielding cargo mix delivered operating leverage over a largely fixed handling cost base.
- Operating profit rose 34.0% YoY and 18.1% QoQ to SAR 251.8 mn. Margin recovered to 43.5% from 41.6% in 2Q26 but was below 3Q25's 44.6%, as operating expenses rose 64.8% on logistics expansion, Dammam warehouse closure costs and Liège consolidation.
- Net profit came in at SAR 231.9 mn (EPS: SAR 2.90), 19.0% above our estimate, with the operating beat partly offset by higher finance costs. Net margin eased to 40.0% in 3Q26 from 42.9% in 3Q25. Along with the results, the company announced a DPS of SAR 2.17 (3Q25: SAR 1.70).
- SAL completed the Liège acquisition, its first international operation, while SAL Zones Phase 1 remains on track for end-2027. Management's outlook stays measured amid geopolitical disruption.
- Based on our last update, we maintain a 'Neutral' stance on the stock, with a target price of SAR 183.7/share. The stock is currently trading at a 2027e P/E and P/B of 14.7x and 5.9x, respectively.

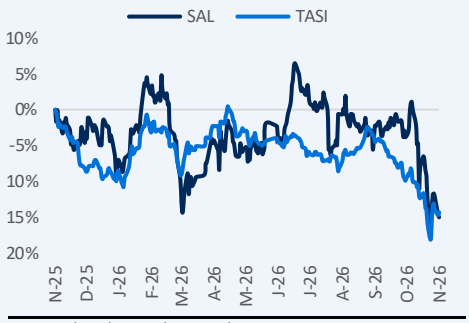
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Issuer Information

Bloomberg Code	SAL AB
Last Price (SAR)	147.9
No of Shares (mn)	80.0
Market Cap bn (SAR/USD)	11.8 / 3.2
52-week High / Low (SAR)	185.4 / 145.0
12-month ADTV (mn) (SAR/USD)	15.9 / 4.3
Free Float (%)	44.6
Foreign Holdings (%)	10.3

Last price as of November 2nd, 2026

Relative Price Performance



Source: Bloomberg, anbc research

Financials (SAR mn)	3Q26A	3Q26E*	Var (%)	3Q25A	YoY (%)	2Q26A	QoQ (%)
Revenue	579	481	20.6	421	37.5	512	13.1
Cost of Revenues (COGS)	(224)	(195)	15.1	(171)	31.3	(213)	5.3
Gross Profit	355	286	24.3	251	41.7	299	18.7
Gross Margin (%)	***61.3***	***59.5***		***59.5***		***58.4***	
Operating Expenses	103	80	29.6	63	64.8	86	20.0
Operating Profit	252	206	22.2	188	34.0	213	18.1
Operating Margin (%)	***43.5***	***42.9***		***44.6***		***41.6***	
Net Income	232	195	19.0	181	28.2	191	21.2
Net Margin (%)	***40.0***	***40.6***		***42.9***		***37.4***	
EPS (SAR)	2.90	2.44	19.0	2.26	28.2	2.39	21.2
DPS (SAR)	2.17	1.80	20.6	1.70	27.6	1.79	21.2

**anbc estimate*
Source: Company Financials, anbc research

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