Daily Bulletin

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SABIC AN's 2025 net profit up 30% YoY; in line with consensus estimates

Last Price: SAR 123.8 | Consensus Target Price: SAR 125.6 | YoY Performance: 11.9%

SABIC Agri-Nutrients Co. (SABIC AN) reported a net profit of SAR 4,322 mn (up 30% YoY) during 2025, broadly in line with the consensus estimate of SAR 4,417 mn. The increase was driven by a 18% YoY surge in topline and improved operating margins at 30.8% in 2025 (vs. 27.6% in 2024). Company announced a DPS of SAR 3.5 for 2H25.

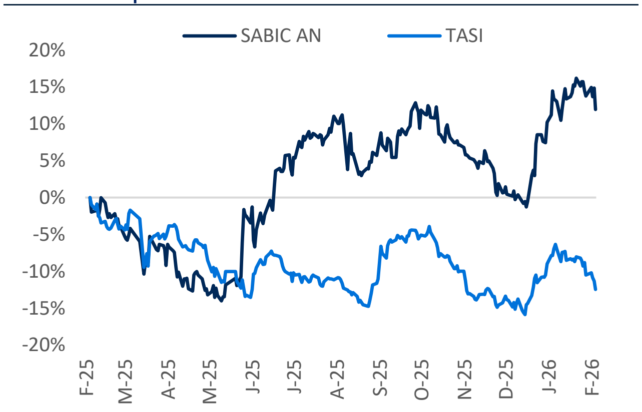
In 4Q25, revenue arrived at SAR 3,194 mn, up 6% YoY. During the quarter, Urea trading activity was supported by a recovery in supply, as producers rebuilt inventories following mid-year shutdowns and Chinese regulators approved an additional round of export quotas. In contrast, Ammonia market remained tight, due to supply outage in Middle East and Trinidad. For the full year 2025, revenue reached SAR 13,077 mn, up by 18% YoY. The growth was supported by a 16% YoY increase in average selling prices and a 2% YoY increase in volumes in 2025.

Gross profit for the year rose to SAR 5,080 mn, up 25% YoY, due to higher sales. As a result, gross margins for the period arrived at 38.8% vs. 36.9% in 2024, in line with consensus estimates. Operating expenses in 2025 rose to SAR 1,058 mn, up by 3% YoY. However, despite an increase in OPEX, operating margins rose to 30.8% vs. 27.6% in 2024.

In 1Q26, winter gas rationing and conflict-related disruptions to Russian facilities are expected to outweigh the impact of newly added Urea capacity in other regions. While China's limited export activity prioritizing domestic agricultural demand further tightens supply. However, Ammonia availability is expected to improve toward quarter-end as outages are resolved and new US capacity comes online. Seasonal agricultural demand is set to strengthen import activity as shipment windows narrow and farmers deploy harvest proceeds and new-year subsidies into inputs. Overall, tighter near-term supply against firm seasonal demand supports a positive first quarter outlook.

SABIC AN's stock has appreciated 11.9% YoY, outperforming TASI which declined 12.5% over the same period. Currently, the stock is trading at a 2026f P/E of 14.78x, with a consensus target price of SAR 125.58/share.

Relative price chart



Source: Bloomberg, anbc research

Key financials (SAR mn)

	2025	2024	*YoY (%)*	Consensus	*Var (%)*
Revenue	13,077	11,061	*18.2*	12,918	*1.2*
COGS	(7,997)	(6,985)	*14.5*	(7,885)	*1.4*
Gross profit	**5,080**	**4,076**	***24.6***	**5,033**	***0.9***
Gross margin (%)	38.8	36.9	-	39.0	-
Operating exp.	(1,058)	(1,028)	*2.9*	(868)	*21.9*
Operating profit	**4,022**	**3,048**	***32.0***	**4,165**	***-3.4***
Opt. margin (%)	30.8	27.6	-	32.2	-
Net income	**4,322**	**3,327**	***29.9***	**4,417**	***-2.2***
Net margin (%)	33.1	30.1	-	34.2	-
EPS	***9.08***	***6.99***	-	***9.28***	-

Source: Company financials, anbc research

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