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Company

Advanced Petrochemical Co.

3Q26 Result Review

Rating

Buy

Bloomberg Ticker

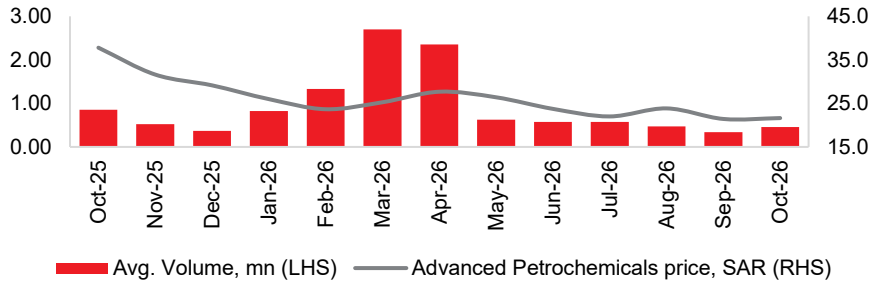
APPC AB

Date

13 October 2026

Results

Target Price SAR	27.1
Total Return	22.7%



Current Market Price (SAR)	21.3
52-week High | Low	38.6 | 21.1
Price Perf. (1m | 3m)	-8.5% | -4.3%
Mkt. Cap. (USD/SAR mn)	1,499 | 5,621
Free Float	83.5%
3m ADTO (000 shares)	430
6m ADTO (000 shares)	699
3m ADTV (SAR 000)	9,935
6m ADTV (SAR 000)	17,634
P/E 27e	21.1x
P/B 27e	1.8x
DY 27e	0.0%

Revenue decline amid geopolitical and logistics challenges

Advanced Petrochemical reported a topline of SAR 974mn (-4% YoY and +18% QoQ). Revenue fell mainly because sales volumes declined 20% YoY due to logistics issues stemming from the prevailing geopolitical situation, despite a 12% YoY increase in production volumes.

Margin pressure limited bottom-line growth

The company reported net profit of SAR 4mn in 3Q26, down 94% YoY, driven by a 4% YoY decline in revenue, an 8% YoY rise in propane prices, and fixed-cost pressures from finance costs and depreciation.

U-Capital view

Advanced Petrochemical reported sequential profitability growth despite the prevailing geopolitical situation. We expect sales volumes and margins to normalize as geopolitical tensions ease. Furthermore, copolymer contributions are expected to support earnings growth and improve margins going forward. The stock trades at 21.1x FY27e P/E and 1.8x FY27e P/B. We maintain our Buy rating with a target price of SAR 27.1/share.

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Financial Statements

SAR mn	3Q25	4Q25	1Q26	2Q26	3Q26	YoY	QoQ	9M25	9M26	YoY
P&L										
Revenue	1,018	1,172	1,079	827	974	-4%	18%	2,330	2,880	24%
Gross profit	235	194	178	73	193	-18%	163%	476	444	-7%
Operating profit	182	128	124	17	123	-32%	617%	347	264	-24%
Net Profit	72	1	30	(98)	4	-94%	n.m	225	(65)	n.m
BS										
Shareholders' Equity	3,139	3,091	2,993	2,889	2,849	-9%	-1%	3,139	2,849	-9%
Ratios										
Gross margin	23.1%	16.6%	16.5%	8.9%	19.8%			20.4%	15.4%	
Operating margin	17.8%	10.9%	11.5%	2.1%	12.6%			14.9%	9.2%	
Net profit margin	7.1%	0.1%	2.8%	-11.9%	0.4%			9.7%	-2.2%	
TTM RoE (%)					n.m					
TTM P/E (x)					n.m					
Current P/Bv					2.0					

Source: Financials, Tadawul, Bloomberg, U Capital Research. n.m. – not meaningful

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Stock Ratings

BUY	HOLD	SELL
Greater than 10%	Between 0% and +10%	Lower than 0%

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