Company

Almarai Company

3Q25 Result Review

Rating

Buy

Bloomberg Ticker

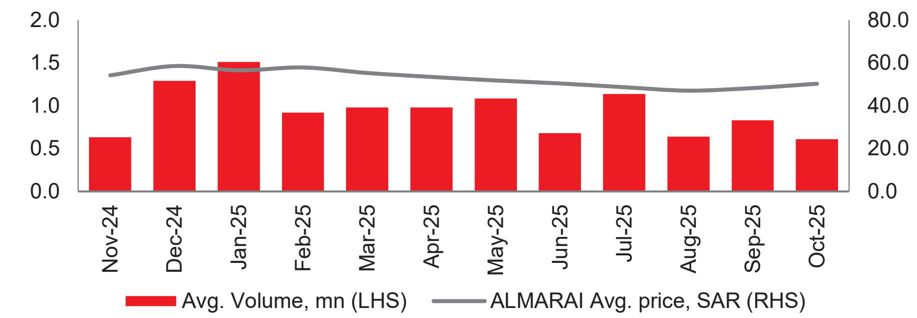
ALMARAI AB

Date

12 October 2025

Results

Target Price SAR	66.0
Upside/ Downside	32.7%



Current Market Price (SAR)	49.7
52wk High / Low (SAR)	61.5/45.7
12m Average Vol. (mn)	0.9
Mkt. Cap. (USD/SAR mn)	13,261/49,740
Shares Outstanding (mn)	1,000.0
Free Float (%)	75.4%
3M ADTV (SAR mn)	41.2
6M ADTV (SAR mn)	44.9
P/E'26e (x)	18.5
EV/EBITDA'26e (x)	10.1
Dividend Yield '26e (%)	2.2%
Price Perf. (1m/3m) (%)	5.0/1.5

Research Department

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Revenue rises 7% YoY in 3Q25, driven by volumes

Almarai's revenue grew 7% YoY in 3Q25, coming in line with our estimate. This was driven by strong volume growth across the company's key markets and sales channels, particularly in the dairy, food, poultry, and bottled water segments.

Net profit rises at a relatively faster pace, meeting our estimate

Net profit increased at a relatively faster rate than revenue in 3Q25, rising 8% YoY, meeting our estimate. Healthy revenue growth, disciplined cost management, favorable product mix, and a decline in funding costs helped net profit to outpace revenue growth. Both the dairy & juice, as well as the bakery segments, registered increases in net profit in 3Q25.

U-Capital view

Considering Almarai's robust financial performance over the recent quarters, we reaffirm our target price of SAR 66.0 per share. At the current market price, the stock trades at 18.5x, based on our FY26e EPS and 10.1x FY26e EV/EBITDA, both of which are below its three-year historical average forward multiples of 23.1x P/E and 12.5x EV/EBITDA, suggesting potential upside relative to historical valuation benchmarks.

For our last report | click HERE

Financial Summary

SAR mn	3Q24	4Q24	1Q25	2Q25	3Q25	3Q25e	YoY	QoQ	Var.	9M24	9M25	YoY
P&L												
Revenue	5,209	5,157	5,767	5,288	5,553	5,397	7%	5%	3%	15,822	16,608	5%
Gross profit	1,670	1,583	1,769	1,713	1,747	1,691	5%	2%	3%	5,081	5,229	3%
Operating profit	742	591	874	813	757	763	2%	-7%	-1%	2,404	2,445	2%
Net profit	570	431	731	647	613	596	8%	-5%	3%	1,882	1,991	6%
BS												
Sh. Equity	18,556	18,791	19,703	19,363	20,043		8%	4%		18,556	20,043	8%
Ratios												
Gross margin	32.1%	30.7%	30.7%	32.4%	31.5%	31.3%				32.1%	31.5%	
Operating margin	14.3%	11.5%	15.2%	15.4%	13.6%	14.1%				15.2%	14.7%	
Net profit margin	11.0%	8.4%	12.7%	12.2%	11.0%	11.0%				11.9%	12.0%	
EPS, SAR	0.58	0.44	0.74	0.65	0.61	0.60				1.91	2.01	
RoE (TTM)					12.4%							
TTM P/E (x)					20.5							

Source: Financials, Tadawul, Bloomberg, U Capital Research

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Disclaimer

Recommendation

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

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