Company

Saudia Dairy and Foodstuff Co.

3Q25 Result Review

Rating

Accumulate

Bloomberg Ticker

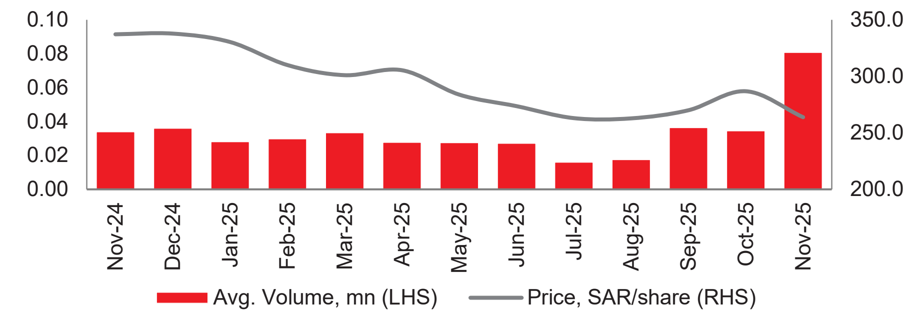
SADAFCO AB

Date

4 November 2025

Results

Target Price SAR	309.5
Upside/ Downside	17.3%



Current Market Price (SAR)	263.8
52wk High / Low (SAR)	365.8/254.0
12m Average Vol. (mn)	0.03
Mkt. Cap. (USD/SAR mn)	2,286/8,574
Shares Outstanding (mn)	32.5
Free Float (%)	59.8%
3m ADTV (SAR mn)	8.2
6m ADTV (SAR mn)	7.4
P/E'26e (x)	16.9
EV/EBITDA'26e (x)	12.7
Dividend Yield '26e (%)	5.9%
Price Perf. (1m/3m) (%)	-1.6/-1.3

Research Department

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Revenue slightly up 2% YoY in 3Q25, meeting our estimate

SADAFCO's revenue rose 2% YoY in 3Q25, coming in line with our estimate. The company witnessed strong traction in emerging sales channels, including exports (+28% YoY), out-of-home (+41% YoY), and e-commerce (+153% YoY), while also registering growth in legacy retail channels, particularly modern trade.

Net profit surges 35% YoY on strong operating profit growth

Gross profit fell 18% YoY owing to an increase in raw material and other costs, and lower ice cream sales. Yet, operating profit surged 42% YoY as the company booked SAR 107.4mn one-off gain on the sale of a property in other operating income. Thus, driven by strong operating profit growth, net profit climbed by 35% YoY in 3Q25.

U Capital View

The company weathered weak operating conditions well by maintaining its market share in key product categories — UHT milk (57.7%), tomato paste (53.9%), and ice cream (30.2%). We have an Accumulate rating on SADAFCO with a target price of SAR 309.50/share.

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	790	733	779	785	807	834	2%	3%	-3%	2,230	2,370	6%
Gross profit	276	258	280	271	225	292	-18%	-17%	-23%	801	776	-3%
Operating profit	129	86	123	118	184	133	42%	56%	38%	382	425	11%
Net profit	137	92	126	118	185	231	35%	57%	-20%	391	428	10%
BS												
Sh. Equity	1,718	1,807	1,650	1,773	1,698		-1%	-4%		1,718	1,698	-1%
Ratios												
GPM	34.9%	35.2%	35.9%	34.6%	27.9%	35.0%				35.9%	32.8%	
OPM	16.4%	11.8%	15.8%	15.0%	22.8%	16.0%				17.1%	17.9%	
NPM	17.4%	12.6%	16.2%	15.0%	22.9%	27.7%				17.5%	18.1%	
EPS, SAR	4.22	2.83	3.94	3.68	5.77	7.12				12.24	13.38	
RoE (TTM)					30.0%							
TTM P/E (x)					16.5							
Current P/B (x)					5.0							

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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