

Daily Bulletin

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Al Marai 3Q25 net profit up 8% YoY

Al Marai reported an 8% YoY increase in net income to SAR 613 mn in 3Q25, broadly in line with the consensus estimate of SAR 615 mn. The earnings growth was driven by a 7% YoY revenue increase, lower funding costs, and continued discipline in operating expenses, reflecting the company's effective cost management and favorable product mix. On a 9M25 basis, net income rose 6% YoY to SAR 1,991 mn

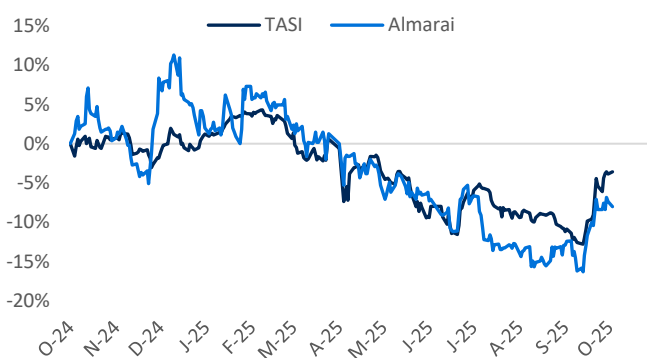
Revenue for the quarter clocked in at SAR 5,553 mn, up 7% YoY and 5% QoQ, and broadly in line with the consensus estimate of SAR 5,475 mn (+1.4%). Growth was driven by strong volume demand across all core segments. The Dairy and Juice segment, contributing 66% of topline, recorded a 5% YoY revenue growth.

During the quarter, Dairy and Juice segment's net profit increased 6% YoY to SAR 378 mn, driven by improved sales across all markets and disciplined cost management. The bakery segment saw a 10% YoY growth in its net profit, supported by an improved sales mix. In the Poultry segment, revenue increased 3% YoY to SAR 955 mn in 3Q25 from SAR 929 mn in 3Q24, driven by higher sales volumes related to the first phase of the poultry expansion. Despite this increase, net profit for the segment remained flat at SAR 130 mn, and net margin stayed at 14% in the same period. Going forward, the SAR 405 mn expansion plan, approved in Oct-23 and expected to be completed within two years, is set to broaden the bakery portfolio with fresh and frozen offerings, supporting future growth across both retail and food service channels.

Almarai has declined 8% YoY underperforming TASI, which fell 4% during the same period. The stock is currently trading at a 2025e P/E of 20x with a consensus target price of SAR 61/sh, implying an upside of 21%.

Relative price chart

Almarai's financials (SAR mn)



	3Q25	3Q24	YoY (%)	2Q25	QoQ (%)	Consensus	Variation (%)
Revenue	5,553	5,209	7	5,288	5	5,475	1
COGS	(3805)	(3539)	8	(3575)	6	(3,685)	3
Gross profit	1,747	1,670	5	1,713	2	1790	(2)
Gross margin (%)	31	32		32		33	
Operating exp.	(990)	(927)	7	(900)	10	(987)	0

Source: Bloomberg, anbc research

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