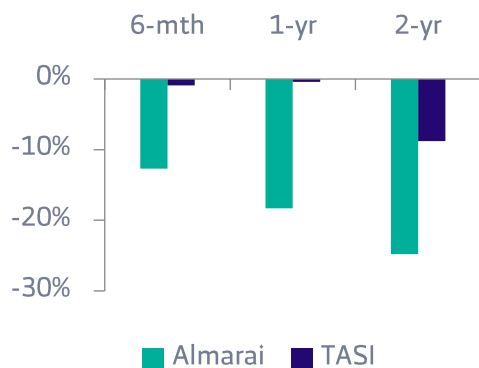


Market Data	
52-week high/low	SAR 54.0 / 38.2
Market Cap	SAR 43,200 mln
Shares Outstanding	1,000 mln
Free-float	75.42%
12-month ADTV	763,600
Bloomberg Code	ALMARAI AB



Bottom-line Stable Y/Y

April 16, 2026

Upside to Target Price	10.2%	Rating	Neutral
Expected Dividend Yield	2.0%	Last Price	SAR 43.54
Expected Total Return	12.2%	12-mth target	SAR 48.00

Almarai	1Q2026	1Q2025	Y/Y	4Q2025	Q/Q
Sales	6,160	5,767	7%	5,457	13%
Gross Profit	1,866	1,769	5%	1,659	12%
Gross Margins	30%	31%		30%	
Operating Profit	875	874	3%	616	42%
Net Profit	732	731	0%	465	58%

(All figures are in SAR mln)

- Almarai reported revenues of SAR 6.2 bln, increasing by +7% Y/Y and +13% Q/Q. The Q/Q growth was driven by strong performance in the dairy and poultry segments in line with the Ramadan season, which offset the decline in the bakery segment. On a Y/Y, all segments recorded growth.
- Revenue growth also supported gross profit, which increased by +5% Y/Y and +12% Q/Q to reach SAR 1.9 bln. Gross margin contracted slightly Y/Y, while remaining stable Q/Q at 30%.
- Operating profit reached SAR 875 mln, up +3% Y/Y and +42% Q/Q. The sequential increase was driven by a decline in G&A expenses by -24%, which was reflected in the operating margin, expanding by +292 bps Q/Q due to seasonal consumption patterns. On a yearly basis, operating margin declined by -95 bps, reaching 14% in 1Q26.
- Almarai reported a net profit of SAR 732 mln, compared to SAR 465 mln in the previous quarter, recording a Q/Q growth of +58%, driven by higher sales volumes supported by Ramadan seasonality. On a Y/Y basis, net profit remained stable. Despite lower zakat and income tax expenses, the decline in the poultry segment's contribution to net profit, due to supply conditions in the poultry market as indicated by management, alongside continued growth in operating expenses and higher financing costs, limited Y/Y net profit growth. As we previously highlighted, cost pressures may still be in their early stages; however, the company's focus on expanding production capacity in protein products remains positive. Notably, Almarai signed five contracts in January to enhance its investments in the seafood segment, which could help offset the impact of these costs through higher production volumes. We maintain our target price and Neutral rating.

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■ Stock Rating

Buy	Neutral	Sell	Not Rated
Expected Total Return Greater than +15%	Expected Total Return between -15% and +15%	Expected Total Return less than -15%	Under Review/ Restricted

The expected percentage returns are indicative, stock recommendations also incorporate relevant qualitative factors

For any feedback on our reports, please contact research@riyadcapital.com

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