

## 2024 Volumes Up +16%, 4Q Results In-Line

March 09, 2025

Upside to Target Price	34.6%	Rating	Buy
Expected Dividend Yield	6.8%	Last Price	SAR 3.99
Expected Total Return	41.4%	12-mth target	SAR 5.37

Market Data	
52-week high/low	SAR 5.79/3.91
Market Cap	SAR 2,155 mln
Shares Outstanding	540 mln
Free-float	30%
12-month ADTV	8,089,345
Bloomberg Code	FOURTHMI AB

MC4	4Q2024	4Q2023	Y/Y	3Q2024	Q/Q	RC Estimate
Sales	161	147	9%	160	0%	160
Gross Profit	74	65	13%	77	(4%)	77
Gross Margins	46%	44%		48%		48%
Operating Profit	54	38	40%	53	1%	50
Net Profit	42	35	20%	47	(11%)	45

(All figures are in SAR mln)



- MC4's 4Q revenues reached SAR 161 mln (+9% Y/Y, flat Q/Q), matching our estimates. For the full year, revenues grew +12.7% to SAR 629 mln, driven by +15% growth in flour sales and +12% growth in feed and bran sales. Additionally, this was supported by +16% increase in total sales volumes, fueled by an expanded market presence and wider geographic reach.
- Gross margins for the quarter stood at 46%, compared to 44% last year and 48% last quarter. This translated into a gross profit of SAR 74 mln, reflecting a +13% Y/Y increase on the back of higher revenues and margins, but a -4% Q/Q decline due to margin contraction.
- OPEX in 4Q dropped -26% Y/Y and -17% Q/Q to SAR 20 mln, better than estimates. Consequently, operating margin improved to 33.3%, exceeding both comparable periods and our 31.4% estimate.
- 4Q net profit came in at SAR 42 mln, marking a +20% Y/Y increase but a -11% Q/Q decline, in-line with our SAR 45 mln estimate. The Y/Y surge stemmed from higher sales and improved margins, while the Q/Q drop was impacted by higher non-OPEX.
- Full year bottomline also surged by +20% to SAR 171 mln, supported by increased sales and operational efficiencies, despite SAR 8.8 mln one-off expenses. The company declared a 2H2024 DPS of SAR 0.11, bringing full year DPS to SAR 0.22 at 70% payout. We maintain our SAR 5.37 target price with a Buy recommendation.

**Abdulrahman M Barghouth**  
 abdulrahman.barghouth@riyadcapital.com  
 +966-11-203-6815

## ■ 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](mailto:research@riyadcapital.com)

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