

■ Strong Demand and Prices Despite Ramadan Season

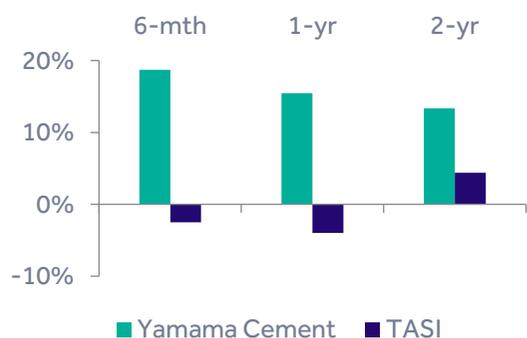
April 27, 2025

Upside to Target Price	(5.3%)	Rating	Neutral
Expected Dividend Yield	2.7%	Last Price	SAR 36.95
Expected Total Return	(2.6%)	12-mth target	SAR 35.00

Market Data	
52-week high/low	SAR 40.55/28.80
Market Cap	SAR 7,501 mln
Shares Outstanding	203 mln
Free-float	83.85%
12-month ADTV	277,684
Bloomberg Code	YACCO AB

Yamama Cement	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Sales	349	274	28%	370	(6%)	326
Gross Profit	171	137	25%	158	8%	150
Gross Margins	49%	50%		43%		46%
Operating Profit	149	118	26%	135	10%	130
Net Profit	142	115	24%	123	15%	120

(All figures are in SAR mln)



- Yamama's 1Q sales came in at SAR 349 mln (+28% Y/Y, -6% Q/Q), better than our SAR 326 mln estimate, on higher-than-expected prices and volumes. Prices improved to SAR 208/ton, up +7% Y/Y and +3% Q/Q. Despite Ramadan season, sales volumes jumped +19% Y/Y to 1,675k tons on stronger demand, but declined -9% Q/Q.
- Gross profit for the quarter increased by +25% Y/Y and +8% Q/Q to SAR 171 mln on higher prices. Management announced the new energy prices impact to increase production costs by +6%, and this pushed the cost per ton to SAR 106/ton compared to SAR 97/ton last year, in line with estimates. This resulted in a gross margin of 49%, -107 bps lower Y/Y, but improved sequentially from 43%, better-than-expected.
- OPEX of SAR 22.6 mln came flat-in sequentially, but increased +15% Y/Y, above our SAR 19.8 mln estimate, leading to an operating margin of 42.6% versus 42.9% last year and 36.5% in the previous quarter.
- Bottomline increased by +24% Y/Y and +15% Q/Q to SAR 142 mln, beating both SAR 116 mln market consensus and our SAR 120 mln estimate. This was supported by better prices and volumes. We maintain our Neutral recommendation and target price as the company still has room to maneuver energy prices.

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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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