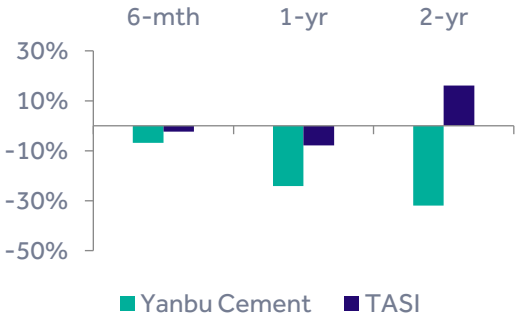


Market Data	
52-week high/low	SAR 30.45/22.04
Market Cap	SAR 3,582 mln
Shares Outstanding	158 mln
Free-float	99.42%
12-month ADTV	281,251
Bloomberg Code	YNCCO AB



■ Price Recovery Boosts Sales; Costs Weigh

March 19, 2025

Upside to Target Price	9.9%	Rating	Neutral
Expected Dividend Yield	4.4%	Last Price	SAR 22.74
Expected Total Return	14.3%	12-mth target	SAR 25.00

Yanbu Cement	4Q2024	4Q2023	Y/Y	3Q2024	Q/Q	RC Estimate
Sales	248	194	28%	200	24%	220
Gross Profit	89	27	230%	54	65%	62
Gross Margins	36%	14%		27%		28%
Operating Profit	35	8	318%	33	6%	40
Net Profit	28	18	54%	31	(10%)	39

(All figures are in SAR mln)

- Yanbu Cement sales for the quarter came in higher than expected at SAR 248 mln, showing a solid growth of +28% Y/Y and +24% Q/Q, driven by higher blended average selling prices (ASP) at 177 SAR/ton. This was despite lower total sales volume of 1,401k tons vs our 1,430k tons estimate. The annual increase was a result of a +35% higher ASP, despite -5% lower sales volume, while on a Q/Q basis, the growth was driven by a +19% higher ASP and +4% higher sales volume. For 2024, sales grew +6% on the back of a +13% increase in ASP to 168 SAR/ton, with a favorable volume mix from higher local sales, despite total sales volume remaining flat.
- COGS per ton for the quarter came in line, but better ASP lifted the gross margin to 36% from 14% last year and 27% last quarter. OPEX rose sharply, increasing 2.9x Y/Y and 2.5x Q/Q to SAR 55 mln, reaching a record high, likely provisions driven, and 2.6x our estimate. This weighed on the operating margin, declining to 14% from 16% last year, despite the stronger ASP.
- Lackluster bottomline for the quarter, at SAR 28 mln (+54% Y/Y, -10% Q/Q), came in below both SAR 40 mln market consensus and our SAR 39 mln estimate. This was further impacted by other expenses of SAR (7) mln vs SAR (2) mln last quarter and other income of SAR 10 mln last year. We maintain our Neutral stance and target price.

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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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