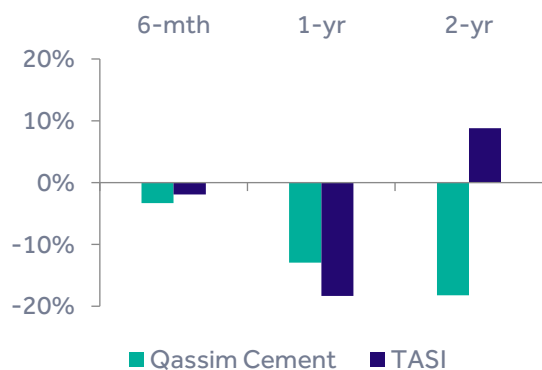


Market Data	
52-week high/low	SAR 85.50/55.60
Market Cap	SAR 6,201 mln
Shares Outstanding	90 mln
Free-float	99.33%
12-month ADTV	62,003
Bloomberg Code	QACCO AB



Sales Volume Decline

Upside to Target Price	1.6%
Expected Dividend Yield	3.9%
Expected Total Return	5.5%

Rating	Neutral
Last Price	SAR 68.90
12-mth target	SAR 70.00

May 04, 2023

Qassim Cement	1Q2023	1Q2022	Y/Y	4Q2022	Q/Q	RC Estimate
Sales	174	142	22%	217	(20%)	203
Gross Profit	57	27	107%	77	(27%)	77
Gross Margins	33%	19%		36%		38%
Operating Profit	49	28	77%	61	(19%)	62
Net Profit	55	25	119%	53	4%	60

(All figures are in SAR mln)

- Qassim Cement reported a top-line of SAR 174 mln in 1Q2023, up from SAR 142 mln in the same quarter last year. This is on the back of an increase in average selling prices by +32% Y/Y to SAR 166/ton, despite lower sales volume of -7% Y/Y. On a quarterly basis, revenues fell by -20% on the back of lower volumes and prices by -13% and -8%, respectively.
- 1Q2023 gross profit stands at SAR 57 mln, up +107% Y/Y but down -27% Q/Q. GP margins expanded Y/Y by 13.3% but contracted -309 bps Q/Q. The improvement Y/Y is attributed to higher prices. Net margins at 32% expanded on both yearly and quarterly basis.
- The Company sold 1.0 mln tons during the quarter compared to 1.1 mln tons in the same quarter a year earlier. We expect a slight growth in the upcoming months.
- Qassim Cement Co. reported a bottom-line of SAR 55 mln, increasing both on a yearly and quarterly basis and in-line with our expectations. We maintain our target price and recommendation.

Abdullah D Alharbi
 abdullah.ulihan.alharbi@riyadcapital.com
 +966-11-486-5680

■ 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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