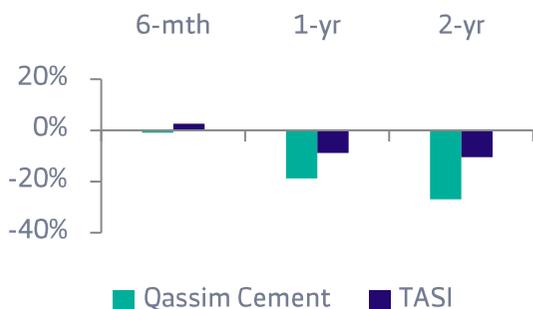


Market Data	
52-week high/low	SAR 54.30/40.50
Market Cap	SAR 4,767 mln
Shares Outstanding	111 mln
Free-float	75.50%
12-month ADTV	168,986
Bloomberg Code	QACCO AB



## Prices Recover Sequentially, Margins Rebound

February 17, 2026

Upside to Target Price	2.0%	Rating	Neutral
Expected Dividend Yield	6.3%	Last Price	SAR 43.12
Expected Total Return	8.3%	12-mth target	SAR 44.00

Qassim Cement	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	290	303	(4%)	247	18%	281
Gross Profit	64	91	(30%)	33	92%	59
Gross Margins	22%	30%		13%		21%
Operating Profit	68	68	0%	36	88%	58
Net Profit	69	76	(9%)	41	66%	58

(All figures are in SAR mln)

- Qassim Cement reported revenues of SAR 290 mln this quarter (-4% Y/Y, +18% Q/Q), slightly above our SAR 281 mln estimate. Prices improved sequentially by +14% Q/Q to SAR 163/ton, yet declined -12% Y/Y, above our SAR 158/ton estimate. Meanwhile, sales volumes increased amid stronger local cement demand to 1,779k tons (+9% Y/Y, +3% Q/Q), in line with our estimate. Full-year 2025 revenues increased +17% to SAR 1.13 bln on +24% higher sales volume to 6,778k tons, due to full year consolidation with Hail Cement, despite a -5% decline in prices to SAR 167/ton.
- Cost per ton came in slightly lower-than-expected at SAR 127/ton, down from SAR 130/ton last year but up from SAR 124/ton last quarter, compared to our SAR 125/ton estimate. Accordingly, gross margin stood at 22%, down from 30% last year but up from 13% last quarter, slightly above our 21% estimate. As a result, gross profit was slightly above estimates at SAR 64 mln (-30% Y/Y, +92% Q/Q). OPEX for the quarter was positive at SAR 4 mln, compared to SAR (23) mln last year and SAR 3 mln last quarter, likely supported by reimbursements under Industrial Sector Competitiveness Program. The support resulted in operating margin expansion to 24% versus 23% last year and 15% last quarter, above our 21% estimate. Net other income came in positive at SAR 0.4 mln, compared to SAR 7.7 mln last year and SAR 5.0 mln last quarter.
- Net profit for the quarter of SAR 69 mln (-9% Y/Y, +66% Q/Q), came in above market consensus of SAR 54 mln and our SAR 58 mln estimate. Annual decline was driven by lower selling prices despite higher volumes, while the sequential surge reflected higher prices. Despite full consolidation this year versus around seven months last year, full-year 2025 profit fell -10% to SAR 260 mln due to lower selling prices and higher fuel costs. The company announced a SAR 0.80 DPS for 4Q2025. Earlier this year, it also received a notification of higher fuel prices. We maintain our target price at SAR 44.00 per share with a Neutral stance.

**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)

Riyad Capital is a Saudi closed joint stock company with paid-up capital of SAR 500 million. Licensed by the Saudi Arabian Capital Market Authority (No. 07070-37). Commercial Registration No. 1010239234. Head Office: 3128 Financial Boulevard, 6671 Al Aqeeq Dist., Riyadh 13519, Kingdom of Saudi Arabia.

The information in this report was compiled in good faith from various public sources believed to be reliable. Whilst all reasonable care has been taken to ensure that the facts stated in this report are accurate and that the forecasts, opinions and expectations contained herein are fair and reasonable. Riyad Capital makes no representations or warranties whatsoever as to the accuracy of the data and information provided and, in particular, Riyad Capital does not represent that the information in this report is complete or free from any error. This report is not, and is not to be construed as, an offer to sell or solicitation of an offer to buy any financial securities. Accordingly, no reliance should be placed on the accuracy, fairness or completeness of the information contained in this report. Riyad Capital accepts no liability whatsoever for any loss arising from any use of this report or its contents, and neither Riyad Capital nor any of its respective directors, officers or employees, shall be in any way responsible for the contents hereof. Riyad Capital or its employees or any of its affiliates or clients may have a financial interest in securities or other assets referred to in this report. Opinions, forecasts or projections contained in this report represent Riyad Capital's current opinions or judgment as at the date of this report only and are therefore subject to change without notice. There can be no assurance that future results or events will be consistent with any such opinions, forecasts or projections which represent only one possible outcome. Further, such opinions, forecasts or projections are subject to certain risks, uncertainties and assumptions that have not been verified and future actual results or events could differ materially. The value of, or income from, any investments referred to in this report may fluctuate and/or be affected by changes. Past performance is not necessarily an indicative of future performance. Accordingly, investors may receive back less than originally invested amount. This report provides information of a general nature and does not address the circumstances, objectives, and risk tolerance of any particular investor. Therefore, it is not intended to provide personal investment advice and does not take into account the reader's financial situation or any specific investment objectives or particular needs which the reader may have. Before making an investment decision the reader should seek advice from an independent financial, legal, tax and/or other required advisers due to the investment in such kind of securities may not be suitable for all recipients. This research report might not be reproduced, nor distributed in whole or in part, and all information, opinions, forecasts and projections contained in it are protected by the copyright rules and regulations.