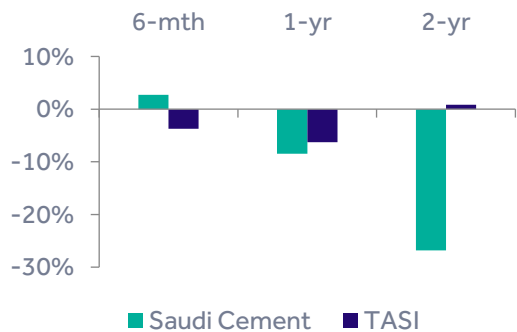


Market Data	
52-week high/low	SAR 46.70/39.65
Market Cap	SAR 6,380 mln
Shares Outstanding	153 mln
Free-float	95.0%
12-month ADTV	169,416
Bloomberg Code	SACCO AB



Cost Discipline Drive Earnings Beat

May 13, 2025

Upside to Target Price	5.5%	Rating	Neutral
Expected Dividend Yield	5.4%	Last Price	SAR 41.70
Expected Total Return	10.9%	12-mth target	SAR 44.00

Saudi Cement	1Q2025	1Q2024	Y/Y	4Q2024	Q/Q	RC Estimate
Sales	418	427	(2%)	484	(14%)	401
Gross Profit	173	175	(1%)	194	(11%)	158
Gross Margins	41%	41%		40%		39%
Operating Profit	117	124	(5%)	130	(10%)	101
Net Profit	109	114	(5%)	121	(10%)	99

(All figures are in SAR mln)

- Saudi Cement reported 1Q sales of SAR 418 mln (-2% Y/Y, -14% Q/Q), exceeding our SAR 401 mln estimate on higher-than-expected sales volumes. Y/Y decline was due to lower export sales despite stronger local demand, while Q/Q decline reflected typical seasonality impacting volumes. Total sales volumes fell -2.7% Y/Y and -16.6% Q/Q to 2.10 mln tons (cement and clinker combined), outperforming our 1.99 mln tons estimate. The realized blended average selling price (ASP) improved by +0.8% Y/Y and +3.6% Q/Q to SAR 200/ton, in-line with our SAR 202/ton estimate.
- Cost per ton came in better-than-expected at 117 SAR/ton versus our 122 SAR/ton estimate, flat Y/Y and modestly higher than 115 SAR/ton last quarter. This supported a slight gross margin improvement of +29 bps Y/Y and +113 bps Q/Q to 41.3%. OPEX of SAR 56 mln matched our estimates, up +9% Y/Y but improving -14% Q/Q. Consequently, operating margin reached 28.0% versus 29.0% last year and 26.8% last quarter.
- Bottomline came in at SAR 109 mln (-5% Y/Y, -10% Q/Q), ahead of the SAR 100 mln market consensus and our SAR 99 mln estimate. The decline was impacted by lower topline and income from investment associates, higher Zakat charges, despite reduced finance costs. We tweak our target price from SAR 42.00 to SAR 44.00, and maintain our recommendation.

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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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