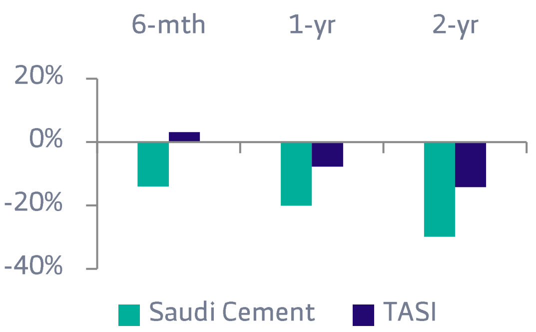
Market Data	
52-week high/low	SAR 46.70/29.74
Market Cap	SAR 5,003 mln
Shares Outstanding	153 mln
Free-float	40.9%
12-month ADTV	171,124
Bloomberg Code	SACCO AB



Local Demand Supports 4Q

March 10, 2026

Upside to Target Price	4.0%	Rating	Neutral
Expected Dividend Yield	5.2%	Last Price	SAR 32.70
Expected Total Return	9.2%	12-mth target	SAR 34.00

Saudi Cement	4Q2025	4Q2024	Y/Y	3Q2025	Q/Q	RC Estimate
Sales	457	484	(5%)	364	26%	439
Gross Profit	168	194	(14%)	108	55%	149
Gross Margins	37%	40%		30%		34%
Operating Profit	116	130	(11%)	65	79%	100
Net Profit	107	121	(12%)	53	100%	90

(All figures are in SAR mln)

- Saudi Cement reported 4Q sales of SAR 457 mln (-5% Y/Y, +26% Q/Q), in line with our SAR 439 mln estimate. Blended average selling price (ASP) improved sequentially to SAR 181/ton (-6% Y/Y, +7% Q/Q), +4% higher than our SAR 174/ton forecast. Total sales volumes (cement and clinker) rose +0.4% Y/Y and +17% Q/Q to 2.52 mln tons, supported by stronger local demand of 1.81 mln tons (+23% Y/Y, +25% Q/Q), and in line with estimates. FY2025 topline marginally declined by -0.3% to SAR 1.67 bln, as a -5% decline in ASP to SAR 185/ton more than offset a +5% increase in total sales volumes to 9.03 mln tons. Volume growth was driven by stronger local demand, despite weaker exports.
- Cost per ton for the quarter came in at SAR 115/ton (flat Y/Y, -3% Q/Q), matching our estimate. As a result, gross margin declined Y/Y to 36.6%, compared to 40.1% last year and 29.6% last quarter, coming in marginally above estimates. OPEX/revenue remained broadly stable at 11%, compared to 13% last year and 12% last quarter, in line with our 11% estimate. Operating margin stood at 25.3%, compared to 26.8% last year and 17.7% last quarter.
- 4Q bottomline of SAR 107 mln (-12% Y/Y, +100% Q/Q), was above both market consensus of SAR 91 mln and our SAR 90 mln estimate. Y/Y decline was mainly driven by softer prices, while the sharp Q/Q recovery reflected higher prices and volumes. FY2025 bottomline decreased by -13.8% to SAR 364 mln, pressured by weaker margins on lower ASPs, lower other income, lower share of profit from associate, and higher Zakat expense, despite disciplined OPEX control. The company announced a 2H2025 DPS of SAR 0.80, bringing full year DPS to SAR 1.80 at 76% payout, below last year's DPS of 2.75 and our SAR 2.20 estimate. We trim our target price to SAR 34.00 from SAR 39.00 per share, with a Neutral stance.

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Disclaimer

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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