

Market Data	
52-week high/low	SAR 34.60/24.48
Market Cap	SAR 6,733 mln
Shares Outstanding	203 mln
Free-float	86.65%
12-month ADTV	259,668
Bloomberg Code	YACCO AB

Volumes Decline Y/Y and Q/Q

May 02, 2023

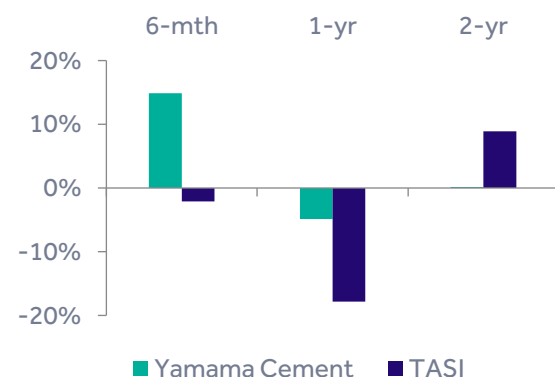
Upside to Target Price	(0.8%)	Rating	Neutral
Expected Dividend Yield	4.8%	Last Price	SAR 33.25
Expected Total Return	4.0%	12-mth target	SAR 33.00

Yamama Cement	1Q2023	1Q2022	Y/Y	4Q2022	Q/Q	RC Estimate
Sales	283	222	28%	338	(16%)	306
Gross Profit	137	41	237%	165	(17%)	142
Gross Margins	48%	18%		49%		47%
Operating Profit	117	23	402%	132	(11%)	114
Net Profit	112	30	280%	134	(16%)	107

(All figures are in SAR mln)

- Yamama Cement reported a top-line of SAR 283 mln, up +28% Y/Y on the back of an increase in average selling prices by +66% Y/Y despite a decline in volumes sold by -23% Y/Y. On a quarterly basis, revenues declined by -16%. This is attributed to a decline in both volumes and prices by -10% and -7% respectively. Sales volume volumes sold during the quarter was recorded at 1.6 mln tons while selling price averaged at SAR 177/ton.
- Gross profit at SAR 137 mln is up +237% Y/Y but fell -17% Q/Q. Gross margin of 48% this quarter expanded by 30% Y/Y but contracted by -34 bps Q/Q. The increase Y/Y is due to higher prices during the quarter. Net margin at 40% expanded by 26% Y/Y but was stable Q/Q.
- The Company continues its leadership position in the cement sector during the quarter. We expect an improvement in volumes in the coming months as the Company is located in the Central region where there are new projects as well as higher demand from Giga projects.
- Yamama Cement Co. reported a bottom-line of SAR 112 mln in 1Q2023, in-line with our forecast. We increase our target price to SAR 33.00 but maintain our Neutral rating.

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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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