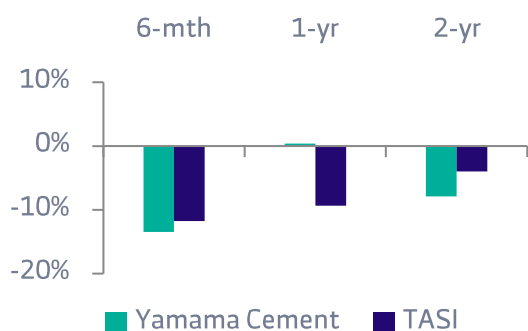


Market Data	
52-week high/low	SAR 40.55/28.80
Market Cap	SAR 6,675 mln
Shares Outstanding	203 mln
Free-float	83.62%
12-month ADTV	264,443
Bloomberg Code	YACCO AB



Earnings Fall Short on Lower Prices

August 03, 2025

Upside to Target Price 6.4%
 Expected Dividend Yield 3.0%
 Expected Total Return 9.5%

Rating Neutral
 Last Price SAR 32.88
 12-mth target SAR 35.00

Yamama Cement	2Q2025	2Q2024	Y/Y	1Q2025	Q/Q	RC Estimate
Sales	362	244	49%	349	4%	419
Gross Profit	157	110	42%	171	(8%)	193
Gross Margins	43%	45%		49%		46%
Operating Profit	134	87	54%	149	(10%)	171
Net Profit	121	85	43%	142	(15%)	167

(All figures are in SAR mln)

- Yamama reported 2Q2025 sales of SAR 362 mln (+49% Y/Y, +4% Q/Q), significantly below our estimate of SAR 419 mln, due to lower-than-expected prices. Prices fell to SAR 188/ton, down -1% Y/Y and a steep -10% Q/Q from last quarter's three-year peak of SAR 208/ton, likely due to competition; this compares to our SAR 209/ton estimate. Sales volumes surged +50% Y/Y and +15% Q/Q to reach 1,932k tons on stronger demand, broadly in line with our 2,004k tons estimate.
- Cost per ton came in better-than-expected at SAR 106/ton, compared to SAR 104/ton last year and similar to last quarter. However, the drop in prices led to a decline in gross margin to 43%, down from 45% last year and 49% last quarter, also below estimates. As a result, gross profit rose +42% Y/Y, but declined -8% Q/Q, reaching SAR 157 mln.
- OPEX of SAR 22.9 mln came in line, down -3% Y/Y and up +3% Q/Q, resulting in an operating margin of 37.0%, compared to 35.6% last year and 42.6% last quarter, missing our estimates.
- Bottomline stood at SAR 121 mln (+43% Y/Y, -15% Q/Q), falling short of both market consensus of SAR 140 mln and our estimate of SAR 167 mln. The miss was further weighed by higher net other expenses of SAR 13 mln, versus SAR 2 mln last year, SAR 6 mln last quarter, and above our SAR 4 mln estimate. We maintain our Neutral recommendation and target price.

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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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