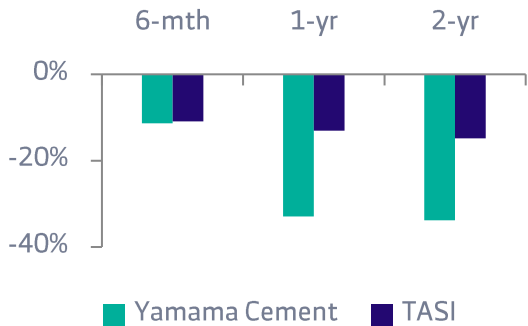


Market Data	
52-week high/low	SAR 29.44/20.27
Market Cap	SAR 4,232 mln
Shares Outstanding	203 mln
Free-float	83.62%
12-month ADTV	482,344
Bloomberg Code	YACCO AB



Pricing Recovery Drives Earnings

October 10, 2026

Upside to Target Price10.0%

Expected Dividend Yield4.8%

Expected Total Return14.8%

RatingLast Price12-mth target

NeutralSAR 20.90SAR 23.00

Yamama Cement	3Q2026	3Q2025	Y/Y	2Q2026	Q/Q	RC Estimate
Sales	366	312	18%	355	3%	370
Gross Profit	121	56	116%	150	(19%)	103
Gross Margins	33%	18%		42%		28%
Operating Profit	98	33	202%	123	(20%)	76
Net Profit	75	36	108%	122	(39%)	72

(All figures are in SAR mln)

- Yamama reported 3Q2026 sales of SAR 366 mln (+18% Y/Y, +3% Q/Q), in line with our SAR 370 mln estimate. Y/Y growth was driven by higher selling prices, while Q/Q growth reflected stronger sales volumes. ASP reached SAR 148/ton (+22% Y/Y, -14% Q/Q), recovering from last year’s intense price competition, in line with our SAR 150/ton estimate. Meanwhile, sales volumes declined slightly by -3% Y/Y against last year’s high base amid increased competition, but rose +20% Q/Q on seasonality to 2,478k tons, in line with estimates. 9M2026 topline increased +4% Y/Y to SAR 1.06 bln on stronger demand and improved pricing environment.
- Cost per ton remained relatively stable at SAR 99/ton, compared to SAR 100/ton in both comparable periods, and below our SAR 108/ton estimate. Gross margin expanded to 33% from last year’s subdued 18%, which was impacted by intense price competition, but narrowed from 42% last quarter due to weaker prices. Consequently, gross profit surged to SAR 121 mln (+116% Y/Y, -19% Q/Q), exceeding our estimate.
- OPEX improved to SAR 23 mln (-2% Y/Y, -15% Q/Q), below our SAR 27 mln estimate. Operating profit tripled Y/Y but declined Q/Q.
- Bottomline surged to SAR 75 mln (+108% Y/Y, -39% Q/Q), coming in -12% below market consensus of SAR 84 mln but in line with our SAR 72 mln estimate. Earnings increased Y/Y on higher prices despite recording net other expenses of SAR (24) mln (likely on impairments) versus SAR 3 mln in net other income, while Q/Q decline reflected weaker prices alongside higher financing costs. 9M2026 earnings increased +14% to SAR 340 mln, supported by higher sales volumes, improved prices, and other income. We trim our target price to SAR 23.00 per share and adjust our rating to Neutral.

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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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