

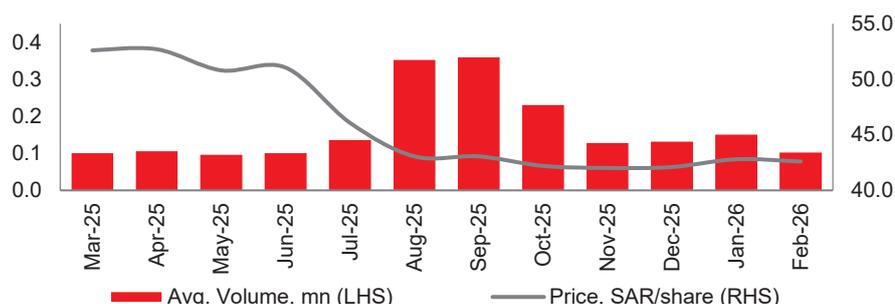
Company

Qassim Cement Company

4Q25 Result Review

Rating**Hold****Bloomberg Ticker****QACCO AB****Date**

23 February 2026

Results**Target Price (SAR)** 43.3**Total Return** 9.3%**Revenue declined 4% YoY in 4Q25**

Qassim reported revenue of SAR 290mn in 4Q25 (-4% YoY, +18% QoQ), in line with U Capital's estimates. For FY25, revenue was up 17% YoY to SAR 1,133mn, mainly due to the increase in sales volume and the consolidation of the subsidiary's results following the acquisition of Hail Cement Co, effective June 10, 2024.

Net profit declined 28% YoY

In 4Q25, net profit came in at SAR 63mn, down 28% YoY, but surpassing U Capital's estimate. For FY25, net profit declined 10% YoY to SAR 260mn, driven by lower average selling prices and higher operating costs amid fuel price hikes, resulting in weaker overall profitability for the year.

U-Capital view

Qassim Cement posted a decline in net profit for both 4Q25 and FY25. While cement demand remains robust, supporting volume growth, pricing weakness more than offsets the benefit, weighing on overall profitability. We maintain our Hold rating on the stock with a target price of SAR 43.3/share.

Financial Summary

SAR mn	4Q24	1Q25	2Q25	3Q25	4Q25	4Q25e	YoY	QoQ	Var.	FY24	FY25	YoY
P&L												
Sales/Revenue	303	303	293	247	290	289	-4%	18%	1%	968	1,133	17%
Gross profit	98	94	73	33	61	45	-38%	83%	36%	325	261	-20%
Operating profit	81	94	73	36	63	43	-22%	73%	46%	278	267	-4%
Net profit / (loss)	88	94	61	41	63	47	-28%	53%	35%	287	260	-10%
BS												
Shareholders' Equity	2,750	2,770	2,724	2,678	2,658		-3%	-1%		2,750	2,658	-3%
Ratios												
Gross margin	32.5%	30.9%	24.8%	13.5%	21.0%	15.5%				33.6%	23.0%	
Operating margin	26.6%	31.1%	25.0%	14.7%	21.7%	14.9%				28.8%	23.6%	
Net profit margin	29.1%	31.1%	20.8%	16.8%	21.8%	16.3%				29.7%	22.9%	
EPS, SAR	0.8	0.9	0.6	0.4	0.6	0.4				2.9	2.4	
P/E (TTM)					18.1							
RoE (TTM)					9.6%							
P/Bv					1.8							

Source: Financials, Tadawul, Bloomberg, U Capital Research

Current Market Price (SAR)	42.6
52wk High / Low (SAR)	54.3/40.5
12m Average Vol. (mn)	0.2
Mkt. Cap. (USD/SAR mn)	1,255/4,710
Shares Outstanding (mn)	110.6
Free Float (%)	75.5%
3M ADTV (SAR mn)	5.9
6M ADTV (SAR mn)	8.5
P/E'26e (x)	18.5
EV/EBITDA'26e (x)	13.9
Dividend Yield '26e (%)	7.5%
Price Perf. (1m/3m) (%)	-0.6/1.4%

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Recommendation

BUY

Greater than +10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

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