

Company

Yamama Cement Co.
1Q26 Result Review

Rating

Buy

Bloomberg Ticker

YACCO AB

Date

29 April 2026

Results

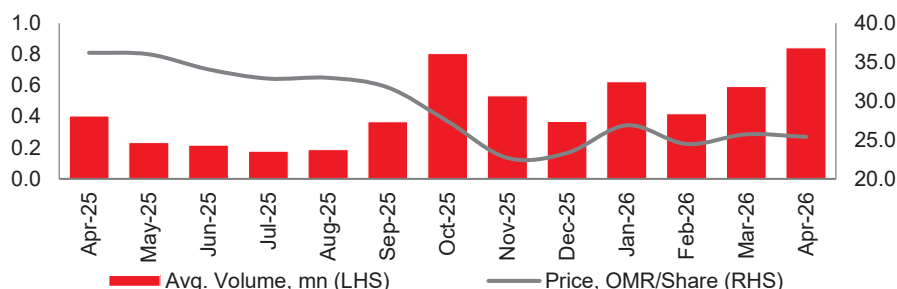
Target Price (SAR)	28.0
Total Return	13.3%

Current Market Price (SAR)	25.4
52wk High / Low (SAR)	37.25/22.59
12m Average Vol. (m)	436.3
Mkt. Cap. (USD/SAR bn)	1,371/5,144
Shares Outstanding (mn)	202.5
Free Float (%)	83.6%
3M ADTV (SAR mn)	15.1
6M ADTV (SAR mn)	13.7
P/E'26e (x)	12.9
P/B'26e (x)	1.0
Dividend Yield '26e (%)	3.8%
Price Perf. (1m/3m) (%)	-0.5/-5.5

Research Department

Email: ubhar-research@u-capital.net

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Pricing pressure offsets volume growth

YACCO posted 1Q26 revenue of SAR 340mn, down 3% YoY, broadly in line with U Capital estimates. The decline was primarily driven by lower cement prices, which more than offset the impact of volumetric growth.

YACCO 1Q26 profit up on higher other income

YACCO reported net profit of SAR 144mn in 1Q26, up 1% YoY despite an 11% YoY decline in operating profit. The marginal earnings growth was supported by higher other income, primarily from the sale of production line accessories from the old plant and from other investments.

U-Capital view

The cement sector has entered an expansion phase, with capacity additions exerting pressure on pricing. YACCO experienced margin compression in 2025 amid softer selling prices, despite higher volumes. Looking ahead, the planned 12,500 tpd capacity addition in 2026 is expected to support further volume growth. Domestic demand is also likely to strengthen, driven by Vision 2030, providing a structural tailwind. We have a Buy rating on YACCO with a target price of SAR 28.0/share.

Financial Summary

SAR mn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Revenue	349.0	362.4	311.8	400.0	339.8	329.7	-3%	-15%	3%
Gross profit	170.8	157.0	56.2	149.5	154.7	112.2	-9%	3%	38%
Operating profit	148.5	134.1	32.6	103.5	132.3	90.7	-11%	28%	46%
Net profit	142.1	121.0	35.9	183.9	143.9	77.6	1%	-22%	85%
BS									
Shareholders' Equity	4,985.1	4,903.7	4,939.6	4,969.7	5,114.5		3%	3%	
Ratios									
Gross profit margin	48.9%	43.3%	18.0%	37.4%	45.5%	34.0%			
Operating profit margin	42.6%	37.0%	10.5%	25.9%	38.9%	27.5%			
Net profit margin	40.7%	33.4%	11.5%	46.0%	42.3%	23.5%			
RoE (TTM)					9.7%				
P/E (TTM)					10.6				
Current P/B					1.0				

Source: Financials, Tadawul Disclosure, Bloomberg, U Capital Research

Investment Research

Ubhar-Research@u-capital.net

Head of Research

Tahir Abbas

+968 2494 9036 | tahir@u-capital.net

Research Team

Ahlam Al Harthi

+968 2494 9024 | ahlam.harthi@u-capital.net

Rao Aamir Ali

+968 2494 9066 | rao@u-capital.net

Sandesh Shetty

+968 2494 9059 | sandesh@u-capital.net

Amira Al Alawi

+968 2494 9012 | amira.alalawi@u-capital.net

Head of Brokerage

Talal Al Balushi

+968 2494 9051 | talal@u-capital.net

Visit us at

www.u-capital.net

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Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

Ubhar Capital SAOC (U Capital)

Website: www.u-capital.net

PO Box 1137, PC 111, Sultanate of Oman

Tel: +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** research@u-capital.net

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