Company

Qassim Cement Co.

3Q26 Result Review

Rating

Hold

Bloomberg Ticker

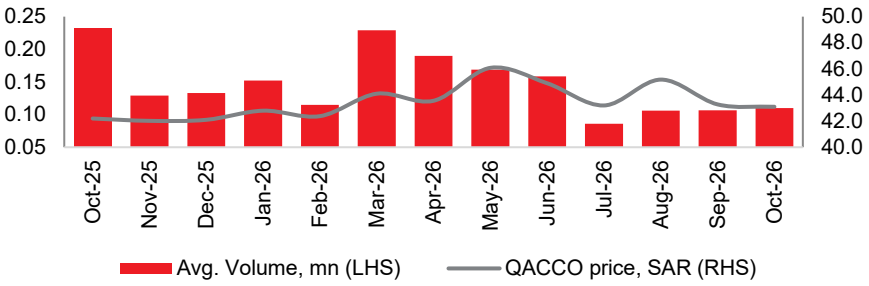
QACCO AB

Date

2 November 2026

Results

Target Price SAR	43.60
Total Return	5.5%



Current Market Price (SAR)	42.74
52-week High | Low	46.7 | 41.06
Price Perf. (1m | 3m)	-2.0% | -1.2%
Mkt. Cap. (USD/SAR mn)	1,276 | 4,725
Free Float	80.9%
3m ADTO (000 shares)	104.1
6m ADTO (000 shares)	112.3
3m ADTV (SAR 000)	4,716.5
6m ADTV (SAR 000)	5,347.4
P/E 27e	23.7x
P/B 27e	1.9x
DY 27e	3.5%

Volume decline leads to lower revenue

Qassim Cement recorded revenue of SAR 181mn (-27% YoY and -34% QoQ). The revenue decline is largely due to softer local volumes, with central capacity volumes down 16% YoY and northern site volumes down 25% YoY.

Lower gross profitability pressures bottom line

QACCO reported a net profit of SAR 37mn (-10% YoY and -28% QoQ), ahead of our estimates. The YoY decline was primarily attributed to lower sales and higher fuel costs, with gross margin contracting to 12.6% in 3Q26.

U-Capital view

Cement sector profitability remained under pressure in 3Q26 due to weaker prices. Pricing pressure is expected to persist as industry capacity increases from 85mn tons to 91mn tons by FY28. However, the company's planned 3.2mn-ton capacity expansion should support volume growth, while replacing older production lines with a more efficient facility should improve operational efficiency. We maintain our Hold rating with an updated target price of SAR 43.6/share.

U Capital Research

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Financial Statements

SAR mn	3Q25	4Q25	1Q26	2Q26	3Q26	3Q26e	YoY	QoQ	Var.	9M25	9M26	YoY
P&L												
Revenue	247	290	293	275	181	221	-27%	-34%	-18%	843	749	-11%
Gross Profit	33	64	77	57	23	30	-32%	-60%	-24%	197	157	-20%
Operational Profit	36	68	73	56	36	30	-1%	-36%	20%	199	165	-17%
Net Profit	41	69	69	52	37	30	-10%	-28%	23%	191	158	-17%
BS												
Sh. Equity	2,678	2,658	2,639	2,603	2,552		-5%	-2%		2,678	2,552	-5%
Ratios												
Gross Margin	13.5%	22.1%	26.3%	20.9%	12.6%	13.6%				23.3%	21.0%	
Operating Margin	14.7%	23.6%	24.8%	20.5%	19.9%	13.6%				23.6%	22.0%	
Net Profit Margin	16.8%	23.7%	23.5%	18.9%	20.5%	13.7%				22.7%	21.1%	
TTM RoE (%)					8.7%							
TTm P/E (x)					21.5							
Current P/Bv					1.9							

Source: Financials, Tadawul, Bloomberg, U Capital Research, n.m – not meaningful



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