



Qassim Cement Company Earnings Call 2025

Investor Relations - QCC
Qassim Cement Company | April 2026

Delivering sustainable growth through strategic excellence, operational innovation,
and stakeholder value creation

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CEO's Overview



CEO's Message

During the year, a second market position in the KSA cement sector was achieved by the company, supported by a 17% rise in revenue.

In line with the Saudi Green Initiative and Vision 2030, we are proud to have released our first GRI-certified Sustainability Report. Our sustainability framework is now fully integrated into our corporate strategy.

Strategic Growth

We signed a **USD 298 million deal** for a **10,000 TPD line** and a **gas conversion project**. With **Vision 2030** support, We are entering **2026** on a **strong fundamentals footing** with a clear and accelerated **sustainability agenda**.



CFO's Overview



CFO's Message

2025 was a transformative year for QCC. **Revenue** grew **17%** to **SAR 1.13 billion**, driven by record volumes and the **Hail Cement integration**. Profit reached **SAR ~ 260 million** despite ongoing cost pressures from fuel, energy, logistics and pricing pressure.

Future Outlook

Looking ahead to 2026, Qassim Cement remains committed to disciplined capital allocation, **continued emissions-reduction initiatives**, and advancing **ESG priorities** to ensure sustainable, long-term value creation.





Agenda

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Cement Market Outlook, Demand Drivers & Key Challenges

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Questions and Answers Session



01 Company Introduction

Overview, Board, Management, Milestones & Products



Company Overview

Established
1976 (Royal Decree)

Structure
Saudi Joint Stock Company

Market Share
#2 - KSA

~5.5

Mn Ton
Installed Clinker Capacity

~100%

Capacity Utilized

1.13

Bn SAR
Revenue

12.4%

Market Share

Qassim Cement Company (QCC) is a leading Saudi cement manufacturer producing and supplying high-quality cement products to support the Kingdom's construction and infrastructure development.

- ✓ Served **3,000+** major customers
- ✓ Participating in **5,000+** key projects
- ✓ Over **93 million tons** sold historically
- ✓ Manufacture and sale of **cement** and related products

Company Overview



Human Capital Development

Company raised human capital performance by providing 16,750+ training hours to develop and train over 2,071 employees, ensuring highest returns for shareholders.

Operational Footprint



Plant 1
Buraidah – Qassim Region



Plant 2
Turbah – Hail Region

Board Members



Vice Chairman of Board
Eng. Ahmed Bin
Abdulaziz Al-Alshaikh



CEO & Board Member
Eng. Omar Bin Abdullah
Al Omar



Chairman of Board
Dr. Muhammad Bin Nasser Al-
Dawood



Board Member
Mr. Saad Bin Ibrahim Al-
Mushawah



Board Member
Prince Dr. Badr Bin
Khalid Al Saud



Board Member
Dr. Ghazi Bin
Abdulrahim Al-Rawi



Board Member
Mr. Abdulmalik Bin
Khalid Al-Rajhi



Board Member
Mr. Abdulaziz Bin Majid
Al-Qassabi



Board Member
Mr. Abdulrahman Bin
Mohammed A-Rawawf



Board Member
Eng. Ahmed Bin Saleh
Al-Sultan



Board Member
Mr. Bandar Bin Nasser
Al-Tamimi

Management



Eng. Omar Al Omar

CEO & Board Member
Leading the executive management and overseeing strategic direction and governance.



Fawaz Almutari

VP Strategy & Growth
Driving long-term expansion and organizational development initiatives.



Chandrasekar Jayaraman

Chief Operating Officer
Leading and managing operational execution, and strategic implementation.



Ghassan Nofale

Chief of Staff
Leading and managing across executive functions and ensuring alignment across all corporate departments.



Mater Alenazi

Chief Financial Officer
Leading and Managing financial planning, risk assessment, investment strategies, and supply chain.



Product Portfolio

50 Years of Industrial Resilience

1976

QCC established; 1st Kiln and Cement Mill 1 commissioned.

1985

2nd Kiln and Cement Mill 2 commissioned.

1994

1st upgrade to Kiln 1.

2008

3rd Kiln and Cement Mill 3 & 4 commissioned.

2012

1st upgrade to Kiln 3.

2013

HCC established; 4th Kiln & Cement Mill 6 & 7 commissioned.

Jan 2024

Vertical Cement Mill 5 commissioned at QCC; Mill 1 mothballed.

Jun 2024

QCC acquired HCC through a share swap (now 100% subsidiary).

Dec 2024

Current State: 4 kilns & 7 cement mills operating in 2 locations.

Aug 2025

PL4 Project, The new production line at Qassim Location

● **Phase 01**

Foundation & Early Expansion

● **Phase 02**

Capacity Enhancement

● **Phase 03**

Geographic Expansion

● **Phase 04**

Portfolio Optimization

● **Phase 05**

Future Growth

Product Portfolio



OPC – Ordinary Portland Cement
SASO ASTM C150 TYPE 1

- ✓ General Construction applications
- ✓ Residential & Commercial Projects



SRC – Sulphate Resistant Cement
SASO ASTM C150 TYPE V

- ✓ Foundations & Infrastructure
- ✓ High Sulphate environments



PPC – Pozzolanic Cement
SASO ASTM C595 TYPE IP

- ✓ Improve durability
- ✓ Sustainable Construction



LSC – Finishing Cement
SASO ASTM C91 TYPE N

- ✓ Improve durability
- ✓ Sustainable Construction

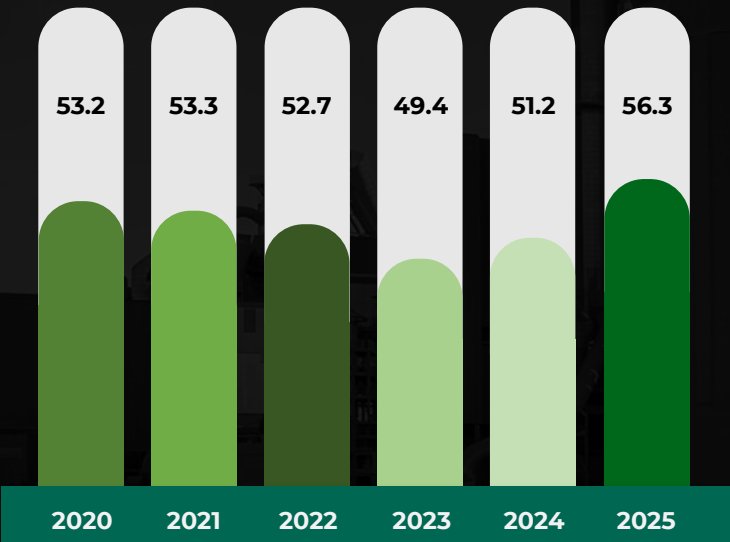


02 | Market Outlook

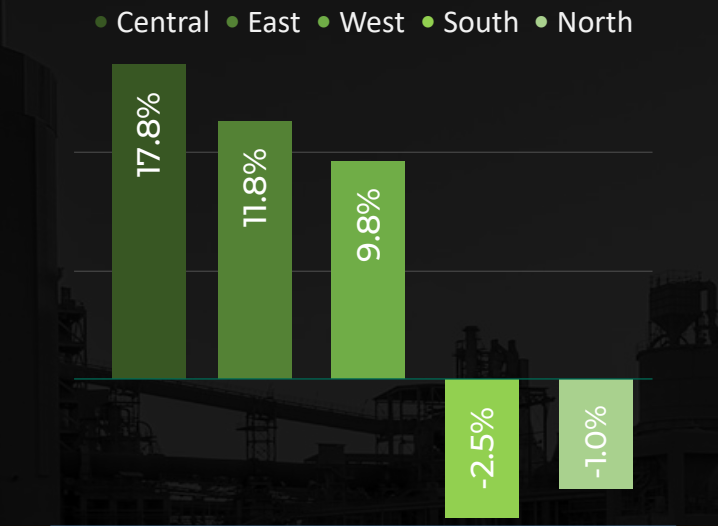
Market Outlook, Key Challenges & QCC Strategy and Demand Driver

Market Outlook

Cement Consumption Mn Tons

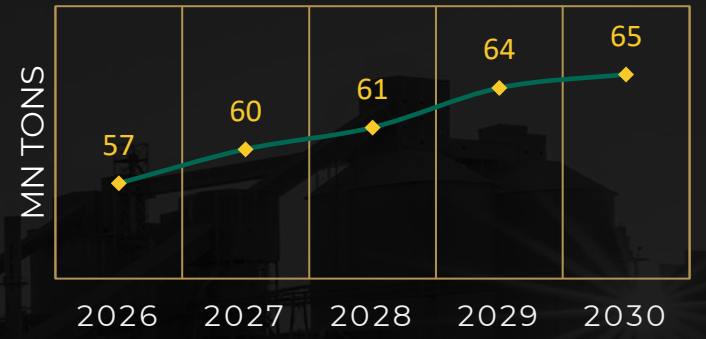


Regional Sales Volume Growth (YoY)



Central region leads with 17.8% growth, Southern & Northern regions declined

Cement Market Outlook (Mn Tons) - Projected Growth *



* Source: Internal projection

In 2025, the cement sector achieved the higher sales volume during the last 5 years recorded a 10% increase in sales compared to 2024. Market forecasts anticipate a compound annual growth rate (CAGR) of 3.3%, with total sales expected to reach 65 million tons by 2030. The Central Region led the growth, achieving approximately 18% year-on-year sales expansion during 2025.

Key Challenges

Price Normalization Trend

Price normalization observed despite volume growth, indicating that increased demand has not translated into proportional price improvements.

2025 Fuel Pricing Adjustments

Fuel pricing adjustments implemented in 2025 increased production costs across the sector, creating immediate margin pressure for all cement producers.

Raw Material Cost Escalation

Increased fuel, clinker, and raw material costs across all input categories, creating a comprehensive cost pressure environment.

Logistics & Transportation

Logistics and transportation cost adjustments impacted margins, particularly for producers serving distant markets from production facilities.

Demand Drivers



Vision 2030 Projects

Key growth drivers are Giga Projects like **NEOM**, the **Red Sea Project**, and **King Salman Park** driving cement demand.

Multi-Sector Growth

Involves housing and infrastructure to develop **non-oil sectors** and reduce the country's economic dependence on oil.

Affordable Housing

Plans to build over **1 million units by 2030** under the **Sakani Program** and various Ministry of Housing initiatives.

Infrastructure Fund

Government funds allocated toward roads, airports, and railways like **Riyadh Metro** and the **Saudi Land Bridge network**.

Urban Expansion

Expansion in Riyadh, Jeddah, and Dammam alongside **new economic zones** is significantly boosting construction activity.

Expo 2030 Infrastructure

Global event preparations accelerate construction of **hospitality, transport, and exhibition facilities**, increasing demand for high-quality, fast-curing cement.



03 | QCC Strategy

Strategy House, Strategic Growth,
Production Line 4 and Financing Secured



Strategy House

Vision 


To be the distinguished industry champion enabling the economic growth of Saudi Arabia

Mission 

Support the infrastructure ambition and de-carbonization effort of Saudi Arabia by providing advanced cement products and sophisticated building material solutions through sustainable growth and value for all stakeholders while ensuring a safe and engaging work environment”

Strategic Pillars 

- Operational Excellence
- Strategic Growth
- Digitalization
- ESG + Sustainability

Strategic Initiatives 

Vertical Expansion Successful Acquisition and integration of HCC	Achieved	Enterprise Digital Platform	Initiated	Pipeline
	Initiated	Technology Modernization	Initiated	Pipeline
Horizontal Expansion Production Line 4 Capacity 10,000 TPD	Initiated	Industry 4.0 & Smart Operations	Initiated	Pipeline
	Initiated	Waste Heat Recovery	Initiated	Pipeline

Strategic discipline and execution consistency remain central to delivering resilient earnings and sustainable shareholder value.

■ Achieved
 ■ Initiated
 ■ Pipeline



Strategic Growth: Hail Cement Acquisition

Transaction Overview



Target:
Completion:

Hail Cement Company
June 2024



Post-Acquisition
Footprint



Turbah Plant
Hail Region
100% Subsidiary

Acquisition Highlights

Increased Production

Enhanced cement production capacity across the region.

Market Position

Enhanced market share and competitive positioning.

Operational Synergies

Realized operational and cost synergies.

Economies of Scale

Improved economies of scale across operations.

Key Achievement

Following acquisition, company achieved strong step-change in scale & performance with significant production capacity and sales volume increases.

Transformational Impact

Pre-Acquisition (FY23)

Clinker Production	3.6 Mn Tons
Cement Sales	3.9Mn Tons

Post-Acquisition (FY25)

Clinker Production	5.4 Mn Tons
Cement Sales	6.7 Mn Tons



Strategic Growth: Production Line 4 & Fuel Conversion Projects

Production Line 4 (PL4) Strategic Capacity Expansion



Investment
USD 298 Mn

EPC Contractor
Sinoma International

Start Date
Dec 2025

Capacity
10,000 TPD

Project Duration
24 Months

Fuel Conversion (LDP) Low-Carbon Transition



Investment
USD 12 Mn

EPC Contractor
Sinoma International Engineering

Completion
2027

Project Duration
15 Months

Strategic Objectives




- Capacity Expansion
- Cost Reduction
- Fuel Efficiency
- Sustainability

Project Timeline






Strategic Growth: Financing secured

 Transaction Date
22 December 2025

 Financing Bank
Saudi National Bank (SNB)

 Structure
Shariah-Compliant

Facility Value
SAR 1,500,000,000
One Billion Five Hundred Million Saudi Riyals

Funding Objectives

Fund Production Line 4
Capacity of 10,000 tons per day, replacing older production lines to enhance efficiency and output.

Support Working Capital
Ongoing working capital requirements to maintain operational flexibility and liquidity.

Strategic Rationale

- ✔ Enables long-term capital deployment for PL4 without materially increasing short-term leverage.
- ✔ Aligns financing with project life; 10-year tenure matches long-term asset profile.
- ✔ Supports both expansion and working capital liquidity needs.

Facility Structure

Tenor 10 Years Long-term financing	Security Promissory Note Issued by QCC
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This facility enhances financial flexibility while supporting the Company's strategic production capacity roadmap.



04 | ESG

ESG Initiatives & Sustainability, Urban Humanization



ESG: Initiatives & Sustainability

Environmental Initiatives

Solar Energy

Planning to install 60MW solar plants in Buraydah & Hail

Reduce carbon footprint Lower electricity costs

Waste Heat Recovery

Installing WHR systems in both QCC and HCC plants

Capture waste heat Improve efficiency

Natural Gas LDP

Transition to cleaner natural gas by 2027

Cleaner Burning Cost efficiency

Climate Strategy

Net-Zero GHG Emissions Target

2050

Scope 1 & 2 Reduction 30%

By 2030

Strategic Alignment: Saudi Green Initiative

Circular Economy

- ✓ Solid waste utilization
- ✓ Wastewater reuse

Social Impact

Urban Humanization

30,000 sqm Community Park delivered in partnership with Hail Region Municipality

Orphan Education

Funding endowment for "Abnaa" Society to support orphan education

Housing Solutions

Supporting 'Ahliya' Housing Association for families in need

"QCC is committed to responsible growth through strong governance, environmental stewardship, and meaningful social contribution."

ESG

Urban Humanization

30,000 sqm Community Park delivered in strategic partnership with the Hail Region Municipality. In 2025, Qassim Cement Company shifted its CSR paradigm from traditional philanthropy to a developmental approach, empowering national cadres and building lasting community infrastructure.

Environment

Strategic Alignment with the Saudi Green Initiative.

Healthcare

Diamond Sponsorship of the Emergency Medicine Conference.

Economy

Strategic Partnership with PIF Private Sector Forum.

Gallery





05 | Financial Performance

Revenue & Profitability Analysis, Balance Sheet Strength and Dividend



Financial Performance

Revenue

1,133 ↑ +17%

SAR Mn (2025)
2024: 968

Gross Profit

260 ↓ -20%

SAR Mn (2025)
2024: 325

EBITDA

419 ↓ -1%

SAR Mn (2025)
2024: 425

NET Profit

260 ↓ -10%

SAR Mn (2025)
2024: 287

Balance Sheet Highlights (SAR Mn)

 Total Assets **3,120**
2024: 3,117 (0%)

 Total Liabilities **462**
+26%

 Shareholders' Equity **2,658**
Strong Position

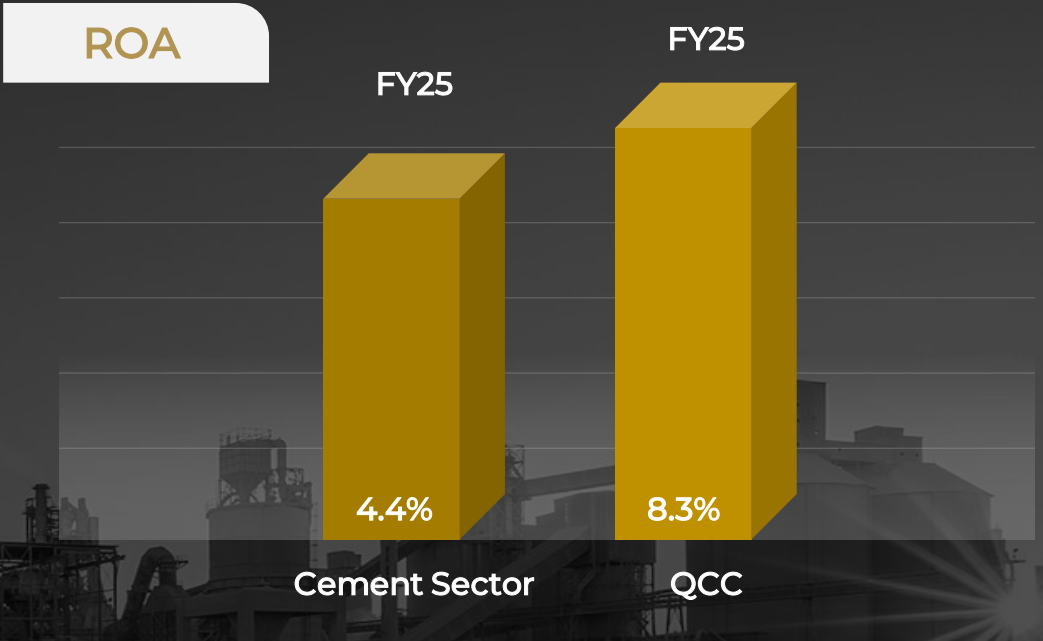
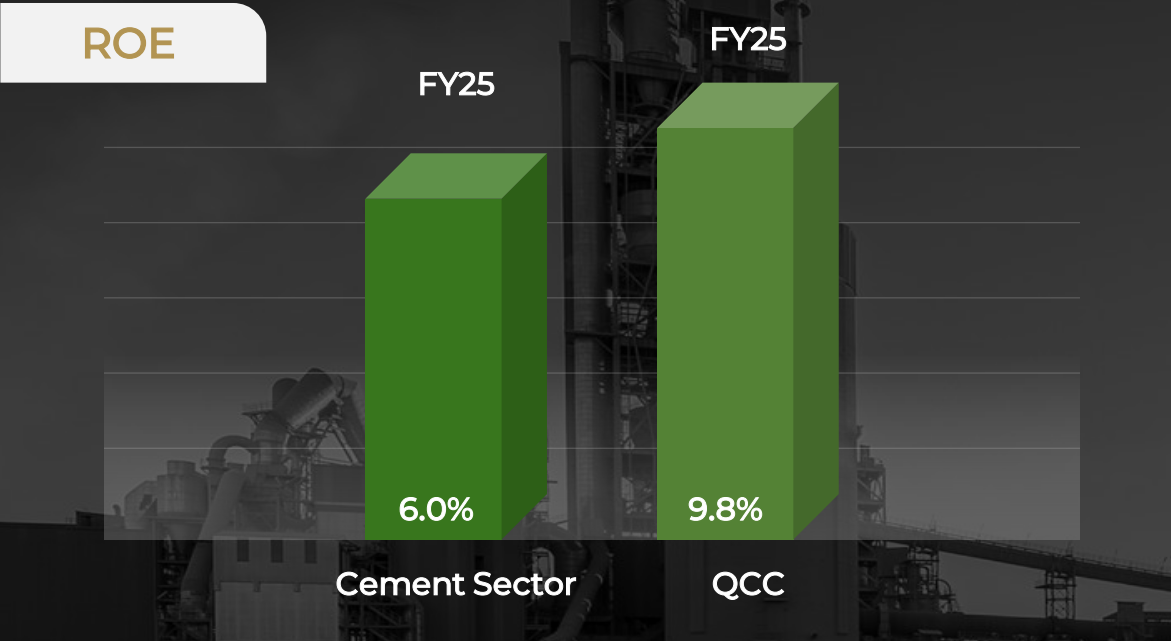
Profitability Analysis

Gross Profit Margin **23%**

EBITDA Margin **37%**

Net Profit Margin **23%**

Return on Asset and Return on Equity



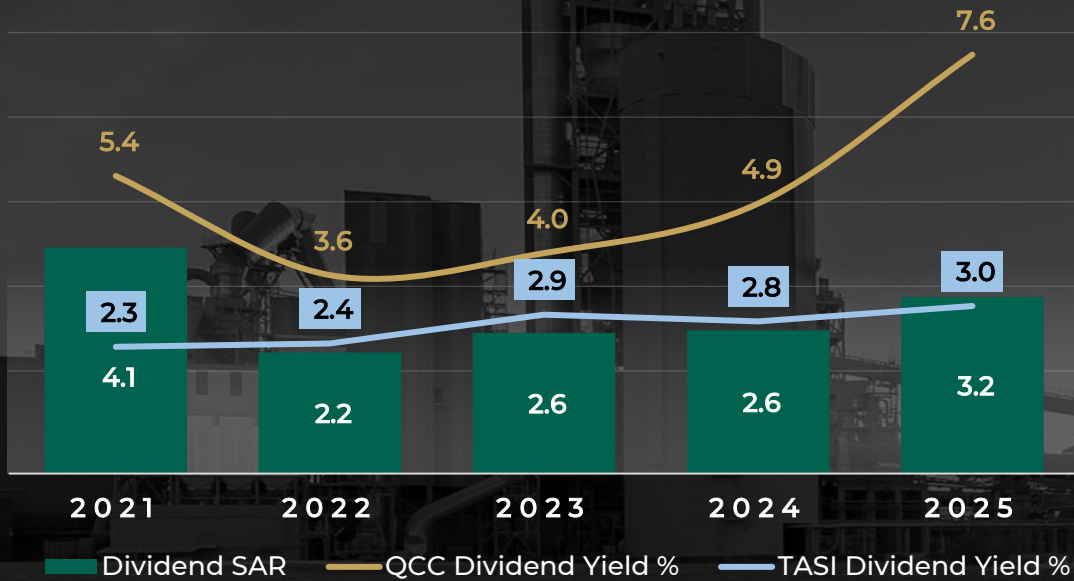
- **Sector context (KSA – FY25):** With the Saudi cement sector delivering an average ROE at 6%, profitability remains subdued due to competitive pricing, elevated fuel/energy costs, and high capital intensity despite steady demand from Vision 2030 infrastructure projects.
- **QCC outperformance:** At 9.8% ROE during the year 2025, Qassim Cement Company is generating returns meaningfully above the sector average in 2025, reflecting stronger operational efficiency, better cost control, and relatively superior capital allocation within the KSA market.

- **Sector performance (KSA – FY25):** With the Saudi cement sector reporting an average ROA at 4.4%, asset utilization remains modest, reflecting high capital intensity, pricing competition, and margin pressure despite ongoing infrastructure demand under Vision 2030.
- **QCC relative strength:** At 8.3% ROA during the year 2025, Qassim Cement Company demonstrates significantly stronger asset efficiency versus the sector in FY25, indicating better plant utilization, cost discipline, and more effective conversion of assets into net earnings.



Dividends & Ownership Structure

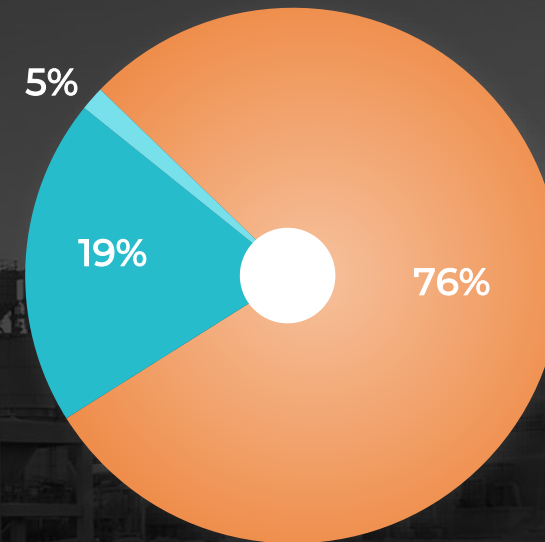
Dividend History & Stock Yield



2025 Dividend
3.20 SAR

Stock Yield
7.60%

Ownership Structure



Domestic Investors **76%**

Public Investment Fund (PIF) **19%**

Foreign Investors **5%**



06 | Operational Excellence

Competitive Advantages, Key Achievements



Operational Excellence

Key Achievements – FY2025



Green Cement

Green Cement Production: The Production Volume Of Green Cement Will Rise Notably, Growing From 12% In 2024 To 19% In 2025. By decreasing the clinker factor during manufacturing, green cement helps reduce total CO₂ emissions.

19%

HCC Production Record

Following its acquisition by QCC, HCC recorded a new production high of 1.95 Mn Tons in 2025, compared with its previous record of 1.77 Mn Tons in 2015, reflecting approximately 10% growth between the two peak years.

11%

Productions - Tons

Best Daily Clinker Production Record

11,531
Tons

Best Daily Cement Production Record

21,740
Tons

QCC Sales Record

Sales increased to 4.84 Mn Tons in 2025 compared to 4.57Mn Tons in 2024, reflecting solid top-line growth and an 6% year-on-year increase.

6%

Operational Excellence

Operational Strength





Guidance for FY26

Operating Environment



Pricing



Competitive pricing conditions expected to continue

Infrastructure



Giga-project pipeline remains supportive

Energy



Fuel and energy cost dynamics key monitoring factor

Operational Priorities



Production Line 4

Execute 10,000 TPD capacity expansion within planned timeline

Sustainability

Implement Solar and Waste Heat Recovery initiatives

Natural Gas LDP

Advance fuel conversion project for operational efficiency

Cost Optimization

Strengthen productivity and operational excellence

Guidance for FY26

Financial Focus



Margin improvement and Stabilization
Through disciplined cost management



Capital Allocation
Disciplined investment framework



Cash Flow Conversion
Maintain strong operating performance



Dividend Framework
Sustainable shareholder returns



Leverage
Under long-term SNB facility

Management Focus



Management remains focused on **disciplined execution, operational efficiency, and long-term value creation** while preserving balance sheet strength in a competitive market environment.



Committed to sustainable growth



07 | Q&A

We welcome your questions and feedback



Thank You

Qassim Cement Company

April 2026 | Earning Call Presentation

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