

# Saudi Arabia Cement Chartbook

February 2026

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## SUMMARY

# Sector dispatches advance Y/Y but decline M/M



### Sector Performance

**Cement dispatches in January 2026 stood at 5.1mn tons, up 2.3% Y/Y, but down 0.5% M/M.** The Y/Y growth in dispatches was driven by both local and export sales. 9 companies registered a Y/Y rise in dispatches, with UACC witnessing the highest rise (+45%) during the month.



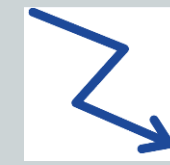
### Top Pick

**We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk.** The cement sector is seeing stronger year-on-year volume growth, although retention prices have softened due to intensified price competition. Cement sales rose 10% Y/Y in 2025, materially outperforming initial expectations of 5–6% growth. While pricing remains under pressure, sustained demand momentum is expected to support a gradual recovery in retention prices. Demand should be underpinned by a pickup in construction activity, driven by ongoing real estate reforms and the prospect of interest rate cuts. Real estate developers continue to see structural opportunities arising from tourism reforms, robust population growth, easing foreign ownership regulations, and improving employment trends, supporting both commercial and residential demand. That said, the recent rationalization and slowdown of select Saudi Vision-related mega-projects is likely to affect demand, especially in the regions where project timelines have been extended. With a modest start to 2026, volume growth is likely to continue, while price competition has lessened. The market remains oversupplied, however, as demand normalizes, we expect the demand–supply imbalance to narrow gradually into 2026.



### Market Share

**The central region retains the largest market share.** The top five producers accounted for 48.1% of the market volume in January 2026. Yamama emerged as the market leader with a 12.9% share, while Northern remained at the bottom with a 0.6% market share.



### YTD Dispatches

**Eastern region posted the highest Y/Y rise in YTD dispatches.** In January 2026, YTD cement dispatches increased 2.3% Y/Y to 5.1 mn tons.



### Cement Exports

**Cement exports jump Y/Y and M/M.** Cement exports in January 2026 increased 14.0% Y/Y and 2.5% M/M to 122K tons. Saudi Cement Co. continued to lead exports, representing 71.3% of total exports. As of January 2026, cement exports made up 2.4% of the overall dispatches compared to 2.3% in December 2025 and 2.1% in January 2024.



### Clinker Inventory

**Clinker inventory days drops Y/Y for eleventh consecutive month.** Sector inventory was 42.8mn tons in January 2026. The inventory level decreased to 273 days of sales in January 2026 from 307 days in January 2025. UACC has an inventory of 734 days of sales, the highest in the sector, while City has an inventory of 33 days of sales, the lowest in the sector. Inventory is highest in the southern region, with an inventory-to-sales ratio of 139%, well above the sector at 76%. The western and northern regions reported an inventory-to-sales ratio of 101% and 98%, respectively. The eastern and central regions reported an inventory-to-sales ratio of 53% and 42%, respectively.



### Outlook

The development of infrastructure for Expo 2030 and FIFA World Cup 2034, alongside other prioritized giga projects, provides stable long-term demand. Lower interest rates, as well as the impact of the idle lands tax adjustment, could drive near-term demand in residential and commercial segments. Whilst we expect some upward revision in retention prices, appreciation will be capped due to oversupply.

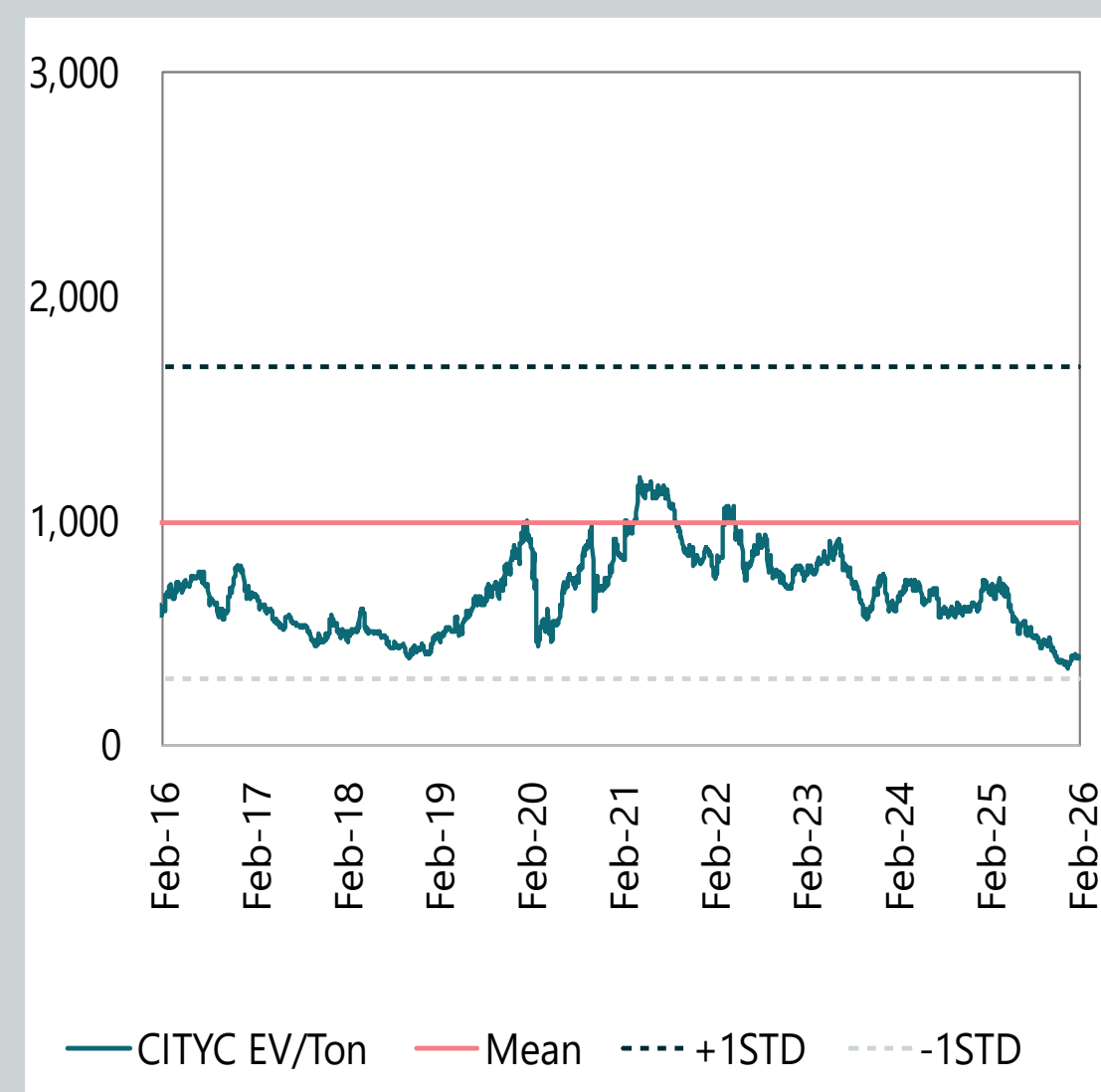
## RATING, TARGET PRICE OVERVIEW & TOP PICK

# We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk

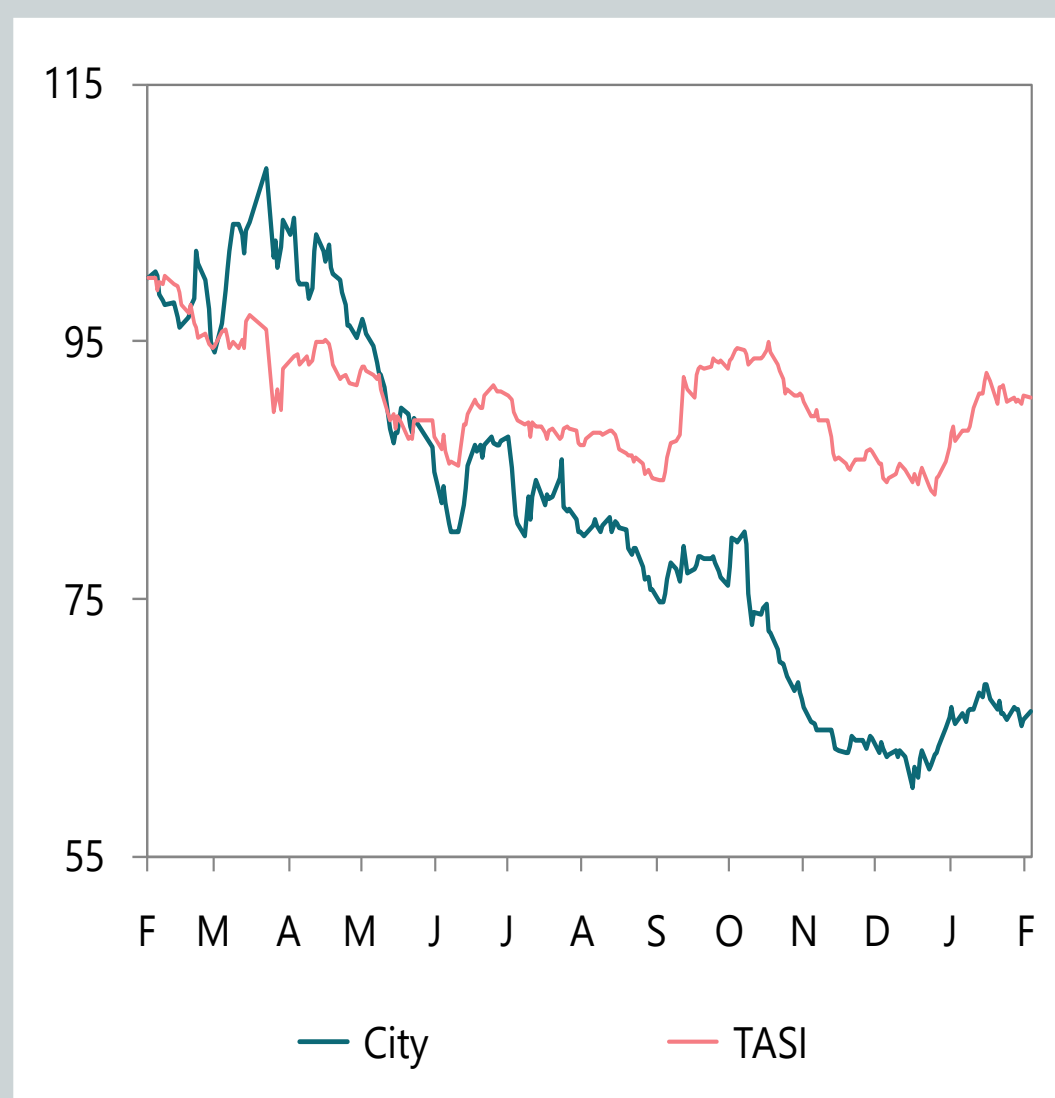
### Price Performance; prices in SAR

Name	Ticker	TASI Code	Rating	Price Performance to Cement Index			Curr. Price	Target	Upside / Downside
				1M	2M	3M			
Arabian Cement	ARCCO AB	3010	Hold	-1.7%	-0.2%	-0.6%	21.4	22.4	5%
City Cement	CITYC AB	3003	Buy	1.4%	3.7%	-0.5%	13.3	17.7	33%
Eastern Cement	EACCO AB	3080	Hold	0.5%	0.9%	0.8%	24.2	26.9	11%
Jouf Cement	JOUF AB	3091	Hold	-6.4%	-9.7%	-13.7%	6.0	6.8	14%
Najran Cement	NAJРАН AB	3002	Buy	-1.2%	-5.0%	-9.7%	6.4	7.9	23%
Northern Cement	NORTHCEM AB	3004	Hold	-2.0%	-5.3%	-10.4%	6.9	7.7	12%
Qassim Cement	QACCO AB	3040	Hold	1.5%	3.5%	3.1%	42.8	47.1	10%
Saudi Cement	SACCO AB	3030	Buy	-3.8%	-1.5%	-7.6%	34.5	48.0	39%
Southern Cement	SOCCO AB	3050	Hold	-3.7%	-1.5%	-8.9%	21.8	24.8	14%
Tabuk Cement	TACCO AB	3090	Buy	-4.4%	-10.1%	-13.6%	8.6	14.0	63%
Yamama Cement	YACCO AB	3020	Buy	0.0%	6.6%	4.6%	26.1	37.5	44%
Yanbu Cement	YNCCO AB	3060	Buy	-0.1%	2.2%	-4.4%	15.1	19.3	28%

### City EV/Ton



### Relative Price Performance

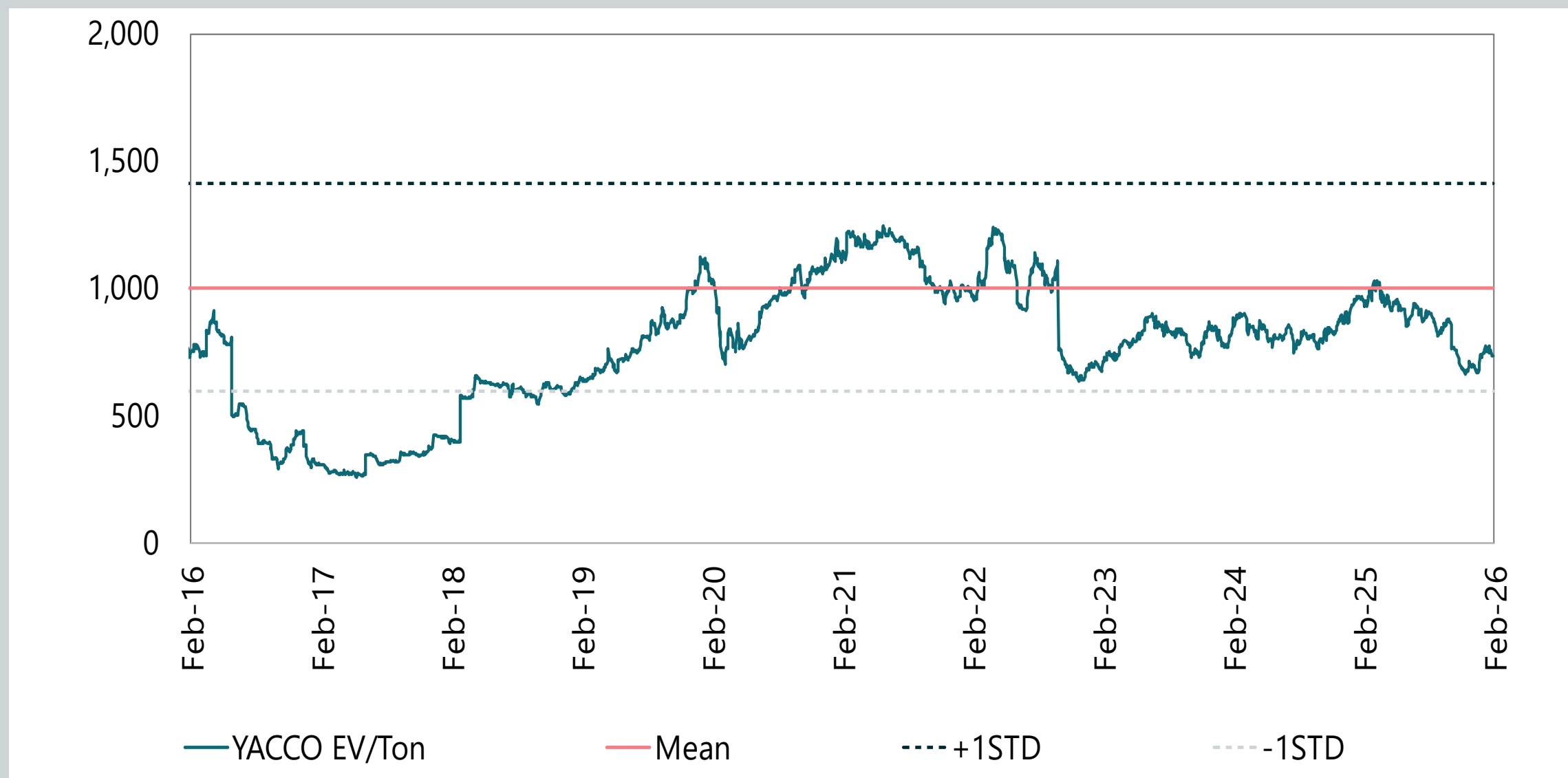


After delivering strong results in 2Q25, CITYC AB was hit by price competition in the region, resulting in a sharp decline in profitability both on a Y/Y and Q/Q basis in 3Q25. The company's regional and national market share declined by 4.6ppts Y/Y and 1.2ppts Q/Q, driven by weak dispatches (-13% Y/Y and -16% Q/Q). This is attributed to competitors aggressively cutting prices to capture market share. During 3Q25, the realized price for the company was down 15% Y/Y and 17% Q/Q at SAR 150 per ton vs SAR 122 per ton for Yamama Cement. This suggests that CITYC opted not to match competitor pricing to defend its market share. However, with demand in the central region to remain strong on the back of planned time-bound events, expected jump in construction activity as a result of ongoing real estate reforms, and seasonal factors, in our opinion, the realized price will be higher in 4Q25 vs 3Q25. To highlight in December 2025, Yamama Cement reported a decline in dispatches, indicating moderation of price competition in the region. Maintain Buy.

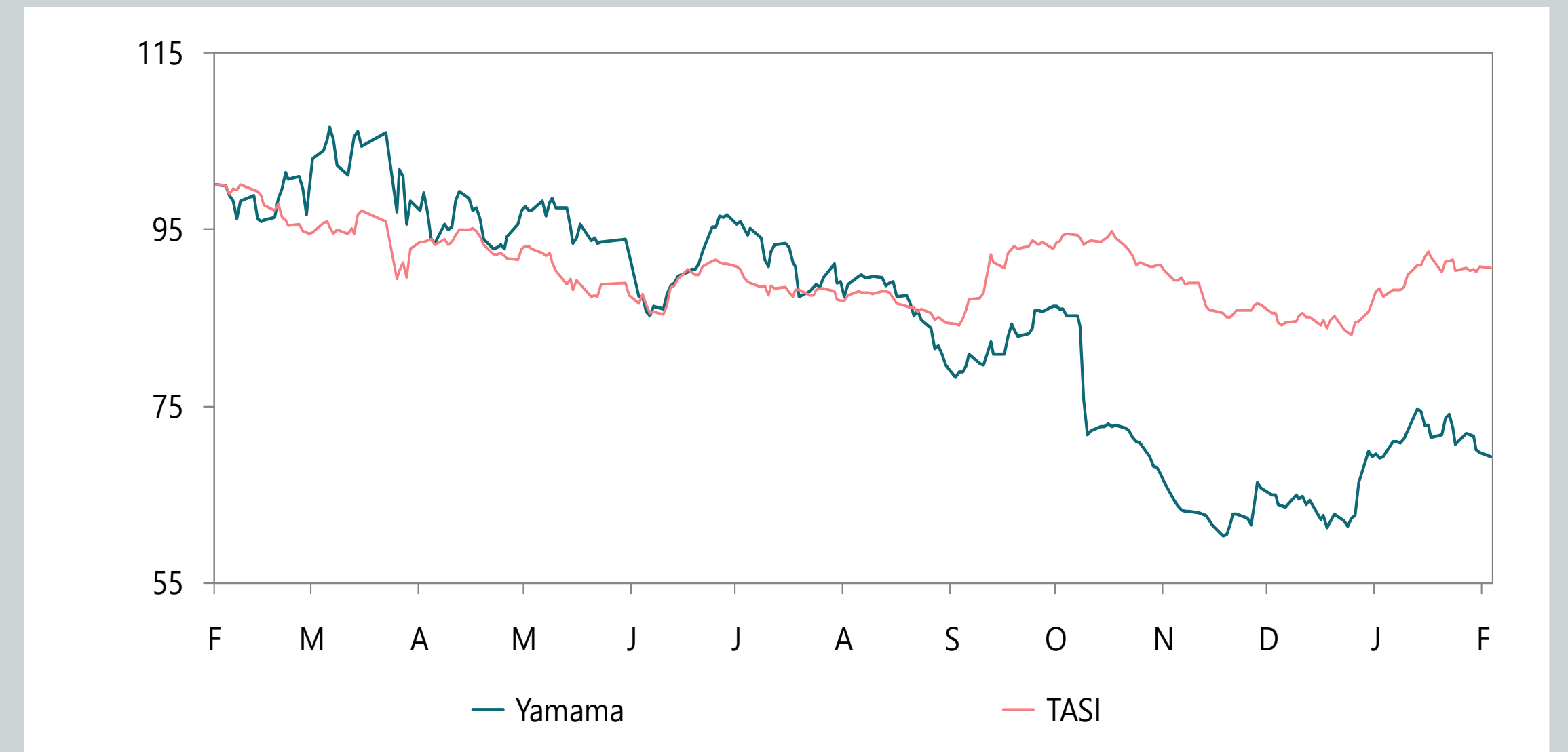
**RATING, TARGET PRICE OVERVIEW & TOP PICK**

**We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk**

**Yamama EV/Ton**



**Relative Price Performance**



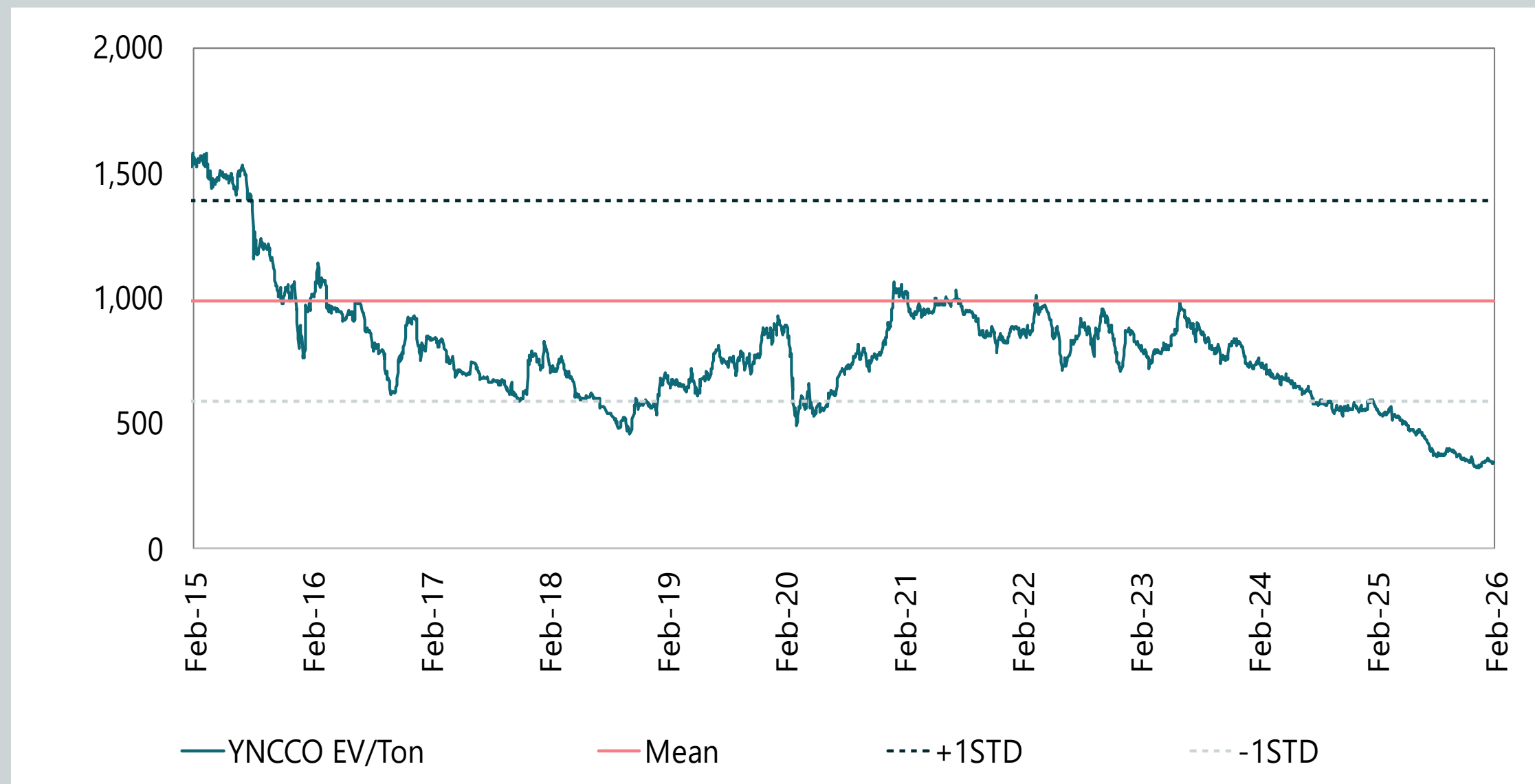
Yamama Cement Company continues to gain market share; in 4Q25, its national and regional shares rose by 2.5ppts and 5.4ppts, respectively. We believe the company maintained an aggressive sales strategy to capture share and reduce inventory levels, an approach that is likely to persist, albeit at a slower pace, given that Yamama holds the highest inventory among central region peers. This could keep pressure on both the company’s and the region’s realized prices, even as market share expands further. Demand in the central region remains strong and is expected to stay healthy, supported by planned time-bound events and a projected uptick in construction activity driven by ongoing real estate reforms. Additionally, with Yamama’s sales declining in December 2025, signaling easing price competition, realized prices improved in 4Q25 compared to 3Q25. To meet anticipated demand, the company has 12.5k tons per day of capacity in the pipeline, particularly as the region is operating near full utilization. Furthermore, Yamama plans to redevelop its old plant site into a logistics industrial hub, potentially integrating it into the King Salman Industrial Zone. Maintain Buy.

Source: Tadawul, Bloomberg, BSF Capital; Closing Price as on February 15, 2026

**RATING, TARGET PRICE OVERVIEW & TOP PICK**

**We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk**

**Yanbu EV/Ton**



**Relative Price Performance**



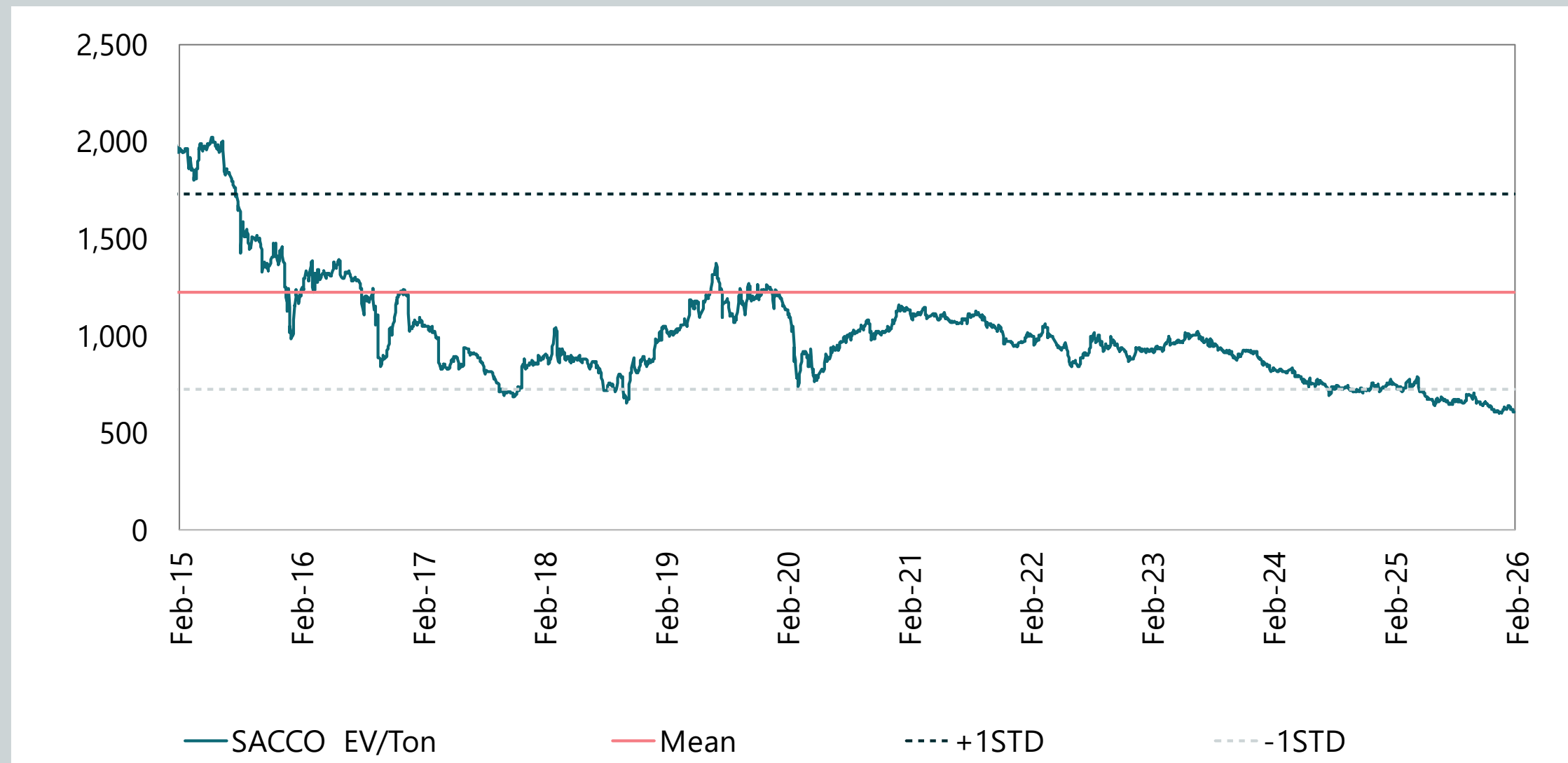
Yanbu Cement reported strong results at the gross level in 3Q25; however, higher operating expenses, mainly selling and distribution driven by higher clinker exports, which were up 3x Y/Y in 3Q25, led to a 9% Y/Y decline in profitability. Dispatches during the quarter declined as the company's regional and national market share fell 3.4ppts Y/Y and 1.0ppts Y/Y, indicating that the company refrained from selling at lower prices to defend market share, as evidenced by a 47% Y/Y and 12% Q/Q jump in retention price. The demand outlook for Yanbu remains strong as the western and northwestern regions have a strong project pipeline that will likely drive cement demand, with retention price in the region healthy, strong demand could push prices higher. Additionally, the company is strategically placed to capitalize on cement demand from Syria through sea once Syrian ports are operationalized and reconstruction activity accelerates. Maintain Buy.

Source: Tadawul, Bloomberg, BSF Capital; Closing Price as on February 15, 2026

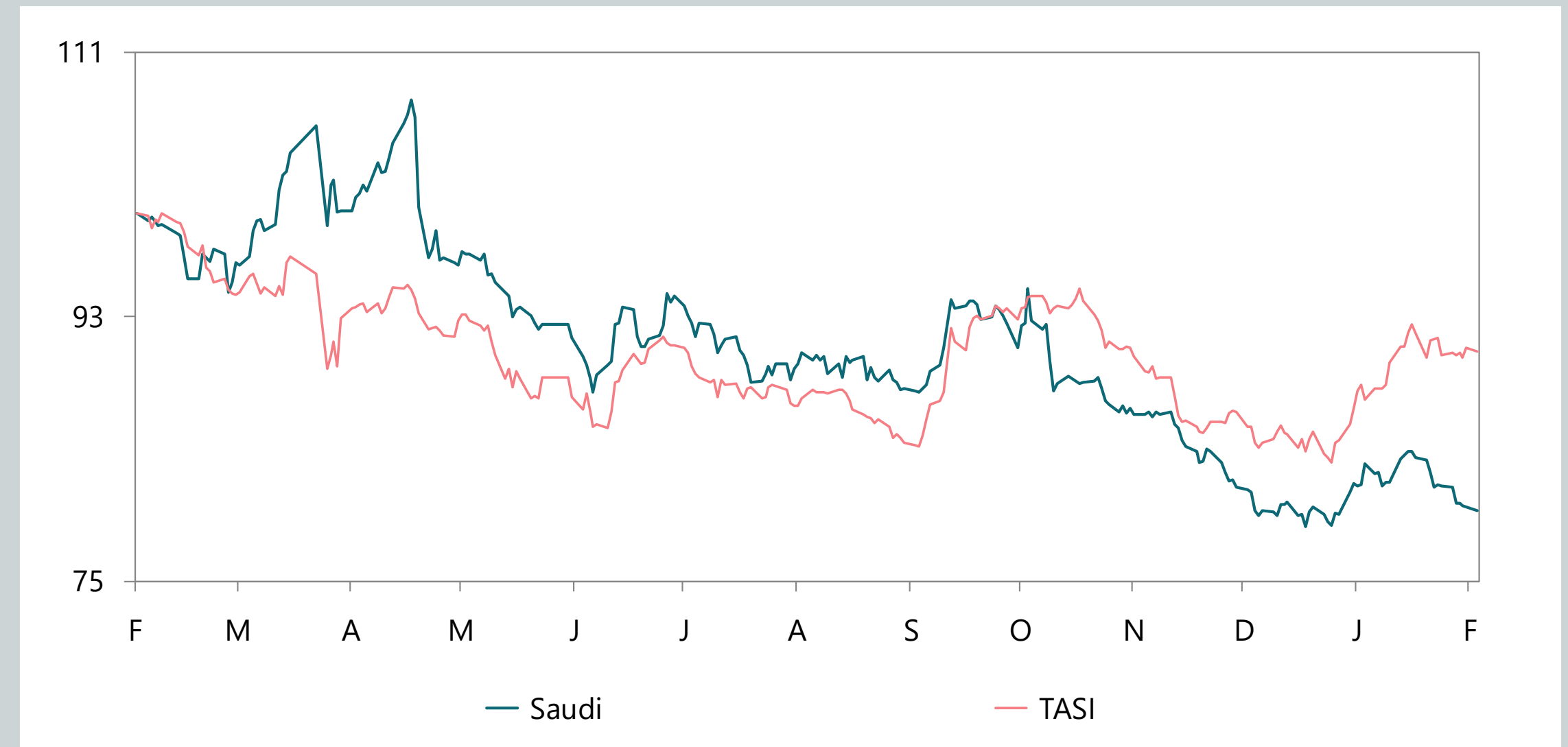
## RATING, TARGET PRICE OVERVIEW & TOP PICK

# We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk

Saudi EV/Ton



Relative Price Performance

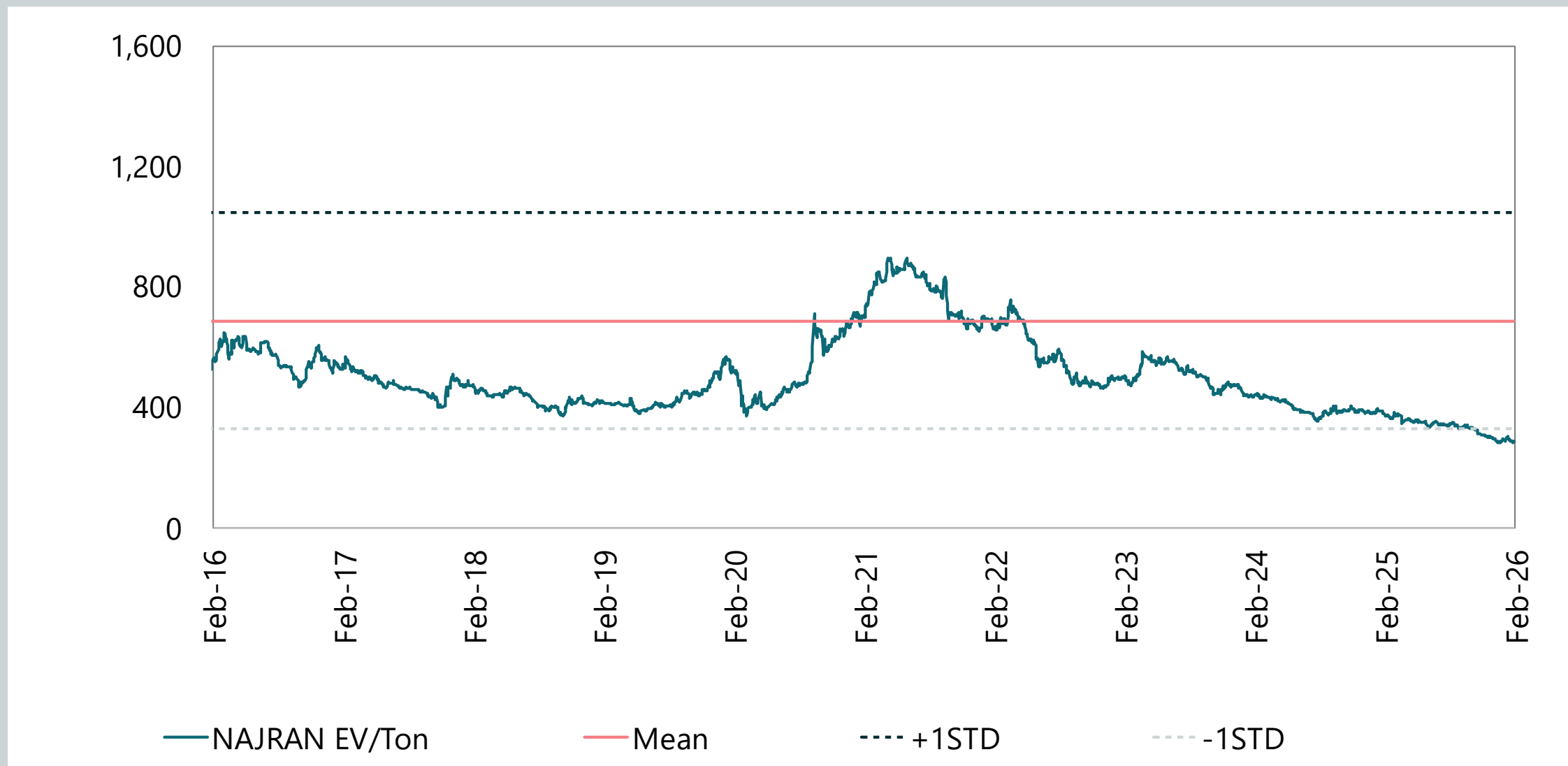


Saudi Cement remains the dominant player in both the Eastern Region and Saudi Arabia’s cement export market. The company’s regional market (domestic) share strengthened from 67% in 4Q24 to 70% in 4Q25, while its share of national cement exports averaged 82% over the same period. It also maintained a notable position in clinker exports, accounting for 32% of total exports in 4Q25. Despite its location away from the primary demand center, domestic sales have been resilient, rising 23% Y/Y. However, retention prices for the company have been under pressure, largely due to intensified competition, particularly in the central region. Saudi Cement’s exposure to that region, supported by railway connectivity between the eastern and central regions, allows it to remain competitive in selected areas. We expect demand in the eastern region to remain robust, supported by major infrastructure and industrial developments. Additionally, the company is well-positioned to benefit from ongoing mega and giga projects in the central region. Maintain Buy.

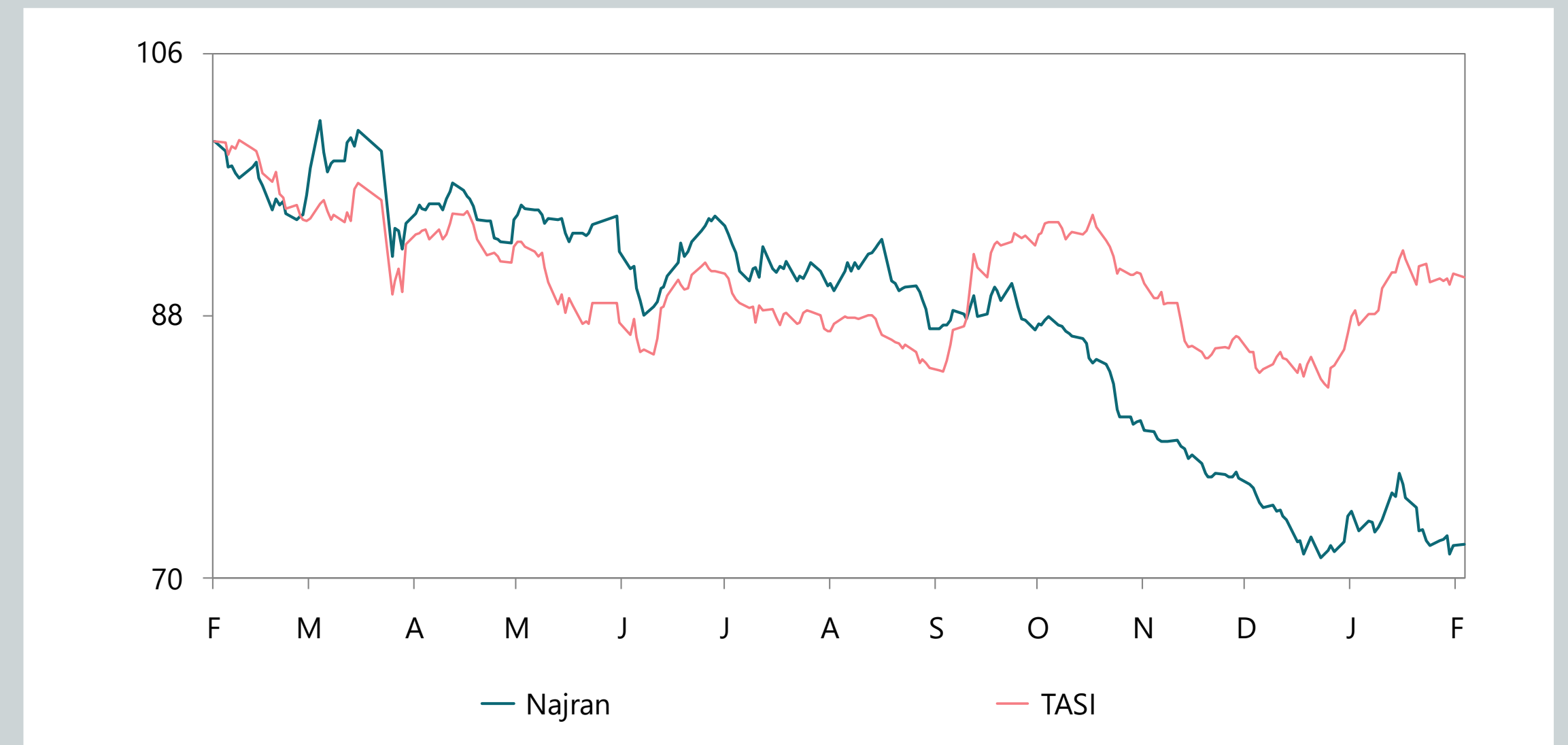
## RATING, TARGET PRICE OVERVIEW & TOP PICK

# We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk

Najran EV/Ton



Relative Price Performance



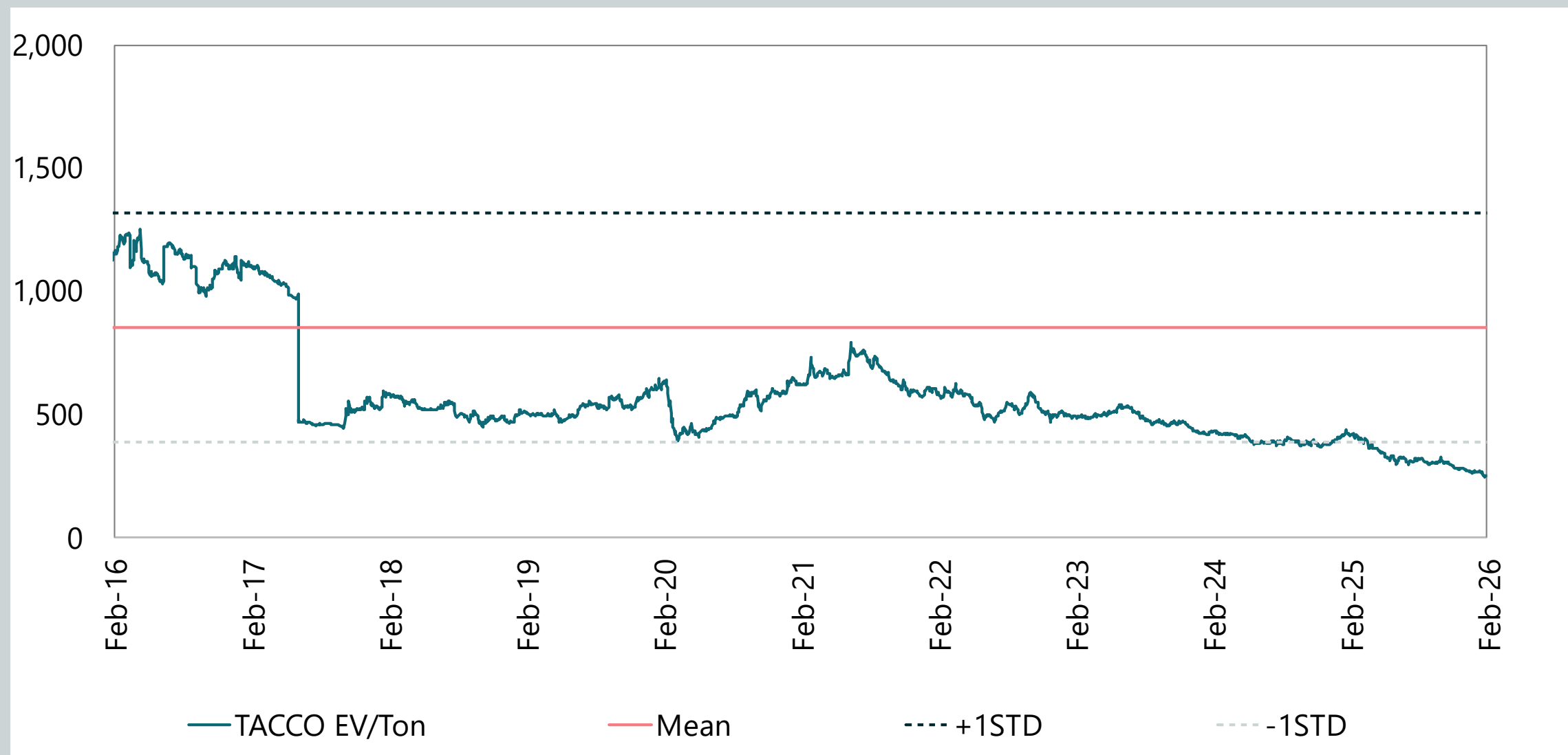
Southern region continues to lag behind the sector, primarily due to limited mega projects and ongoing instability in Yemen that continues to weigh on export prospects. Sales in the region have remained under pressure, evident from 2025 data, where sector-wide dispatches grew by 10% Y/Y, while the southern region saw a 2% decline. However, demand in the region is catching up, attributed to projects in urban development, industrial expansion, logistics, and tourism, with notable initiatives including Jazan City for Primary & Downstream Industries (JCPDI) and infrastructure upgrades across Jazan and Asir, on the back of which we expect demand in the southern region to recover 2026 onwards. The company has completed the first phase of its share buyback program (2.5% of the total 10% of the company's shares), and the initiation of the second phase could provide support to the stock price. Maintain Buy.

Source: Tadawul, Bloomberg, BSF Capital; Closing Price as on February 15, 2026

## RATING, TARGET PRICE OVERVIEW & TOP PICK

# We favour City, Yamama, Yanbu, Saudi, Najran and Tabuk

Tabuk EV/Ton



Relative Price Performance



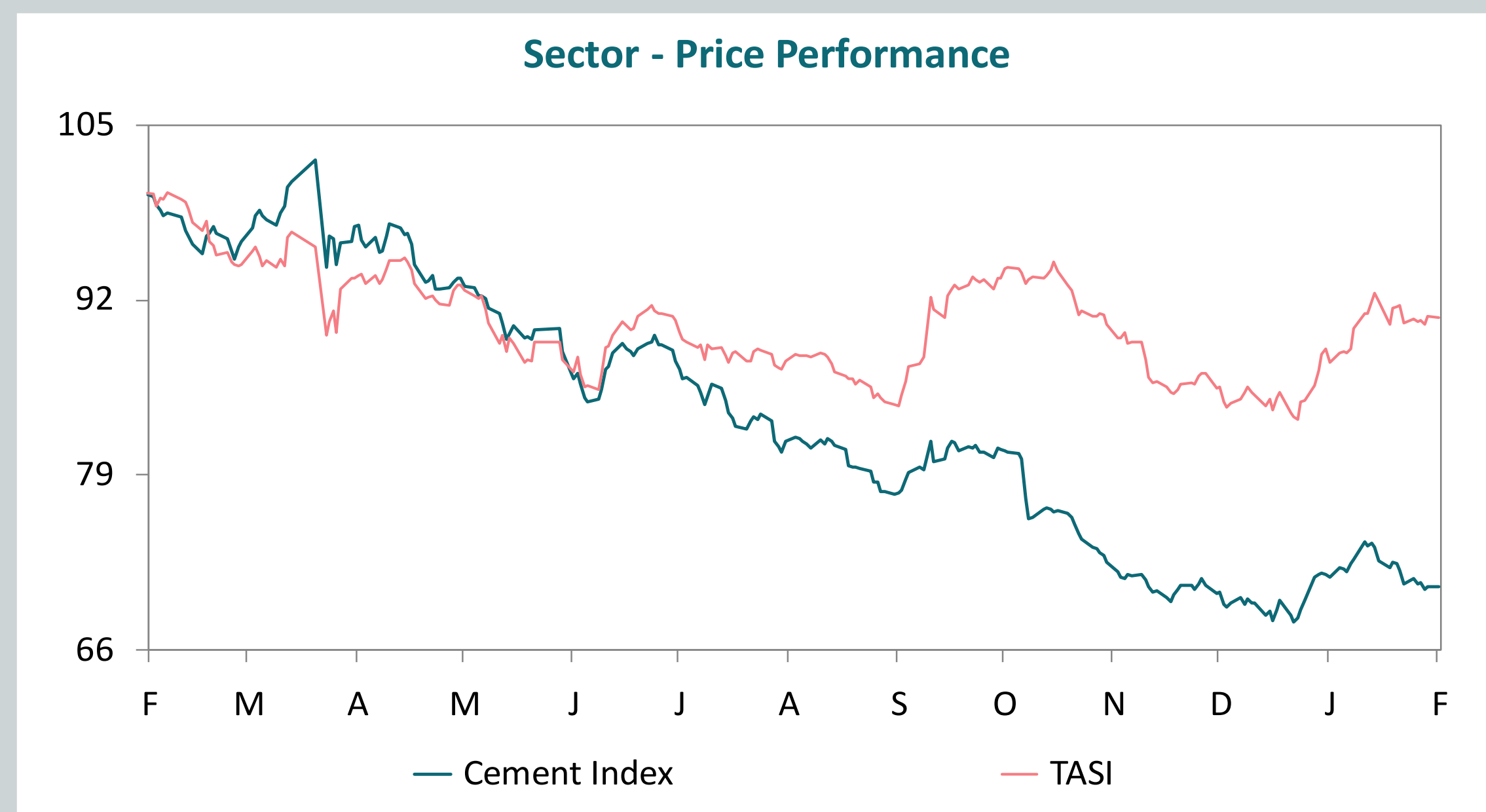
We remain positive on the stock but have moderated our expectations amid the government’s guidance for re-prioritization with respect to its capex spending. The government’s near-term priorities have shifted toward infrastructure development for time-bound events such as Expo 2030 and the FIFA World Cup 2034, resulting in slow progress on mega projects in the Northern region. We expect NEOM-related spending to be scaled moderately lower in the near term, as evidenced by the absence of new project awards in 2025. Encouragingly, volumes have exhibited a sequential recovery, a trend we expect to extend into 4Q25 and support a gradual recovery in retention prices in 2026. TCC continues to operate at c.90% capacity on a single-line basis, positioning the company to benefit meaningfully from any improvement in pricing, which would translate into stronger financial performance. However, with oil prices expected to remain range-bound amid excess supply in 2026, we do not foresee a material acceleration in NEOM-related project awards. While NEOM remains a strategic priority, extended project timelines have increased execution and demand risks to our investment thesis. Maintain Buy.

## PRICE PERFORMANCE

# Sector underperforms the broader market over last 12 months

Index/Stock	Price	YTD	1M	2M	3M	6M	9M	12M
Cement Index	59.8	2.5%	-1.0%	0.6%	-2.5%	-13.2%	-24.0%	-29.3%
TASI	11,229	7.0%	3.8%	6.0%	0.5%	3.6%	-2.2%	-9.3%
Arabian	21.4	0.7%	-1.7%	-0.2%	-0.6%	-2.8%	-12.1%	-20.7%
City	13.3	5.7%	1.4%	3.7%	-0.5%	-17.3%	-30.7%	-33.8%
Eastern	24.2	3.4%	0.5%	0.9%	0.8%	-10.6%	-26.3%	-33.1%
AlJouf	6.0	-5.4%	-6.4%	-9.7%	-13.7%	-9.9%	-34.9%	-48.0%
Najran	6.4	0.2%	-1.2%	-5.0%	-9.7%	-19.4%	-24.1%	-27.7%
Northern	6.9	-3.9%	-2.0%	-5.3%	-10.4%	-10.6%	-19.3%	-30.0%
Qassim	42.8	1.8%	1.5%	3.5%	3.1%	-1.7%	-16.8%	-19.2%
Saudi	34.5	0.1%	-3.8%	-1.5%	-7.6%	-11.9%	-17.9%	-20.2%
Southern	21.8	-2.2%	-3.7%	-1.5%	-8.9%	-16.2%	-29.2%	-35.2%
Tabuk	8.6	-5.8%	-4.4%	-10.1%	-13.6%	-18.4%	-27.7%	-38.1%
Yamama	26.1	11.9%	0.0%	6.6%	4.6%	-21.9%	-28.6%	-30.7%
Yanbu	15.1	4.5%	-0.1%	2.2%	-4.4%	-7.7%	-28.4%	-37.4%

*Cement refers to the market cap weighted index for 15 listed cement stocks (one year ago combined market cap taken as base = 100).  
Close price (in SAR) as of February 15, 2026*

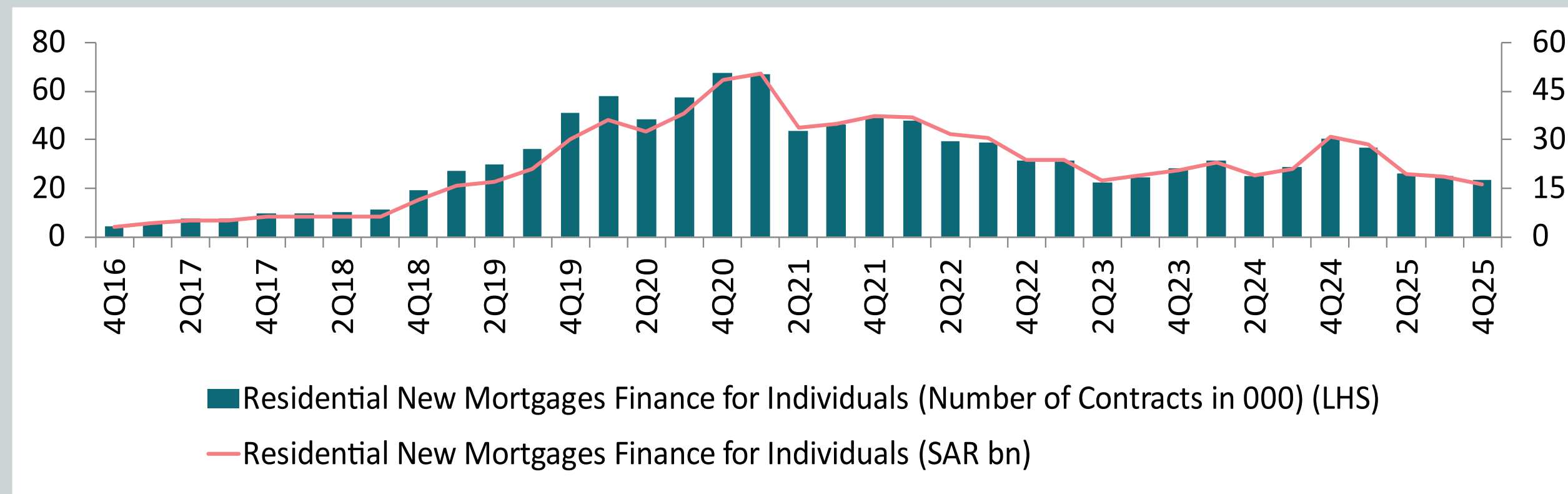
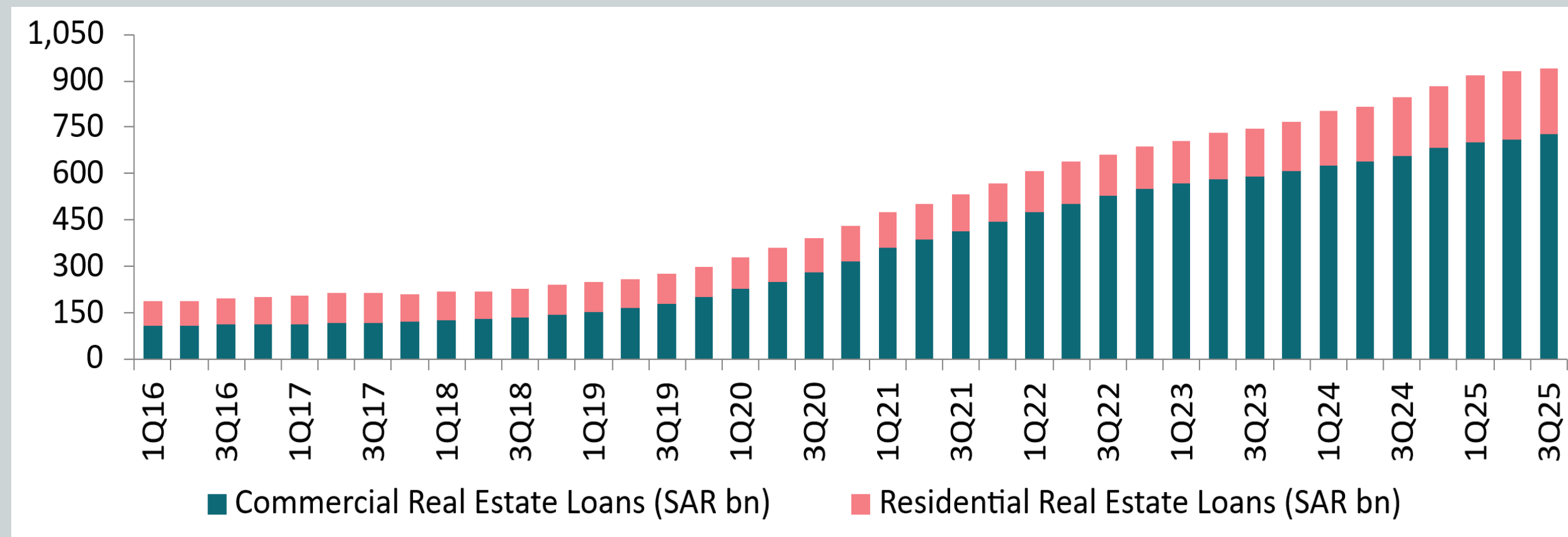


- Cement stocks advanced 2.5% YTD. Yamama (+11.9%) gained the most, while Tabuk witnessed the biggest decline (-5.8%).
- Over the last 12 months, the cement index fell 29.3%, underperforming as compared to the broader market, which declined 9.3%.
- All 12 stocks under our coverage witnessed negative price performance over the last 12 months. AlJouf (-48.0%) witnessed the largest price fall, while Qassim (-19.2%) was the best performer.

## KSA MORTGAGE MARKET

# New residential mortgage contracts decrease Y/Y in 3Q25

### Mortgage Data

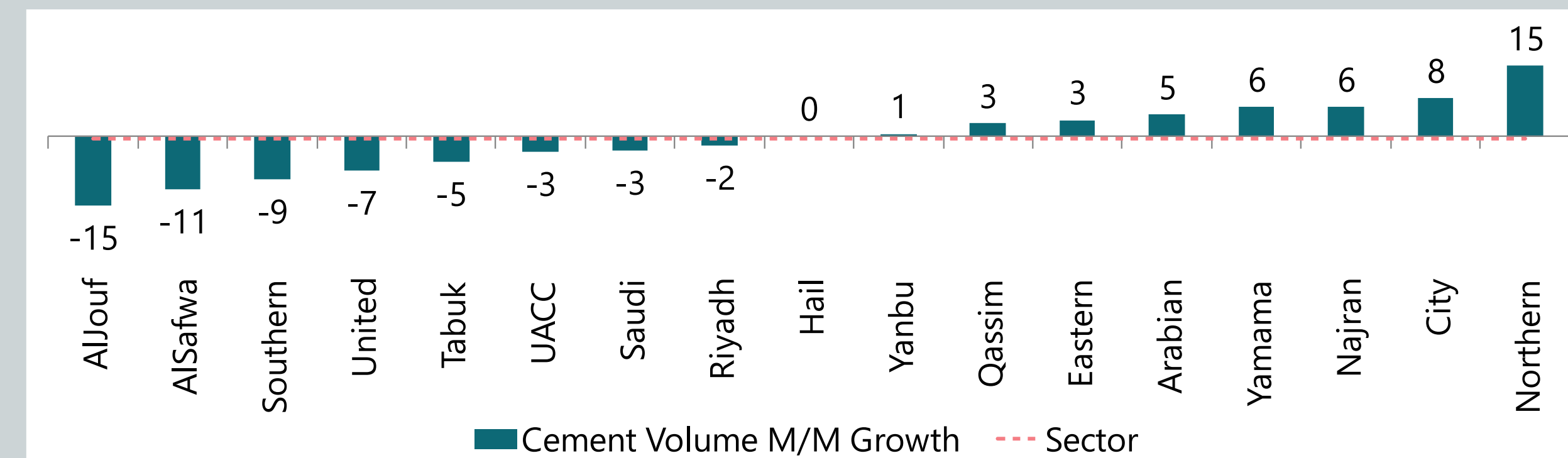
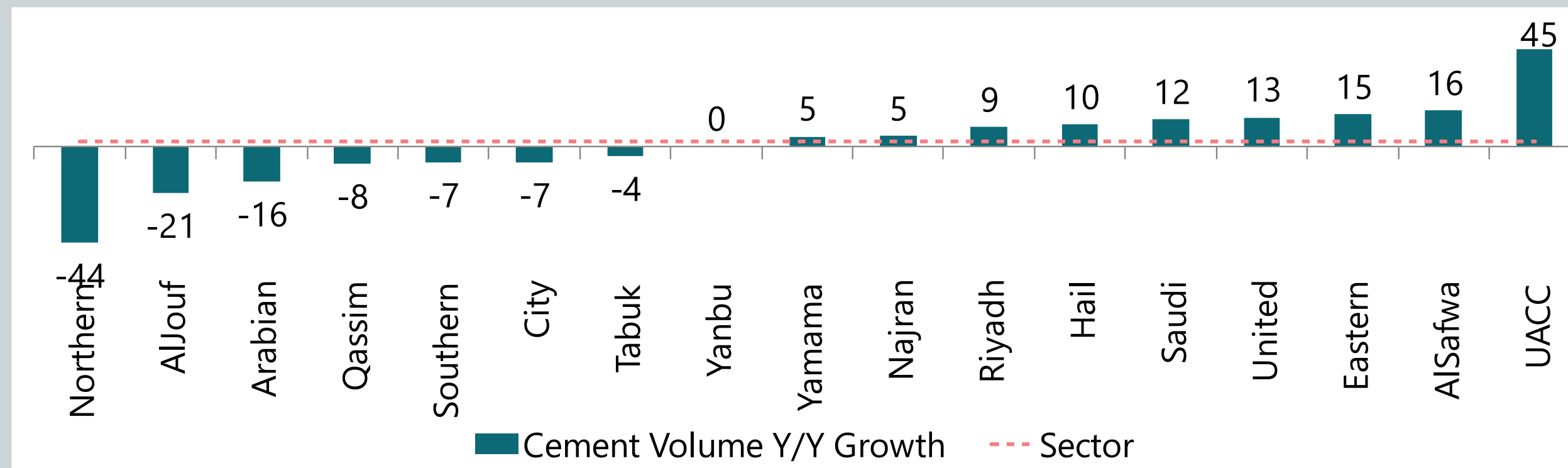


- As part of the broader Vision 2030, the Saudi government unveiled the Housing Program to increase the supply of affordable housing units as well as enhance access to subsidized and appropriate funding.
- To achieve its objectives, the government initiated several measures to stimulate residential demand, including a SAR 18bn loan guarantee scheme, increase in maximum loan-to-value for first-time buyers to 90% from 85%, and subsidized interest-free real estate housing loan.
- The government’s measures positively impacted mortgage lending. Mortgage lending gathered momentum 4Q18 onwards after subdued growth in the previous years. In 4Q25, new residential mortgage contracts decreased 42.3% Y/Y and 7.8% Q/Q; mortgage loan value dropped 47.2% Y/Y and 12.6% Q/Q.
- In 3Q25, commercial real estate loans gained 2.0% Q/Q, and 10.5% Y/Y. Residential real estate loans dropped 4.2% Q/Q but rose 11.7% Y/Y.

## VOLUME TRENDS

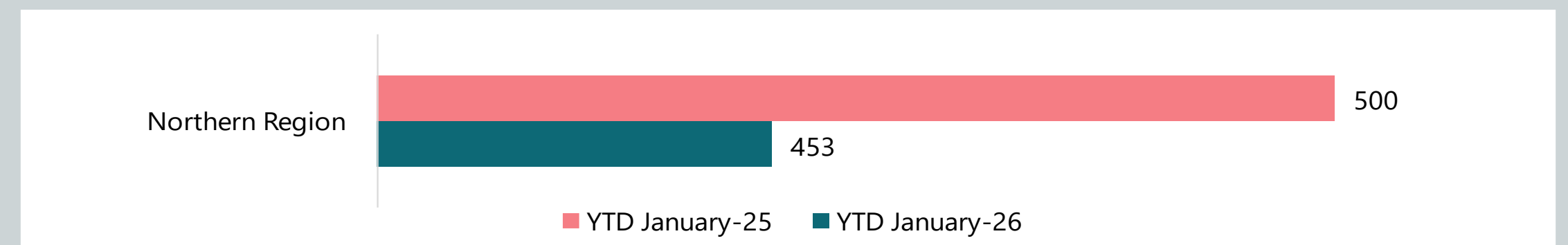
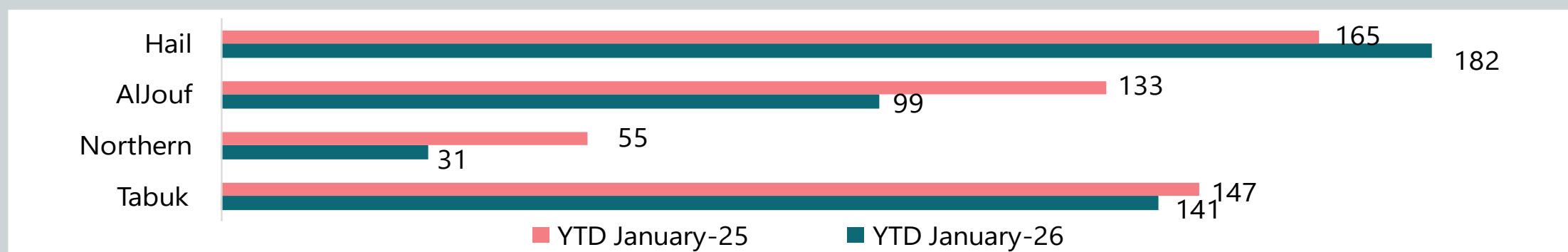
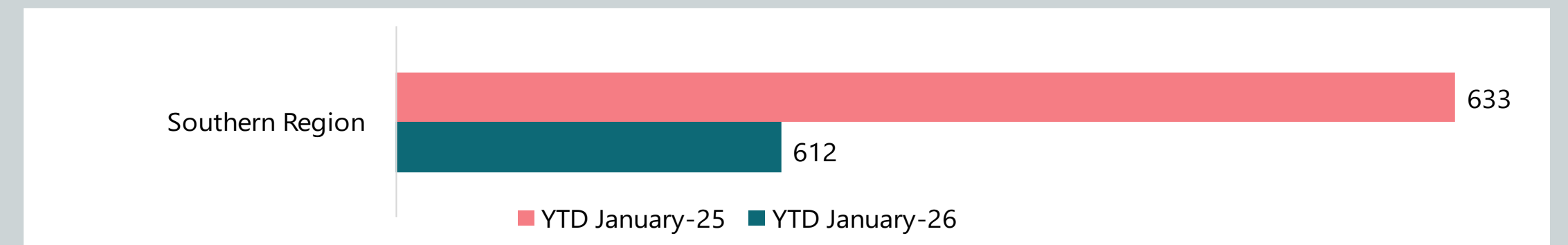
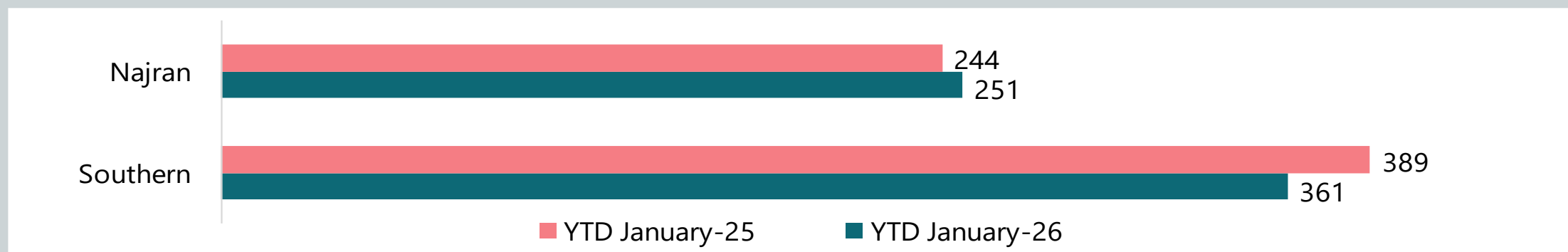
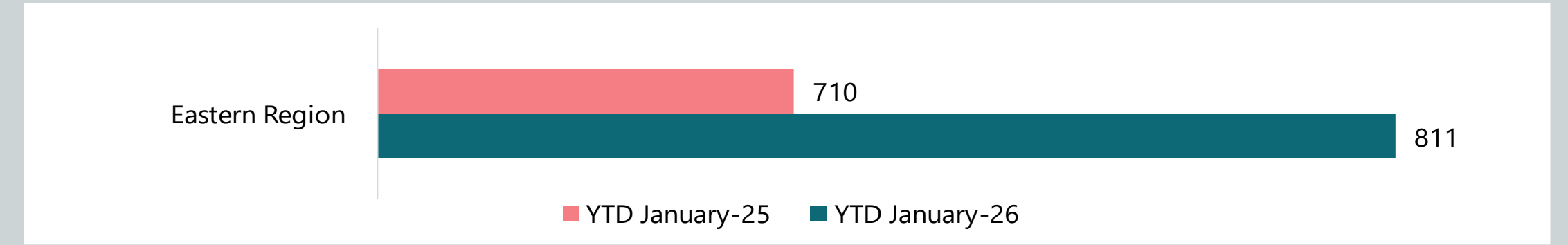
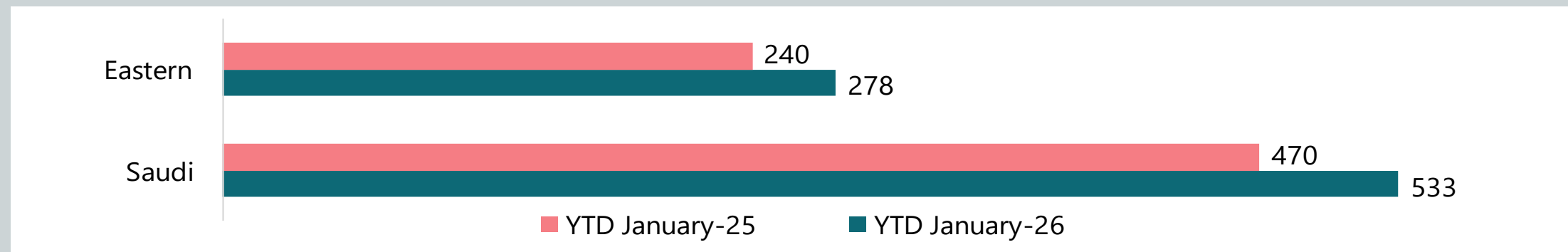
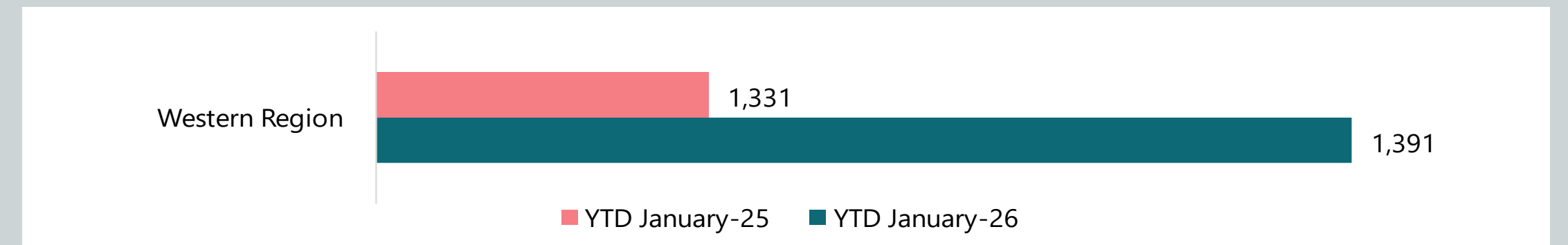
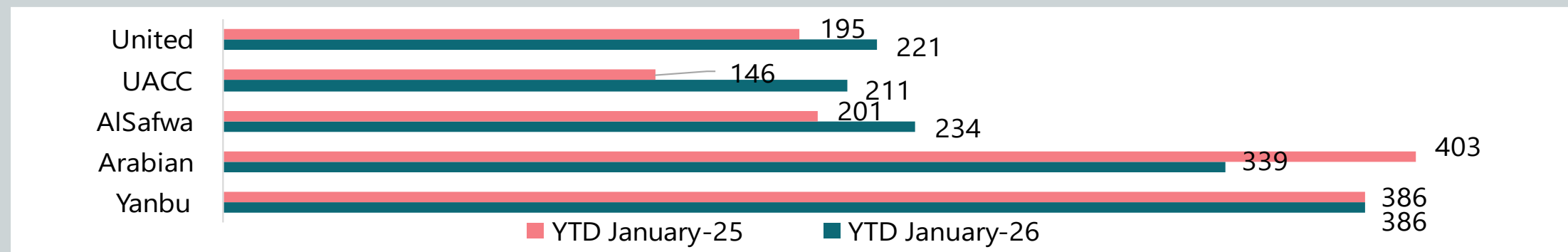
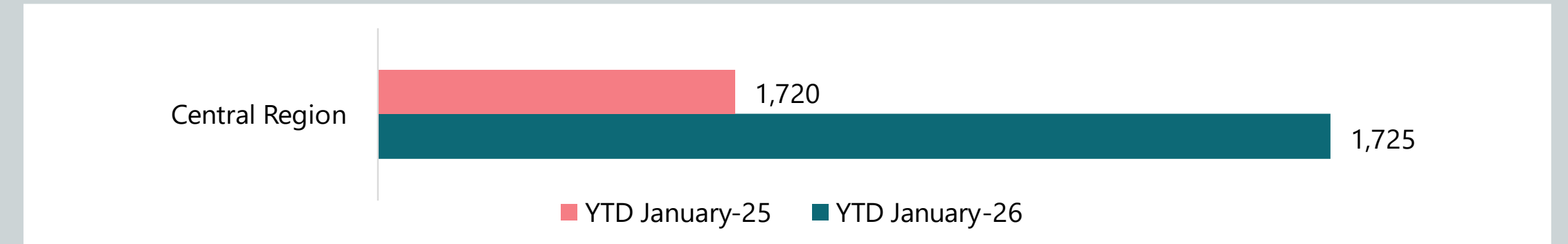
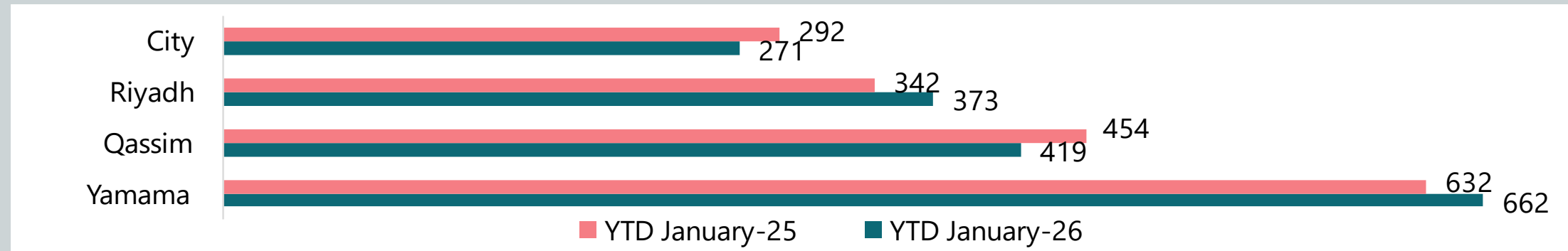
# Northern region reported the largest Y/Y decline in dispatches

### Volume Growth



- Cement dispatches in January 2026 stood at 5.1mn tons, up 2.3% Y/Y, but down 0.5% M/M. Nine companies registered a Y/Y rise in dispatches in the month.
- UACC reported the highest Y/Y increase in dispatches, up 44.5% Y/Y.
- Northern Cement saw the largest Y/Y decline in dispatches, down 43.6% Y/Y.
- The eastern region saw the highest Y/Y rise of 13.1%, followed by the western and central regions, up 4.5% and 0.3%, respectively, while the northern and southern regions reported a drop of 8.2% and 2.3%, respectively.
- On an M/M basis, only the central region recorded growth (+3.7%), while the northern and southern regions were down by 4.6% and 3.0%, respectively. The western and eastern regions dispatches dropped 2.5% and 1.2%, respectively.

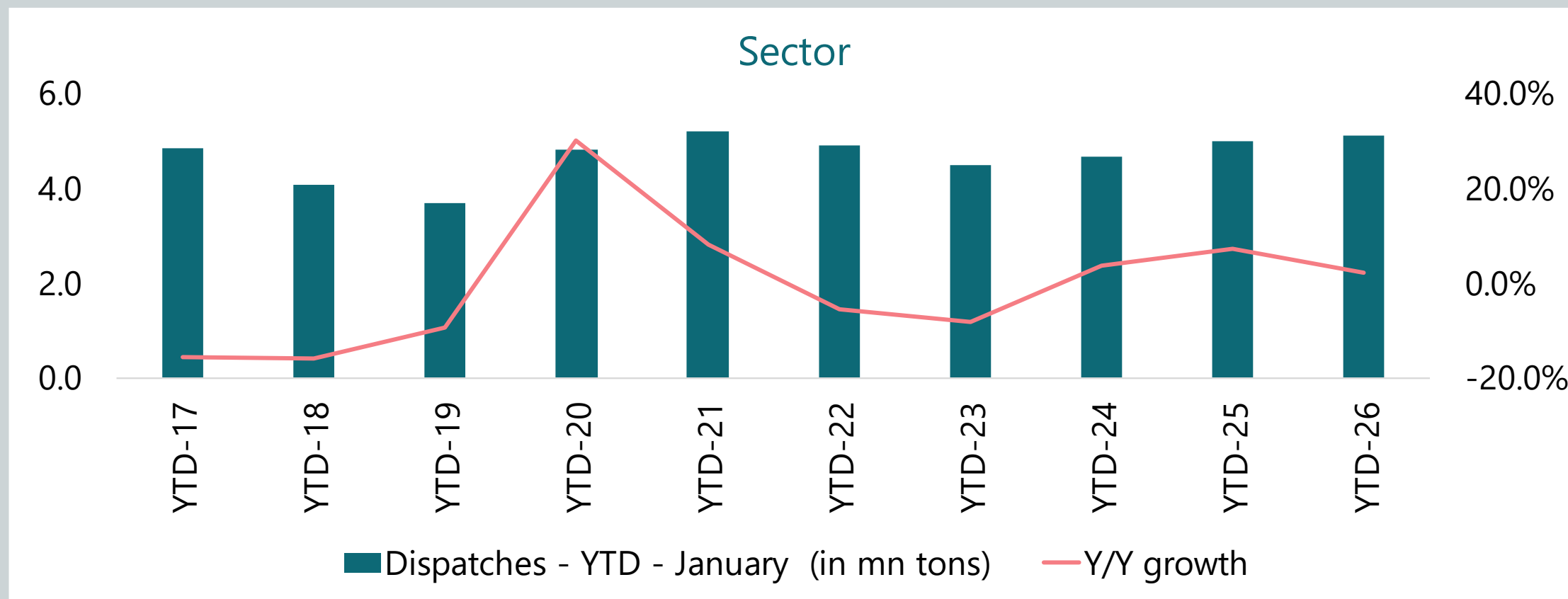
## LOCAL SALES TRENDS



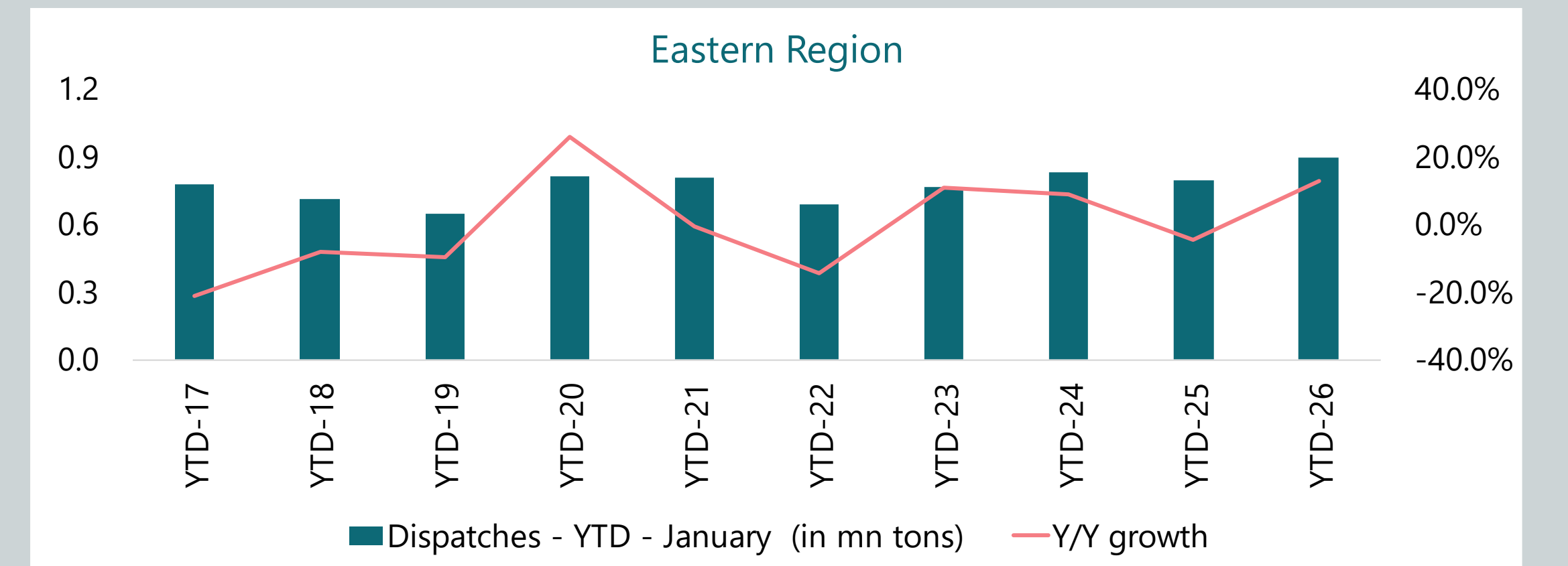
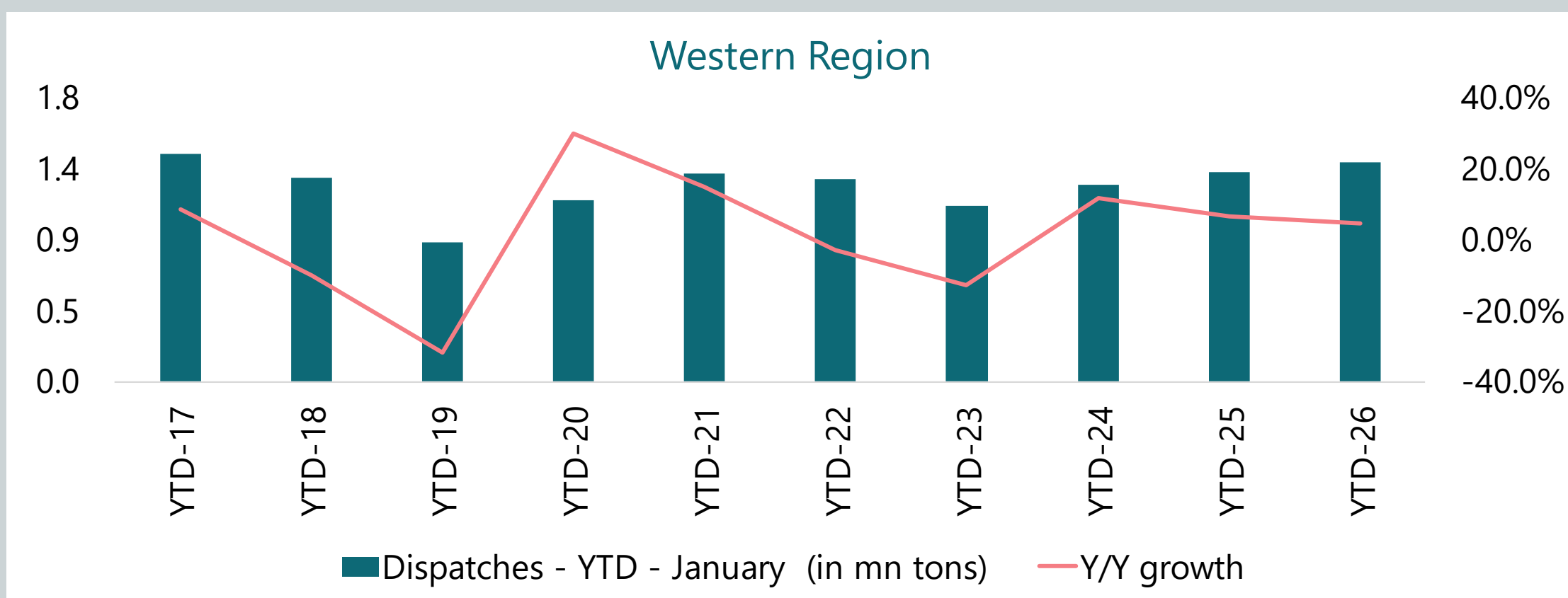
Source: Yamama Cement, Argaam, BSF Capital

**DISPATCHES - YTD**

# Eastern region posted the highest Y/Y rise in YTD dispatches

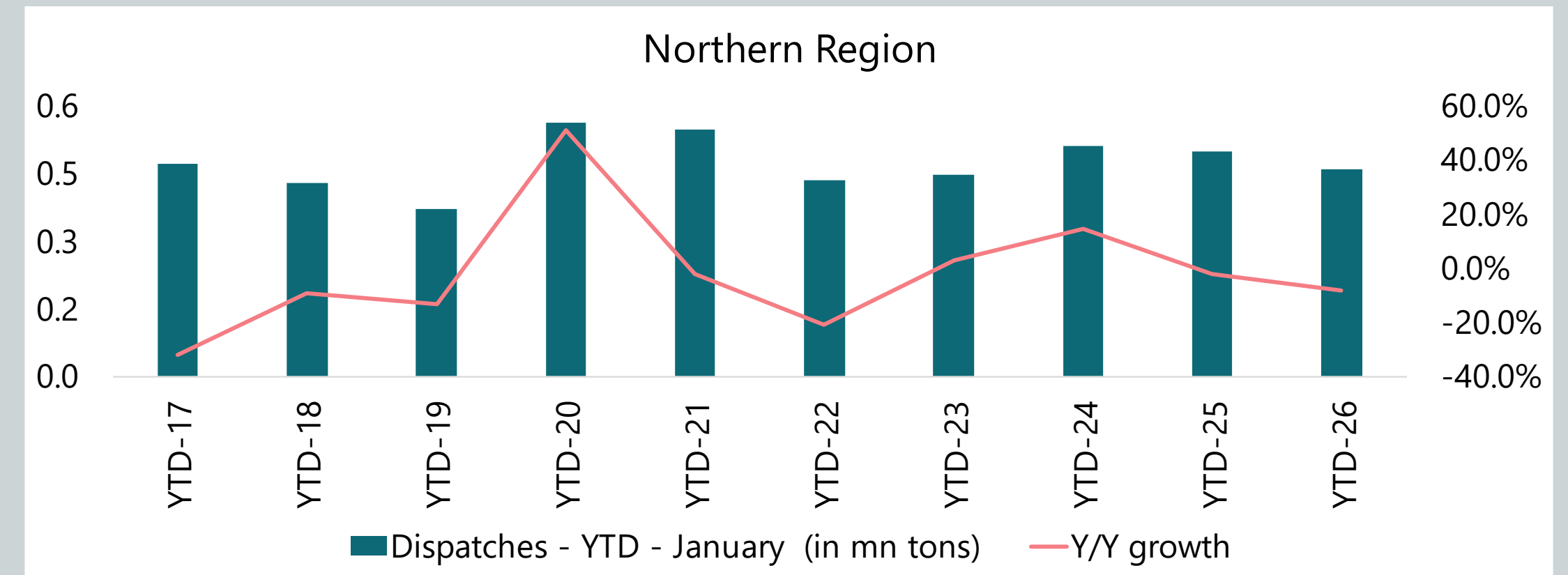
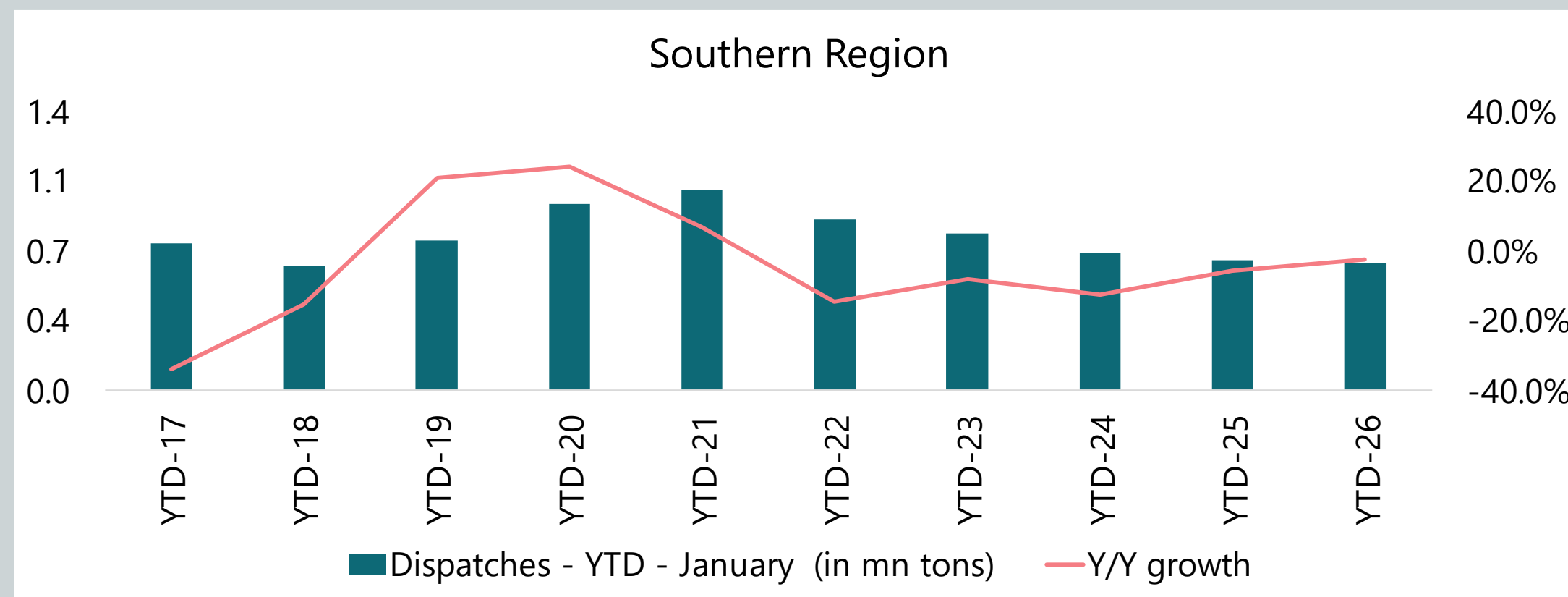
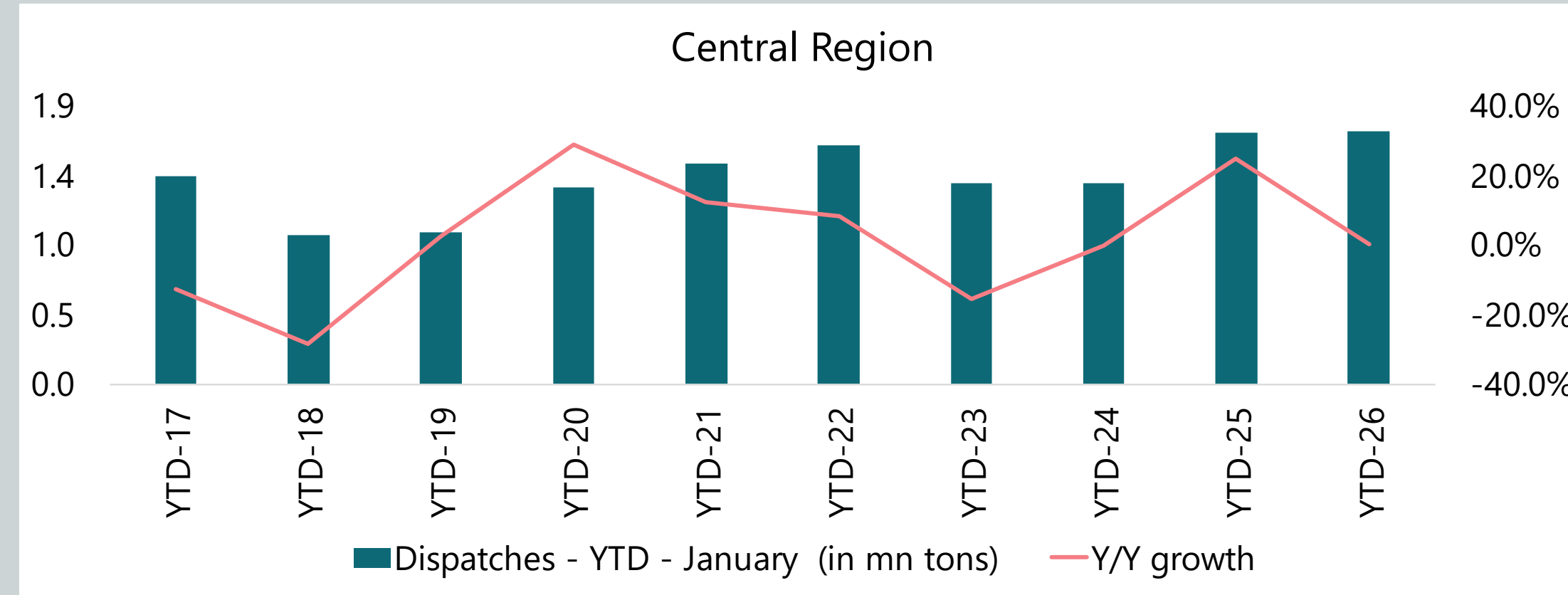


- In January 2026, YTD cement dispatches increased 2.3% Y/Y to 5.1 mn tons.
- UACC registered the highest growth of 44.5% Y/Y.
- Northern saw the highest decline of 43.6% Y/Y.
- Eastern region saw the highest rise in YTD dispatches (+13.1% Y/Y), followed by the western region (+4.5% Y/Y) and the central region (+0.3% Y/Y), while northern and southern regions' dispatches dropped 8.2% Y/Y and 2.3% Y/Y, respectively.



Source: Yamama Cement, Argaam, BSF Capital; \* Western region total includes dispatches made by UACC and United, which began production in January 2017.

**DISPATCHES - YTD**

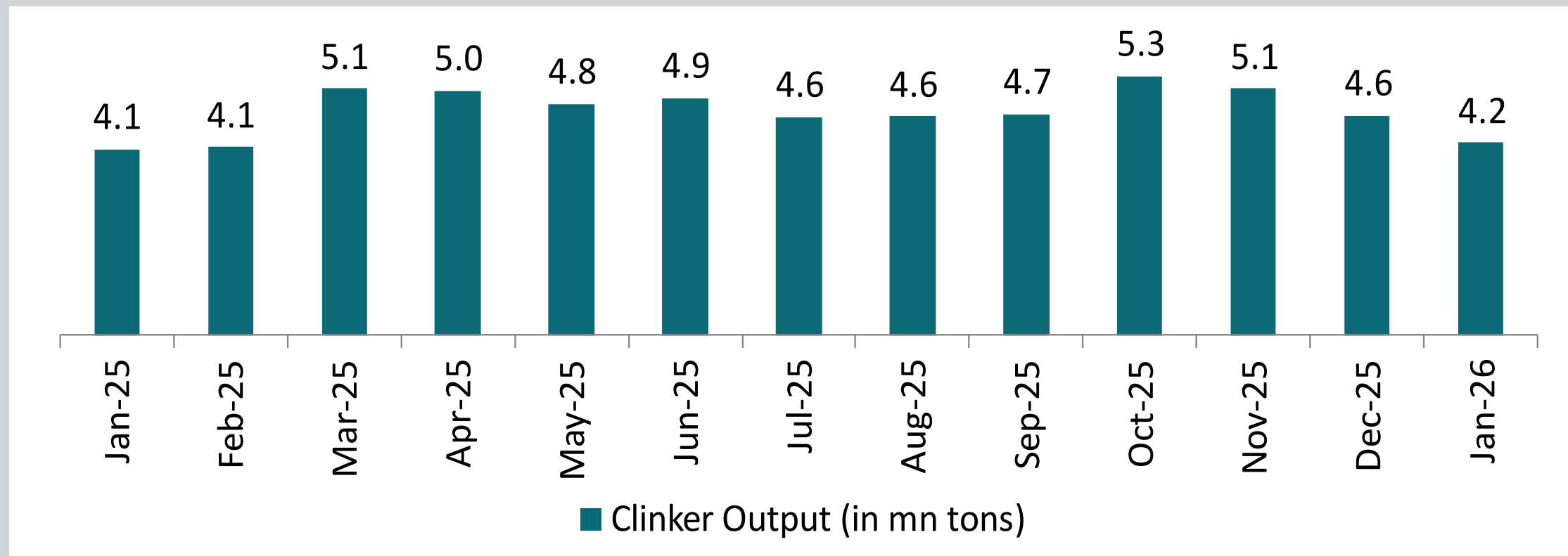


Source: Yamama Cement, Argaam, BSF Capital

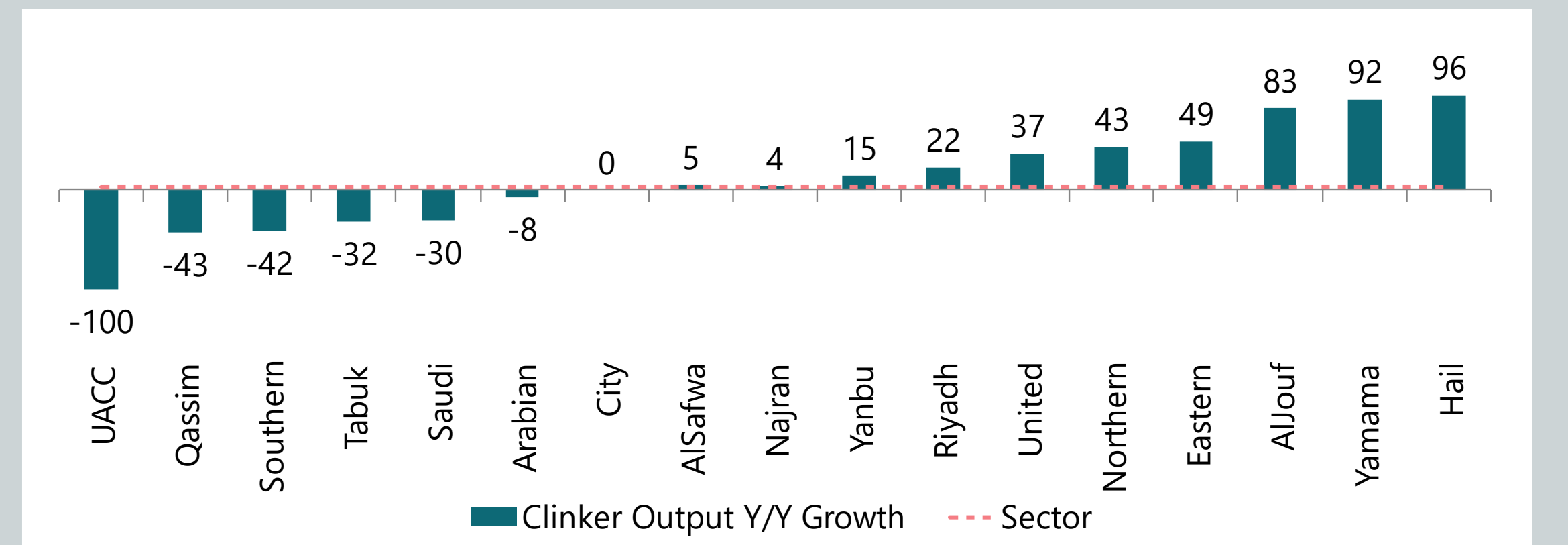
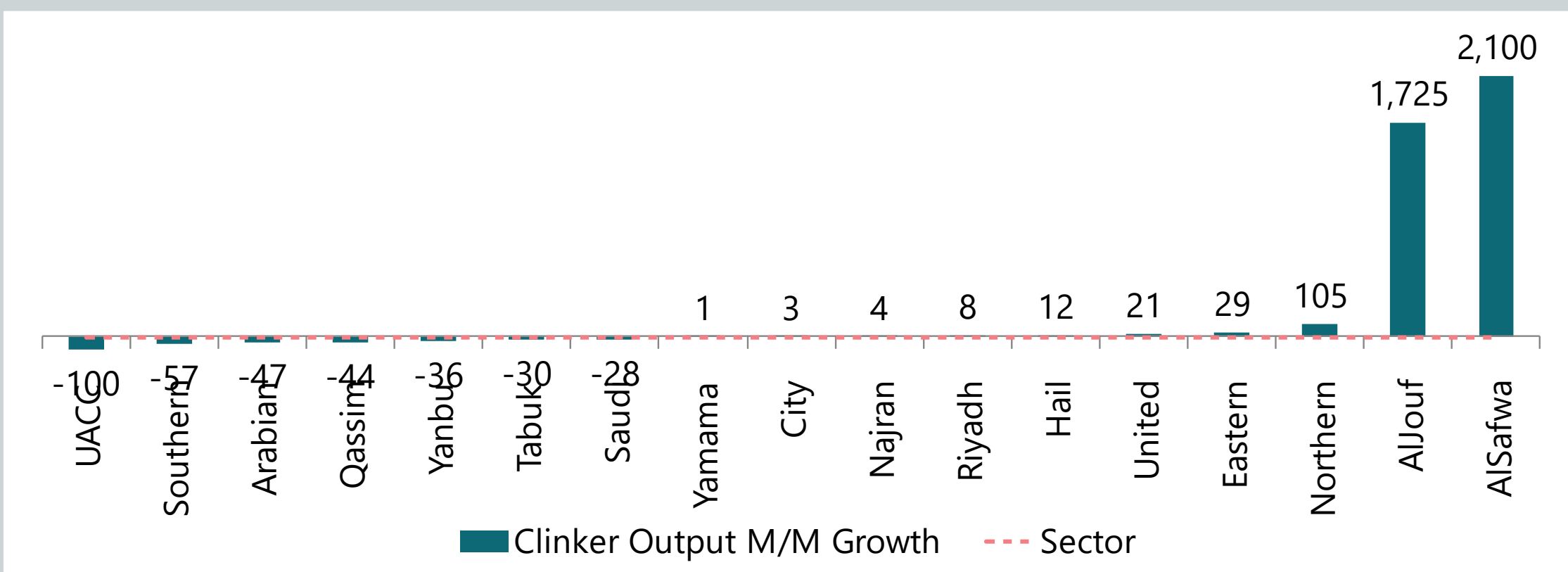
**CLINKER VOLUME TRENDS**

# Northern region records the highest Y/Y increase in clinker output

**Clinker Volume Growth**



- Clinker output increased 2.7% Y/Y but fell 9.9% M/M, reaching 4.2mn tons in January 2026.
- Northern region saw the most increase in clinker output (+33.5% Y/Y), led by Hail Cement, which reported 95.6% Y/Y growth in clinker production.
- The southern region saw the highest decrease (-23.2% Y/Y), followed by the western and eastern regions, which saw a decline of 9.7% and 7.7%, respectively. Central region output rose 21.2% for the period.

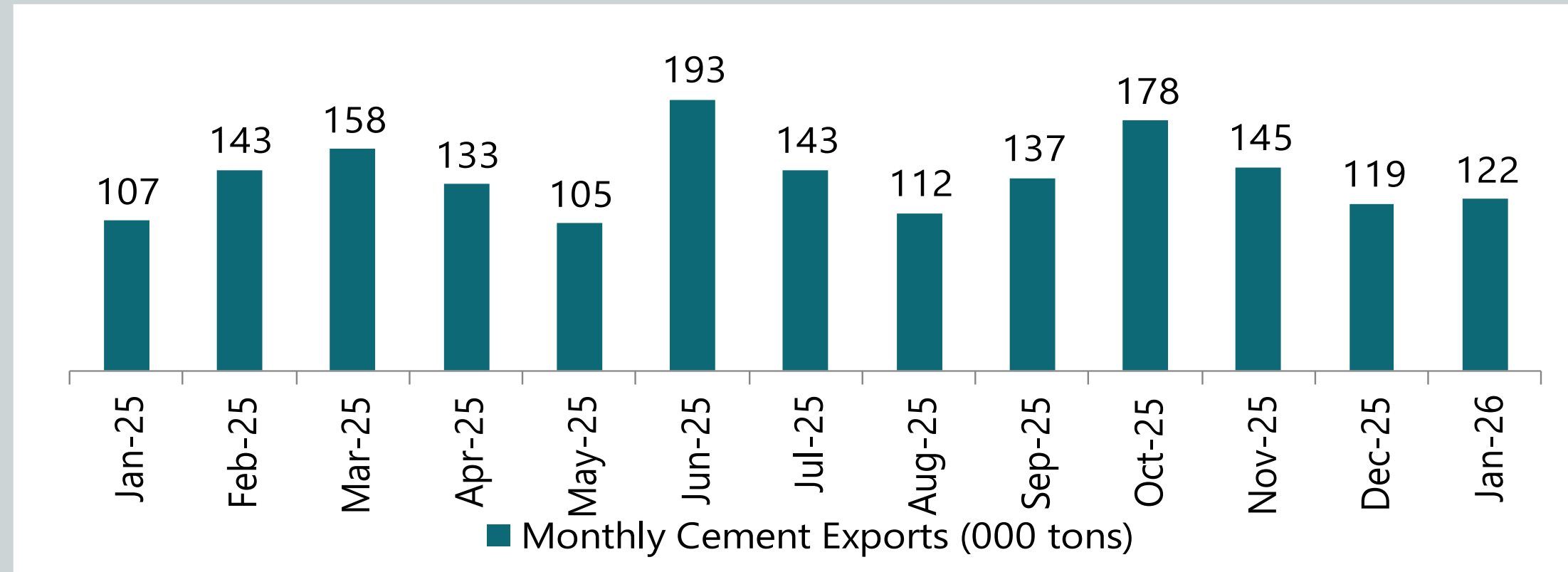


Source: Yamama Cement, Argaam, BSF Capital

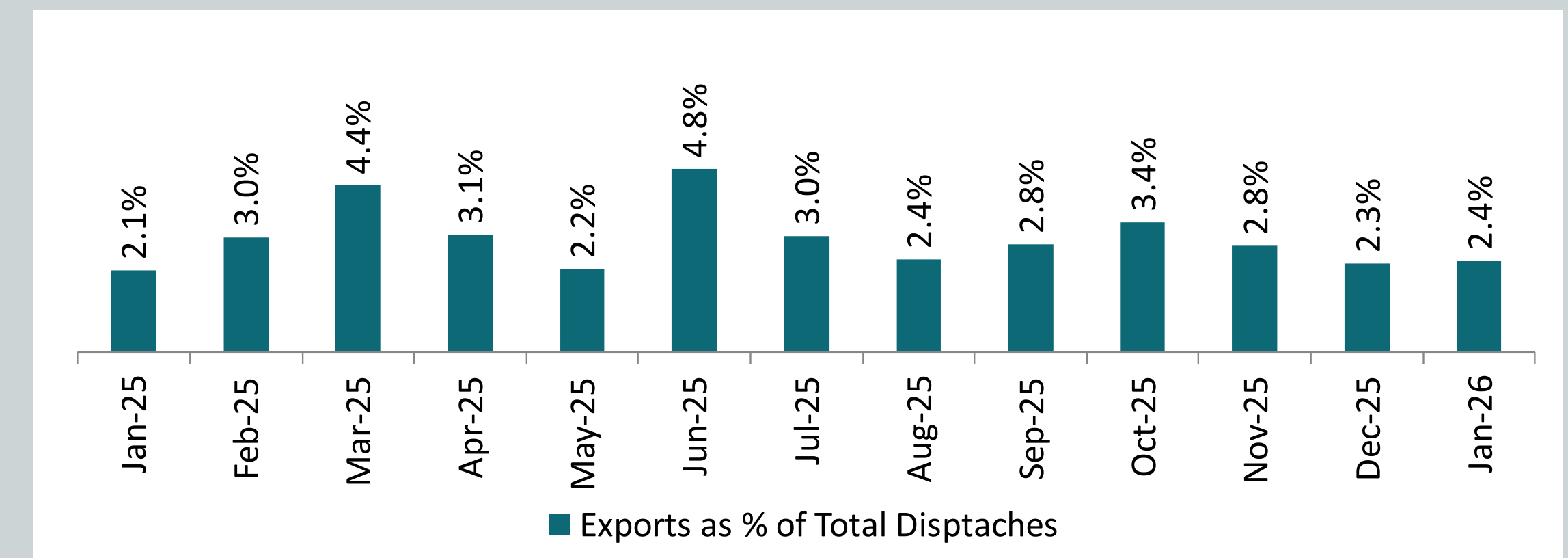
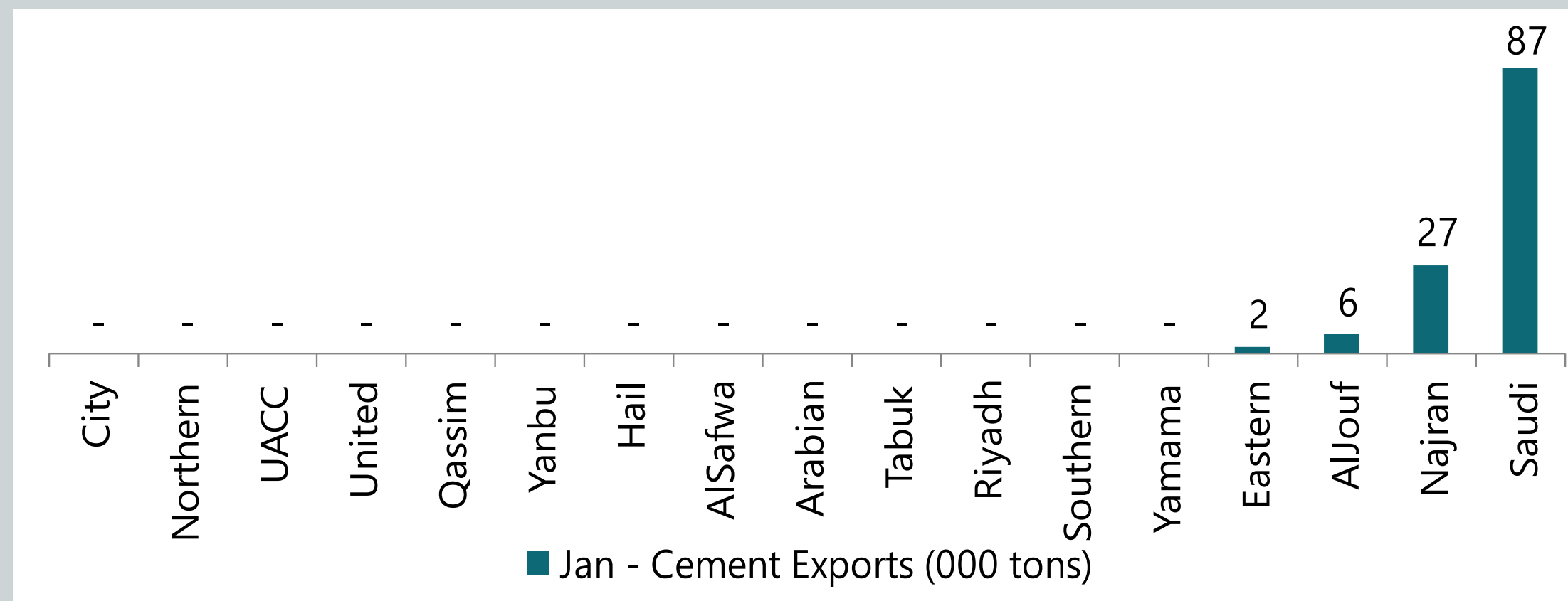
## EXPORT VOLUME TRENDS

# Cement exports witnessed an increase Y/Y and M/M

### Export Growth



- Cement exports in January 2026 increased 14.0% Y/Y and 2.5% M/M to 122K tons.
- Saudi Cement Co. continued to lead exports, representing 71.3% of total exports.
- As of January 2026, cement exports made up 2.4% of the overall dispatches compared to 2.3% in December 2025 and 2.1% in January 2024.

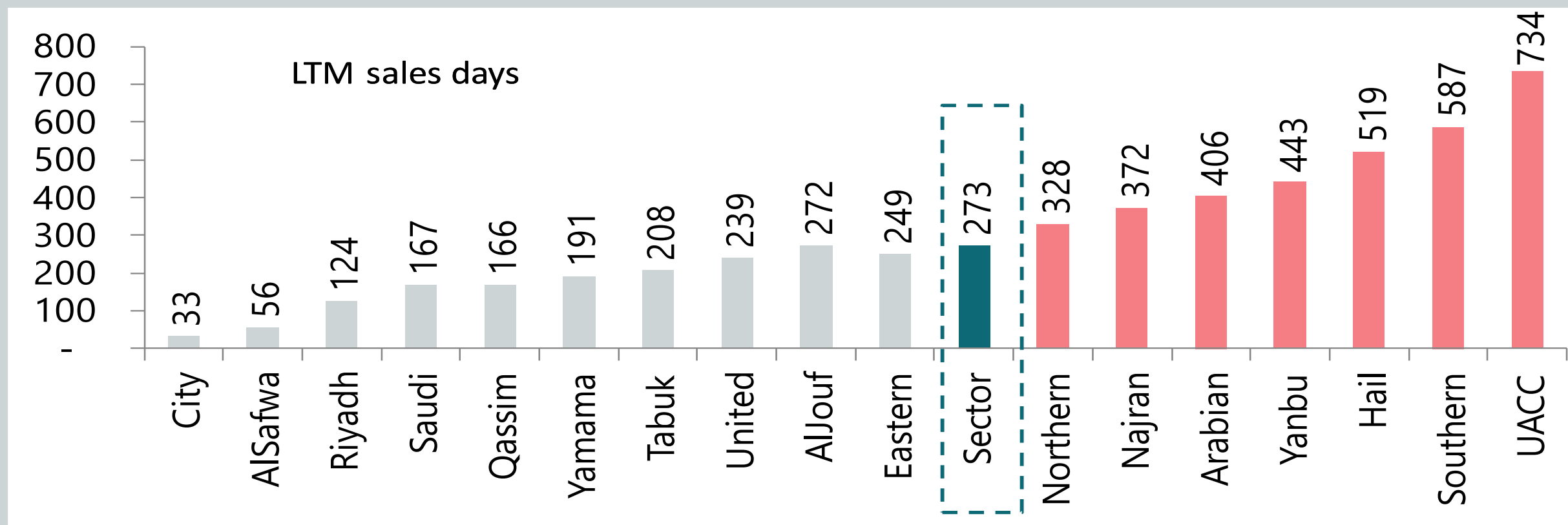
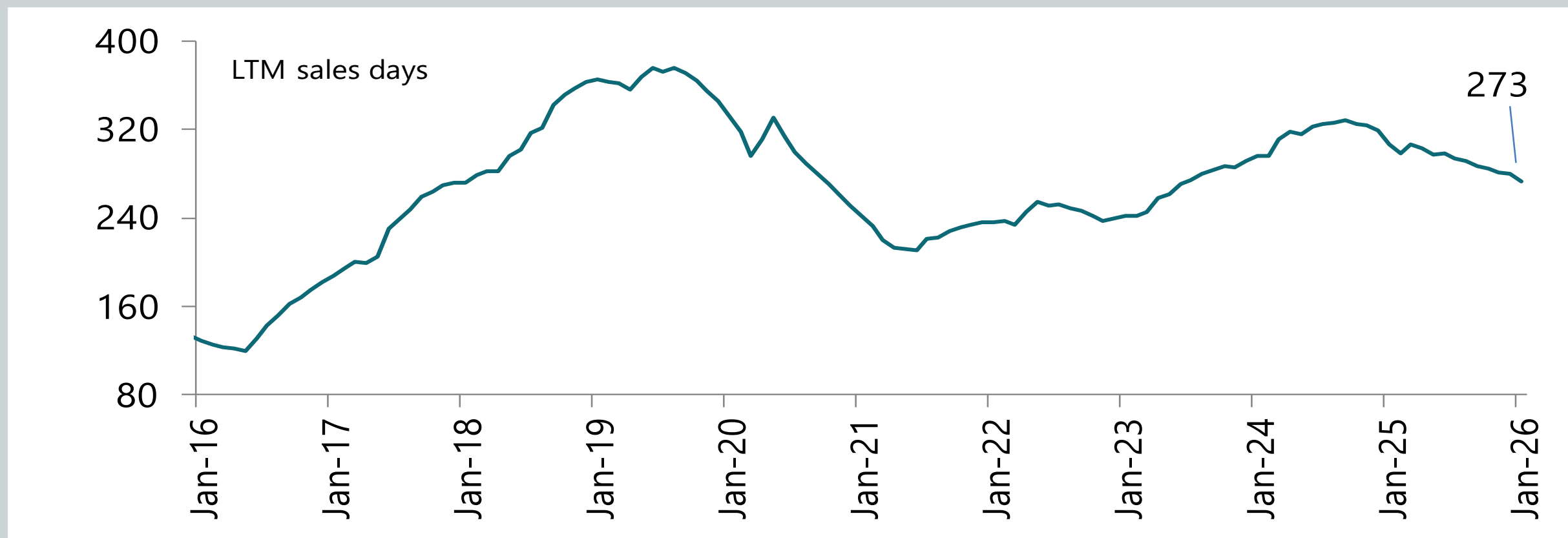


Source: Yamama Cement, Argaam, BSF Capital

## CLINKER INVENTORY TRENDS

# Clinker inventory days drop Y/Y for eleventh consecutive month

### Clinker Inventory Details

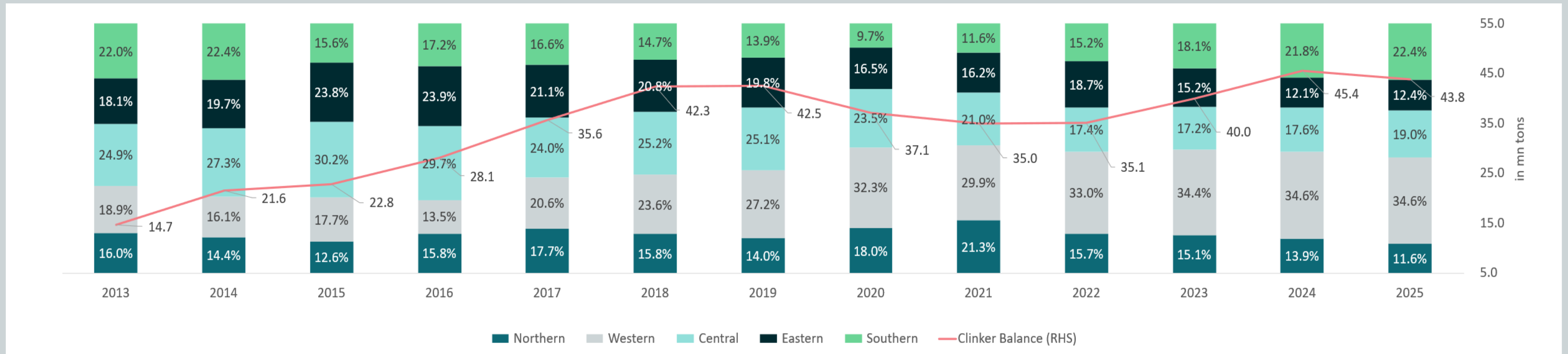


- Sector inventory was 42.8mn tons in January 2026.
- The inventory level decreased to 273 days of sales in January 2026 from 307 days in January 2025, registering the eleventh consecutive Y/Y drop after rising for thirty-seven consecutive months.
- UACC has an inventory of 734 days of sales, the highest in the sector, while City has an inventory of 33 days of sales, the lowest in the sector.
- Inventory is highest in the southern region, with an inventory-to-sales ratio of 139%, well above the sector at 76%. The western and northern regions registered an inventory-to-sales ratio of 101% and 98%, respectively. The eastern and central regions reported an inventory-to-sales ratio of 53% and 42%, respectively.

## CLINKER INVENTORY TRENDS

# Central region posts highest rise in share of 2025 total inventory

Region-wise Clinker Balance (% of Total Clinker)

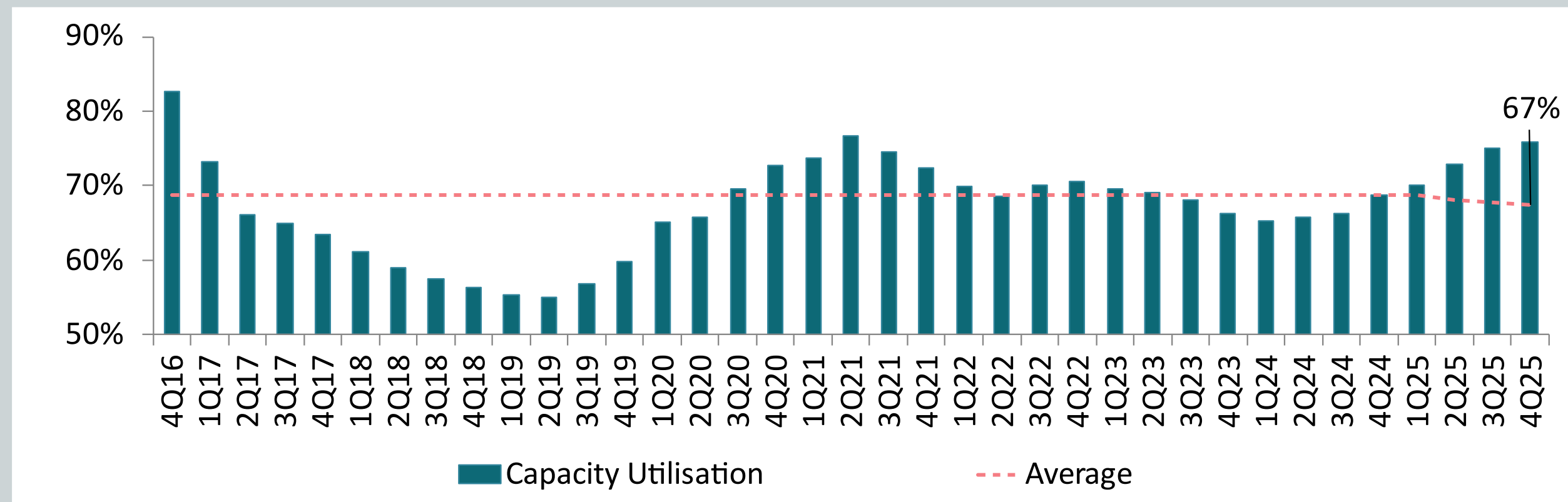


- Sector inventory stood at 43.8mn tons in 2025, down 3.7% Y/Y.
- The southern, eastern, and central regions' share expanded to 22.4%, 12.4% and 19.0% in 3Q25 from 21.8%, 12.1%, and 17.6%, respectively, in 2025.
- The western region's share remained flat at 34.6%, while northern region's share contracted to 11.6% from 13.9%, respectively during the same period.

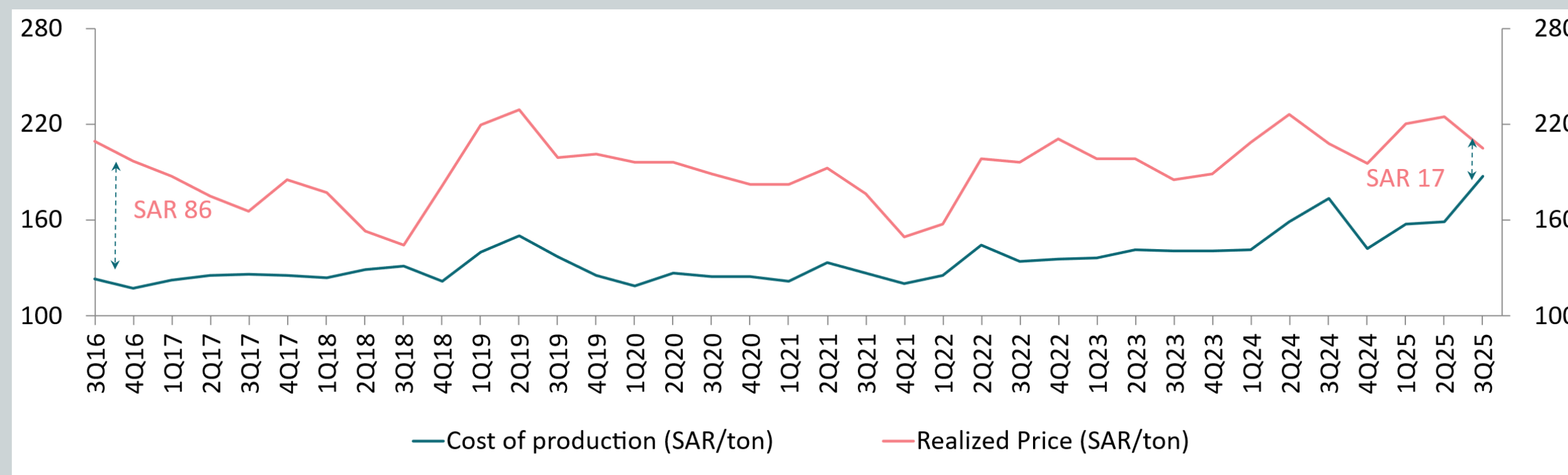
## PRICE & COST TRENDS

# Capacity utilization rises in 4Q25 for seventh consecutive quarter

### Capacity Utilization Details

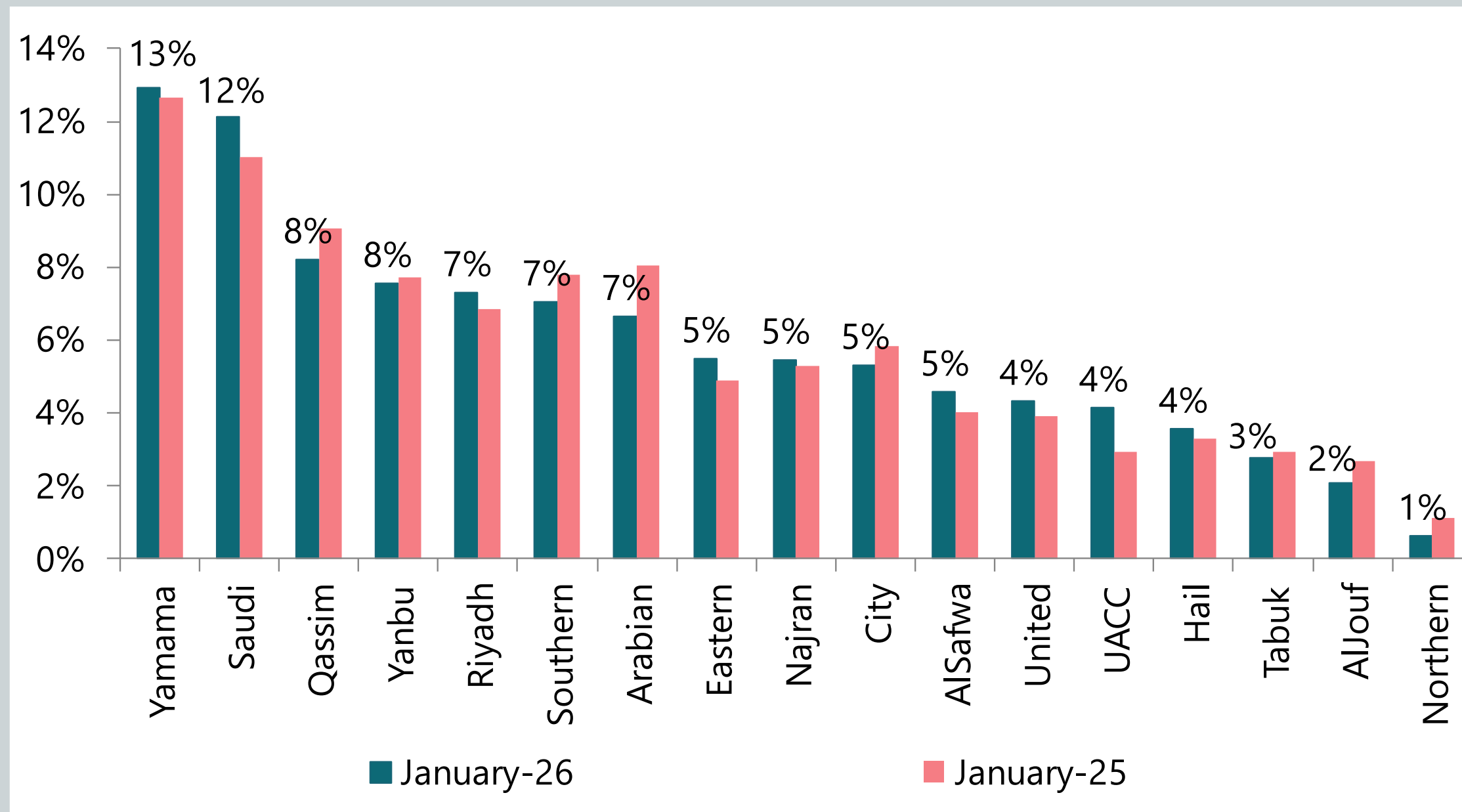


- The cement industry witnessed strong demand and high-capacity utilization until 2015. Thereafter, there has been a consistent contraction in demand, resulting in declining capacity utilization. Prior to 3Q21, capacity utilization expanded for eight consecutive quarters. In FY25, the sector recorded an average capacity utilization of 67%. In 4Q25, capacity utilization was 75%, marking a rise for seventh consecutive quarter.
- In 2016, utilization decreased and cost per ton of production increased resultantly. Low demand also impacted cement producers' pricing power. The sector average retention price declined sharply since 2016, contracting average gross profits. Gross profit now stands at SAR 17/ton compared with SAR 86/ton in 3Q25.



## MARKET SHARE

# Central region retains the highest market share



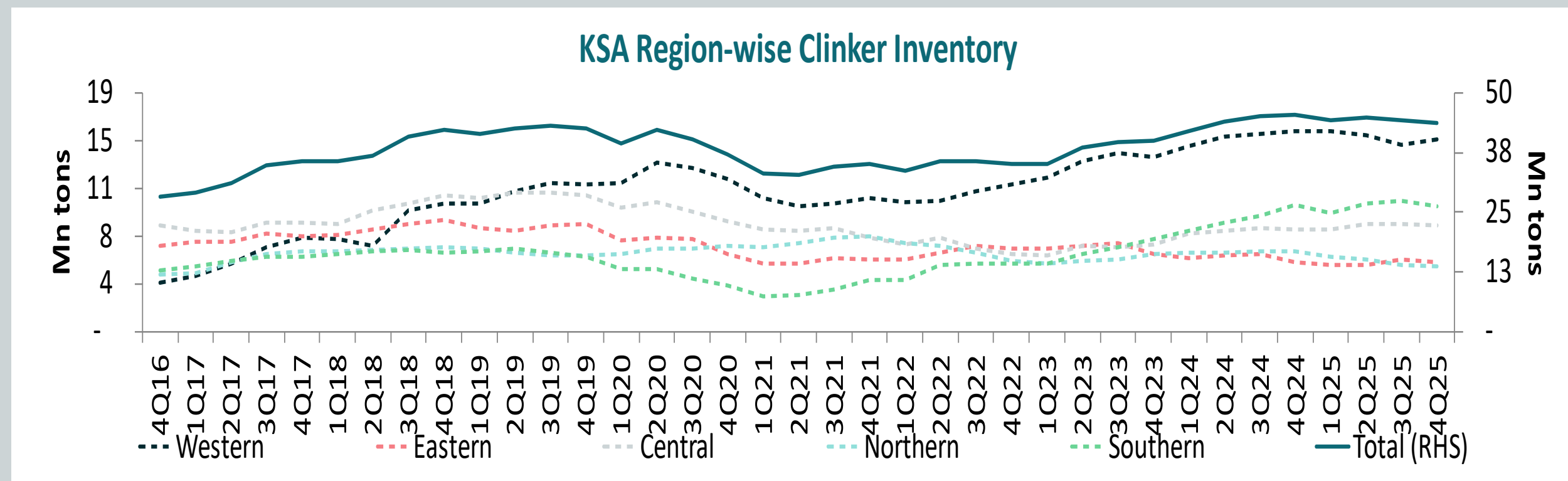
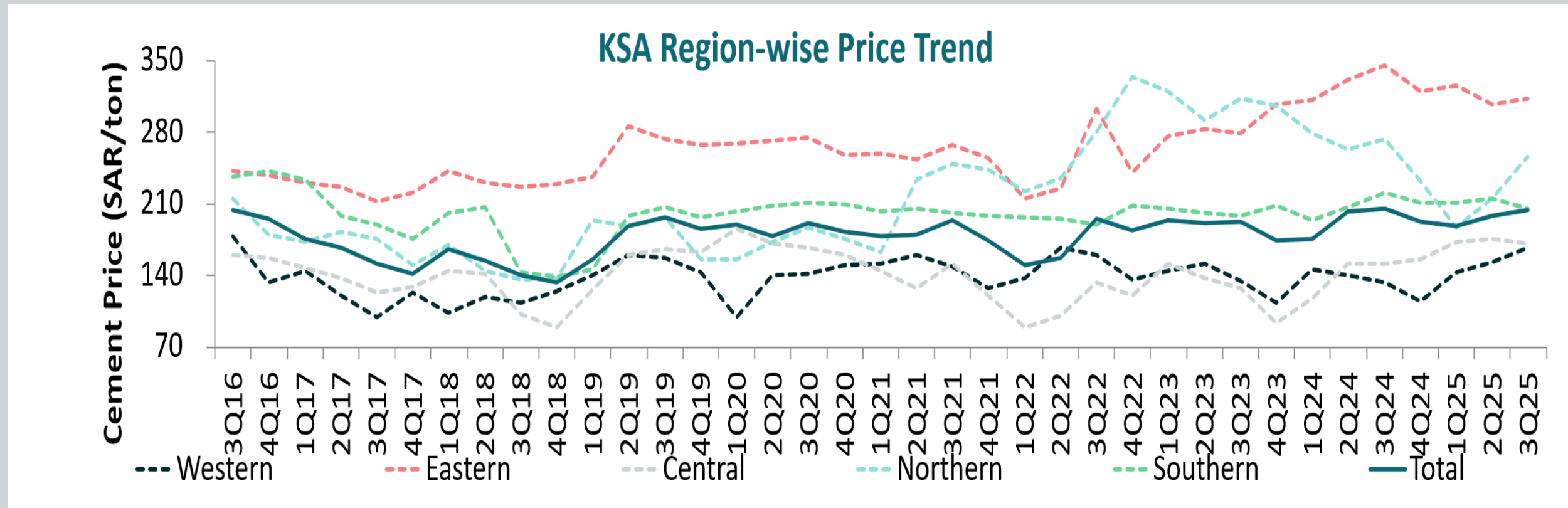
Mkt share	January-26	January-25	Gain/Loss	YTD-26	YTD-25	Gain/Loss
Yamama	12.9%	12.6%	31 bps	12.9%	12.6%	31 bps
Saudi	12.1%	11.0%	109 bps	12.1%	11.0%	109 bps
Qassim	8.2%	9.1%	-88 bps	8.2%	9.1%	-88 bps
Yanbu	7.5%	7.7%	-17 bps	7.5%	7.7%	-17 bps
Riyadh	7.3%	6.8%	46 bps	7.3%	6.8%	46 bps
Southern	7.1%	7.8%	-72 bps	7.1%	7.8%	-72 bps
Arabian	6.6%	8.1%	-143 bps	6.6%	8.1%	-143 bps
Eastern	5.5%	4.9%	60 bps	5.5%	4.9%	60 bps
Najran	5.4%	5.3%	14 bps	5.4%	5.3%	14 bps
City	5.3%	5.8%	-54 bps	5.3%	5.8%	-54 bps
AlSafwa	4.6%	4.0%	56 bps	4.6%	4.0%	56 bps
United	4.3%	3.9%	42 bps	4.3%	3.9%	42 bps
UACC	4.1%	2.9%	121 bps	4.1%	2.9%	121 bps
Hail	3.6%	3.3%	26 bps	3.6%	3.3%	26 bps
Tabuk	2.8%	2.9%	-18 bps	2.8%	2.9%	-18 bps
AlJouf	2.1%	2.7%	-61 bps	2.1%	2.7%	-61 bps
Northern	0.6%	1.1%	-49 bps	0.6%	1.1%	-49 bps

- The top five producers accounted for 48.1% of the market volume in January 2026. Yamama emerged as the market leader with a 12.9% share, while Northern remained placed at the bottom with a 0.6% market share.
- On Y/Y basis, UACC reported the highest gain in market share of 121bps, while Arabian recorded the largest decline in market share (-143bps).
- The central region has the largest market share of 33.7%, followed by the western (27.2%), eastern (17.6%), southern (12.5%), and northern (9.0%) regions.

**CEMENT PRICES & DISPATCHES (DOMESTIC)**

# Clinker Inventory contracts in 4Q25

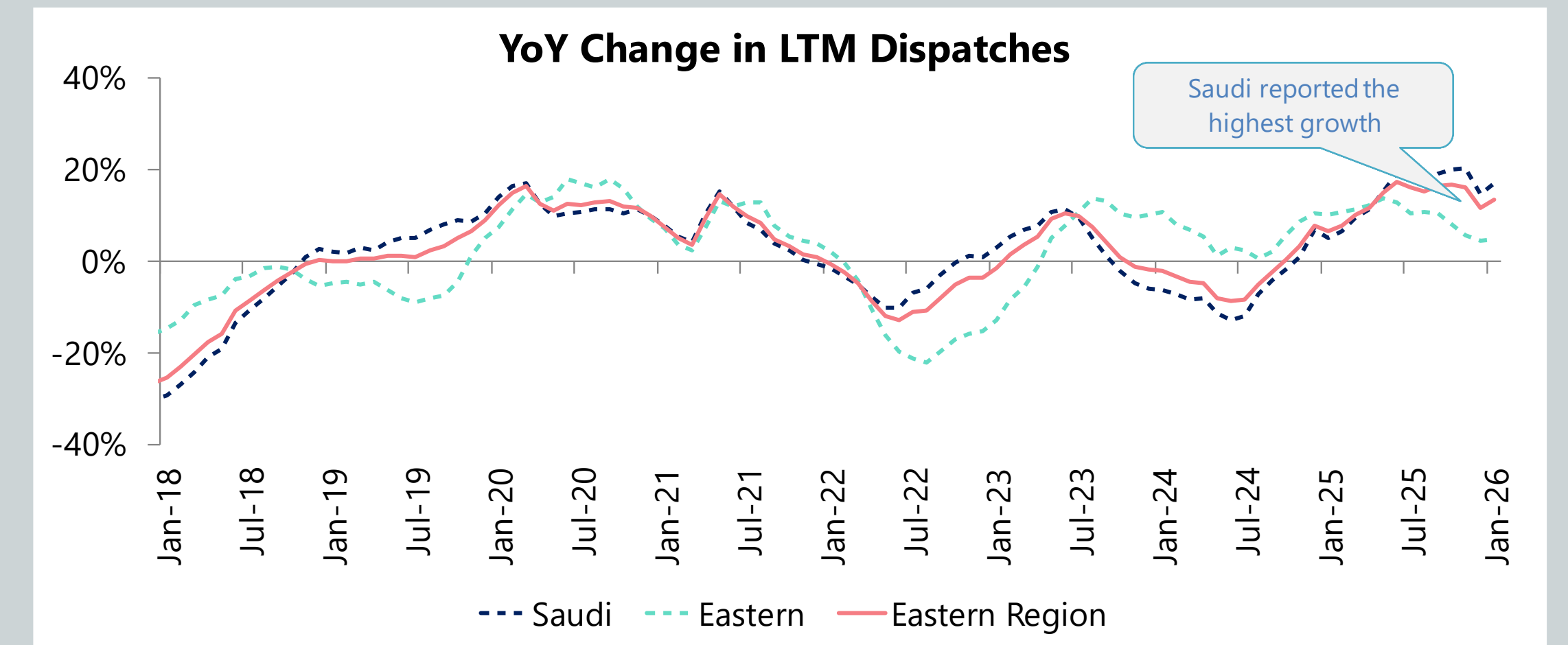
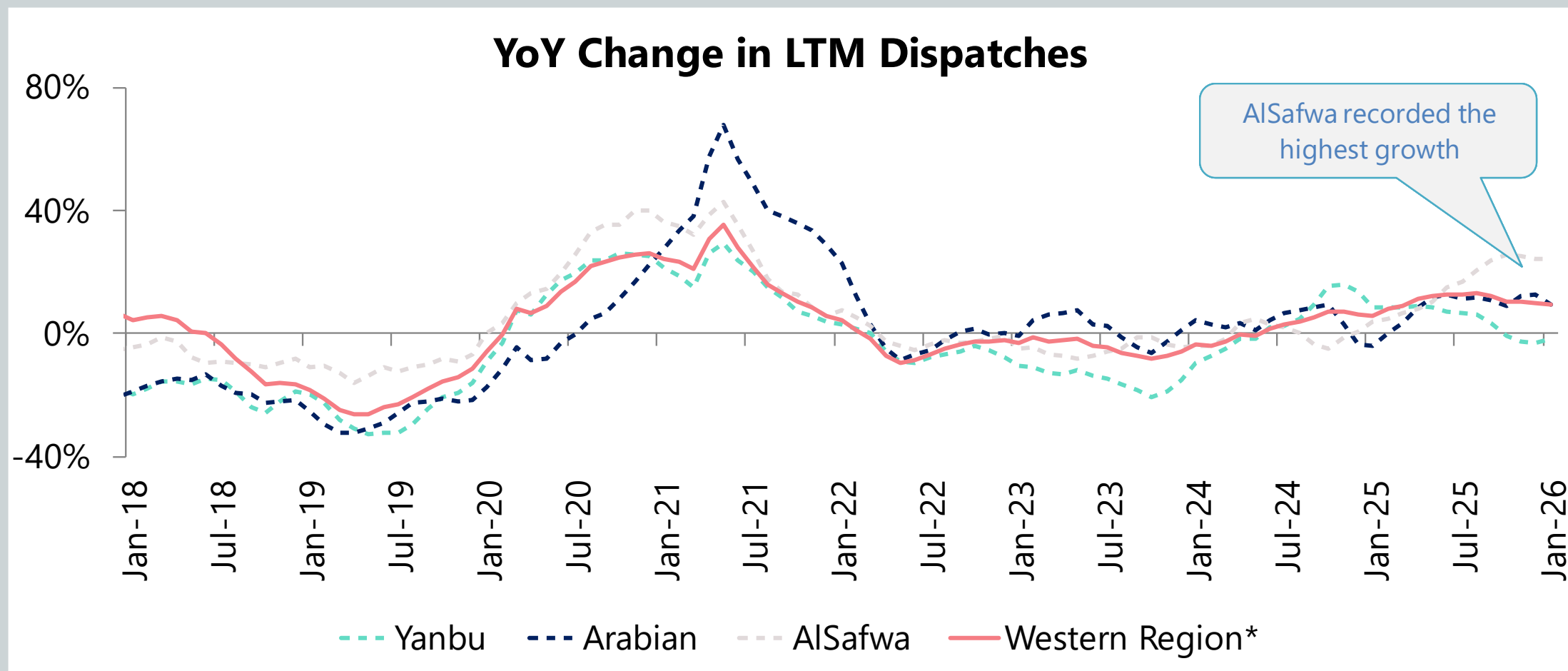
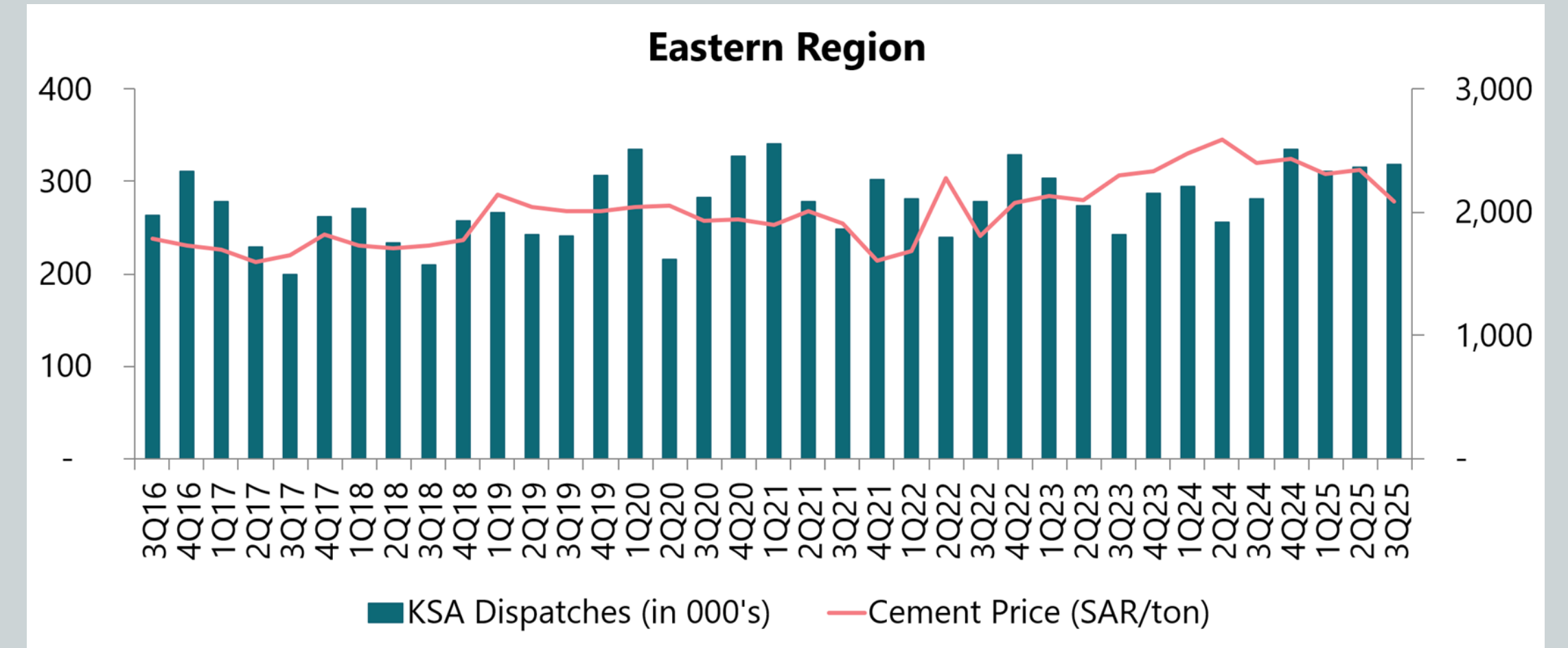
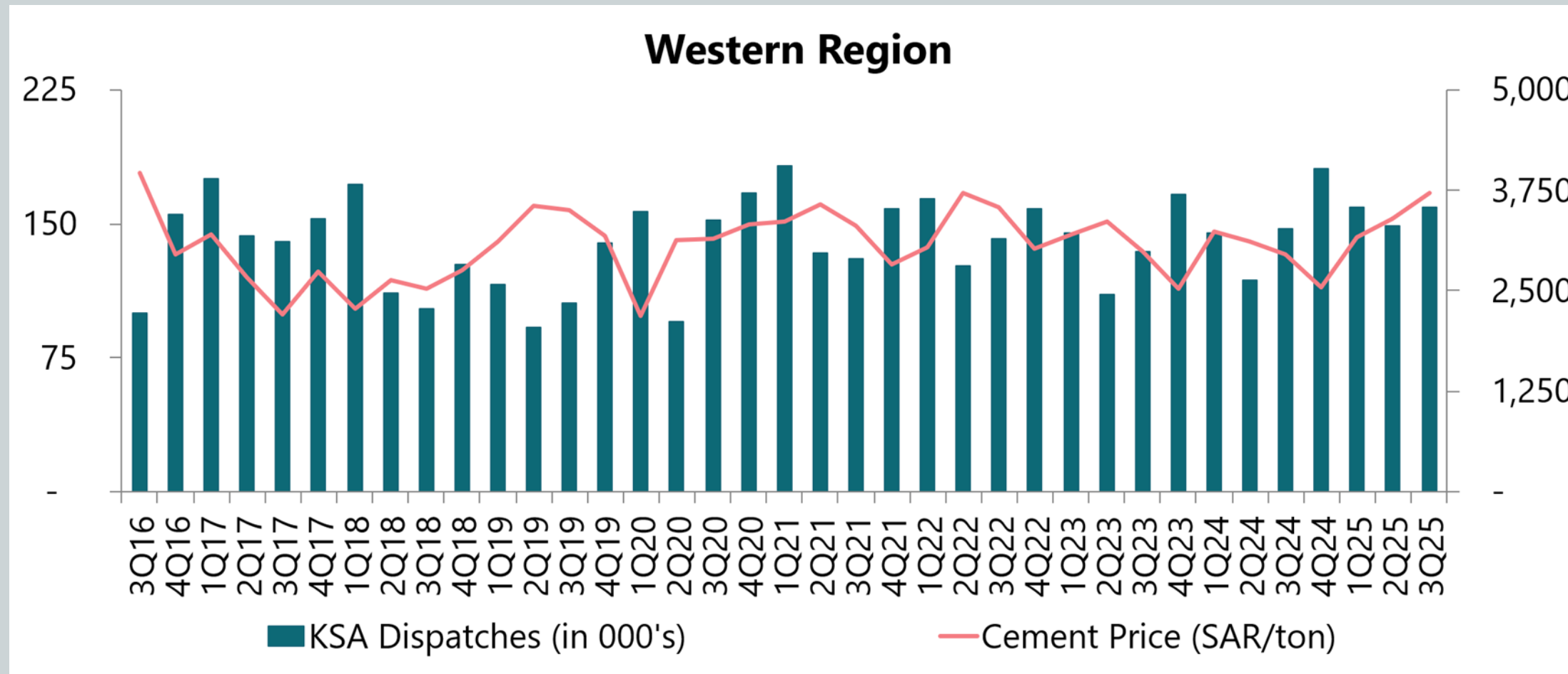
**Region-wise Details**



- In 3Q25, retention price fell 6.1% Y/Y and 11.6% Q/Q.
- Cement prices in 3Q25 in the western region jumped 26.0% Y/Y. The central, eastern, southern, and northern regions recorded a decline of 19.1%, 13.2%, 4.6% and 1.2% Y/Y, respectively.
- In 4Q25, clinker inventory decreased 3.7% Y/Y and 1.1% Q/Q.

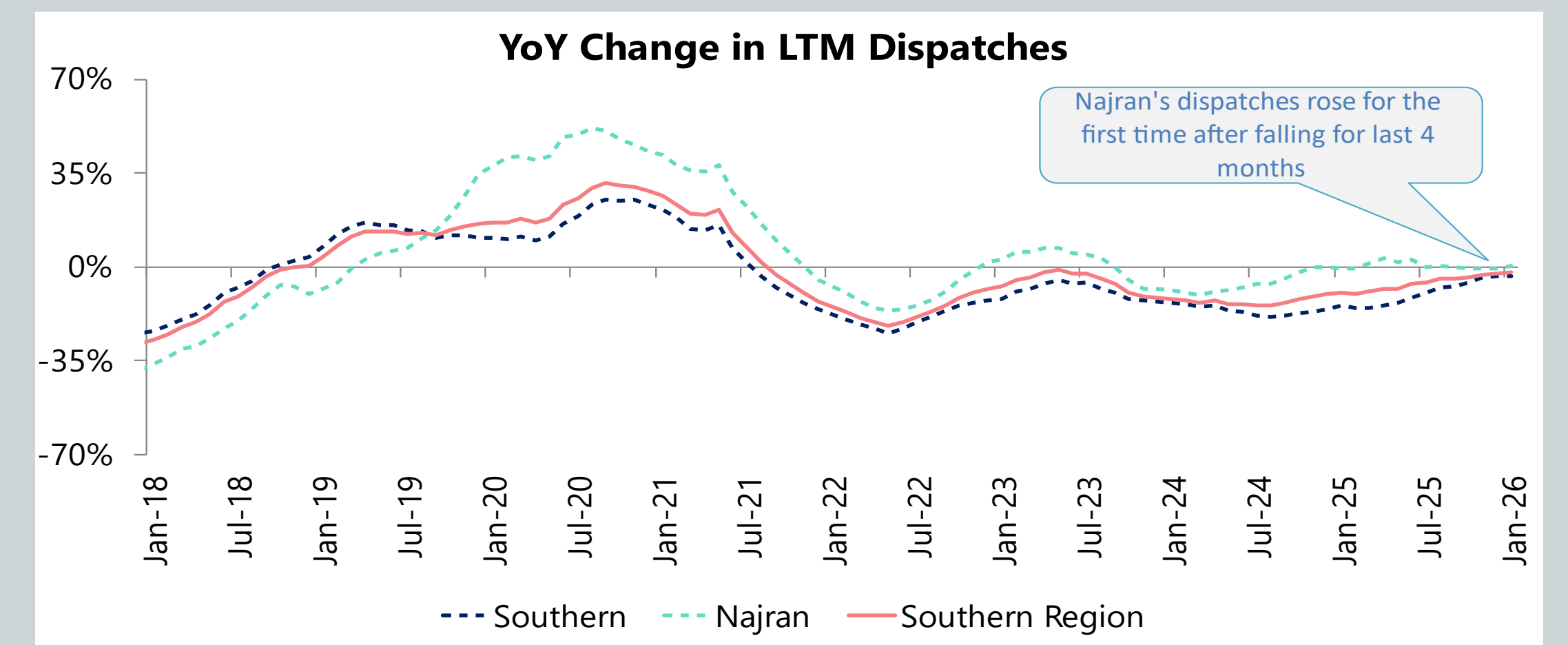
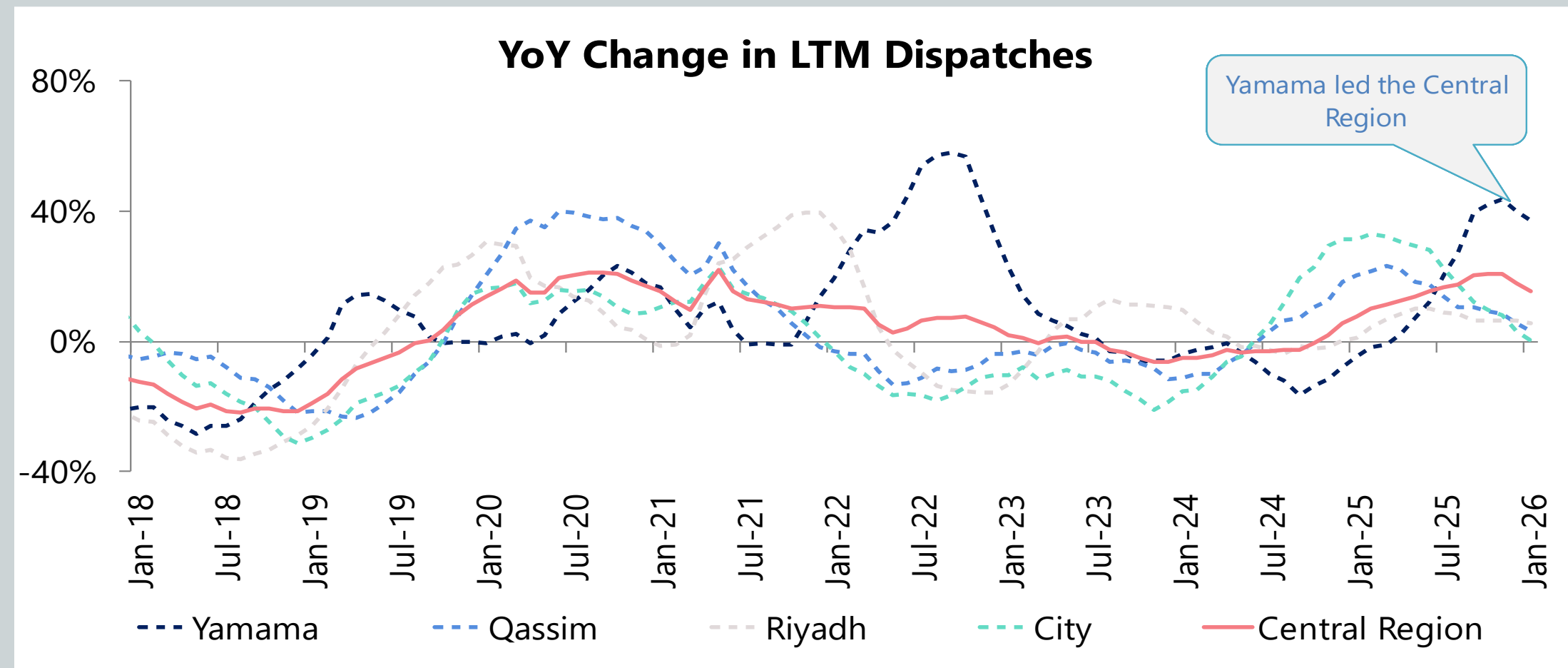
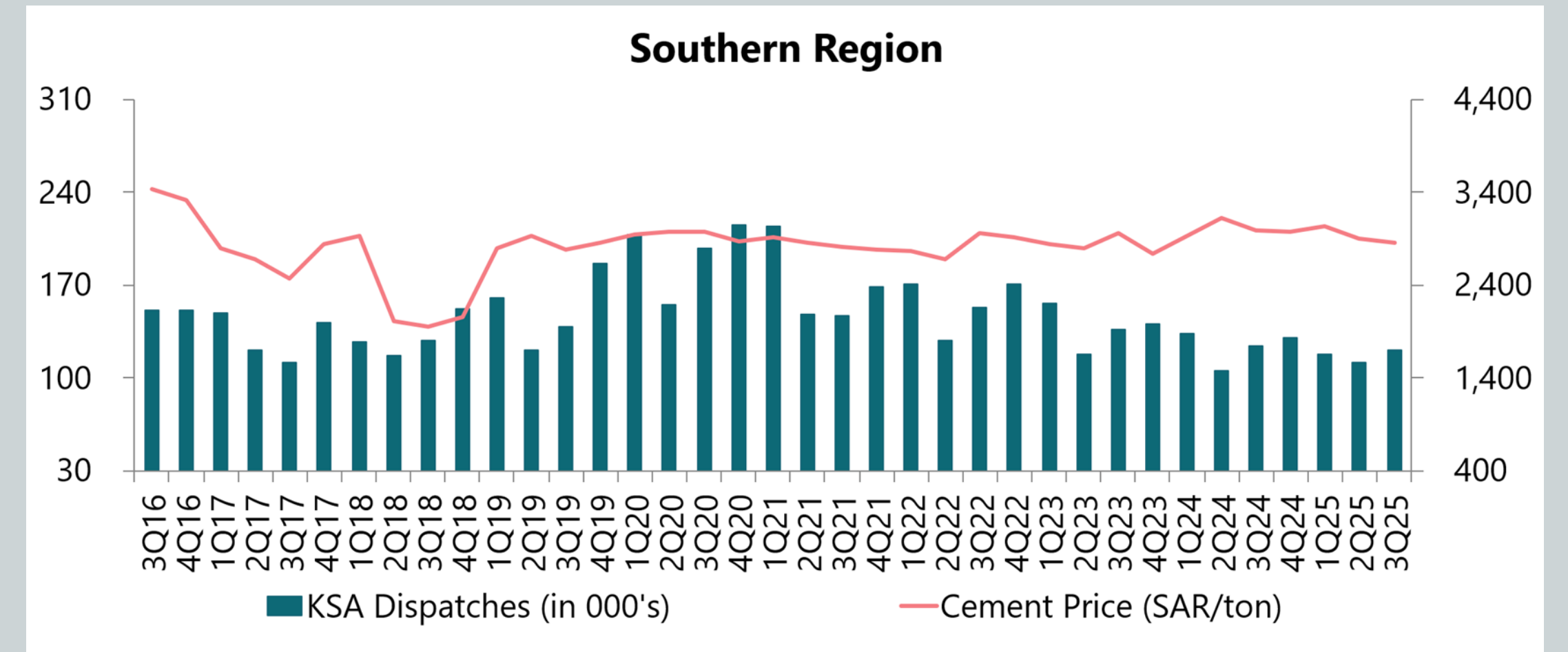
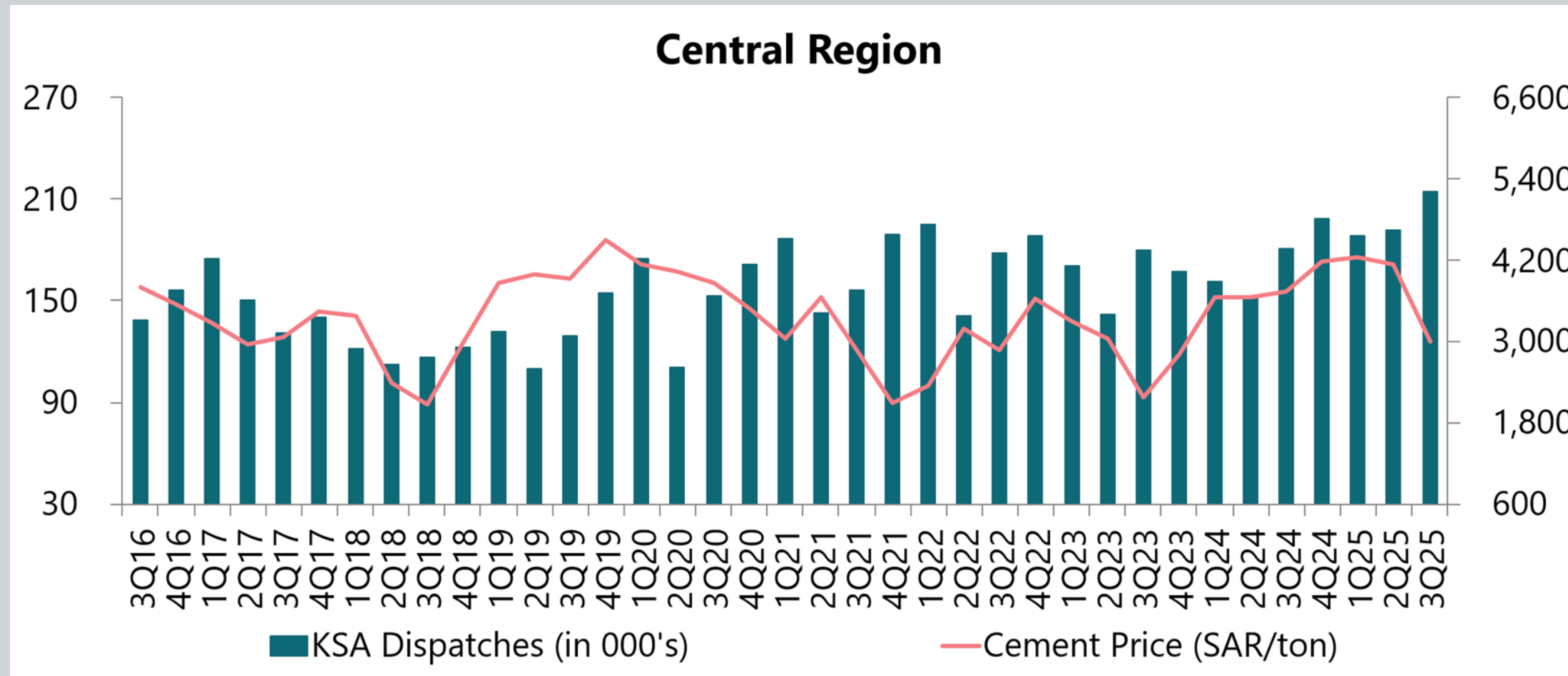
Source: Yamama Cement, Argam, BSF Capital, Refinitiv Workspace, Bloomberg

## CEMENT PRICES & DISPATCHES (DOMESTIC)



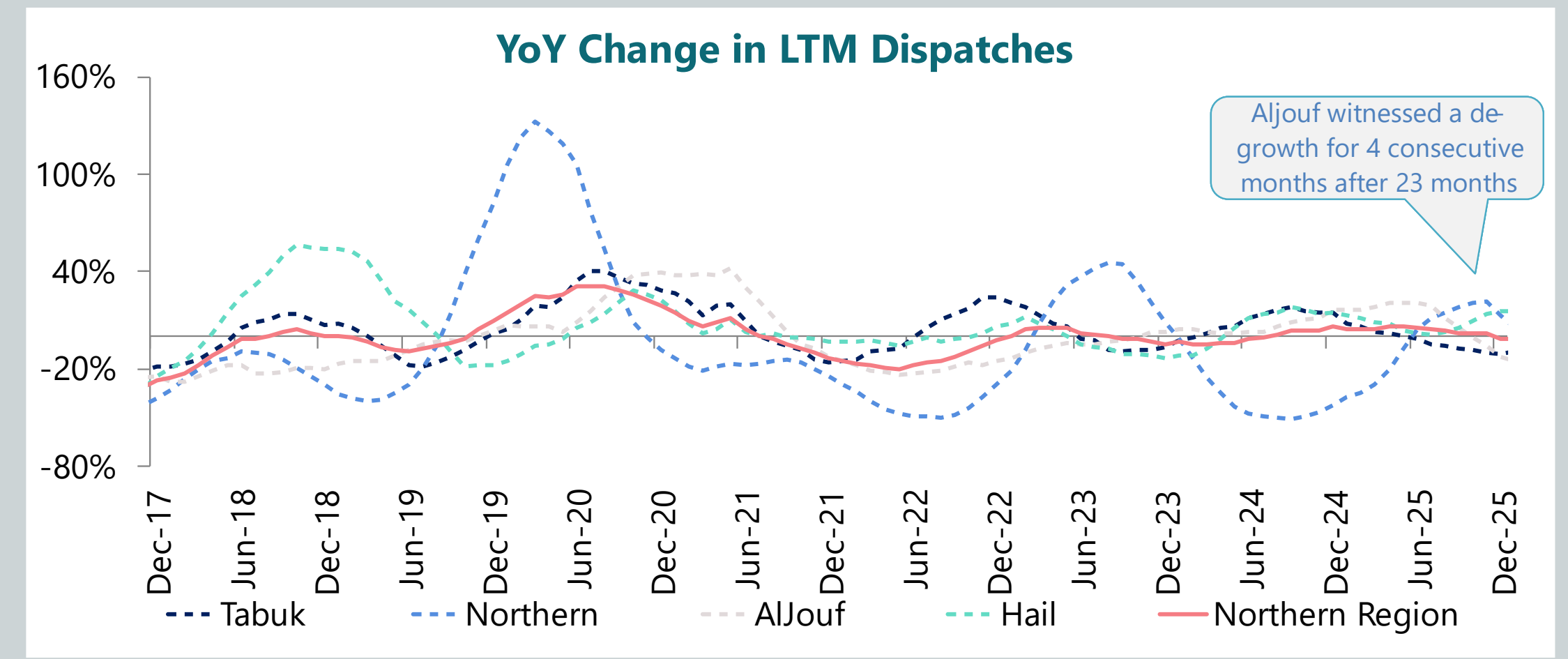
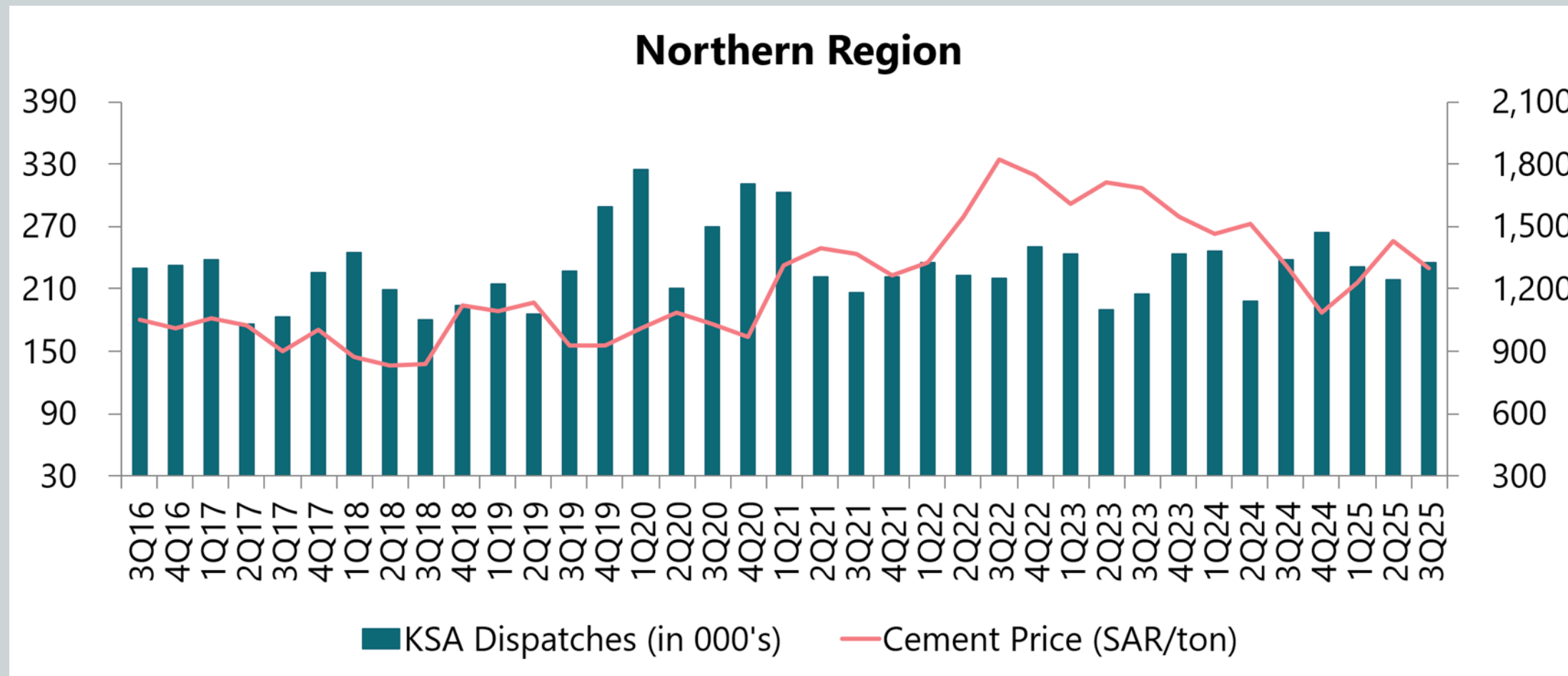
Source: Yamama Cement, Argam, BSF Capital, Refinitiv Workspace, Bloomberg

## CEMENT PRICES & DISPATCHES (DOMESTIC)



Source: Yamama Cement, Argaam, BSF Capital, Refinitiv Workspace, Bloomberg

## CEMENT PRICES & DISPATCHES (DOMESTIC)

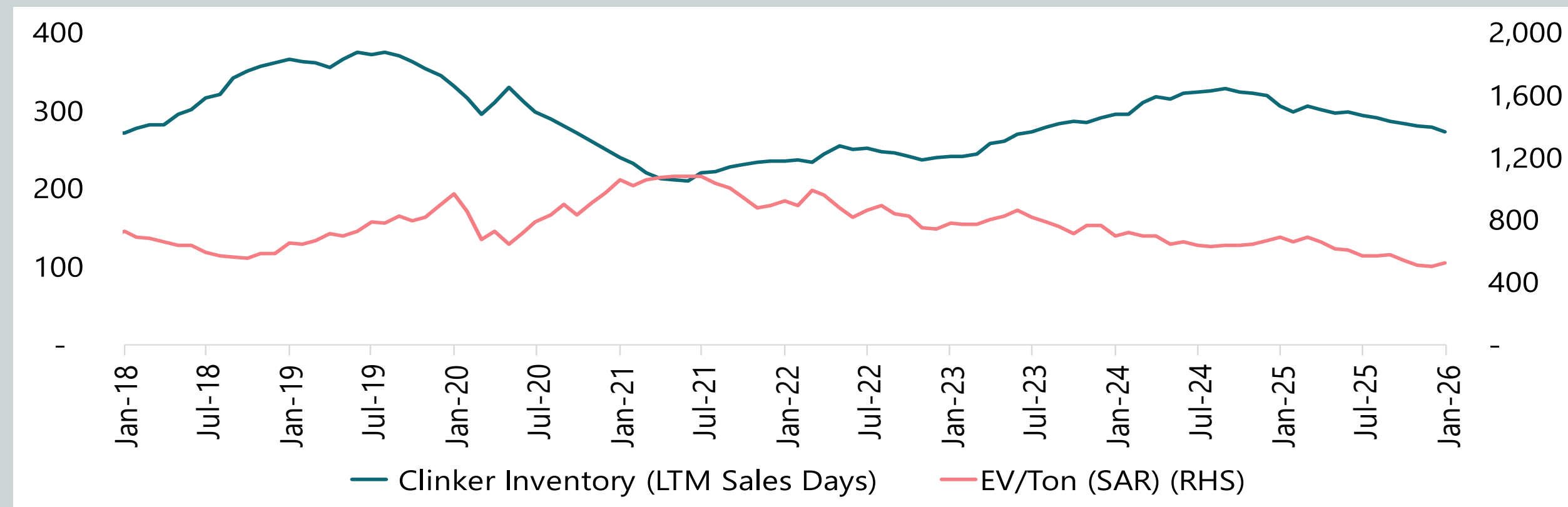
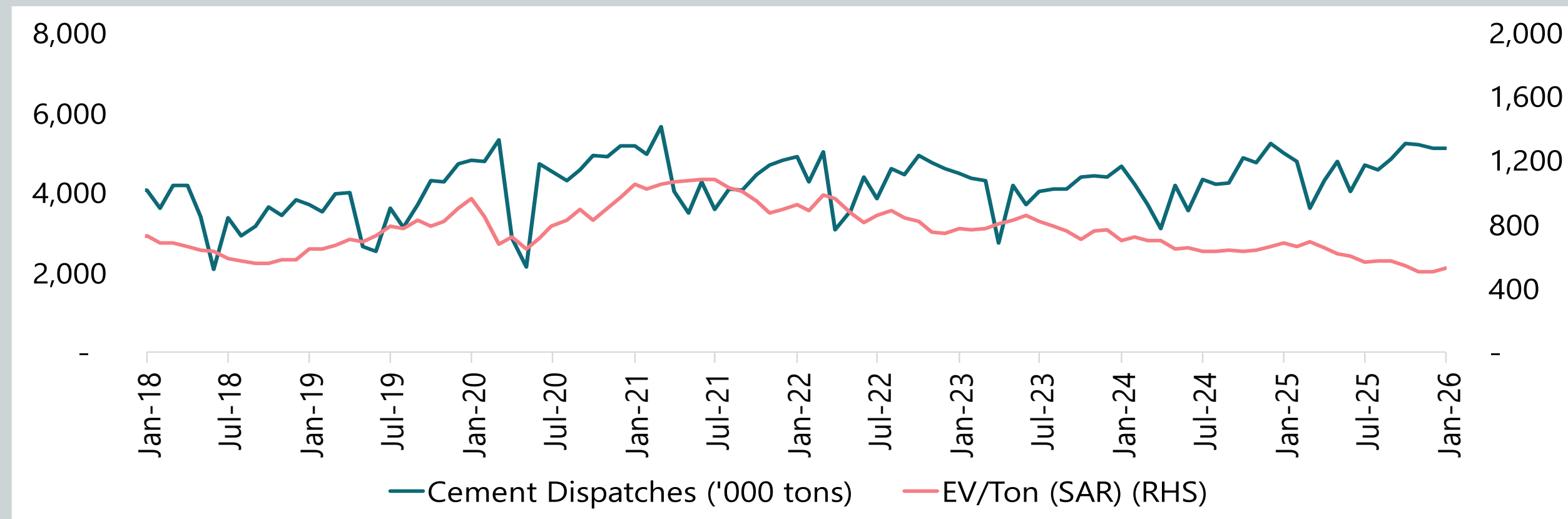


Source: Yamama Cement, Argaam, BSF Capital, Refinitiv Workspace, Bloomberg

**DISPATCHES, INVENTORY & EV/TON**

# Sector valuations contracts despite higher Y/Y volume

**Dispatches, Inventory and EV/ton**



- In January 2026, dispatches rose 2.3% Y/Y but fell 0.5% M/M to 5.1mn tons. Inventory reached 273 days of sales, down from 307 days in January 2025. The EV/ton multiple at the month's end stood at SAR 528.
- Demand surged in 4Q25, driven by mega projects in Riyadh, where regional demand rose 15% Y/Y. Companies benefited from higher volumes, efficiency gains, and government support, despite the pricing pressure. Further, the demand is expected to improve, supported by the giga-projects, monetary easing, and improving operational execution, which is likely to support sector valuations in FY26.

Source: Yamama Cement, Argam, BSF Capital

## EV/ TON STATISTICS

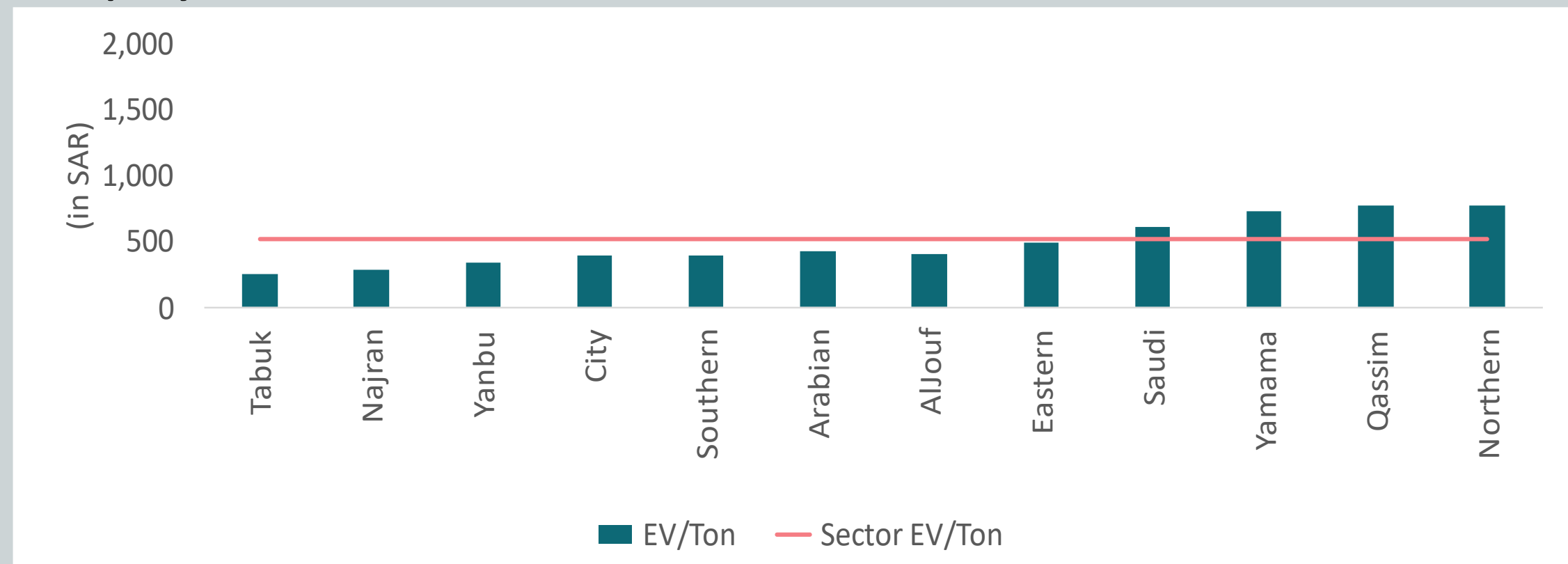
# Contraction in EV/ton multiples

### EV/Ton Multiple

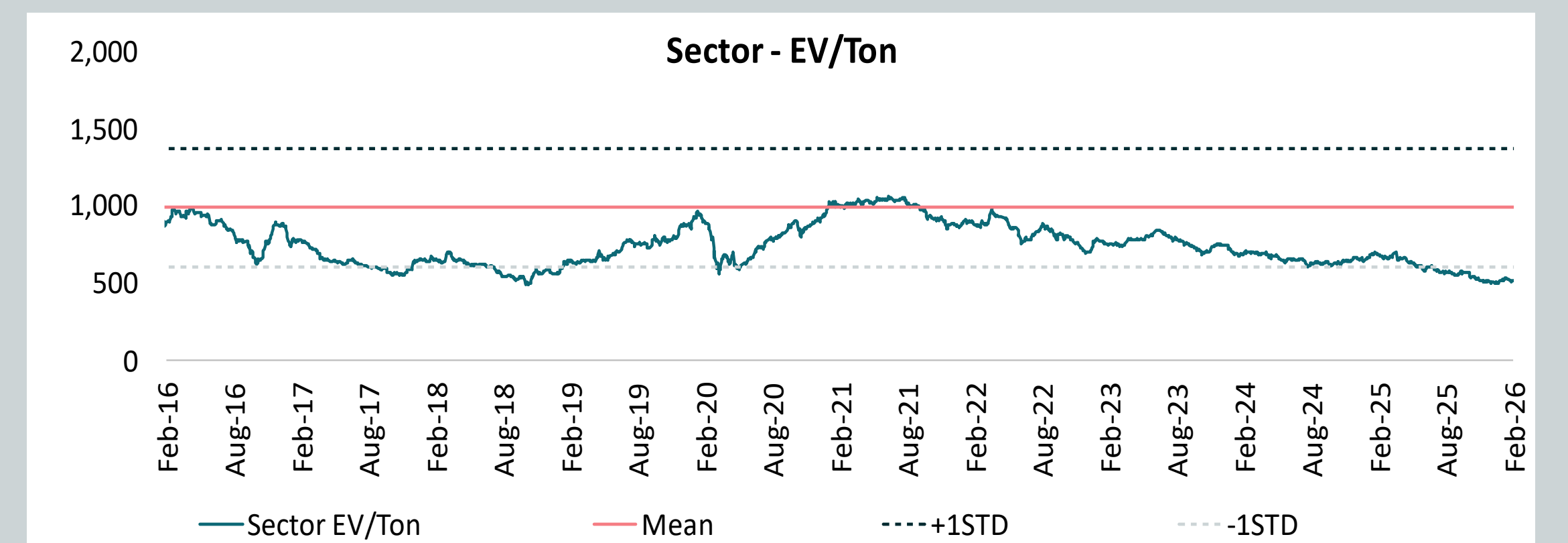
Ticker	Name	EV/ton	Avg.	Max.	Min.	Median	15th percentile	85th percentile	Avg 1Y	Avg 2Y	Avg 3Y
ARCCO AB	Arabian	430	854	1,770	406	773	556	1,213	459	510	573
CITYC AB	City	392	995	3,423	345	730	508	1,534	505	575	628
EACCO AB	Eastern	497	876	1,659	344	798	505	1,368	543	604	672
JOUF AB	AlJouf	409	881	2,549	409	609	539	1,672	469	509	534
NAJRAN AB	Najran	288	688	1,730	285	529	401	1,183	334	365	411
NORTHCEM AB	Northern	773	1,132	2,020	770	1,018	858	1,587	831	848	899
QACCO AB	Qassim	770	966	1,571	372	969	667	1,225	812	865	892
SACCO AB	Saudi	610	1,227	2,491	602	1,027	765	1,988	675	715	789
SOCCO AB	Southern	398	1,088	2,314	392	925	527	1,750	430	461	512
TACCO AB	Tabuk	253	854	2,072	248	610	435	1,482	318	357	397
YACCO AB	Yamama	734	1,002	2,233	258	960	615	1,437	848	846	832
YNCCO AB	Yanbu	343	989	2,147	324	862	593	1,502	421	516	614
<b>Sector</b>	<b>Sector</b>	<b>516</b>	<b>992</b>	<b>2,004</b>	<b>493</b>	<b>867</b>	<b>635</b>	<b>1,520</b>	<b>582</b>	<b>620</b>	<b>666</b>

- The sector’s EV/ton valuation stands at SAR 516. The sector is currently trading at 23% discount to its average three-year EV/ton.
- All 12 companies under our coverage are trading at a discount to their average three-year EV/ton.
- Yamama is the best performing company, trading at 11.8% discount to its average three-year EV/ton.
- Yanbu is trading at the highest discount (-44.2%) to its average three-year EV/ton.
- Overall, the sector is trading at a 11.4% discount to its average one-year EV/ton.

### Company-wise EV/Ton Chart



### Sector EV/Ton Chart

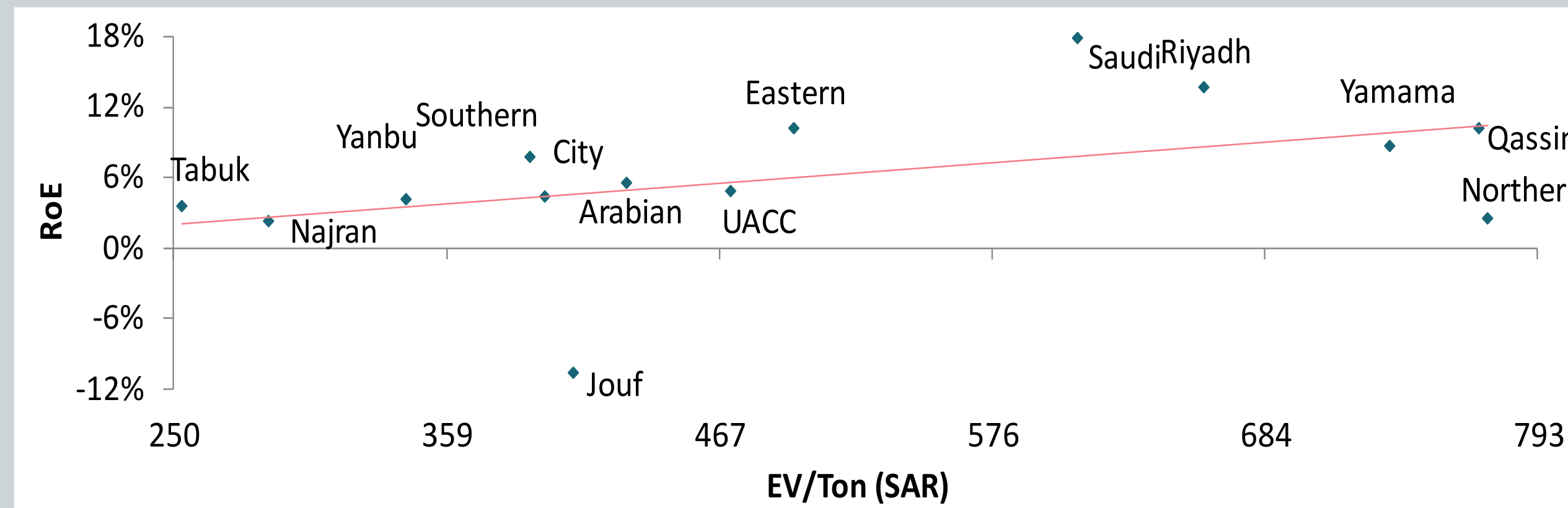
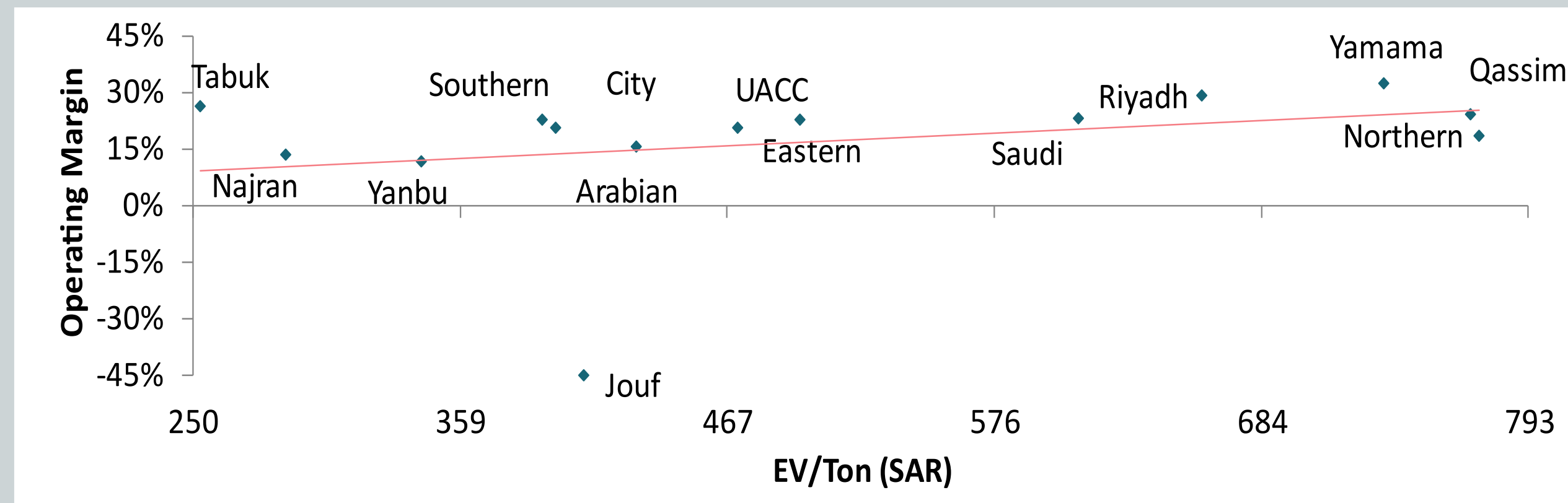


Source: Tadawul, BSF Capital, Refinitiv Workspace; Data as of February 15, 2026

**VALUATION COMPARISON**

# Najran and Tabuk are trading at a discount to the sector

**Region-wise Details**



- Northern and Qassim are trading at premium valuations. However, as per the line of best fit, they are within the desired limit, coupled with robust returns.
- Najran and Tabuk are trading at a discount.

Source: Yamama Cement, BSF Capital, Refinitiv Workspace, Bloomberg

## ROCE RANKING

# Saudi’s premium PBV valuation supported by strong ROCE

ROCE, P/B, P/E and EV/ton

	3 yr avg ROCE	ROCE Rank	P/B	P/E	EV/Ton
Saudi	16.5%	1	2.5x	14.0x	610
Qassim	10.5%	2	1.8x	16.8x	770
Eastern	9.6%	3	0.9x	8.7x	497
Yamama	7.7%	4	1.1x	12.6x	734
Southern	7.6%	5	0.9x	21.3x	398
City	7.1%	6	1.0x	13.4x	392
Arabian	5.7%	8	0.8x	15.0x	430
Yanbu	5.1%	7	0.9x	21.9x	343
Najran	3.6%	9	0.5x	23.2x	288
Northern	3.6%	10	0.6x	22.3x	773
Tabuk	3.1%	11	0.7x	17.5x	253
AlJouf	0.0%	12	0.6x	NA	409
<b>Median</b>	<b>6.4%</b>		<b>0.9x</b>	<b>16.8x</b>	<b>420</b>
<b>Average</b>	<b>6.7%</b>		<b>1.0x</b>	<b>17.0x</b>	<b>491</b>

- Saudi recorded a strong three-year average ROCE of 16.5%, the highest in the sector.
- Saudi trades at a P/B of 2.5x, which is above the sector average of 1.0x and median of 0.9x.
- AlJouf ranks the lowest with a flat three-year average ROCE.

## PRICE-TO-BOOK STATISTICS

# Contraction in PBV ratios

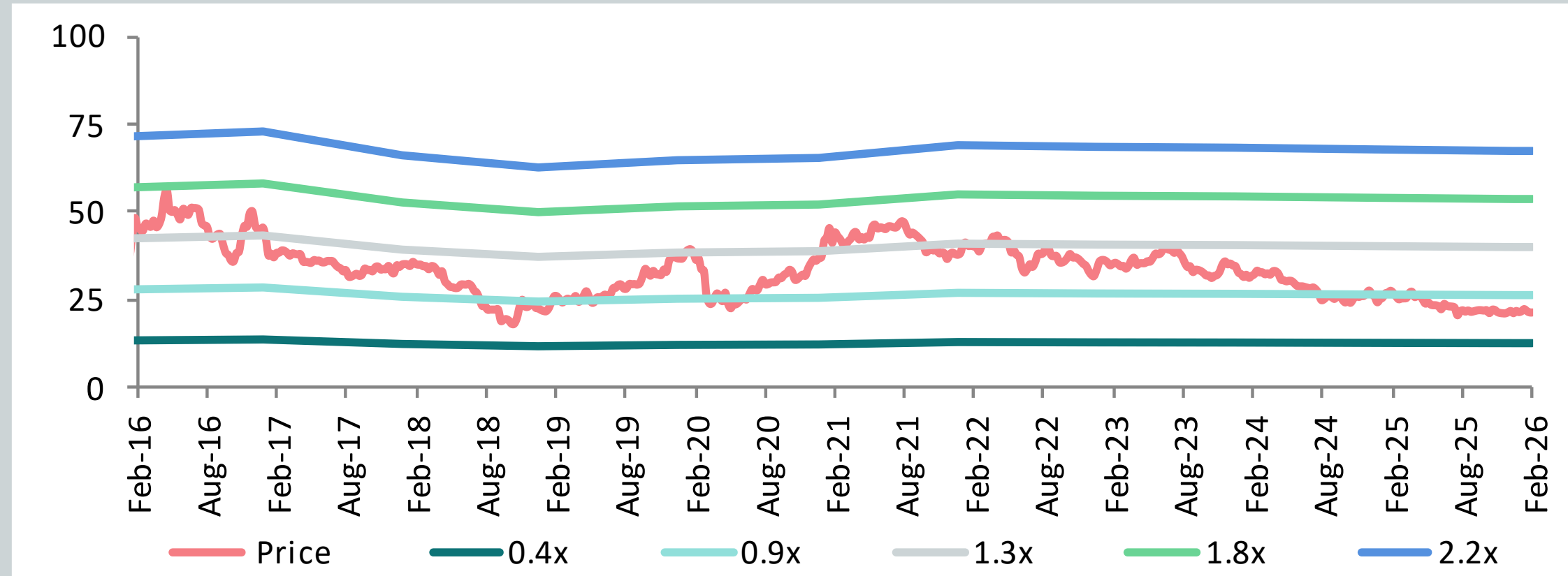
### PBV Multiple

Name	2025 Book Value (SAR)	Price to Book Statistics										
		Curr.	Avg.	Std Devn	Max	Min	Median	15th percentile	85th percentile	Avg 1Y	Avg 2Y	Avg 3Y
Arabian	30.0	0.7x	1.3x	0.5x	2.8x	0.6x	1.2x	0.9x	1.8x	0.8x	0.8x	0.9x
City	13.9	0.9x	1.9x	0.7x	4.1x	0.9x	1.6x	1.3x	2.9x	1.2x	1.3x	1.3x
Eastern	28.4	0.9x	1.5x	0.5x	2.7x	0.7x	1.4x	1.0x	2.2x	1.0x	1.1x	1.2x
AlJouf	11.7	0.5x	1.0x	0.3x	2.1x	0.5x	1.0x	0.7x	1.5x	0.7x	0.8x	0.9x
Najran	11.2	0.6x	1.3x	0.6x	3.2x	0.6x	1.1x	0.8x	2.2x	0.7x	0.8x	0.9x
Northern	12.3	0.6x	1.1x	0.4x	2.5x	0.6x	0.9x	0.7x	1.5x	0.6x	0.7x	0.8x
Qassim	19.6	2.2x	3.3x	0.7x	4.8x	1.7x	3.3x	2.4x	4.1x	2.4x	2.6x	2.9x
Saudi	14.9	2.3x	3.4x	0.9x	5.9x	1.9x	3.3x	2.5x	4.5x	2.6x	2.8x	3.1x
Southern	23.3	0.9x	3.2x	1.4x	6.4x	0.9x	3.0x	1.7x	5.1x	1.2x	1.4x	1.6x
Tabuk	14.5	0.6x	1.4x	0.5x	2.5x	0.6x	1.2x	0.9x	2.0x	0.7x	0.8x	0.9x
Yamama	21.2	1.2x	1.8x	0.7x	3.7x	0.8x	1.6x	1.0x	2.7x	1.5x	1.5x	1.5x
Yanbu	16.6	0.9x	2.0x	0.7x	3.8x	0.9x	1.9x	1.4x	2.8x	1.1x	1.3x	1.6x

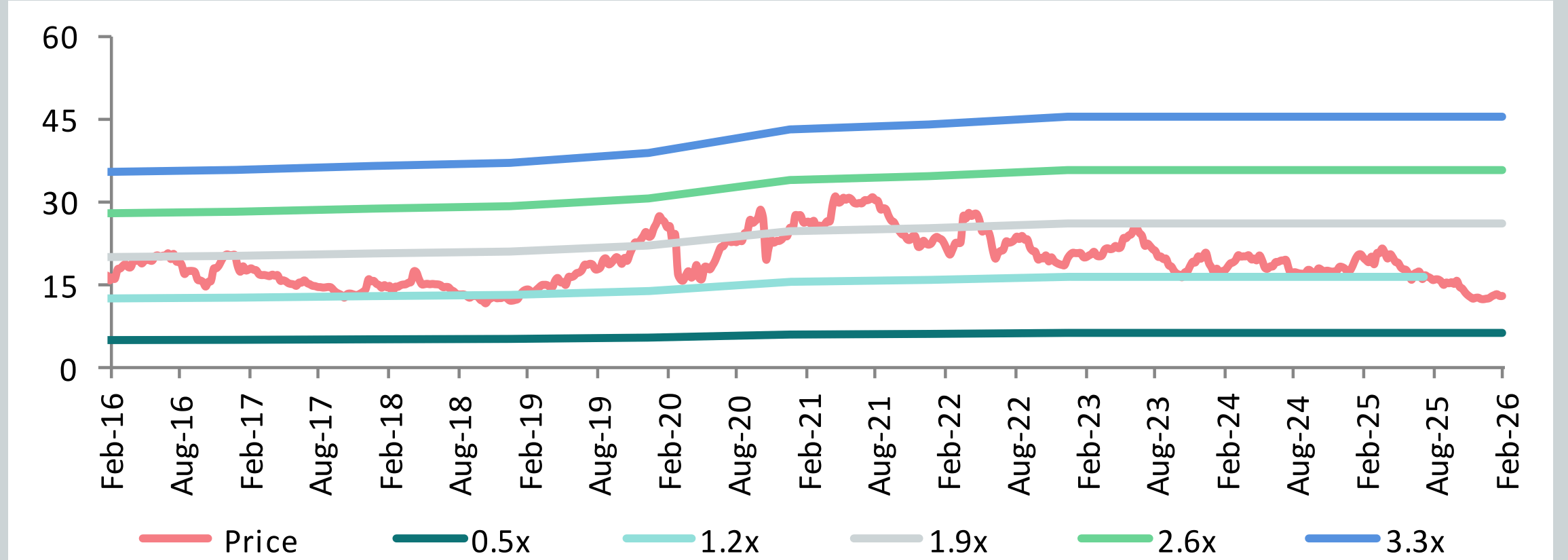
- Yamama, trading at a discount of 19.7% to its historical three-year average PBV, is the best performing company.
- Yanbu is trading at a discount of 43.7% to its historical three-year average PBV, the worst performer of the sector.

## CEMENT COVERAGE – P/BOOK

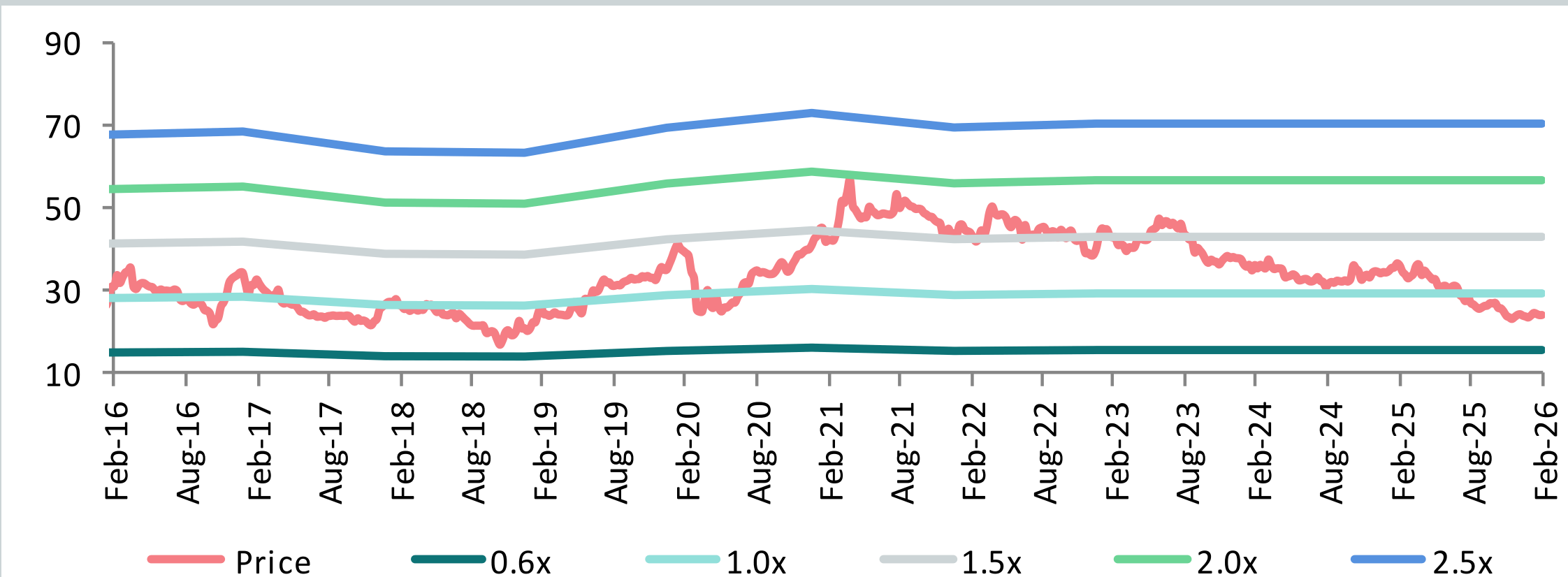
### P/B of Arabian Cement



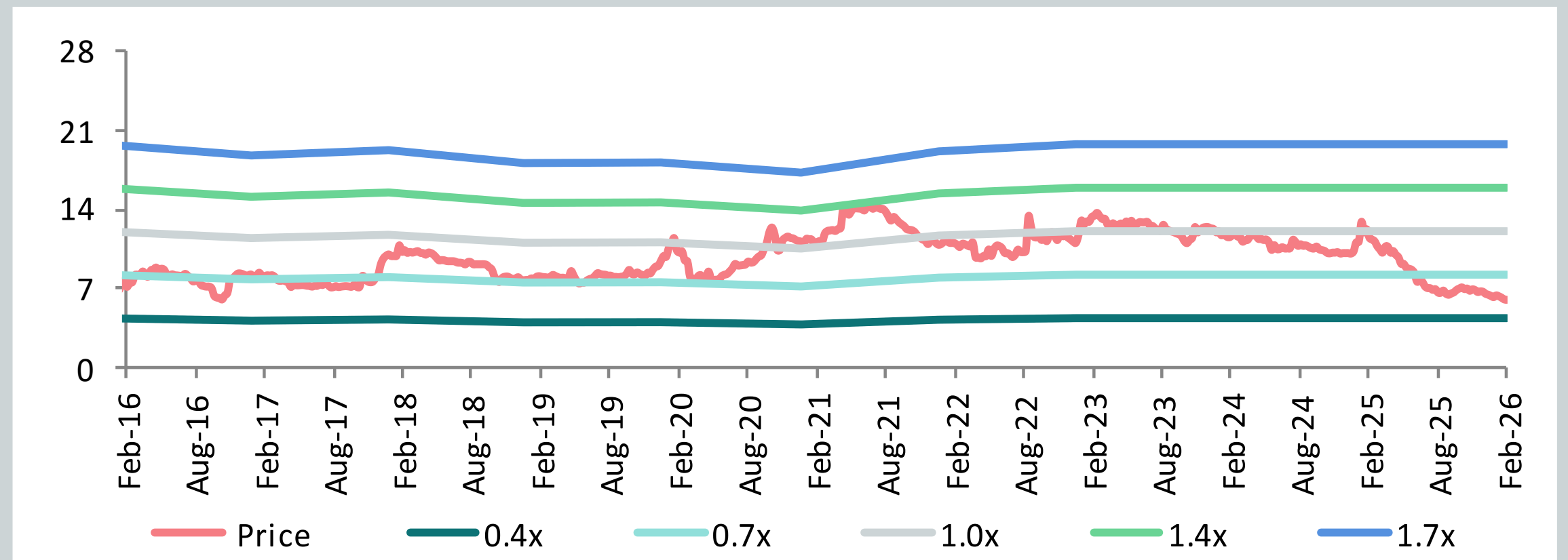
### P/B of City Cement



### P/B of Eastern Cement

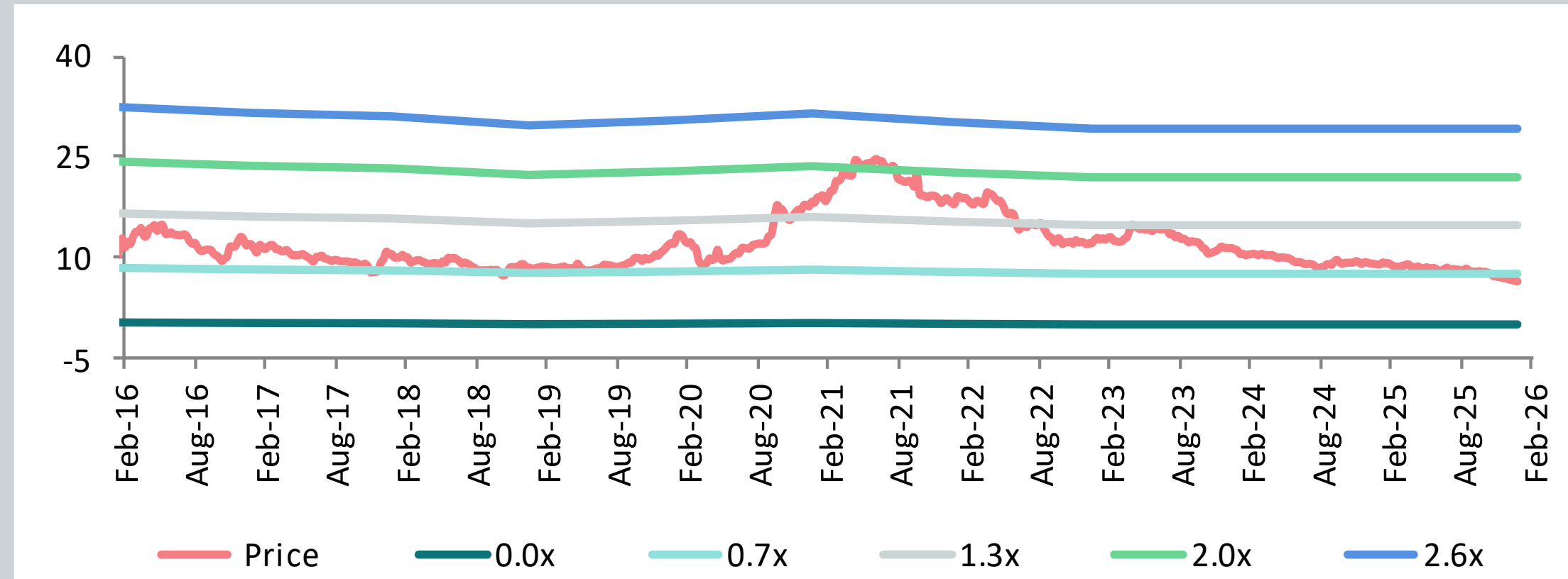


### P/B of Jouf Cement

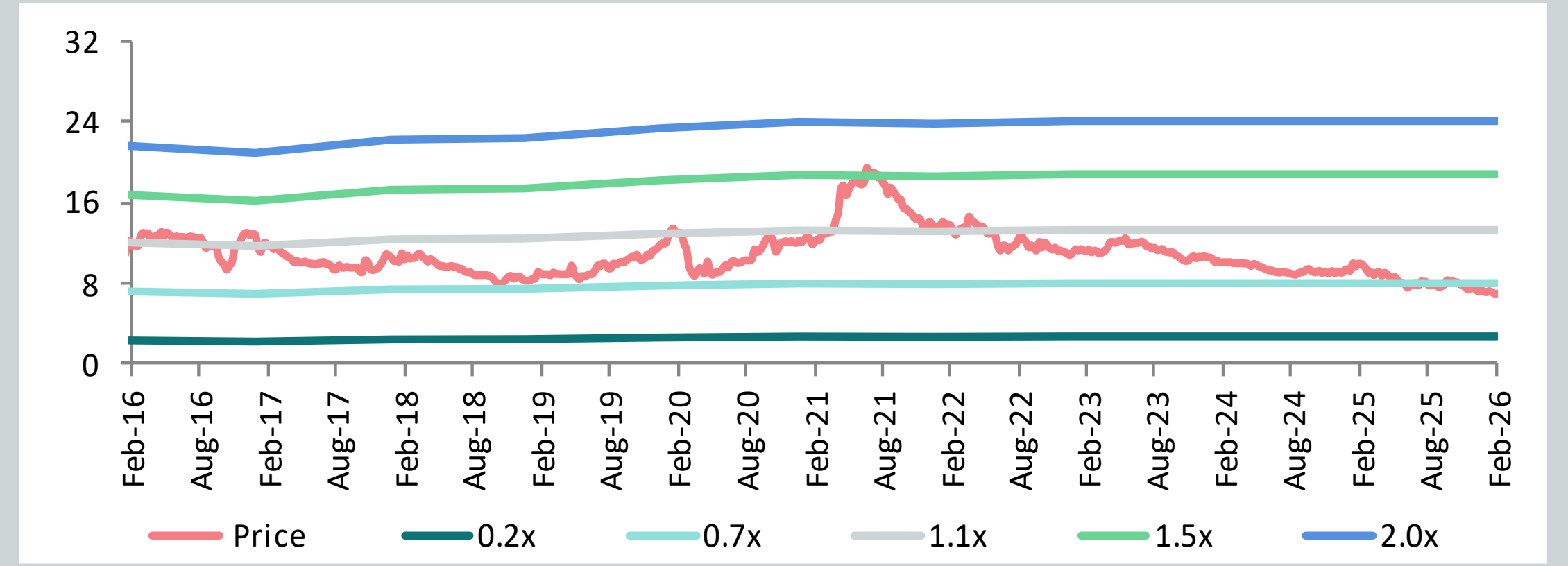


## CEMENT COVERAGE – P/BOOK

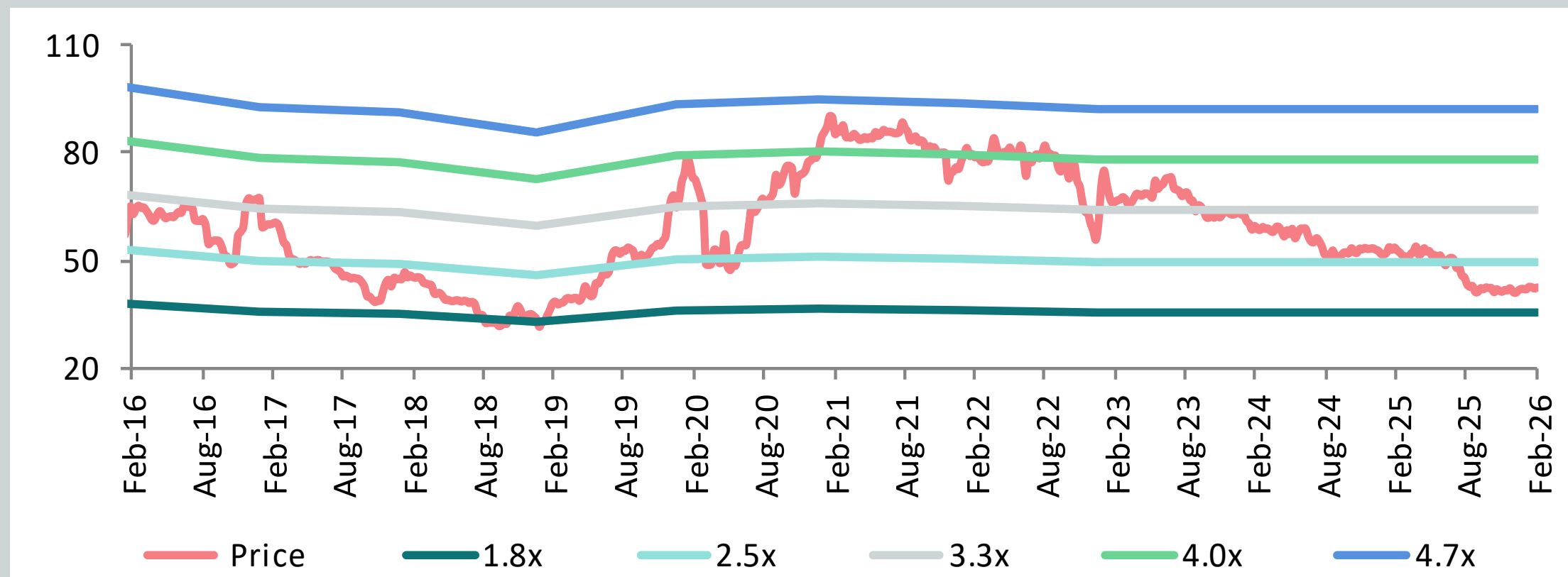
### P/B of Najran Cement



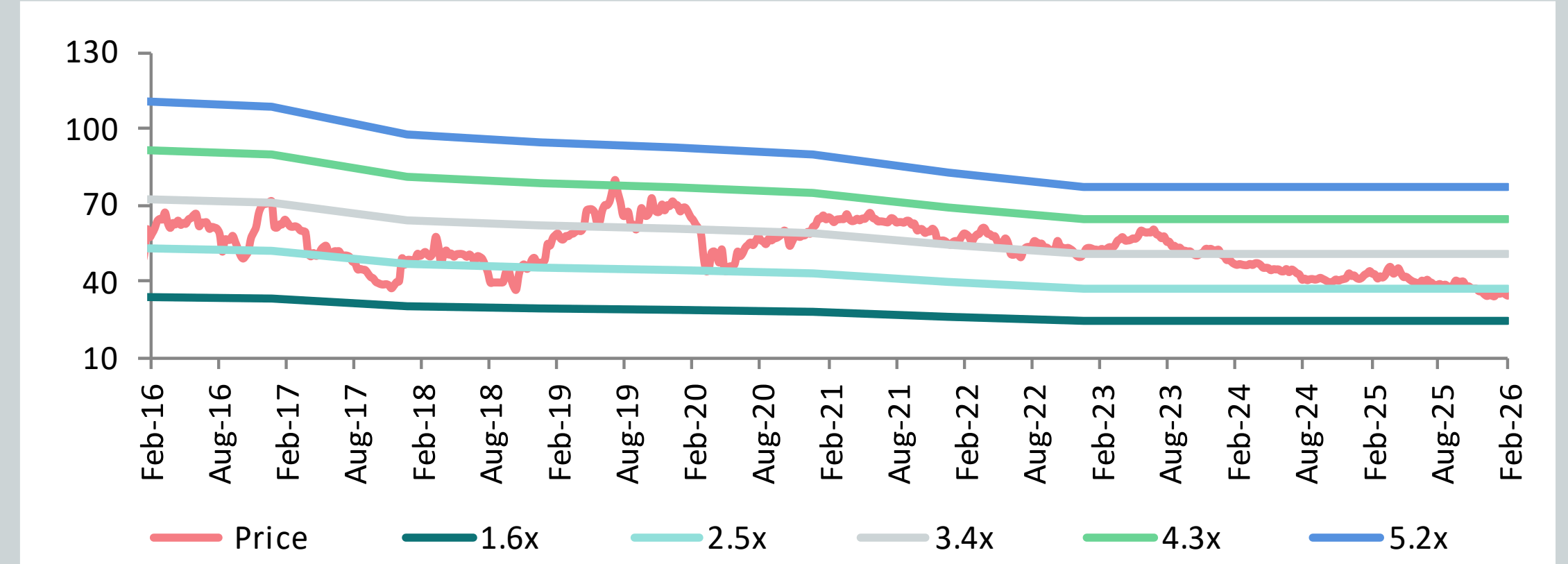
### P/B of Northern Cement



### P/B of Qassim Cement

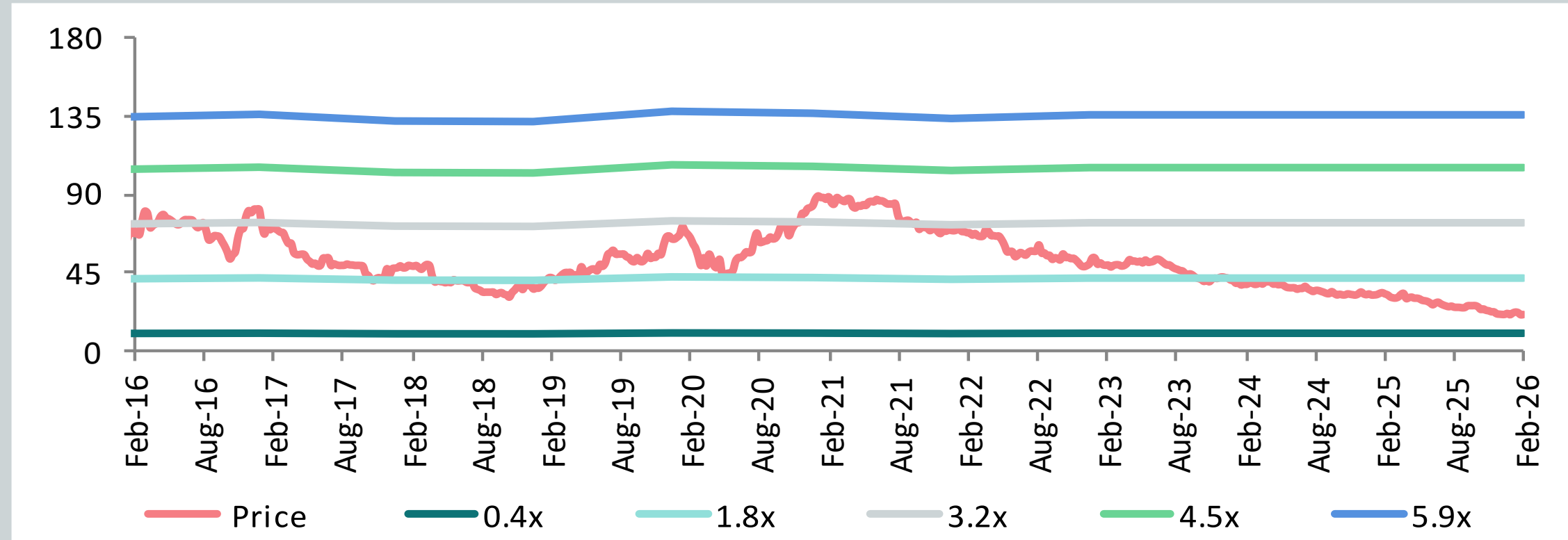


### P/B of Saudi Cement

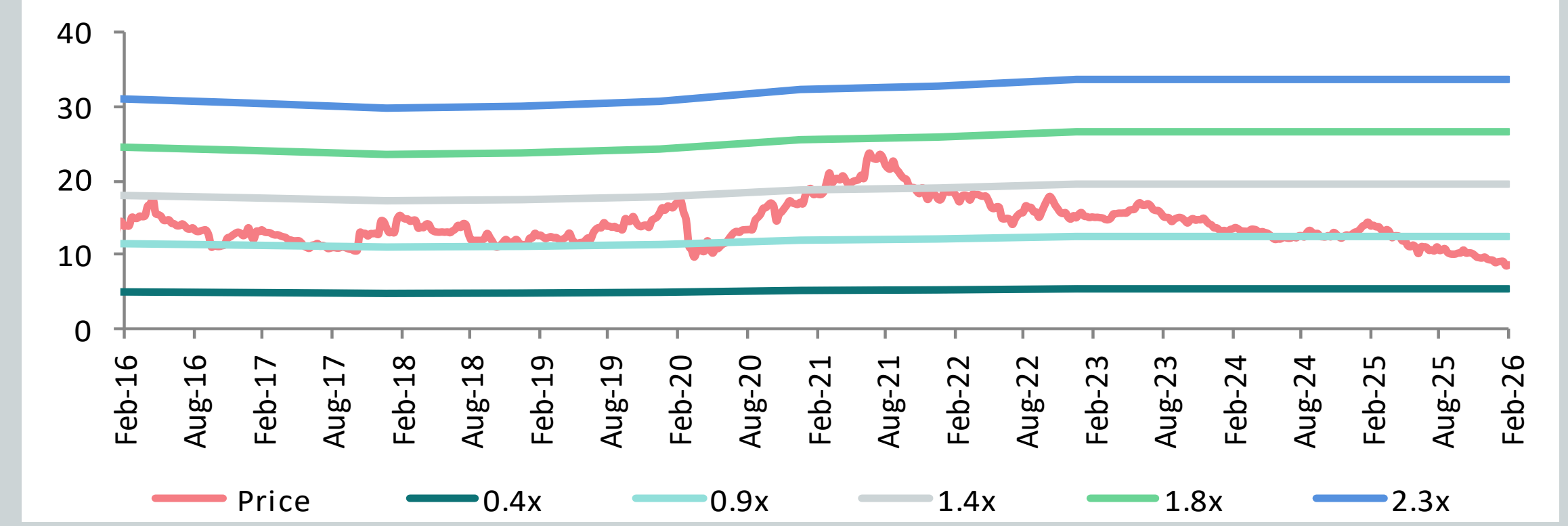


## CEMENT COVERAGE – P/BOOK

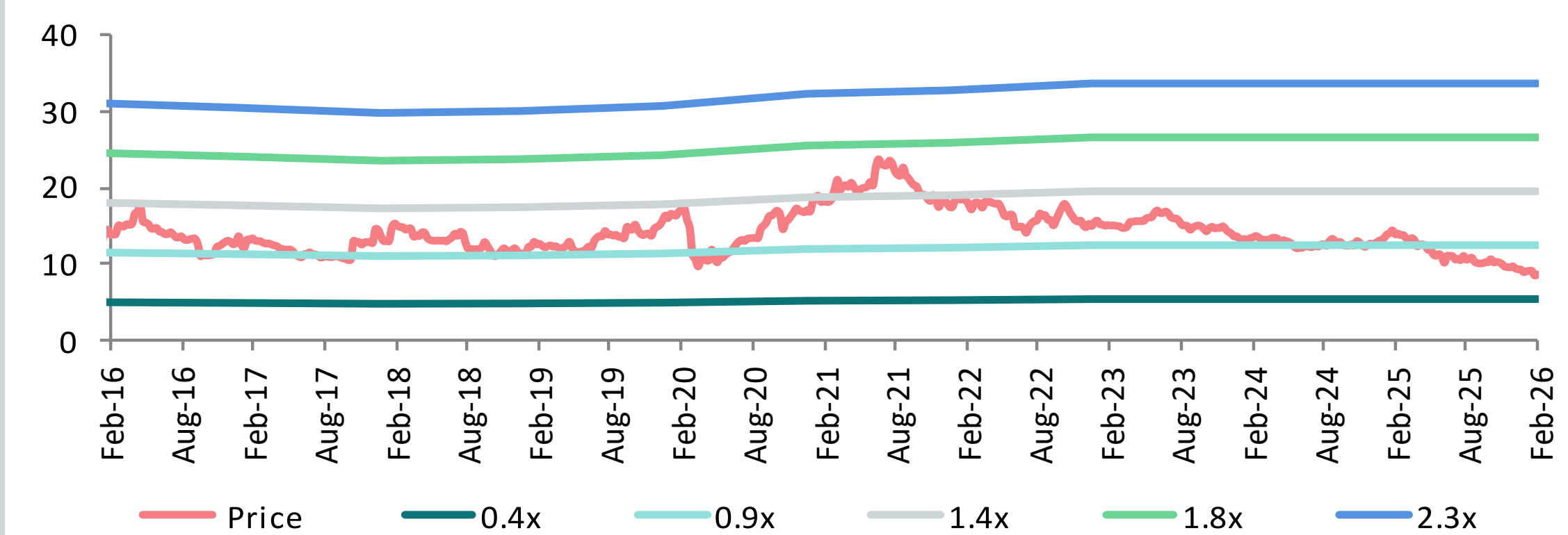
### P/B of Southern Cement



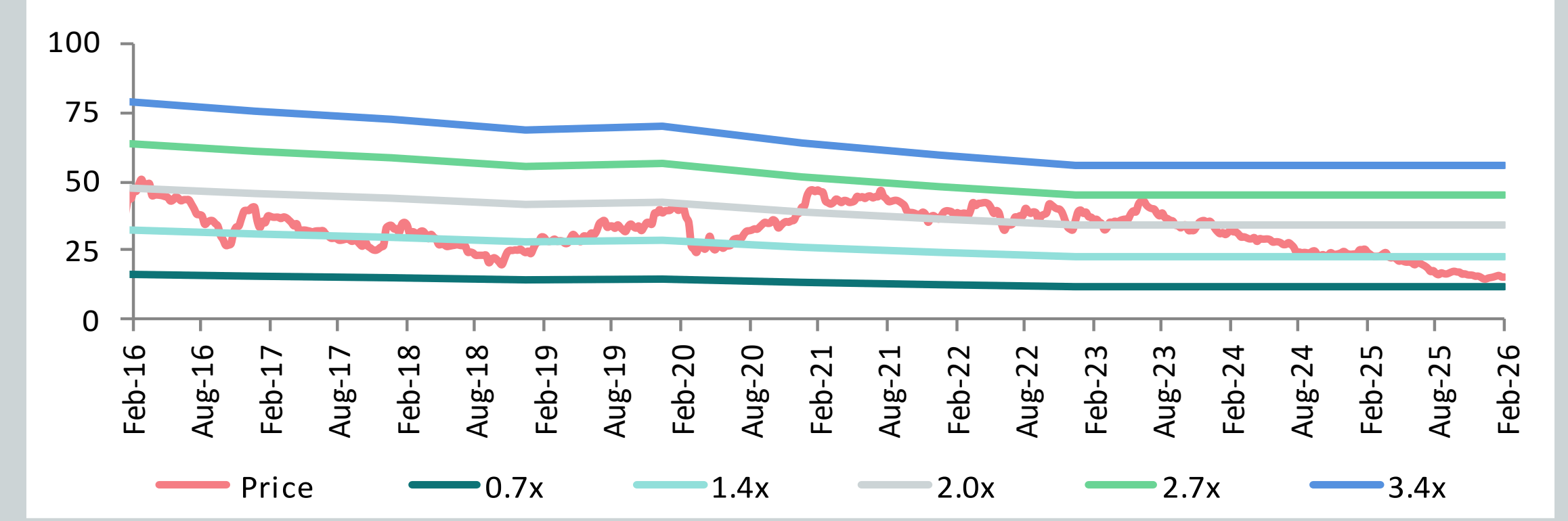
### P/B of Tabuk Cement



### P/B of Yamama Cement



### P/B of Yanbu Cement



Source: BSF Capital, Refinitiv Workspace, Bloomberg

## DIVIDEND ANALYSIS

# Lower dividend yield

### Dividend Details

TASI Code	Name of the Company	Semi-Annual										Name	Dividend Yield (%)					
		30-Jun-21	31-Dec-21	30-Jun-22	31-Dec-22	30-Jun-23	31-Dec-23	30-Jun-24	31-Dec-24	30-Jun-25	31-Dec-25		2020	2021	2022	2023	2024	2025
		1H21	2H21	1H22	2H22	1H23	2H23	1H24	2H24	1H25	2H25							
3010	Arabian Cement Co.	1.25	1.50	1.10	1.10	0.75	0.75	0.75	0.75	0.50	-	Arabian	10.1%	12.3%	9.9%	6.7%	6.7%	2.2%
3003	City Cement Co.	0.75	0.50	0.40	0.50	0.40	0.40	0.50	-	0.65	-	City	10.9%	9.1%	6.5%	5.8%	3.6%	4.7%
3080	Eastern Province Cement Co.	1.40	1.10	1.00	1.00	0.60	1.00	0.60	1.00	0.60	-	Eastern	10.0%	10.0%	8.0%	6.4%	6.4%	2.4%
3091	Al Jouf Cement Co.	-	-	-	-	-	-	-	-	-	-	Jouf	-	-	-	-	-	0.0%
3002	Najran Cement Co.	0.75	0.25	0.25	0.25	-	-	-	-	-	-	Najran	21.9%	14.6%	7.3%	-	-	0.0%
3004	Northern Region Cement Co.	0.25	0.25	0.25	0.25	-	0.25	0.25	-	0.25	-	Northern	6.9%	6.9%	6.9%	3.5%	3.5%	3.5%
3040	Qassim Cement Co.	2.10	1.40	1.00	1.20	1.30	1.30	1.30	1.45	1.60	0.80	Qassim	10.3%	8.1%	5.1%	6.0%	6.4%	5.6%
3030	Saudi Cement Co.	1.50	2.00	1.50	1.75	1.50	1.00	1.25	1.50	1.00	-	Saudi	9.7%	9.7%	9.0%	6.9%	7.6%	2.8%
3050	Southern Province Cement Co.	1.25	1.25	0.75	0.50	0.35	0.65	0.50	0.70	0.25	-	Southern	20.1%	10.6%	6.3%	4.2%	5.1%	1.1%
3090	Tabuk Cement Co.	-	0.25	-	-	-	0.25	0.25	0.25	0.25	-	Tabuk	-	2.7%	-	2.7%	5.5%	2.7%
3020	Yamama Cement Co.	-	-	-	1.00	-	1.00	-	1.00	-	-	Yamama	-	-	3.6%	3.6%	3.6%	0.0%
3060	Yanbu Cement Co.	1.25	1.00	0.75	0.75	1.50	-	0.75	0.50	0.50	0.75	Yanbu	14.2%	14.2%	9.5%	18.9%	7.9%	7.9%
	<b>Average</b>											<b>Average</b>	<b>9.5%</b>	<b>8.2%</b>	<b>6.0%</b>	<b>5.4%</b>	<b>4.7%</b>	<b>2.7%</b>

• In 2025, the average dividend yield is expected to be 2.7% as opposed to 4.7% in 2024 and 5.4% in 2023.

## CASH & LEVERAGE POSITION

# Higher cash generation driven by rise in earnings

### Cash & Leverage Details

Name	Cash and equivalents (SAR mln)					
	2019	2020	2021	2022	2023	2024
Arabian	144	234	143	264	218	145
City	685	50	56	50	43	42
Eastern	340	529	402	91	87	155
Hail	111	87	48	131	61	NA
Jouf	14	6	13	17	12	12
Najran	22	172	82	39	16	16
Northern	118	28	18	18	43	27
Qassim	62	67	107	52	40	107
Saudi	127	125	81	91	115	121
Southern	325	543	504	320	363	186
Tabuk	14	41	48	47	37	83
Yamama	74	72	74	76	160	61
Yanbu	177	137	61	101	74	55

Name	Free Cash Flow (SAR mln)					
	2019	2020	2021	2022	2023	2024
Arabian	206	380	446	192	221	133
City	314	368	259	162	93	223
Eastern	341	321	207	48	112	123
Hail	113	163	61	153	16	NA
Jouf	33	14	49	42	29	(79)
Najran	160	349	243	77	(38)	42
Northern	162	74	65	142	138	111
Qassim	439	488	395	11	(20)	255
Saudi	585	736	578	652	453	501
Southern	615	902	550	172	50	(281)
Tabuk	100	105	49	95	61	154
Yamama	393	706	468	325	108	548
Yanbu	433	355	277	442	26	200

Name	Debt/Equity Ratio (%)					
	2019	2020	2021	2022	2023	2024
Arabian	14%	11%	9%	9%	6%	3%
City	0%	0%	0%	0%	0%	0%
Eastern	0%	0%	0%	0%	0%	0%
Hail	18%	1%	1%	1%	1%	NA
Jouf	44%	53%	57%	53%	53%	65%
Najran	21%	16%	15%	14%	17%	15%
Northern	43%	36%	37%	39%	43%	43%
Qassim	0%	0%	0%	0%	0%	0%
Saudi	23%	16%	15%	14%	19%	13%
Southern	14%	12%	10%	8%	11%	19%
Tabuk	35%	26%	22%	17%	12%	8%
Yamama	45%	33%	28%	18%	28%	37%
Yanbu	4%	3%	10%	6%	16%	12%

- The average debt-to-equity (D/E) ratio for cement companies under our coverage remained range-bound at 14–20% over the last five years. City, Eastern, and Qassim are debt-free. Companies with debt would benefit relatively from the interest rate cuts.
- In FY24, cash balances among companies showed a mixed trend compared to FY23, although the overall sector cash balance declined. Southern continued to maintain the highest cash balance at SAR 186mn.

## RATING & VALUATION

Name	Rating	Upside / Downside	P/E			P/B			EV/EBITDA			P/S		
			2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E	2024	2025E	2026E
<b>Central Region</b>														
Yamama Cement	Buy	43.5%	12.6x	13.1x	12.0x	1.1x	1.1x	1.0x	11.3x	10.9x	10.2x	4.5x	3.7x	3.7x
Qassim Cement	Hold	10.1%	14.3x	18.3x	19.6x	1.7x	1.7x	1.7x	11.2x	12.7x	13.4x	4.5x	4.1x	3.8x
City Cement	Buy	32.6%	12.8x	14.9x	13.0x	1.1x	1.4x	1.4x	5.5x	6.5x	6.1x	3.6x	3.6x	3.3x
<b>Average</b>			<b>13.3x</b>	<b>15.5x</b>	<b>14.9x</b>	<b>1.3x</b>	<b>1.4x</b>	<b>1.4x</b>	<b>9.3x</b>	<b>10.0x</b>	<b>9.9x</b>	<b>4.2x</b>	<b>3.8x</b>	<b>3.6x</b>
<b>Median</b>			<b>12.8x</b>	<b>14.9x</b>	<b>13.0x</b>	<b>1.1x</b>	<b>1.4x</b>	<b>1.4x</b>	<b>11.2x</b>	<b>10.9x</b>	<b>10.2x</b>	<b>4.5x</b>	<b>3.7x</b>	<b>3.7x</b>
<b>Western Region</b>														
Yanbu Cement	Buy	28.3%	15.1x	22.4x	20.6x	0.9x	0.9x	1.0x	7.0x	8.3x	8.6x	2.7x	2.2x	2.0x
Arabian Cement	Hold	4.6%	13.4x	14.6x	13.5x	0.8x	0.8x	0.8x	6.3x	7.0x	6.7x	2.5x	2.1x	1.9x
<b>Average</b>			<b>14.2x</b>	<b>18.5x</b>	<b>17.0x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>6.7x</b>	<b>7.7x</b>	<b>7.6x</b>	<b>2.6x</b>	<b>2.1x</b>	<b>2.0x</b>
<b>Median</b>			<b>14.2x</b>	<b>18.5x</b>	<b>17.0x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>6.7x</b>	<b>7.7x</b>	<b>7.6x</b>	<b>2.6x</b>	<b>2.1x</b>	<b>2.0x</b>
<b>Eastern Region</b>														
Saudi Cement	Buy	39.3%	12.5x	15.8x	13.7x	2.4x	2.4x	2.4x	8.2x	9.7x	8.9x	3.2x	3.3x	3.1x
Eastern Cement	Hold	11.1%	8.4x	9.5x	8.2x	0.9x	0.9x	0.8x	5.1x	5.6x	5.0x	1.7x	1.6x	1.6x
<b>Average</b>			<b>10.5x</b>	<b>12.6x</b>	<b>11.0x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>6.6x</b>	<b>7.6x</b>	<b>7.0x</b>	<b>2.4x</b>	<b>2.5x</b>	<b>2.3x</b>
<b>Median</b>			<b>10.5x</b>	<b>12.6x</b>	<b>11.0x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>1.6x</b>	<b>6.6x</b>	<b>7.6x</b>	<b>7.0x</b>	<b>2.4x</b>	<b>2.5x</b>	<b>2.3x</b>
<b>Southern Region</b>														
Southern Cement	Hold	13.6%	12.5x	55.1x	42.0x	0.9x	0.9x	0.9x	9.2x	14.9x	13.3x	3.3x	3.5x	3.2x
Najran Cement	Buy	22.9%	15.9x	33.7x	0.0x	0.5x	0.0x	0.0x	7.0x	0.0x	0.0x	2.0x	NA	NA
<b>Average</b>			<b>14.2x</b>	<b>44.4x</b>	<b>21.0x</b>	<b>0.7x</b>	<b>0.5x</b>	<b>0.4x</b>	<b>8.1x</b>	<b>7.5x</b>	<b>6.7x</b>	<b>2.6x</b>	<b>3.5x</b>	<b>3.2x</b>
<b>Median</b>			<b>14.2x</b>	<b>44.4x</b>	<b>21.0x</b>	<b>0.7x</b>	<b>0.5x</b>	<b>0.4x</b>	<b>8.1x</b>	<b>7.5x</b>	<b>6.7x</b>	<b>2.6x</b>	<b>3.5x</b>	<b>3.2x</b>
<b>Northern Region</b>														
Tabuk Cement	Buy	63.4%	9.6x	16.7x	15.8x	0.6x	0.6x	0.6x	5.9x	9.4x	9.3x	2.2x	2.7x	2.4x
Northern Cement	Hold	11.9%	12.3x	25.6x	23.8x	0.6x	0.5x	0.5x	13.0x	12.7x	12.8x	2.0x	1.8x	1.7x
Jouf Cement	Hold	13.7%	NM	NM	NM	0.6x	0.8x	0.9x	47.9x	NM	64.4x	2.5x	2.6x	2.1x
<b>Average</b>			<b>11.0x</b>	<b>21.1x</b>	<b>19.8x</b>	<b>0.6x</b>	<b>0.7x</b>	<b>0.7x</b>	<b>22.3x</b>	<b>11.1x</b>	<b>28.8x</b>	<b>2.3x</b>	<b>2.4x</b>	<b>2.1x</b>
<b>Median</b>			<b>11.0x</b>	<b>21.1x</b>	<b>19.8x</b>	<b>0.6x</b>	<b>0.6x</b>	<b>0.6x</b>	<b>13.0x</b>	<b>11.1x</b>	<b>12.8x</b>	<b>2.2x</b>	<b>2.6x</b>	<b>2.1x</b>
<b>Sector Average</b>			<b>12.7x</b>	<b>21.8x</b>	<b>16.6x</b>	<b>1.0x</b>	<b>1.0x</b>	<b>1.0x</b>	<b>11.5x</b>	<b>8.9x</b>	<b>13.2x</b>	<b>2.9x</b>	<b>2.8x</b>	<b>2.6x</b>
<b>Sector Median</b>			<b>12.6x</b>	<b>16.7x</b>	<b>13.7x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>0.9x</b>	<b>7.6x</b>	<b>9.4x</b>	<b>9.1x</b>	<b>2.6x</b>	<b>2.7x</b>	<b>2.4x</b>

Source: Bloomberg, BSF Capital

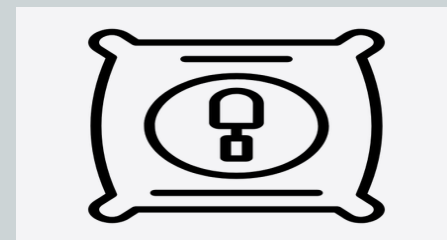
## NEWS BULLETIN



The Ministry of Industry and Mineral Resources revealed that the nation’s cement sector reduced production costs by 9% through energy efficiency gains under the Industrial Sector Competitiveness Program. It noted that the national liquid fuel displacement program (LFDP) targets replacing over 100,000 barrels of oil equivalent per day in industry, with the cement sector contributing around 30% of total savings. The ministry added that while the sector has growth opportunities, it continues to face challenges from surplus capacity domestically and globally, alongside the transition toward cleaner energy use and lower carbon emissions. *(Source: Argaam)*



Knight Frank revealed that the hotel sector is set for a major expansion, with total planned supply reaching around 358,000 rooms versus a current stock of 171,650 keys. It noted that about 94,000 rooms are under construction or advanced planning, underscoring a strong medium to long-term pipeline. The agency added that hotel performance remained resilient, with ADR rising 0.3% Y/Y to SAR 746 and occupancy increasing to 61% in January to August 2025, lifting RevPAR by 1.3%. It highlighted that Makkah and Madinah will drive supply growth, while Riyadh remains the top destination for high income citizens. *(Source: Argaam)*



According to reports, the KSA cement market continues to face a structural surplus of over 30%, with production capacity of around 85mn tonnes versus demand of about 55mn tonnes. It noted that high operating and capital costs are pushing producers to run at elevated utilisation, resulting in clinker inventories estimated at 50mn tonnes, equivalent to a full year of consumption. The report added that rising inventories are weighing on capital efficiency, while exports, accounting for around 12% of sales, have so far only stabilised stock levels due to logistics constraints, carbon considerations and Red Sea geopolitical risks. *(Source: Argaam)*



According to reports, King Salman International Airport signed seven MoUs with real estate developers at the fourth PIF Private Sector Forum to advance mixed use development within the airport master plan. It noted that around 12 sq km of the 57 sq km site is allocated for real estate, including residential, retail, hospitality and office assets in partnership with the private sector. The report added that the project integrates aviation, logistics and urban development, with economic and logistics zones spanning nearly 3mn sqm, targeting capacity of 100mn passengers and over 2mn tonnes of cargo annually by 2030. *(Source: Argaam)*

## NEOM PROJECT

	THE LINE	SINDALAH	TROJENA	OXAGON
<b>Vision</b>	Large-scale residential unit with an aim to house 9mn residents, run on 100% renewable energy, and designed to have no cars	NEOM’s first luxury island and yacht club destination in the Red Sea	A mountain tourism destination offering year-round outdoor skiing and adventure sports	World’s largest floating industrial complex planned to be built on 100% clean energy, shaped like an octagon and aimed to serve as port for Red Sea shipping routes
<b>Size (sq. km)</b>	34; length: 170km; width: 200m	0.84	60	48
<b>Estimated cost</b>	Total USD 500bn (Phase 1 – USD 320bn by 2030, 50% to be financed by the PIF)			
<b>Targeted completion</b>	1 <sup>st</sup> residents by 2014; 1mn residents by 2030; about 9mn residents by 2045	Aiming to start operations in 2024	Completion by 2026	1 <sup>st</sup> residents in 2024; Completion of all onshore developments + 90k residents by 2030; Logistics solutions by 2035
<b>Project contribution</b>	To create 380K jobs; >5mn tourists by 2030	To create 3.5K jobs for the tourism sector and hospitality and leisure services; 2.4K visitors per day by 2028	700K tourists annually by 2030; 7K residents; 10K jobs; 3.6K+ hotel rooms; 2.2K homes	To create 70K jobs
<b>Contribution to GDP</b>	USD 48bn	NA	USD 0.8bn	NA

Source: NEOM, MEED, multiple news providers, BSF Capital

## KSA GIGA AND MEGA PROJECTS

	NEOM	ROSHN Project	Diriyah Gate	Riyadh's 4 Mega-Projects	Jeddah Central Project	Red Sea Project	AIUIa	Qiddiya	New Murabba
<b>Vision</b>	A major, futuristic city being built in northwestern KSA	Residential community development in 9 cities across 4 regions as part of the Vision 2030 target of 70% Saudi home ownership	Mixed use urban community and tourism destination	King Salman Park (KSP): large-scale public park and urban district. Sports Boulevard: recreational and commercial complex. Green Riyadh and Riyadh Art	Includes four landmarks: opera house, museum, sports stadium, and oceanarium	A luxury and eco resort destination spread across islands, beaches, desert, mountains, and volcanic areas	Living museum and destination for heritage, nature, arts, and culture	Entertainment destination that is being built around 5 cornerstones: Parks & Attractions, Sports & Wellness, Motion & Mobility, Arts & Culture, and Nature & Environment	World's largest modern downtown in Riyadh
<b>Size (sq. km)</b>	26,500	>200	7	>20	6	28,000	22,500	334	19
<b>Estimated cost</b>	USD 500bn (Phase 1 – USD 300bn by 2030, 50% to be financed by the PIF)	USD 90bn	USD 40bn	USD 23bn	USD 20bn	USD 16bn	USD 15bn	USD 9bn	Expected to add over SAR180bn (USD 47.99bn) to non-oil GDP on completion
<b>Targeted completion</b>	Phase 1 by 2030; Sindalah in early 2024; Trojena by 2026; Oxagon by 2030; THE LINE's 1 <sup>st</sup> phase by 2030 with 1 <sup>st</sup> residents by 2024	Overall project by 2030; SEDRA by 2027; SEDRA Phase 1 was completed in November 2022	Completion by 2026; new assets to be opened every year from 2022; December 2022 opening of At-Turaif district (UNESCO World Heritage Site)	Riyadh Art by 2023; KSP by 2024; Sports Boulevard by 2027; Green Riyadh by 2030	Implementation in 3 phases: Phase 1 by YE27; Phase 2 by 2030; Phase 3 after 2030	2 phases: Phase 1 by YE23; Phase 2 by 2030; 16 resorts to be opened in 2023 and 50 more by 2030	Completion by 2035 in 3 phases; Phase 1 by 2023; Phase 2 by 2030; Phase 3 by 2035	3 phases: Phase 1 by 2022 & opening scheduled in 2023; Phase 2 by 2025; Phase 3 by 2030	Completion by 2030
<b>Location</b>	Tabuk Province	Multiple (9 cities)	Riyadh	Riyadh	Jeddah	Tabuk Province	Medina Province	Riyadh	Riyadh

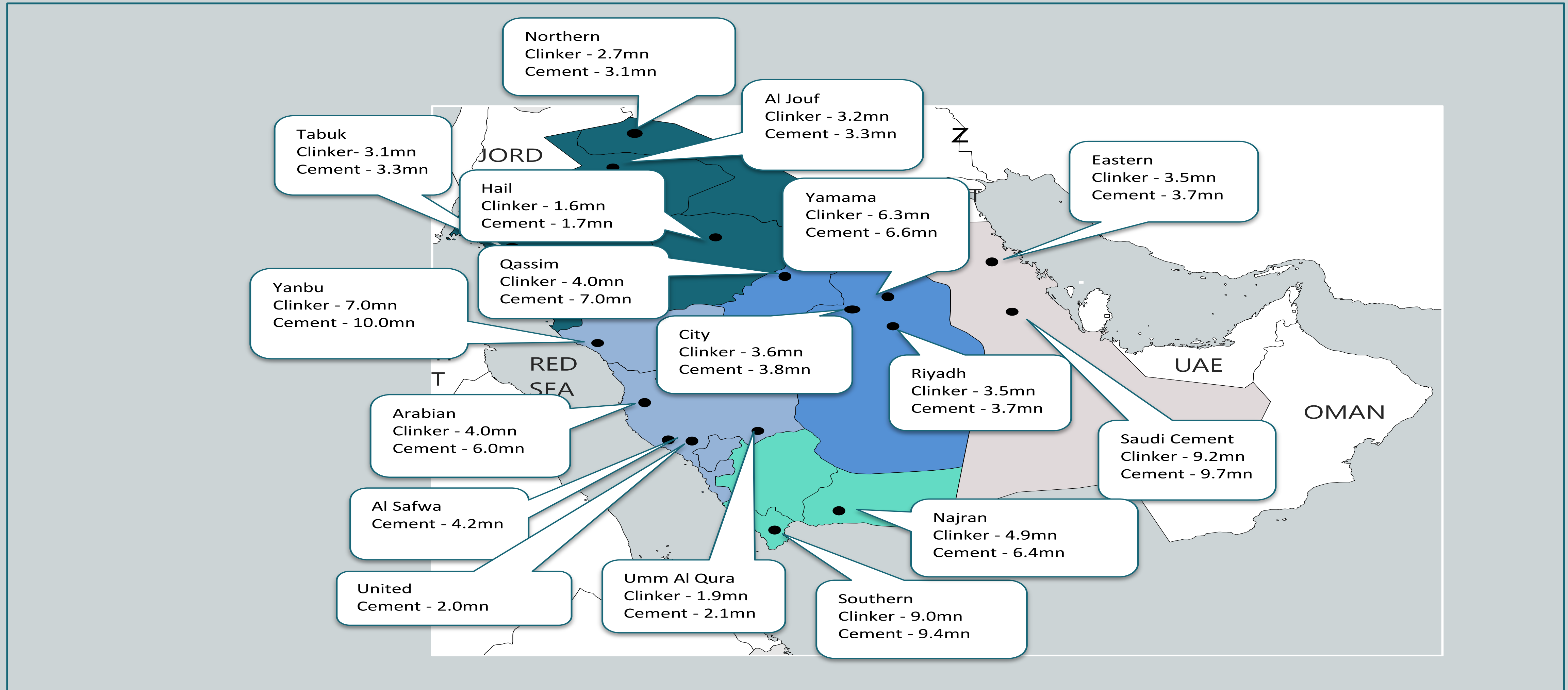
Source: Project webpages, MEED, Knight Frank, multiple news providers, BSF Capital

## KSA GIGA AND MEGA PROJECTS

	Expected completion	Project value (USD bn)	Value of commissioned projects to-date (USD bn)	Commissioned contracts construction progress
<b>Giga-Projects</b>				
NEOM Phase 1	2030	320.0	7.5	29%
Jeddah Economic City	-	30.0	1.7	74%
Diriyah Gate	2026	40.0	5.0	46%
Jeddah Central Project	2030	20.0		
Red Sea Project	2030	16.0	3.2	57%
AIUla	2035	15.0	0.7	49%
King Abdullah Financial District	2030	10.5	10.0	98%
Qiddiya	2030	8.8	2.5	61%
Thaker	2030	8.0	1.0	100%
King Abdullah Economic City	-	8.0	4.5	95%
<b>Riyadh's Mega-Projects</b>				
Dahiyat Al Fursan	2027	20.0		
King Salman Park	2024	17.0	1.2	30%
SEDRA community	2027	13.0	6.3	31%
AL WIDYAN	2025	5.0	0.3	98%
<b>Other projects</b>				
Infrastructure		200.0		
Education		82.0		
Other projects		77.0		
Wellbeing, sports, entertainment & recreation		24.0		
Healthcare		13.8		
Other		23.3	10.0	
<b>Total</b>		<b>951.4</b>	<b>53.9</b>	

Source: MEED, Knight Frank, BSF Capital; Data as of September/October 2022

## CEMENT PLANT LOCATIONS



Source: GASTAT, Company website, BSFC, IMF, World Bank | GDP (except Qatar) & Population for countries are 2023 numbers sourced from World Bank. GDP of Qatar is sourced from IMF.  
 Notation for companies includes cement company name along with plant capacity in tons.  
 This slide is for information purposes only with data collated from the above sources.

## Rating Framework

### Buy

Shares of the companies under coverage in this report are expected to outperform relative to the sector or the broader market.

### Hold

Shares of the companies under coverage in this report are expected to perform in line with the sector or the broader market.

### Sell

Shares of the companies under coverage in this report are expected to underperform relative to the sector or the broader market.

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## Saudi Fransi Capital

(Closed Joint Stock Company Owned by Banque Saudi Fransi)

Authorized and regulated under Capital Market Authority license 11153-37. The company is operating under commercial registration 1010231217 with a paid up capital of SAR 500,000,000.

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