



Nov-25: Another stellar month for sales; underperformance increased

KSA Cement Sector: Another excellent month for sales

Nov-25 has turned out to be another excellent month for cement companies with strong sales momentum in local sales. MoM, stock prices dropped further despite expectation of better environment for margins in 4Q compared to 3Q and redistribution of market share from big players to mid/small players in Nov-25.

Total sales: Fresh monthly record set

The strong momentum seen in recent months has sustained in Nov-25, translating into 13 % growth in total sales for 11M25. Yamama Cement (+46%), Arabian Cement (+16%) and Saudi Cement (+6%) are the key outperformers during 11M25. Local sales remained the largest contributor driven by strong demand from projects. Total cement sales in Nov-25 grew to another fresh new monthly high of 5mn tons, similar to the previous month, and increased by 10% YoY. Export sales turned out to be a drag on growth momentum in Nov-2025.

Local sales: 12% YTD growth; small players outperformed in Nov-25

Local sales in Nov-25 remained elevated and came in at 5mn tons, setting a fresh monthly record in Nov. In 11M25, local sales have recorded a jump of 12%, primarily driven by progress on mega projects in the central region. This is also reflected in strong sales performance of players in the central region. Yamama Cement recorded 45% growth in 11M25 (accounting for 46% growth in total local sales in 11M25). Sales in northern region saw the biggest underperformance in 11M25. On MoM basis, UACC (+16%) Riyadh (+9%), and Jouf (+7%) outperformed local sales at the expense of Saudi (-7%), Yamama (-6%) and United (-5%).

Exports: Strong growth, new market leader in 11M25

Export sales in 11M25 came in at 7.1mn tons recording 24% increase YTD. On MoM basis, export sales have dropped by a 3% MoM in Nov, following from 37% MoM drop in Oct, primarily due to lower clinker exports by Yanbu. During 11M25, Yanbu emerged as the new market leader in the cement exports after delivering +227% growth, while export sales for Saudi dropped 18% in 11M25. Both companies maintained their dominance in the export sales due to the proximity to the ports and competitive production cost relative to other peers.

Valuation & Stock Prices Performance

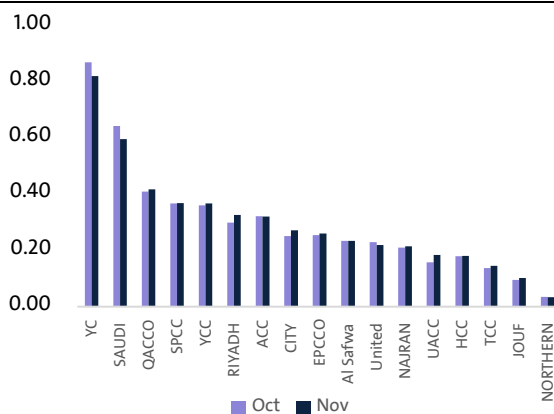
Investor sentiment seems to have unchanged despite expectations of relative stability in cement prices in 4Q25 following a steep drop in realized prices in 3Q25. The sector's underperformance has further increased from 11% in Oct-25 to 13% in Nov-25. Due to downgrades in consensus forecasts valuation and movement in stock prices, the P/E of the cement sector has moved up from an average of 14.2x in Oct-25 to 15.6x on 2026E earnings, which remains broadly in line with global peers.

Cement Sector-YTD Performance vs TASI



Source: AC, Bloomberg

Cement Sector-MoM trend (mn tons)



Source: AC, Bloomberg

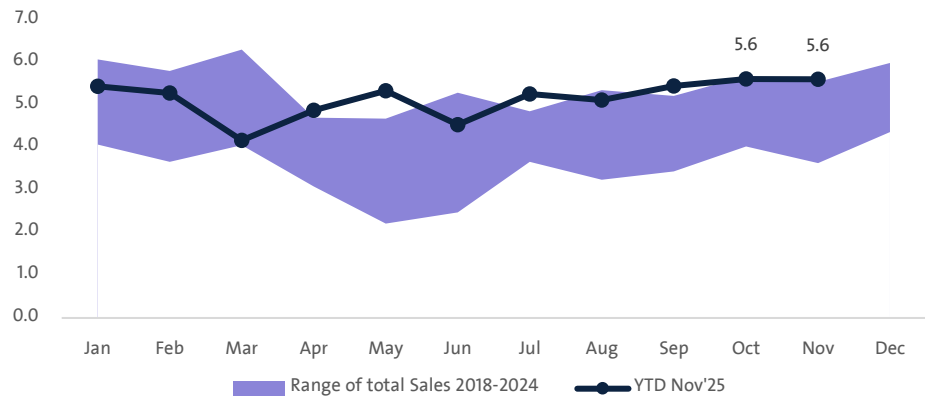
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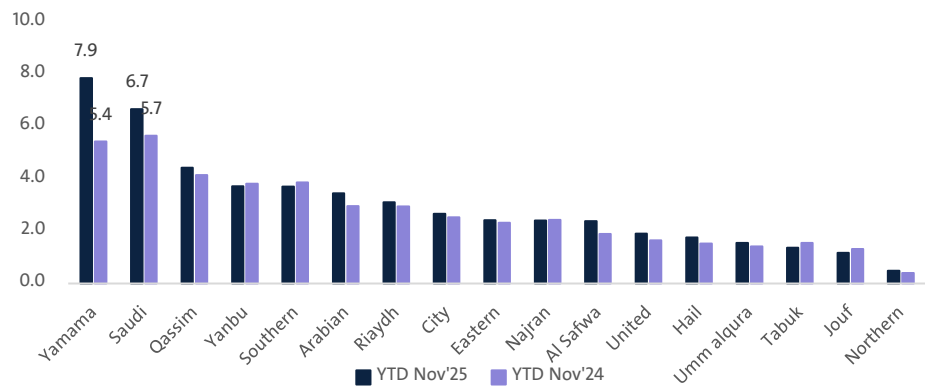
Cement-Total Sales

Total sales (Local + Exports, mn tons)



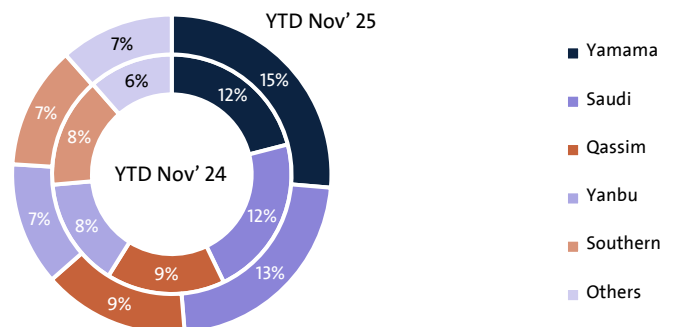
Source: AC

Company-wise YTD total sales (mn tons)



Source: AC

Market Share of total cement sales comparison (%)



Source: AC

Total cement and clinker sales remained elevated, clocking in at 5.6mn tons in Nov-25, flat MoM. Total sales set a fresh record for monthly sales in the month of Nov.

Total sales have reached 56.7mn ton in 11M25 recording an impressive 13% YoY.

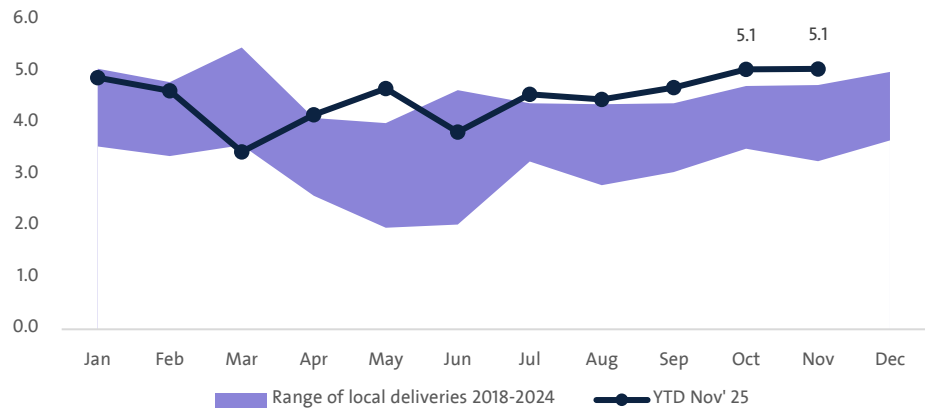
Yamama Cement maintained its industry leading position with significant outperformance in local sales in 11M25.

YTD sales for Yamama Cement reached 7.9mn tons as of Nov-2025, up 46% YoY. Saudi Cement ranked second, recording total sales of 6.7mn tons in 11M25, up 18% YoY.

Yamama Cement holds the highest market share at 15% in 11M25, up 3% YoY, supported by its strategic location in the central region—close to major Mega and Giga projects—and its highly efficient production facilities that enhance competitiveness and supply reliability.

Cement-Local Sales

Local cement sales (mn tons)

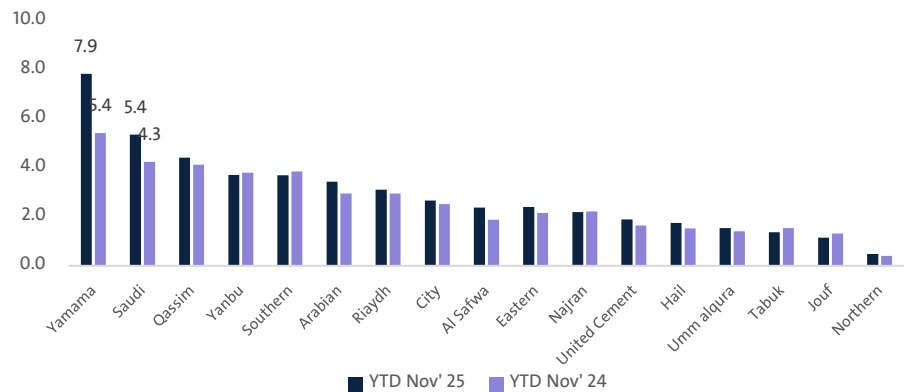


Source: AC

Local sales set a new high in monthly sales in November with 10% YoY growth to 5.1mn tons.

In 11M25, local cement sales have increased by 12% YoY to 49.5mn tons as vs initial expectations of 7% (Yamama Cement annual report).

Company-wise local sales (mn tons)



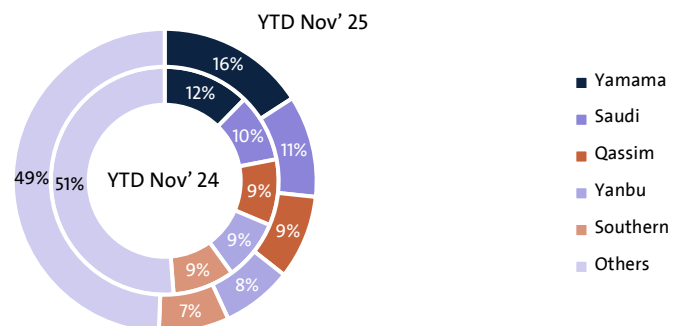
Source: AC

Yamama Cement has recorded the highest sales growth with an increase of 2.5 million tons. Saudi Cement stayed in second place.

12 companies recorded YTD local sales growth as of November 2025, indicating solid sector performance.

On MoM basis, UACC (+16%) Riyadh (+9%), and Jouf (+7%) outperformed local sales at the cost of Saudi(-7%), Yamama (-6%) and United (-5%)

Market share of local cement sales comparison (%)



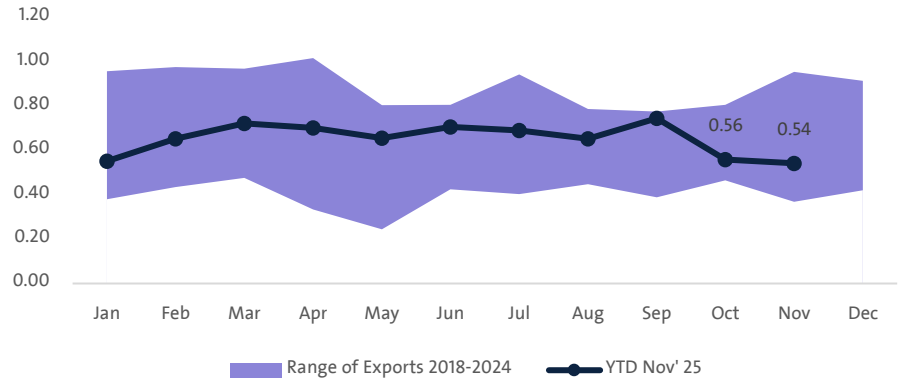
Source: AC

Yamama Cement increased its market share in local sales to 16% in 11M2025.

With the focus active Mega and Giga projects in the central region, the company leveraged its location advantage and comfortably outperformed its peers.

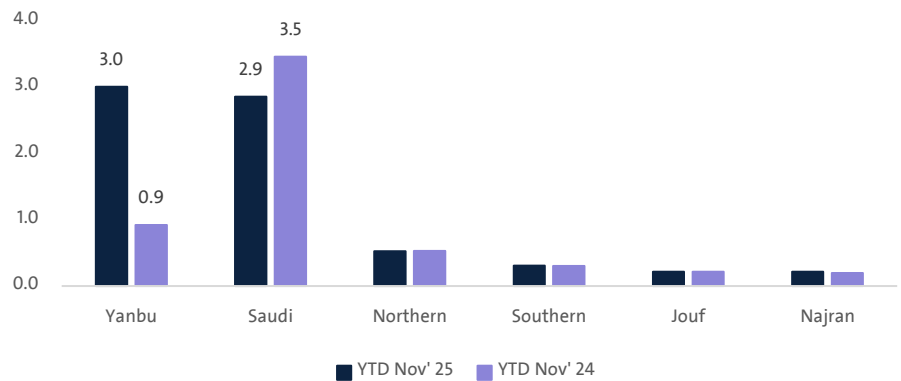
Cement-Exports

Exports sales (mn tons)



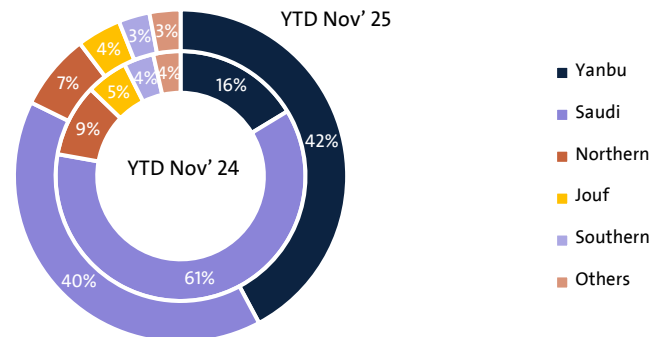
Source: AC

Exports sales company-wise (mn tons)



Source: AC

Market share of total cement exports comparison (%)



Source: AC

Total exports sales have trended down in Nov-25 compared to the historical range, reaching 0.54mn tons. Exports are around 13% of total industry sales. Clinker represents 80% of exports.

Despite month-on-month drop, YTD exports sales have increased by 24% in 11M2025.

Yanbu Cement's exports surged to over 3.0mn tons YTD Nov '25 (vs. 0.9mn tons last year), while Saudi Cement's exports held steady at 2.9mn tons. Both Yanbu and Saudi continue dominating the export market.

Both Yanbu Cement and Saudi Cement have demonstrated strong export performance (YTD), collectively dominating the export market.

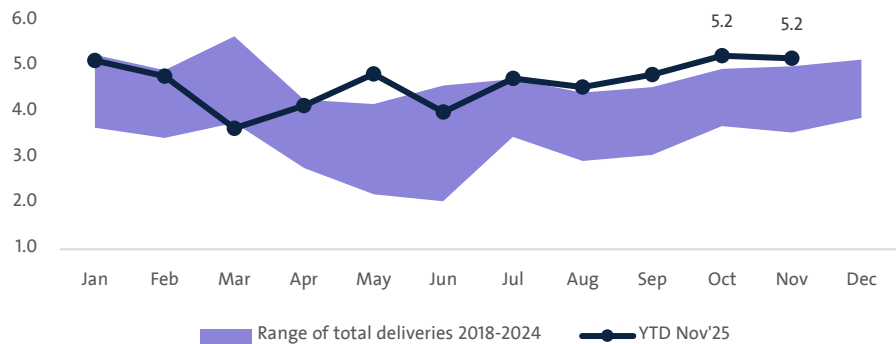
Together, the two companies account for approximately 80% of total cement exports.

Cement: Production, Inventory & Realized Prices

Cement production (mn tons)

Cement production in Nov-2025 continues to surpass historical levels, reaching 5.2mn tons, in line with an increase in local sales and export demand.

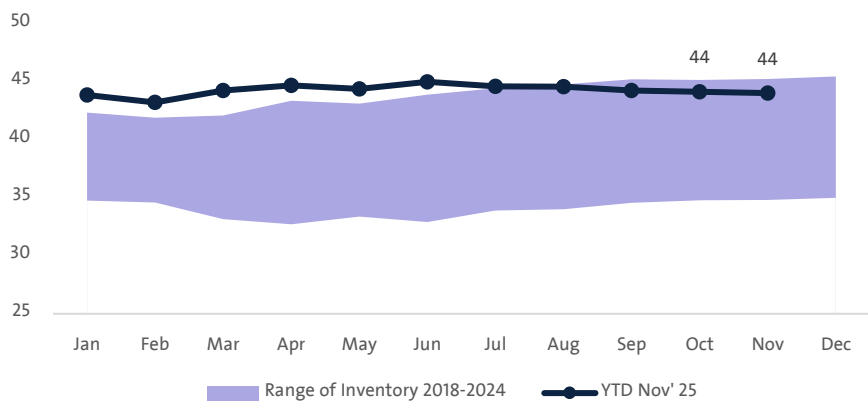
The production to sale ratio was recorded at 0.9x in Nov-25, unchanged MoM.



Source: AC

Clinker inventory (mn tons)

Clinker inventories increased slightly by 2% YoY; however, inventory levels have been on a declining trend since summer 2025.



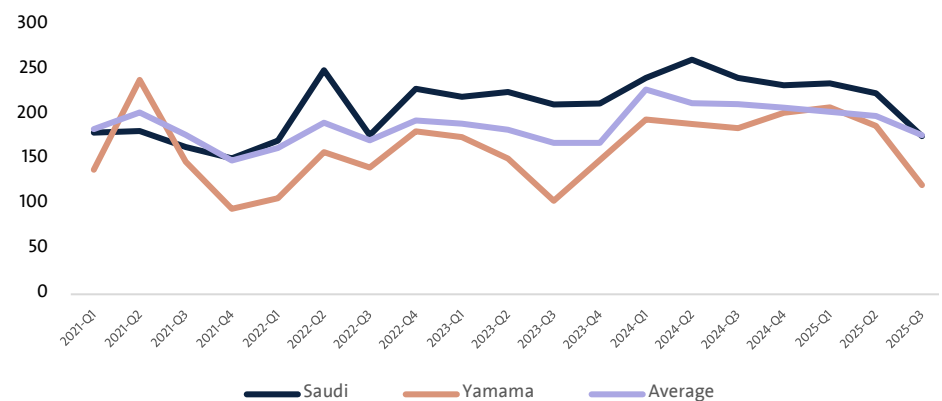
Source: AC

Realized prices per ton (SAR/ton)*

The average local cement prices came in at SAR 177/ton, with slight downward pressure QoQ. Realized prices in 3Q25 varied from region to region.

Realized prices for producers in the eastern region hovered above the industry average.

Realized prices in the central region, Yamama Cement in particular, stayed below average given the heavy competition in the central region.



*Primarily based on available 3Q accounts Source: AC

Cement- Stock Valuation & Performance

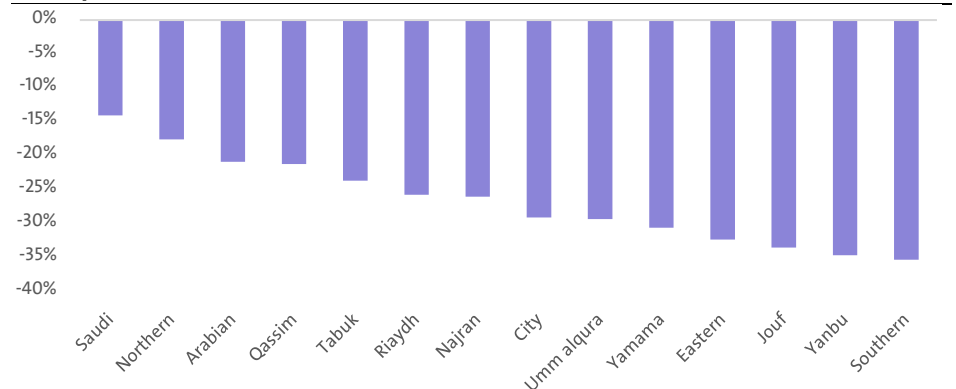
Cement: Relative Valuation											
Stock name	Country	Market Cap	Price	P/E		P/BV		D/Y		EV/EBITDA	
		SARm	Local	2025E	2026E	2025E	2026E	2025E	2026E	2025E	2026E
Qassim Cement	KSA	3472.3	41.6	17.5	15.4	1.7	1.6	5.2%	5.9%	9.1	8.5
Saudi Cement	KSA	5262.5	35.3	16.5	14.3	2.4	2.4	6.3%	6.3%	9.4	8.8
Southern Cement	KSA	1948.0	22.2	39.7	22.9	0.9	0.9	6.2%	6.2%	12.9	11.8
Yamama Cement	KSA	4097.8	24.2	11.2	10.8	1.0	1.0	4.1%	4.1%	10.6	10.6
Yanbu Cement	KSA	2270.4	16.1	25.4	27.6	1.0	1.0	7.7%	7.7%	8.1	8.1
Northern Cement	KSA	1333.3	7.4	24.3	22.0	0.6	0.6	6.7%	6.7%	13.2	13.2
Najran Cement	KSA	1052.5	6.8	33.1	25.8	0.6	0.6	NM	NM	9.2	7.8
Eastern Cement	KSA	1484.6	23.7	10.8	8.3	1.0	0.9	19.4%	15.0%	4.9	4.5
KSA Market mean		1975.5	15.3	18.4	15.6	0.9	0.9	8%	7%	8.9	8.3
Qatar Cement	QAT	1799.6	2.7	13.4	10.9	0.7	0.6	9.1%	11.2%	8.9	6.5
Gulf Cement	UAE	408.7	1.0	NM	NM	0.7	0.8	0.0%	0.0%	16.4	17.9
Arabian Cement	EGY	1498.8	50.8	12.0	16.6	6.1	8.4	0.7%	0.5%	6.5	9.1
Dangote Cement	NGA	27027.4	614.9	17.5	20.1	4.0	4.6	5.8%	5.0%	7.9	8.9
Mean		1670.6	1670.6	6.2	14.6	14.4	1.1	1.1	4.7%	4.7%	8.7

Source: Bloomberg

Stock performance

Cement stocks have recorded a significant drop YTD, reflecting weak market sentiment due to a drop in realized prices despite growth in demand.

Stock performance Year to Date



Source: AC

Analyst Certification:

We, Abdulrahman Yusef Alnafia and Muhammad Fawad Khan, the author/s of this report, hereby certify that: (i) views expressed in this report reflect the Research Analysts' personal views about all of the securities and (ii) no part of any of compensation of the author/s was, is, or will be directly or indirectly related to the specific recommendations or views expressed by in this report.

Rating Methodology

Alinma Capital Company (AC) follow a three-tier rating system based on total return methodology as per following details

>+15% Total Return: Stocks with +15% expected total return (including dividend yield) over the next 12-months are classified as Buy.

5-15%: Stocks with total return between 5-15% can be classified as Buy or Neutral.

>-5%<+5% total return: Stocks with total return between -5+5% can be classified as Neutral or Underperform

Underperform-Stocks which are expected to have <-5% total return

Not Covered: AC has not assigned any rating on the stock

Coverage Suspended: AC has temporarily suspended the coverage of the stock either in compliance with local regulation or other considerations

Price data for the listed securities is based on 12 October 2025.

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