**Company**

# City Cement Co.

## 3Q26 Result Review

**Rating**

Buy

**Bloomberg Ticker**

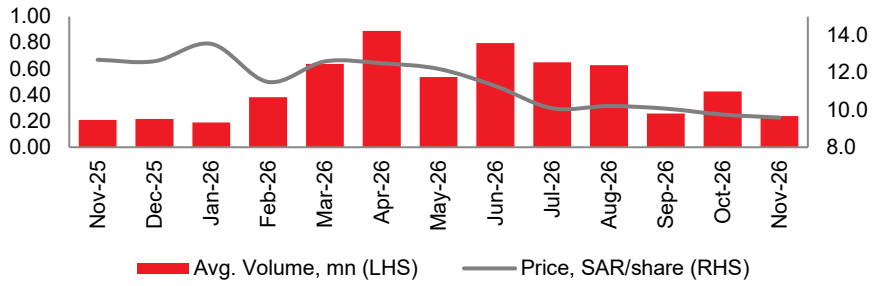
CITYC AB

**Date**

9 November 2026

**Results**

| | |
|---|---|
| **Target Price SAR** | 11.4 |
| **Total Return** | 20.4% |




| | |
|---|---|
| Current Market Price (SAR) | 9.97 |
| 52-week High \| Low | 13.86 \| 9.34 |
| Price Perf. (1m \| 3m) | -2.3% \| -4.3% |
| Mkt. Cap. (USD/SAR mn) | 377 \| 1,396 |
| Free Float | 75.2% |
| 3m ADTO (000 shares) | 354.0 |
| 6m ADTO (000 shares) | 483.4 |
| 3m ADTV (SAR 000) | 3,963.5 |
| 6m ADTV (SAR 000) | 5,648.3 |
| P/E 27e | 14.7x |
| P/B 27e | 0.8x |
| DY 27e | 6.0% |

### Lower sales volumes weigh on the top line

City Cement reported revenue of SAR 84.5mn (-12% YoY, -19% QoQ). The YoY decline was driven by lower sales volumes.

### Higher selling prices and cost discipline drive profit growth

Net profit came in at SAR 17.4mn (+99% YoY, +19% QoQ). The YoY growth was driven by a higher average selling price, lower cost of goods sold, and reduced G&A expenses, lifting operating margin to 16.0% from 2.2% in 3Q25.

### U-Capital view

City Cement benefits from its central region presence, which is well positioned to capture Vision 2030-led infrastructure spending. Its debt-free balance sheet provides room for inorganic growth and healthy payouts. The stock trades at FY27e P/E of 14.7x and offers a 6.0% dividend yield. We maintain our Buy rating with a target price of SAR 11.4/share.


**U Capital Research**

**Email:** ubhar-research@u-capital.net

Tel: +968 2494 9036


## Financial Statements

| SAR mn | 3Q25 | 4Q25 | 1Q26 | 2Q26 | 3Q26 | 3Q26e | YoY | QoQ | Var. | 9M25 | 9M26 | YoY |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **P&L** | | | | | | | | | | | | |
| Revenue | 96.5 | 134.4 | 117.1 | 104.4 | 84.5 | 92.3 | -12% | -19% | -8% | 379.9 | 305.9 | -19% |
| Gross Profit | 11.2 | 39.7 | 36.2 | 21.6 | 21.5 | 13.7 | 92% | -1% | 57% | 118.3 | 79.2 | -33% |
| Operational Profit | 2.2 | 30.4 | 25.9 | 11.0 | 13.5 | 2.1 | 528% | 23% | 536% | 83.6 | 50.4 | -40% |
| Net Profit | 8.7 | 32.3 | 30.3 | 14.6 | 17.4 | 6.4 | 99% | 19% | 173% | 96.7 | 62.4 | -36% |
| | | | | | | | | | | | | |
| **BS** | | | | | | | | | | | | |
| Sh. Equity | 1,800.4 | 1,832.4 | 1,793.0 | 1,807.5 | 1,768.8 | | -2% | -2% | | 1,800.4 | 1,768.8 | -2% |
| | | | | | | | | | | | | |
| **Ratios** | | | | | | | | | | | | |
| Gross Margin | 11.6% | 29.7% | 30.9% | 20.7% | 25.4% | 14.8% | | | | 31.1% | 25.9% | |
| Operating Margin | 2.2% | 22.0% | 22.1% | 10.5% | 16.0% | 2.3% | | | | 22.0% | 16.5% | |
| Net Profit Margin | 9.1% | 24.0% | 25.9% | 14.0% | 20.6% | 6.9% | | | | 25.4% | 20.3% | |
| TTM RoE (%) | | | | | 5.3 | | | | | | | |
| TTm P/E (x) | | | | | 14.7 | | | | | | | |
| Current P/Bv | | | | | 0.8 | | | | | | | |

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



# Investment Research


Ubhar-Research@u-capital.net

Head of Research

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

Research Team

**Rao Aamir Ali**
+968 2494 9066 | rao.harthi@u-capital.net

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

**Amira Al Alawi**
+968 2494 9012 | amira@u-capital.net

**Faris Al Hooti**
+968 2494 9012 | faris.nadir@u-capital.net

Head of Brokerage

**Talal Al Balushi**
+968 2494 9051 | talal@u-capital.net

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| BUY | HOLD | SELL |
|---|---|---|
| Greater than 10% | Between 0% and +10% | Lower than 0% |

**Ubhar Capital SAOC (U Capital)**
**Website:** www.u-capital.net
PO Box 1137, PC 111, Sultanate of Oman
**Tel:** +968 2494 9036 | **Fax:** +968 2494 9099 | **Email:** research@u-capital.net