

Company

City Cement Co.
1Q26 Result Review

Rating

Buy

Bloomberg Ticker

CITYC AB

Date

7 May 2026

Results

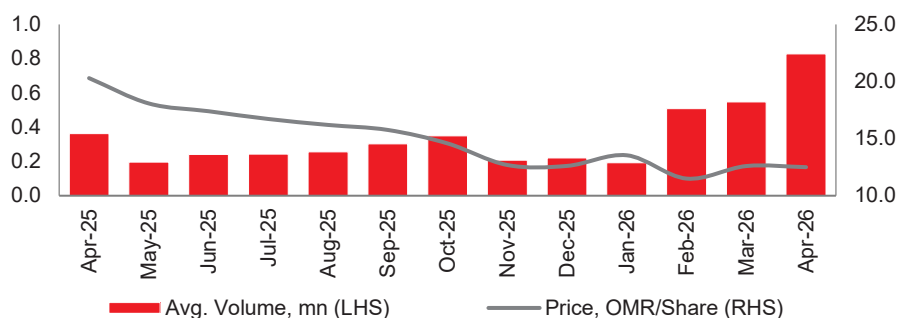
Target Price (SAR)	12.8
Total Return	10.9%

Current Market Price (SAR)	12.3
52wk High / Low (SAR)	19.62/10.9
12m Average Vol. (m)	354.4
Mkt. Cap. (USD/SAR bn)	458/1,719
Shares Outstanding (mn)	140.0
Free Float (%)	75.0%
3M ADTV (SAR mn)	8.6
6M ADTV (SAR mn)	5.4
P/E'26e (x)	13.5
P/B'26e (x)	0.9
Dividend Yield '26e (%)	6.7%
Price Perf. (1m/3m) (%)	1/-7.2

Research Department

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For our
last report



Revenue declines on weaker volumes

City Cement reported revenue of SAR 120mn, down 20% YoY, driven by an 18% YoY decline in local cement sales volumes and a 2% YoY drop in prices, with realized prices at SAR 198/ton versus SAR 202/ton last year.

Net profit declines sharply on margin contraction

Gross profitability weakened, with gross profit declining 36% YoY as lower volumes and higher cost of goods sold drove a contraction in margins. This flowed through to the bottom line, with net profit falling 41% YoY.

U-Capital view

We expect cement volumes to grow at a solid pace, supported by Vision 2030-led infrastructure activity. As local utilization improves, we anticipate a gradual recovery in prices, particularly in the central region. The company remains focused on strategically aligned investments with higher return potential, prioritizing core operations and organic growth. We maintain a Buy rating with a TP of SAR 12.8/share.

Financial Summary

SAR mn	1Q25	2Q25	3Q25	4Q25	1Q26	1Q26e	YoY	QoQ	Var.
P&L									
Revenue	149.3	139.5	96.5	134.4	119.9	134.9	-20%	-11%	-11%
Gross profit	61.2	45.5	15.4	39.7	39.0	44.7	-36%	-2%	-13%
Operating profit	48.0	32.6	3.7	30.4	25.9	31.6	-46%	-15%	-18%
Net profit	51.5	36.4	8.7	32.3	30.2	35.9	-41%	-6%	-16%
BS									
Shareholders' Equity	1,846.5	1,882.6	1,800.4	1,832.4	1,793.0		-3%	-2%	
Ratios									
Gross profit margin	41.0%	32.6%	16.0%	29.7%	32.5%	33.2%			
Operating profit margin	32.1%	23.4%	3.8%	22.6%	21.6%	23.5%			
Net profit margin	34.5%	26.1%	9.1%	24.0%	25.2%	26.6%			
RoE (TTM)					5.9%				
P/E (TTM)					16.2				
Current P/B					1.0				

Source: Financials, TASI Disclosure, Bloomberg, U Capital Research

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Disclaimer

Recommendation

BUY

Greater than 10%

HOLD

Between
0% and +10%

SELL

Lower than 0%

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