

Company

City Cement

3Q25 Result Review

Rating

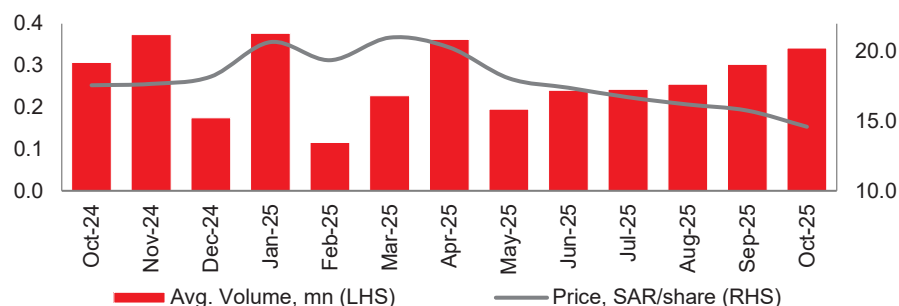
Under Review

Bloomberg Ticker

CITYC AB

Date

30 October 2025

ResultsTarget Price SAR **UR**Upside/(Downside) **-****Soft prices and weaker volume weigh on 3Q25 revenue**

In 3Q25, City Cement's revenue declined by 26% YoY to SAR 96.5mn, mainly due to a decline in both average selling prices and sales volumes.

Net income declined drastically in 3Q25

In 3Q25, net income dropped 74% YoY and 76% QoQ to SAR 8.7mn, mainly due to a weaker top line. For 9M25, net income declined 6% YoY to SAR 96.7mn, primarily driven by lower average selling prices.

U Capital view

City Cement reported a significant decline in net profit on both a YoY and a QoQ basis in 3Q25, largely reflecting continued pressure on average selling prices. Separately, the proposed Umm Al Qura acquisition has been delayed, as key conditions under the implementation agreement were not satisfied by the 24 October 2025 deadline, with no extension granted. Notably, the CMA Board had previously rejected City Cement's offer due to governance non-compliance under the Capital Market Law. Currently, the stock is under review pending further clarity on the reasons for the 3Q25 weakness and the outlook for the Umm Al Qura acquisition, and we will update our investment thesis once detailed results become available.

Current Market Price (SAR)	14.6
52wk High / Low (SAR)	21.9/14.6
12m Average Vol. (mn)	0.3
Mkt. Cap. (USD/SAR mn)	545/2,044
Shares Outstanding (mn)	140.0
Free Float	75.0%
3m ADTV (SAR mn)	5.1
6m ADTV (SAR mn)	4.5
P/E'26e (x)	13.5
EV/EBITDA'26e (x)	8.3
Dividend Yield '26e	9.6%
Price Perf. (1m/3m) (%)	-6.7/-12.8

Research DepartmentEmail: ubhar-research@u-capital.netFor our
last report**Financial Summary**

SAR mn	3Q24	4Q24	1Q25	2Q25	3Q25	3Q25e	YoY	QoQ	Var.	9M24	9M25	YoY
P&L												
Revenue	130.1	159.6	149.3	139.5	96.5	121.6	-26%	-31%	-21%	361.2	385.2	7%
Gross profit	45.9	54.7	63.1	45.5	15.4	39.6	-66%	-66%	-61%	133.9	124.3	-7%
Operating profit	31.7	41.1	47.3	32.6	3.7	25.9	-88%	-89%	-86%	94.7	83.6	-12%
Net profit	33.7	41.1	51.5	36.4	8.7	29.4	-74%	-76%	-70%	103.0	96.7	-6%
BS												
Shareholder's Equity	1,752.6	1,795.1	1,846.5	1,882.6	1,800.4		3%	-4%		1,752.6	1,800.4	3%
Ratios												
Gross margin	35.3%	34.2%	42.3%	32.6%	16.0%	32.6%				37.1%	32.3%	
Operating margin	24.4%	25.8%	31.7%	23.4%	3.8%	21.3%				26.2%	21.7%	
NPM	25.9%	25.7%	34.5%	26.1%	9.1%	24.2%				28.5%	25.1%	
EPS, SAR	0.24	0.29	0.37	0.26	0.06	0.21				0.74	0.69	
ROE, TTM					7.5%							
PE, TTM					14.8							
P/Bv					1.1							

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

Ahlam Al Harthi



+968 2494 9024



ahlam.harthi@u-capital.net

Sandesh Shetty



+968 2494 9059



sandesh@u-capital.net

Amira Al Alawi



+968 2494 9012



amira.alalawi@u-capital.net

Dua Al Mawali



+968 2494 9021



dua@u-capital.net

Head of Brokerage

Talal Al Balushi



+968 2494 9051



talal@u-capital.net

Visit us at

www.u-capital.net

Disclaimer

Recommendation

BUY	ACCUMULATE	HOLD	REDUCE	SELL
Greater than 20%	Between +10% and +20%	Between +10% and -10%	Between -10% and -20%	Lower than -20%

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

Disclaimer: This report has been prepared by Ubhar Capital (U Capital) Research and is provided for information purposes only. Under no circumstances is it to be used or considered as an offer to sell or solicitation of any offer to buy. While all reasonable care has been taken to ensure that the information contained therein is not untrue or misleading at the time of publication, we make no representation as to its accuracy or completeness and it should not be relied upon as such. The company accepts no responsibility whatsoever for any direct or indirect consequential loss arising from any use of this report or its contents. All opinions and estimates included in this document constitute U Capital Research team's judgment as at the date of production of this report and are subject to change without notice. This report may not be reproduced, distributed or published by any recipient for any other purpose.