

**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED INTERIM  
FINANCIAL STATEMENTS (UNAUDITED)**

For the three-month and nine-month periods ended 30 September 2025  
with

**INDEPENDENT AUDITOR'S REVIEW REPORT**

**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
For the three-month and nine-month periods ended 30 September 2025

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**KPMG Professional Services Company**

Zahran Business Center  
Prince Sultan Street  
P. O. Box 55078  
Jeddah 21534  
Kingdom of Saudi Arabia  
Commercial Registration No 4030290792

Headquarters in Riyadh

**شركة كي بي إم جي للاستشارات المهنية مساهمة مهنية**

مركز زهران للأعمال  
شارع الأمير سلطان  
ص. ب. 55078  
جده 21534  
المملكة العربية السعودية  
سجل تجاري رقم 4030290792

المركز الرئيسي في الرياض

# Independent Auditor's Report on Review of Condensed Interim Financial Statements To Shareholders of Tabuk Cement Company (A Saudi Joint Stock Company)

## Introduction

We have reviewed the accompanying 30 September 2025 condensed interim financial statements of Tabuk Cement Company (the "Company"), which comprise:

- the condensed statement of financial position as at 30 September 2025;
- the condensed statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended 30 September 2025;
- the condensed statement of changes in equity for the nine-month period ended 30 September 2025;
- the condensed statement of cash flows for the nine-month period ended 30 September 2025; and
- the notes to the condensed interim financial statements.

Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

## Scope of review

We conducted our review in accordance with the International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' that is endorsed in the Kingdom of Saudi Arabia. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing that are endorsed in the Kingdom of Saudi Arabia, and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



# Independent Auditor's Report on Review of Condensed Interim Financial Statements (continued)

To Shareholders of Tabuk Cement Company  
(A Saudi Joint Stock Company)

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying 30 September 2025 condensed interim financial statements of Tabuk Cement Company are not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

## KPMG Professional Services Company

Abdullah Oudah Althagafi  
License No. 455



Jeddah, 12 November 2025  
Corresponding to 21 Jumada Al Awal 1447H

**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)



**CONDENSED STATEMENT OF FINANCIAL POSITION**

As at 30 September 2025


(Expressed in Saudi Arabian Riyals unless otherwise stated)

	Note	30 September 2025 (Unaudited)	31 December 2024 (Audited)
<b>Assets</b>			
Property, plant and equipment	6	851,907,148	878,082,209
Investment properties		72,279,440	72,279,440
Equity investment at Fair Value through Other Comprehensive Income (FVOCI)	7	152,864,000	169,961,000
Intangible assets		3,140,753	4,348,735
Right-of-use assets		3,210,964	4,587,213
Derivative financial instrument	8	748,182	2,700,767
<b>Non-current assets</b>		<b>1,084,150,487</b>	<b>1,131,959,364</b>
Inventories	9	254,662,208	243,054,082
Trade receivables		70,603,795	46,612,826
Prepayment and other debit balances		11,760,337	7,651,734
Cash and cash equivalents	10	26,296,823	82,549,364
<b>Current assets</b>		<b>363,323,163</b>	<b>379,868,006</b>
<b>Total assets</b>		<b>1,447,473,650</b>	<b>1,511,827,370</b>
<b>Equity</b>			
Share capital	1	900,000,000	900,000,000
Statutory reserve		233,592,463	233,592,463
Other reserves		(15,736,568)	3,313,017
Retained earnings		55,748,926	65,329,156
<b>Total equity</b>		<b>1,173,604,821</b>	<b>1,202,234,636</b>
<b>Liabilities</b>			
Long-term loan	11	--	30,506,488
Lease liabilities		1,538,551	3,089,056
Employees' defined benefit obligations		21,403,807	19,923,690
<b>Non-current liabilities</b>		<b>22,942,358</b>	<b>53,519,234</b>
Current portion of long-term loan	11	47,353,119	63,470,883
Lease liabilities		1,933,999	1,754,572
Accruals and other credit balances		48,870,722	35,904,119
Trade payables		29,119,939	25,211,548
Dividends payable to shareholders	12	120,185,242	120,133,922
Provision for zakat	13	3,463,450	9,598,456
<b>Current liabilities</b>		<b>250,926,471</b>	<b>256,073,500</b>
<b>Total liabilities</b>		<b>273,868,829</b>	<b>309,592,734</b>
<b>Total equity and liabilities</b>		<b>1,447,473,650</b>	<b>1,511,827,370</b>

These condensed interim financial statements were approved by the Board of Directors on 6/11/2025 and are signed on behalf by:

  
Abdullah Al Mutairi  
CFO

  
Ali bin Mohamed Al Qahtani  
CEO

  
Tareq bin Khalid Al Angari  
BOD Member

The accompanying notes from 1 to 19 form an integral part of these condensed interim financial statements.

**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)

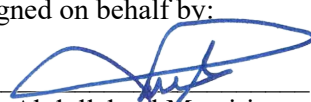


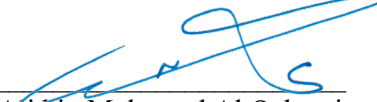
**CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

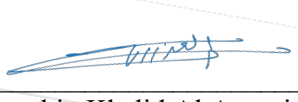
For the three-month and nine-month periods ended 30 September 2025  
(Expressed in Saudi Arabian Riyals unless otherwise stated)

		For the three-month period ended 30 September		For the nine-month period ended 30 September	
		<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	Note	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenues		72,861,661	90,119,140	209,953,587	262,603,845
Cost of revenues		(58,017,218)	(61,278,352)	(154,125,345)	(181,461,451)
<b>Gross profit</b>		<b>14,844,443</b>	<b>28,840,788</b>	<b>55,828,242</b>	<b>81,142,394</b>
Selling and marketing expenses		(1,232,227)	(1,124,572)	(3,716,454)	(3,407,920)
General and administrative expenses		(8,365,108)	(7,710,644)	(23,733,287)	(21,669,376)
Reversal / (Impairment loss) on trade receivables		606,806	(751,709)	269,180	(1,075,797)
Other income	14	4,117,252	6,517,252	12,031,756	24,632,219
<b>Operating income</b>		<b>9,971,166</b>	<b>25,771,115</b>	<b>40,679,437</b>	<b>79,621,520</b>
Finance cost		(431,651)	(1,013,642)	(1,656,351)	(3,404,090)
Murabaha income		--	226,923	658,017	491,254
Effect of financial liability cash flows adjustment		(243,526)	(554,889)	(978,911)	(1,900,886)
<b>Profit before zakat</b>		<b>9,295,989</b>	<b>24,429,507</b>	<b>38,702,192</b>	<b>74,807,798</b>
Zakat	13	(1,045,652)	(1,380,000)	(3,282,422)	(4,303,928)
<b>Profit for the period</b>		<b>8,250,337</b>	<b>23,049,507</b>	<b>35,419,770</b>	<b>70,503,870</b>
<b>Other Comprehensive income;</b>					
<i>Items that will not be reclassified subsequently to profit or loss:</i>					
Unrealized losses on investments in equity instruments at FVOCI		--	--	(17,097,000)	(3,986,180)
Movement in fair value of cash flow hedges		(558,443)	(1,889,178)	(1,952,585)	(3,662,599)
<b>Total other comprehensive loss</b>		<b>(558,443)</b>	<b>(1,889,178)</b>	<b>(19,049,585)</b>	<b>(7,648,779)</b>
<b>Total comprehensive income</b>		<b>7,691,894</b>	<b>21,160,329</b>	<b>16,370,185</b>	<b>62,855,091</b>
<b>Earnings per share:</b>					
Basic and diluted earnings per share	15	<u>0.09</u>	<u>0.26</u>	<u>0.39</u>	<u>0.78</u>

These condensed interim financial statements were approved by the Board of Directors on 6/11/2025 and are signed on behalf by:

  
Abdullah Al Mutairi  
CFO

  
Ali bin Mohamed Al Qahtani  
CEO

  
Tareq bin Khalid Al Angari  
BOD Member

The accompanying notes from 1 to 19 form an integral part of these condensed interim financial statements.

**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**CONDENSED STATEMENT OF CHANGES IN EQUITY**

For the nine-month period ended 30 September 2025

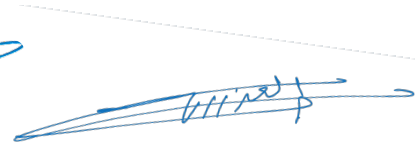
(Expressed in Saudi Arabian Riyals unless otherwise stated)

	<u>Share capital</u>	<u>Statutory reserve</u>	<u>Other reserves</u>	<u>Retained earnings</u>	<u>Total Equity</u>
<b>Balance at 1 January 2024 (audited)</b>	<b>900,000,000</b>	<b>233,592,463</b>	<b>124,942,869</b>	<b>32,911,003</b>	<b>1,291,446,335</b>
Profit for the period	--	--	--	70,503,870	70,503,870
Other comprehensive loss	--	--	(7,648,779)	--	(7,648,779)
<b>Total comprehensive income for the period</b>	--	--	(7,648,779)	70,503,870	62,855,091
Dividends (note 12)	--	--	--	(22,500,000)	(22,500,000)
<b>Balance at 30 September 2024 (unaudited)</b>	<b>900,000,000</b>	<b>233,592,463</b>	<b>117,294,090</b>	<b>80,914,873</b>	<b>1,331,801,426</b>
<b>Balance at 1 January 2025 (audited)</b>	<b>900,000,000</b>	<b>233,592,463</b>	<b>3,313,017</b>	<b>65,329,156</b>	<b>1,202,234,636</b>
Profit for the period	--	--	--	35,419,770	35,419,770
Other comprehensive loss	--	--	(19,049,585)	--	(19,049,585)
<b>Total comprehensive income for the period</b>	--	--	(19,049,585)	35,419,770	16,370,185
Dividends (note 12)	--	--	--	(45,000,000)	(45,000,000)
<b>Balance at 30 September 2025 (unaudited)</b>	<b>900,000,000</b>	<b>233,592,463</b>	<b>(15,736,568)</b>	<b>55,748,926</b>	<b>1,173,604,821</b>

These condensed interim financial statements were approved by the Board of Directors on 6/11/2025 and are signed on behalf by:

  
Abdullah Al Mutairi  
CFO

  
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BOD Member

The accompanying notes from 1 to 19 form an integral part of these condensed interim financial statements.




**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)




**CONDENSED STATEMENT OF CASH FLOWS**  
For the nine-month period ended 30 September 2025  
(Expressed in Saudi Arabian Riyals unless otherwise stated)

	Note	30 September 2025 (Unaudited)	30 September 2024 (Unaudited)
<b>Cash flow from operating activities:</b>			
Profit for the period before Zakat		38,702,192	74,807,798
<b>Adjustments for:</b>			
Depreciation on property, plant and equipment	6	32,820,915	34,881,189
Disposal losses on property, plant and equipment		2,810	46,775
Amortization of intangible assets		1,207,982	1,207,983
Amortization of right-of-use assets		1,376,249	1,376,249
Finance cost		1,656,351	3,403,494
Murabaha income		(658,017)	(491,254)
(Reversal) / Impairment loss on trade receivables		(269,180)	1,075,797
Impairment / (reversal) in value of inventory items	9	343,593	(77,335)
Effect of financial liability cash flows adjustment		978,911	1,900,886
Employee defined benefit obligation charge for the period		2,632,684	2,935,229
		<u>78,794,490</u>	<u>121,066,811</u>
<b>Changes in:</b>			
Trade receivables		(23,721,789)	(46,200,445)
Prepayments and other debit balances		(4,108,603)	8,781,219
Inventories		(11,951,718)	25,088,885
Trade payables		3,908,391	1,681,204
Accruals and other credit balances		12,966,601	3,667,786
Employees' defined benefit obligations - paid		(1,152,567)	(1,636,046)
<b>Cash generated from operating activities</b>		<u>54,734,805</u>	<u>112,449,414</u>
Zakat Paid	13	<u>(9,417,428)</u>	<u>(9,007,280)</u>
<b>Net cash generated from operating activities</b>		<u>45,317,377</u>	<u>103,442,134</u>
<b>Cash flows from investing activities:</b>			
Additions of property, plant and equipment	6	(6,648,664)	(11,109,088)
Murabaha income received		658,017	491,254
<b>Net cash used in investing activities</b>		<u>(5,990,647)</u>	<u>(10,617,834)</u>
<b>Cash flows from financing activity:</b>			
Paid from loans	11	(47,603,162)	(47,603,164)
Payment of lease liabilities		(1,371,078)	(1,284,117)
Payment of lease liabilities interest		(207,252)	(293,617)
Finance cost paid		(1,449,099)	(3,109,877)
Dividends paid	12	(44,948,680)	(22,348,979)
<b>Net cash used in financing activities</b>		<u>(95,579,271)</u>	<u>(74,639,754)</u>
Net cash (decrease) / increase in cash and cash equivalents		(56,252,541)	18,184,546
Cash and cash equivalents beginning of the period		82,549,364	36,894,267
Cash and cash equivalents at the end of the period	10	<u>26,296,823</u>	<u>55,078,813</u>

These condensed interim financial statements were approved by the Board of Directors on 6/11/2025 and are signed on behalf by:

  
Abdullah Al Mutairi  
CFO

  
Ali bin Mohamed Al Qahtani  
CEO

  
Tareq bin Khalid Al Angari  
BOD Member

The accompanying notes from 1 to 19 form an integral part  
of these condensed interim financial statements.



**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

For the nine-month period ended 30 September 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

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**1. GENERAL INFORMATION**

Tabuk Cement Company (the Company) is a Saudi joint stock company established under the regulations for companies in the Kingdom of Saudi Arabia issued by Royal Decree No, (M/6) dated 30 Jumada Thani 1405H (corresponding to 22 March 1985), The Company is registered in the city of Tabuk under Commercial Registration No, 3550012690 and the unified Number 7001365316 on 25 Safar 1415H (corresponding to 2 August 1994).

The Company's main activity is as follows:

1. Production of ordinary cement (Portland)
2. Production of salt-resistant cement
3. Production of agglomerated cement (clinker)

The Company operates under industrial license No, 42110217153 issued on 21 Safar 1445H (corresponding to 6 September 2023) which expires on 16 Rabi' Al-Thani 1450H (corresponding to 6 September 2028).

As at 30 September 2025, the authorized, subscribed and fully-paid-up share capital 900 million (31 December 2024: SR 900 million) divided into 90 million ordinary shares (31 December 2024: 90 million shares) of SR 10 each (31 December 2024: SR 10). The Company's shares are listed in the Capital Market Authority in the Kingdom of Saudi Arabia.

The registered address of the Company is:

TCC Building  
Al-Dhabab area, north of Dhaba City  
Beside Dhaba Port, near Duba Sea Port  
P.O. Box 122, Tabuk 71451  
Kingdom of Saudi Arabia

**2. BASIS OF PREPERATION**

**a) Statement of compliance**

These condensed interim financial statements have been prepared in accordance with International Accounting standards "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants (SOCPA). These condensed interim financial statements do not include all the information and disclosure required in the annual financial statements. They should be read with the last annual financial statements of the Company as at 31 December 2024 ("Last Annual Financial Statements"). However, some accounting policies and explanatory notes have been included to explain the events and transactions that are important to understand the changes in the financial position and financial performance of the Company from the financial statements of the previous year.

In addition, the results for the three-month and nine-month period ending 30 September 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2025. Certain comparative figures have been reclassified to conform with the current presentation of the condensed interim financial statements, and this reclassification has no impact on the profit or equity.

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

For the nine-month period ended 30 September 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

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**2. BASIS OF PREPERATION (continued)**

**b) Basis of measurement**

The condensed interim financial statements have been prepared on the historical cost basis except for the following significant items included in the condensed statement of financial position:

- Employee defined benefit obligations, which are measured at the present value of future obligations using the projected unit credit method using the accrual basis of accounting and the going concern concept,
- Investment in equity instruments is measured at fair value through other comprehensive income.
- The derivative financial instrument is measured at fair value through other comprehensive income.

**c) Functional and presentation currency**

These condensed interim financial statements are presented in Saudi Arabian Riyals (SR) which is the functional and presentation currency of the Company.

**3. USE OF JUDGEMENTS AND ESTIMATES**

The preparation of the condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and actual results may differ from these estimates,

The significant judgments made by management in applying the Company's accounting policies are consistent with those disclosed in the latest annual financial statements.

**4. MATERIAL ACCOUNTING POLICIES**

The accounting policies applied in the preparation of condensed interim financial statements are consistent with the accounting policies applied in the preparation of the Company's annual financial statements for the year ended 31 December 2024, except if mentioned otherwise.

**5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS**

**5.1 New Standards, Amendment to Standards and Interpretations;**

The following amendments to existing standards and framework have been applied by the Company in preparation of these condensed interim financial statements. The adoption of the following standard did not have a material effect on the Company's condensed interim financial statement.

<i><u>Standard / Interpretation</u></i>	<i><u>Description</u></i>	<i><u>Effective date</u></i>
IAS 21	Lack of exchangeability (amendments to IAS 21)	1 January 2025

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**  
For the nine-month period ended 30 September 2025  
(Expressed in Saudi Arabian Riyals unless otherwise stated)

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**5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS (continued)**

**5.2 Standards issued but not yet effective**

The standards, interpretations, and amendments issued, but not yet effective up to the date of issuance of the condensed interim financial statements, are disclosed below. The Company is currently assessing the implications on the Company's condensed interim financial statements on adoption. The Company intends to adopt these standards, where applicable, when they become effective.

<b><u>Standard / Interpretation</u></b>	<b><u>Description</u></b>	<b><u>Effective date</u></b>
IFRS 9 and IFRS 7 IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments Annual Improvements to IFRS Accounting Standards – Amendments to: <ul style="list-style-type: none"> <li>• IFRS 1 First-time Adoption of International Financial Reporting Standards;</li> <li>• IFRS 7 Financial Instruments: Disclosures and its accompanying Guidance on implementing IFRS 7;</li> <li>• IFRS 9 Financial Instruments;</li> <li>• IFRS 10 Consolidated Financial Statements; and</li> <li>• IAS 7 Statement of Cash flows</li> </ul>	1 January 2026
IFRS 9 and IFRS 7	Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7	1 January 2026
IFRS 18	Presentation and disclosure in financial statements	1 January 2027
IFRS 10 and IAS 28	Sale or contribution of assets between investor and its associate or joint venture (amendments to IFRS 10 and IAS 28)	To be determined

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

For the nine-month period ended 30 September 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

**6. PROPERTY, PLANT AND EQUIPMENT**

Movement in property, plant and equipment is as follows:

	<b>30 September 2025 (Unaudited)</b>	30 September 2024 (Unaudited)	31 December 2024 (Audited)
<b>Cost</b>			
Beginning of the period / year	<b>2,403,627,706</b>	2,388,220,115	2,388,220,115
Addition during the period / year	<b>6,648,664</b>	11,109,088	15,889,835
Disposal during the period / year	<b>(2,379,557)</b>	(1,504,394)	(482,244)
Ending of the period / year	<b>2,407,896,813</b>	2,397,824,809	2,403,627,706
<b>Accumulated depreciation</b>			
Beginning of the period / year	<b>1,525,545,497</b>	1,480,249,586	1,480,249,586
Charge during the period / year	<b>32,820,915</b>	34,881,189	45,675,152
Disposals during the period / year	<b>(2,376,747)</b>	(1,457,619)	(379,241)
Ending of the period / year	<b>1,555,989,665</b>	1,513,673,156	1,525,545,497
<b>Net book value at the end of period / year</b>	<b>851,907,148</b>	884,151,653	878,082,209

The buildings are built on land with a 30-year concession from the Ministry of Petroleum and Mineral Resources that expires on 4 September 2027. The lease is renewable for further period of 20 years. The Company is reasonably certain for the extension of the given period.

The useful life of a portion of machinery and equipment has been amended from 25 years to 30 years, effective from 1 January 2024. The change in the depreciation method has been accounted for as a change in accounting estimate, and the remaining book value of that portion of machinery and equipment will be depreciated according to the new depreciation rates. The impact of this amendment amounted to SR 6,244,826 for the financial period ended 30 September 2024 and reduce the depreciation value by the same amount during the financial period ended 30 September 2025. The impact of this on the next five years is as follows:

	<b>2026</b>	<b>2027</b>	<b>Estimated 2028</b>	<b>2029</b>	<b>2030</b>
Decrease in depreciation expenses	8,326,434	8,326,434	8,326,434	8,326,434	8,326,434

**7. EQUITY INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI)**

The equity investment at fair value through other comprehensive income (FVOCI) represent 2.36% shares in the Industrialization and Energy Services Company -TAQA (Saudi joint stock company), (31 December 2024: 2.36%).

The nature of this Company's business is power generation, and the investment was recorded, based on the Company's business model, at fair value through other comprehensive income. The investment is mortgaged against the loan granted to the Company (Note 11). The Industrialization and Energy Services Company – TAQA has not announced any dividends for the period ended 30 September 2025 (for the year ended 31 December 2024 the Company received dividends of SR 5,080,463).

**TABUK CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)**

For the nine-month period ended 30 September 2025

(Expressed in Saudi Arabian Riyals unless otherwise stated)

**7. EQUITY INVESTMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (FVOCI) (continued)**

The following is the movement occurred on this balance during the period:

	<b>30 September 2025 (Unaudited)</b>	30 September 2024 (Unaudited)	31 December 2024 (Audited)
Balance as at beginning period / year	<b>169,961,000</b>	287,111,819	287,111,819
Unrealized loss on investment revaluation at fair value through other comprehensive income	<b>(17,097,000)</b>	(3,986,180)	(117,150,819)
<b>Balance as at ending period / year</b>	<b>152,864,000</b>	283,125,639	169,961,000

**8. DERIVATIVE FINANCIAL INSTRUMENT**

	<b>30 September 2025 (Unaudited)</b>	30 September 2024 (Unaudited)	31 December 2024 (Audited)
Balance as at beginning period / year	<b>2,700,767</b>	7,179,800	7,179,800
Changes in fair value of cash flow hedges in OCI	<b>(1,952,585)</b>	(3,662,599)	(4,479,033)
<b>Balance as at ending period / year</b>	<b>748,182</b>	3,517,201	2,700,767

On 11 November 2021, the Company entered into profit rate SWAP agreements (“Hedging Instrument”) with a local bank for its long-term loan to hedge against changes in SIBOR (“Hedging Item”). The Hedging Instrument and Hedging Item have similar significant terms such as reference rate, reset dates, payment dates, maturity dates and notional amount, and therefore the hedge ratio is 1:1.

This arrangement has been designated as a hedging instrument since inception and is subject to a forward-looking test of hedge effectiveness at each reporting date, as at the reporting date, the hedge effectiveness was assessed as 100% as all significant covenants were met throughout the year. (31 December 2024: As at the reporting date, the hedge effectiveness was assessed as 100% as all significant conditions were met throughout the year).

The details of the agreement are as follows:

Effective date	Due date	<b>Book value as at 30 September 2025</b>	<b>Book value as at 30 September 2024</b>	<b>Book value as at 31 December 2024</b>
3 January 2022	12 March 2026	48,365,087	111,074,046	95,206,323

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**9. INVENTORIES**

Inventories comprise the following:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Production under processing	106,077,787	108,194,265	101,229,705
Spare parts	94,438,051	96,419,517	93,720,391
Raw materials	35,709,529	42,747,365	40,615,123
Finished goods	5,627,659	4,251,981	4,519,154
Goods in transit	14,394,006	7,014,451	4,210,940
	<b>256,247,032</b>	<b>258,627,579</b>	<b>244,295,313</b>
Less: provision for net realisable value	<b>(1,584,824)</b>	<b>(1,283,420)</b>	<b>(1,241,231)</b>
	<b>254,662,208</b>	<b>257,344,159</b>	<b>243,054,082</b>

Impairment for slow moving inventory items as follows:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance as at beginning period / year	1,241,231	1,360,755	1,360,755
Charge during the period / year	343,593	--	115,165
Reversal during the period / year	--	(77,335)	(234,689)
<b>Balance as at ending period / year</b>	<b>1,584,824</b>	<b>1,283,420</b>	<b>1,241,231</b>

**10. CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprise the following:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
	<b>Note</b>		
Cash at banks on current accounts		26,296,823	14,078,813
Islamic Murabaha	10.1	--	41,000,000
		<b>26,296,823</b>	<b>55,078,813</b>
			<b>82,549,364</b>

- 10.1** Islamic Murabaha represents short-term Murabaha held with local commercial banks in Saudi Riyals and with original maturity period not exceeded three months from the date of the original investment. It generates a return according to prevailing short-term deposit rates. The Islamic Murabaha matured on 13 April 2025 and did not renew.

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**11. LONG-TERM LOAN**

The Company has bank loan with a local bank with a total amount of SR 47,353,119 as at 30 September 2025 (31 December 2024: SR 93,977,371). The loan agreement with the bank contains some covenants, which among other things, that the leverage ratio shall not be more than 1:1 and the debt coverage ratio shall not be less than 1:3 based on the annual audited financial statements, and it also requires maintaining some financial ratios and indicators.

A breach of these covenants in the future may lead to renegotiation, The management monitors the covenants periodically, and in case of the existence of a breach that is expected to occur in the future, the management takes the necessary measures to ensure compliance, The Company has fulfilled these covenants as at 30 September 2025.

The loan is stated in the condensed statement of financial position as follows:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Current portion under current liabilities	<b>47,353,119</b>	63,470,883	63,470,883
Non-current portion under non-current liabilities	--	45,888,907	30,506,488
	<b><u>47,353,119</u></b>	<b><u>109,359,790</u></b>	<b><u>93,977,371</u></b>

The loan movement during the period / year is as follows:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at the beginning of the period / year	<b>93,977,371</b>	155,062,068	155,062,068
Effect of financial liability cash flows adjustment	<b>978,911</b>	1,900,886	2,386,187
Payment	<b><u>(47,603,163)</u></b>	<b><u>(47,603,164)</u></b>	<b><u>(63,470,884)</u></b>
	<b><u>47,353,119</u></b>	<b><u>109,359,790</u></b>	<b><u>93,977,371</u></b>

During 2020, the Company's management rescheduled the loan and amended the terms of the contract, The Company performed a 10% test of the loan obligation in accordance with the requirements of IFRS, 9 "Financial Instruments". This test resulted in a modification gain of SR 22,758,671, this amount represents the difference between the present value of the loan according to the terms before the amendment and the present value of future cash payments according to the terms of the renegotiated and modified loan amendment, which is discounted at the original effective interest rate of the loan. Since the difference is less than 10%, the modification in the terms is not considered material and is not accounted for as a release of the loan obligation and recognition of a new financial liability. Accordingly, the present value of future cash payments according to the terms of the amendment was recognized using the original effective interest rate of the loan, and the difference was recognized as a modification gain.

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**11. LONG-TERM LOAN (continued)**

On 11 November 2021, the Company entered into profit rate swap agreements (“hedging instrument”) with a local bank for its long-term loan to hedge against changes in SIBOR (Note 8).

The loan is secured by an investment in the Industrialization and Energy Services Company-TAQA, (Note 7). The loan includes financial covenants, the management monitors the fulfillment of commitments on a regular basis, and in the event of a breach expected to occur in the future, the necessary measures are taken to ensure compliance.

**12. DIVIDENDS PAYABLE TO SHAREHOLDERS**

The movement on dividends payable to shareholders is as follows:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
<b>Balance at 1 January</b>	<b>120,133,922</b>	119,691,529	119,691,529
Dividends distributed during the period / year	<b>45,000,000</b>	22,500,000	45,000,000
Dividend payments during the period / year	<b>(44,948,680)</b>	(22,348,979)	(44,557,607)
	<b><u>120,185,242</u></b>	<b><u>119,842,550</u></b>	<b><u>120,133,922</u></b>

The Extraordinary General Assembly on 26 March 2025 approved the distribution of cash dividends to shareholders at the rate of SR 0.25 per share, with a total amount of SR 22,500,000 (30 September 2024; SR 22,500,000 and 31 December 2024: SR 45,000,000).

On 4 August 2025, the Board of Directors approved cash dividends of SR 22,500,000 for the first half of the year 2025 at a value of SR 0.25 per share.

**13. ZAKAT**

**a) Charge of the period**

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>
Charged on the period	<b><u>3,282,422</u></b>	<u>4,303,928</u>
	<b><u>3,282,422</u></b>	<u>4,303,928</u>



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**13. ZAKAT (continued)**

**b) Provision for zakat**

The movement in Zakat payable represented as follows:

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>	<b>31 December 2024 (Audited)</b>
Balance at beginning of the period / year	<b>9,598,456</b>	16,198,234	16,198,234
Add: Charge of the period / year	<b>3,282,422</b>	4,303,928	5,817,932
Less: Payments during the period / year	<b>(9,417,428)</b>	(9,007,280)	(12,417,710)
Balance at end of the period/year	<b><u>3,463,450</u></b>	<u>11,494,882</u>	<u>9,598,456</u>

The Company has submitted its Zakat returns to the Zakat, Tax and Customs Authority in the Kingdom of Saudi Arabia for all years up to the financial year ended 31 December 2024, and had Zakat certificate valid till 30 April 2026.

As a result of the final assessment for the year 2023 by the Zakat, Tax and Customs Authority (ZATCA), the Company was entitled to a refund of SAR 173,867, which was settled against the Company's account during 2024. The Zakat return for the year ended 31 December 2024 is currently under review by ZATCA, and the final assessment has not yet been issued.

The Zakat, Tax and Customs Authority (ZATCA) issued Zakat assessments for the years 2019 to 2022, resulting in a total Zakat difference of SAR 13,124,512, which was fully settled during 2024.

**14. OTHER INCOME**

	<b>30 September 2025 (Unaudited)</b>	<b>30 September 2024 (Unaudited)</b>
Dividends from investments in equity instruments (Note 7)	--	5,080,463
Building and land rental	<b>12,031,756</b>	19,551,756
	<b><u>12,031,756</u></b>	<u>24,632,219</u>

**15. EARNING PER SHARE**

**a) Basic earnings per share**

The calculation of basic earnings per share has been based the distributable earnings attributable to shareholders of ordinary shares and the weighted average number of ordinary shares outstanding at the date of the financial statements.

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**15. EARNING PER SHARE (continued)**

**a) Basic earnings per share (continued)**

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit for the period	<b>8,250,337</b>	23,049,507	<b>35,419,770</b>	70,503,870
Number of shares (weighted average)	<b>90,000,000</b>	90,000,000	<b>90,000,000</b>	90,000,000
Basic earnings per share (SR)	<b>0.09</b>	0.26	<b>0.39</b>	0.78

**b) Diluted EPS**

The calculation of diluted earnings per share has been based on the profit distributable to shareholders on ordinary shares and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, if any. During the period there were no diluted shares, accordingly the diluted earnings per share was the same as the basic.

**16. CONTINGENT COMMITMENT**

Contingent commitment in the letter of guarantees outstanding as of 30 September 2025 amounted to SR 18,269,638 (31 December 2024: SR 9,994,341).

**17. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

Transactions with related parties principally represent transactions with BOD members and key management personnel. The transactions with related parties during the period ended 30 September 2025 and the period ended 30 September 2024 are as follows:

<u>Transactions with</u>	<u>Nature of the transaction</u>	<b>30 September <u>2025</u> (Unaudited)</b>	30 September <u>2024</u> (Unaudited)
Key management personnel	Salaries, wages, benefits, and equivalents	<b>2,100,000</b>	1,710,000
	End of service benefits	<b>94,031</b>	93,079
BOD members	Board of directors' remunerations	<b>1,989,003</b>	1,631,646

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**18. SEGMENT REPORT**

A Segment is a distinguishable component of the Company that is engaged either in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments. The Company's Chief Operating Decision Maker (CODM), the Chief Executive Officer considers for management reporting and decision-making purposes, the activities of the Company are organized into one operating segment. The Company operates in the said reportable operating segment. Accordingly, the figures reported in the financial statements are related to the Company's only reportable segment.

**19. FINANCIAL RISK MANAGEMENT**

The Company generally has exposure to the financial risks, credit risk, liquidity risk and market risk. Generally, the Company's objectives, policies and processes for managing risk are the same as those disclosed in its annual financial statements for the year ended December 31, 2024, with reference to the following:

**Credit Risk**

Revenue from eight customers of the Company represented approximately 94% amounting to SR 198.4 million (30 September 2024 revenue from seven customer represented approximately: 90% amounting to SR 237.1 million) of the Company's total revenue.

**20. FAIR VALUE OF FINANCIAL INSTRUMENTS**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which access is available at that date. The fair value of a liability reflects its non-performance risk.

As the Company's financial instruments are compiled under the historical cost convention, except for Derivative Financial Instruments and Equity investments at Fair Value through Other Comprehensive Income (FVOCI), differences can arise between the book values and fair value estimates. Management believes that the carrying value of the Company's other financial assets and liabilities approximate its respective fair values.

The table below shows the carrying amounts and fair values of Derivative Financial Instruments and Equity investments at Fair Value through Other Comprehensive Income (FVOCI), including their levels in the fair value hierarchy:

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**20. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**

		30 September 2025						
		Carrying amount			Fair value			
	Hedging instruments	Equity investments at FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Derivative Financial Instruments	748,182	--	--	748,182	--	748,182	--	748,182
Equity investments at Fair Value through Other Comprehensive Income (FVOCI)	--	152,864,000	--	152,864,000	--	--	152,864,000	152,864,000
	<u>748,182</u>	<u>152,864,000</u>	<u>--</u>	<u>153,612,182</u>	<u>--</u>	<u>748,182</u>	<u>152,864,000</u>	<u>153,612,182</u>
		31 December 2024						
		Carrying amount			Fair value			
	Hedging instruments	Equity investments at FVOCI	Amortized cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>								
Derivative Financial Instruments	2,700,767	--	--	2,700,767	--	2,700,767	--	2,700,767
Equity investments at Fair Value through Other Comprehensive Income (FVOCI)	--	169,961,000	--	169,961,000	--	--	169,961,000	169,961,000
	<u>2,700,767</u>	<u>169,961,000</u>	<u>--</u>	<u>172,661,767</u>	<u>--</u>	<u>2,700,767</u>	<u>169,961,000</u>	<u>172,661,767</u>

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**20. FAIR VALUE OF FINANCIAL INSTRUMENTS (continued)**

There were no transfers between fair value levels during the period ended 30 September 2025 and year ended 31 December 2024.

Equity investments at FVOCI include investments in non-public equity instruments. The following table outlines the valuation techniques applied in measuring Level 3 fair values, along with the significant unobservable inputs used:

Type	Valuation Technique	Significant Unobservable Inputs
Equity Investments in Non-Public Companies	Market approach using Price-to-Book Value (P/BV)	Price to book value multiple Average Discount for lack of marketability 15.63%

**Market approach valuation techniques**

For unlisted equity investments classified as Level 3, the Company applies the Market Approach using the Price-to-Book Value (P/BV) multiple. Valuation techniques falling under the Market Approach typically derive market multiples from a set of comparable assets. A market multiple expresses the value of a business or other asset relative to a financial, operating, or physical metric. For instance, a price-to-earnings (P/E) ratio expresses an entity's per-share value in relation to its earnings per share. The multiple is then applied to the corresponding metric of a comparable entity that shares similar characteristics but may differ in scale, subject to necessary adjustments to account for those differences. The independent valuer has determined the fair value based on the median P/BV multiple as of 30 June 2025, sourced from reliable financial databases. Average discount of 15.63% using valuation Advisors DLOM study method.

**Valuation inputs and relationships to fair value (Significant unobservable inputs)**

The following table summarizes the quantitative information about the significant unobservable inputs used in the fair value measurements of the equity accounted investment. The fair values are determined based on the discounted cash flows.

Description	Management range	Relation of unobservable inputs to fair value
P/BV Multiple	1.8x	Higher the multiple, higher the fair value
Weighted Average Discount rate	15.63%	Higher the discount rate lowers the fair value

The sensitivity analysis reflects how changes in the market multiples and discount assumptions could impact the fair value measurement of Level 3 equity investments.

**21. APPROVAL OF INTERIM CONDENSED FINANCIAL STATEMENTS**

The condensed interim financial statements were authorized for issue by the Board of Directors on 6 November 2025, corresponding to 15 Jumada Al Awal 1447H.