



QASSIM CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)

**INTERIM CONDENSED CONSOLIDATED
FINANCIAL STATEMENTS (UNAUDITED) FOR THE
THREE-MONTH PERIOD ENDED MARCH 31, 2026
WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of
Qassim Cement Company
(A Saudi Joint Stock Company)

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Qassim Cement Company "Saudi Joint Stock Company" ("the Company"), and its Subsidiary (together "the Group") as of March 31, 2026 and the related interim condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the three-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with 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 interim condensed consolidated 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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

Other Matter

The interim condensed consolidated financial statements of the Group for the three-month period ended March 31, 2025, were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial statements on May 15, 2025.

For Dr. Mohamed Al-Amri & Co.



Ahmed Al Jumah
Certified Public Accountant
Registration No. 621

Dammam, on 23 Dhul-Qi'dah, 1447 (H)
Corresponding to 10 May, 2026 (G)



INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026
(Saudi Riyals “ﷲ”)



| | Note | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|------|----------------------------------|-----------------------------------|
| Assets | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 1,448,311,872 | 1,458,246,306 |
| Intangible assets | | 85,965,899 | 88,515,320 |
| Goodwill | | 25,378,018 | 25,378,018 |
| Right-of-use assets | | 1,967,649 | 1,999,215 |
| Investment properties | | 9,516,450 | 9,516,450 |
| Financial investments at FVTPL | 7 | 183,789,659 | 184,873,756 |
| Financial investments at amortized cost | 8 | 100,000,000 | 100,000,000 |
| Total non-current assets | | 1,854,929,547 | 1,868,529,065 |
| Current assets | | | |
| Inventories | 9 | 747,191,155 | 765,688,769 |
| Trade receivables | | 161,569,330 | 169,629,137 |
| Prepaid expenses and other receivables | | 44,178,392 | 128,740,640 |
| Financial investments at FVTPL | 7 | 33,931,366 | 82,651,698 |
| Financial investments at amortized cost | 8 | 75,000,000 | - |
| Cash and cash equivalents | | 280,158,936 | 104,750,290 |
| Total Current Assets | | 1,342,029,179 | 1,251,460,534 |
| Total assets | | 3,196,958,726 | 3,119,989,599 |
| Equity and liabilities | | | |
| Equity | | | |
| Share capital | | 1,105,590,000 | 1,105,590,000 |
| Additional share capital | | 997,111,500 | 997,111,500 |
| Statutory reserve | | 270,000,000 | 270,000,000 |
| Treasury shares | | (47,617,914) | (47,617,914) |
| Other reserve | | (960,381) | (960,381) |
| Retained earnings | | 314,557,913 | 333,644,441 |
| Total equity | | 2,638,681,118 | 2,657,767,646 |
| Liabilities | | | |
| Non-current liabilities | | | |
| Long-term borrowing | 11 | 100,893,166 | - |
| Provision for site restoration | | 22,928,808 | 22,671,509 |
| Employees' benefit obligations | | 71,209,468 | 68,533,910 |
| Long-term lease liabilities | | 2,018,215 | 2,003,303 |
| Total Non-current liabilities | | 197,049,657 | 93,208,722 |
| Current liabilities | | | |
| Trade and other payables | | 184,276,611 | 186,972,997 |
| Short term borrowing | | - | 100,620,493 |
| Dividends' payable | | 143,135,302 | 55,353,806 |
| Zakat Provision | | 32,708,344 | 24,959,088 |
| Other Provision | | 817,314 | 817,314 |
| Lease liabilities | | 290,380 | 289,533 |
| Total current liabilities | | 361,227,951 | 369,013,231 |
| Total liabilities | | 558,277,608 | 462,221,953 |
| Total shareholders' equity and liabilities | | 3,196,958,726 | 3,119,989,599 |

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements

Mater bin Saud Al Enazi
Chief Financial Officer

Eng. Omar Bin Abdullah Al Omar
Chief Executive Officer - Board Member

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**
(Saudi Riyals “ﷲ”)



| | Note | For the three months period ended | |
|---|------|-----------------------------------|--|
| | | March 31, 2026 (Unaudited) | March 31, 2025 (Unaudited) (Restated note 17) |
| Revenue | 12 | 292,794,530 | 302,683,904 |
| Cost of revenue | | (215,915,231) | (212,212,751) |
| Gross profit | | 76,879,299 | 90,471,153 |
| Selling and marketing expenses | | (7,216,215) | (6,088,230) |
| General and administrative expenses | | (12,077,937) | (11,863,425) |
| Reversal for expected credit loss | | 891,871 | - |
| Other income, net | 13 | 14,108,953 | 16,145,734 |
| Operating profit | | 72,585,971 | 88,665,232 |
| Unrealized (loss) / gains on investments at FVTPL, net | | (1,093,162) | 6,001,680 |
| Realized (loss) / gains on investments at FVTPL | | (85,475) | 17,465 |
| Dividends from investments at FVTPL | | 1,982,111 | 632,427 |
| Income from financial investments at amortized cost | | 4,187,635 | 4,248,505 |
| Finance costs | | (1,105,834) | (1,264,894) |
| Profit before Zakat | | 76,471,246 | 98,300,415 |
| Zakat | | (7,749,256) | (9,683,974) |
| Net Profit for the period | | 68,721,990 | 88,616,441 |
| Other comprehensive income | | - | - |
| Total comprehensive income | | 68,721,990 | 88,616,441 |
| Basic and diluted earnings per share for the period: | 14 | 0.63 | 0.81 |

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements

Mater bin Saud Al Enazi
Chief Financial Officer

Eng. Omar Bin Abdullah Al Omar
Chief Executive Officer - Board Member

QASSIM CEMENT COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(Saudi Riyals “ﷲ”)



| | Share capital | Additional Share capital | Statutory reserve | Treasury shares | Other reserve | Retained earnings | Total |
|---|----------------------|--------------------------|--------------------|---------------------|------------------|--------------------|----------------------|
| <u>For the three-month period ended March 31, 2025 (unaudited)</u> | | | | | | | |
| Balance as at January 01, 2025 (audited restated) | 1,105,590,000 | 997,111,500 | 270,000,000 | (47,617,914) | 116,709 | 424,945,654 | 2,750,145,949 |
| Profit for the period (restated note 17) | - | - | - | - | - | 88,616,441 | 88,616,441 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive income (restated note 17) | - | - | - | - | - | 88,616,441 | 88,616,441 |
| Interim dividends (note 19) | - | - | - | - | - | (87,808,517) | (87,808,517) |
| Balance as at March 31, 2025 (unaudited restated) | 1,105,590,000 | 997,111,500 | 270,000,000 | (47,617,914) | 116,709 | 425,753,578 | 2,750,953,873 |
| <u>For the three-month period ended March 31, 2026 (unaudited)</u> | | | | | | | |
| Balance as at January 01, 2026 (audited) | 1,105,590,000 | 997,111,500 | 270,000,000 | (47,617,914) | (960,381) | 333,644,441 | 2,657,767,646 |
| Profit for the period | - | - | - | - | - | 68,721,990 | 68,721,990 |
| Other comprehensive income | - | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | - | - | 68,721,990 | 68,721,990 |
| Interim dividends (note 19) | - | - | - | - | - | (87,808,518) | (87,808,518) |
| Balance as at March 31, 2026 (unaudited) | 1,105,590,000 | 997,111,500 | 270,000,000 | (47,617,914) | (960,381) | 314,557,913 | 2,638,681,118 |

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements

Mater bin Saud Al Enazi
Chief Financial Officer

Eng. Omar Bin Abdullah Al Omar
Chief Executive Officer - Board Member

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(Saudi Riyals “ﷲ”)



| | March 31, 2026 (Unaudited) | March 31, 2025 (Unaudited) (Restated note 17) |
|---|---|--|
| Cash flows from operating activities | | |
| Profit for the period before zakat | 76,471,246 | 98,300,415 |
| Adjustments: | | |
| Depreciation of property, plant and equipment | 28,320,004 | 30,530,835 |
| Amortization of intangibles assets | 3,291,349 | 3,028,708 |
| Depreciation of right-of-use assets | 31,566 | 240,522 |
| Reversal for expected credit loss | (891,871) | - |
| (Reversal) /allowance for obsolete / slow moving inventory | (245,336) | 1,085,127 |
| Unrealized losses / (gains) on investments at FVTPL | 1,093,162 | (6,001,680) |
| Realized losses / (gains) on investments at FVTPL | 85,475 | (17,465) |
| Income from financial investments at amortized cost | (4,187,635) | (4,248,505) |
| Dividends from investments at fair value through profit or loss | (1,982,111) | (632,427) |
| Service cost of employees' benefits obligations | 2,560,137 | 1,983,325 |
| Finance cost | 1,105,834 | 1,264,892 |
| | 105,651,820 | 125,533,747 |
| Changes in working capital: | | |
| Inventories | 18,742,950 | (4,292,560) |
| Trade receivables | 8,951,678 | (2,791,885) |
| Prepaid expenses and other receivables | 86,963,543 | (21,284,885) |
| Trade and other payables | (2,696,386) | (15,912,217) |
| | 217,613,605 | 81,252,200 |
| Employees' benefit obligations paid | (717,355) | (1,759,693) |
| Finance cost paid | (1,274,526) | - |
| Net cash generated from operating activities | 215,621,724 | 79,492,507 |
| Investing activities | | |
| Paid to purchase property, plant and equipment | (16,838,371) | (16,019,874) |
| Paid to purchase intangible assets | (741,928) | - |
| Proceeds from sale of investments at FVTPL | 48,625,792 | 8,553,166 |
| Paid to purchase investments income at amortized cost | (75,000,000) | (257,156,224) |
| Proceeds from dividend income | 1,982,111 | 632,427 |
| Proceeds from financial investments at amortized cost | - | 180,000,000 |
| Proceeds from investments income at amortized cost | 1,786,340 | 3,848,975 |
| Net cash used in from investing activities | (40,186,056) | (80,141,530) |
| Financing activities | | |
| Proceeds from long-term borrowing | 100,000,000 | - |
| Repayment of short-term borrowing | (100,000,000) | - |
| Lease payments | - | (470,000) |
| Dividends paid | (27,022) | (94,304) |
| Net cash used in financing activities | (27,022) | (564,304) |
| Change in cash and cash equivalents during the period | 175,408,646 | (1,213,327) |
| Cash and cash equivalents as at the beginning of the period | 104,750,290 | 106,802,357 |
| Cash and cash equivalents as at the end of the period | 280,158,936 | 105,589,030 |
| Significant non-cash transaction | | |
| Borrowing cost capitalised | 1,547,199 | - |
| Unrealized loss / (gain) during the period | 1,093,162 | (6,001,680) |
| Dividend payable | 87,808,518 | 87,808,517 |

The accompanying notes from 1 to 22 form an integral part of these interim condensed consolidated financial statements

Mater bin Saud Al Enazi
Chief Financial Officer

Eng. Omar Bin Abdullah Al Omar
Chief Executive Officer - Board Member

1. ORGANIZATION AND PRINCIPAL ACTIVITIES

Qassim Cement Company (the “Company” or “Parent Company”) is a Saudi Joint Stock Company registered in Buraydah in the Kingdom of Saudi Arabia under commercial registration number (1131001224) dated 28 Shaaban 1398H (corresponding to August 02, 1978). The Company was established by the Royal Decree no. M/62 dated 15 Shaaban 1396H (corresponding to August 11, 1976).

The Company's share capital is ﷲ 1,105 million divided into 110.559 million shares, of ﷲ 10 each, as at March 31, 2026 (December 31, 2025: ﷲ 1,105 million divided into 110.559 million shares of ﷲ 10 each).

The Group is engaged in manufacturing and producing cement, its derivatives and related products, the trade of these products, and carrying out all activities directly and indirectly related to this purpose. The Group carries out its activities through its two existing factories located in Buraidah – Al-Qassim and Hail.

The group's fiscal year begins on January 1st and ends on December 31st of each calendar year.

The registered address of the Company is: P.O. Box 4266 Unit No. 1- Buraydah: 52271-6735, Kingdom of Saudi Arabia.

2. BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Accounting standards applied

These interim condensed consolidated financial statements for the three-month period ended March 31, 2026 have been prepared in accordance with the IAS 34 “Interim Financial Reporting” as endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants (“SOCPA”). These interim condensed consolidated financial statements should be read in conjunction with the Group’s last year consolidated financial statements as at December 31, 2025 (“Last year consolidated financial statements”). These interim condensed consolidated financial statements do not include all the required information to prepare a full set of consolidated financial statements in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia; however, certain accounting policies and selected explanatory notes are included to explain significant events and transactions to understand the changes in the Group’s consolidated financial position and performance from last year financial statements. Further, the results for the three-month period ended March 31, 2026 are not necessarily indicative of the results that may be expected for the year ended December 31, 2026.

2.2 Basis of Measurement

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for the following major items presented in the interim condensed consolidated statement of financial position:

- Financial investments at FVTPL are measured at fair value.
- Term Murabaha and Sukuk is measured at amortized cost.
- Employees’ defined benefit obligations are recognized based on the projected unit credit method.
- Provision for site restoration which is measured at present value.

These interim condensed consolidated financial statements have been prepared using an accrual basis of accounting and on the basis that the Group will continue to operate as a going concern.

2.3 Functional and presentation currency

These interim condensed consolidated financial statements have been prepared in Saudi Riyal (“ﷲ”), which is the Group’s functional and presentation currency.

2. BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiary as at March 31, 2026.

A subsidiary is an entity controlled by the Group. Control is achieved when the Group is exposed to risks and has rights to receive variable returns from its involvement with the investee and has the power to affect the returns through its power over the investee.

These interim condensed consolidated financial statements include the financial position and financial performance of the Company and its subsidiary listed below:

| Subsidiary name | Principal activities | Country of incorporation | Share capital | Date of acquisition | Effective holding percentage | |
|---------------------|----------------------|---|---|---------------------|------------------------------|-------------------|
| | | | | | March 31, 2026 | December 31, 2025 |
| | | | ﷲ 979,000,000 | | | |
| | | Kingdom of Saudi Arabia, commercial registration no. 3350159045 | divided into 97,900,000 shares with a nominal value of ﷲ 10 each. | | | |
| Hail Cement Company | Production of cement | | | June 10, 2024 | 100% | 100% |

3. USE OF ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group’s interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, costs, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty regarding about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of the assets and liabilities affected in the future.

These estimates and assumptions are based on historical experience and factors including expectations of future events that are appropriate in the circumstances and are used to determine the carrying amounts of assets and liabilities that are not independent from other sources. The estimates and assumptions are reviewed on an ongoing basis.

Accounting estimates recognized in the period in which the estimates are reviewed in the reviewing period and future periods are reviewed if the changed estimates affect both current and future periods.

The significant judgments made by management in applying the Group's accounting policies and the methods of computation and the key sources of estimation are the same as those that applied to the consolidated financial statements for the year ended December 31, 2025.

4. MATERIAL INFORMATION ON ACCOUNTING POLICIES

The accounting policies used when preparing these interim condensed consolidated financial statements are in line with the consolidated financial statements of the Group for the year ended December 31, 2025.

The material information applied in the preparation of these interim condensed consolidated financial statements has been consistently applied to all the periods presented.

New standards, amendments to standards, and interpretations

New standards and amendments to standards have been issued, effective from January 01, 2026, and have been explained in the annual consolidated financial statements. However, they do not have a material impact on Group’s interim condensed consolidated financial statements.

5. SEGMENT INFORMATION

The Group’s activities are mainly represented in an operating segment, which is the manufacturing and selling of cement that is mainly sold to local customers. The Executive Management monitors the operating results of Group for the purpose of making decisions about resource allocation and performance assessment and accordingly, the financial information was not divided into different geographic or business segment.

6. PROPERTY, PLANT AND EQUIPMENT

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|--|---|--|
| Net book value at the beginning of the period / year | 1,458,246,306 | 1,317,014,007 |
| Additions during the period / year | 18,385,570 | 262,276,424 |
| Depreciation during the period / year | (28,320,004) | (120,491,520) |
| Written off / disposal during the period / year | - | (552,605) |
| Net book value at the end of the period / year | 1,448,311,872 | 1,458,246,306 |

As at March 31, 2026, the value of capital work in progress amounted to ﷲ 223.1 million (December 31, 2025: ﷲ 209.6 million). Capital work in progress mainly consist of establishing a fourth production line at its plant site in Buraydah city, with a production capacity of 10,000 tons per day and liquid displacement project. The project is expected to be completed in 2028.

7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The below investments represent shares in commodity trading funds and trading finance funds with financial companies, and are measured at fair value.

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|--|---|--|
| Financial investments at FVTPL – non-current | 183,789,659 | 184,873,756 |
| Financial investments at FVTPL - current | 33,931,366 | 82,651,698 |
| | 217,721,025 | 267,525,454 |

7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Movement of financial investments at FVTPL

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|-----------------------------------|
| Balance at beginning of the period / year | 267,525,454 | 353,749,422 |
| Addition during the period / year | - | 100,185,234 |
| Disposals during the period / year | (48,711,267) | (188,412,374) |
| Unrealized (loss) / gain during the period / year | (1,093,162) | 2,003,172 |
| | 217,721,025 | 267,525,454 |

8. FINANCIAL INVESTMENTS AT AMORTIZED COST

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|-----------------------------------|
| Financial investments at amortized cost – non-current | 100,000,000 | 100,000,000 |
| Financial investments at amortized cost - current | 75,000,000 | - |
| | 175,000,000 | 100,000,000 |

Movement of financial investments at amortized cost

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|-----------------------------------|
| Balance at beginning of the period / year | 100,000,000 | 100,000,000 |
| Addition during the period / year | 75,000,000 | - |
| | 175,000,000 | 100,000,000 |

The above investments represent Sukuk and Murabaha. The average commission for the three months period ended March 31, 2026 is 4.5 % per annum (March 31, 2025: 5.2%). The total Murabaha and Sukuk income of ﷲ 4.19 million has been charged to the statement of profit or loss and other comprehensive income for the three-month period ended at March 31, 2026 (March 31, 2025: ﷲ 4.24 million).

9. INVENTORIES

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|---|---|-----------------------------------|
| Spare parts | 160,796,033 | 166,791,663 |
| Raw materials | 65,092,531 | 35,480,914 |
| Work in progress | 526,988,473 | 570,293,930 |
| Finished goods | 16,321,544 | 14,778,217 |
| Packing materials | 4,926,940 | 4,544,183 |
| Consumables and supplies | 21,730,269 | 21,267,271 |
| In-transit inventories | 1,516,427 | 2,958,989 |
| | 797,372,217 | 816,115,167 |
| Less: allowance for obsolete / slow moving of inventory | (50,181,062) | (50,426,398) |
| | 747,191,155 | 765,688,769 |

9. INVENTORIES (CONTINUED)

Movement in the allowance for obsolete / slow moving of inventory for the period / year is as follows:

| | March 31, 2026 (Unaudited) | December 31, 2025 (Audited) |
|--|---|--|
| Balance at the beginning of the period / year | 50,426,398 | 40,971,116 |
| (Reversal) / provided during the period / year | (245,336) | 9,455,282 |
| | 50,181,062 | 50,426,398 |

The allowance for obsolete / slow moving of inventory for the period ended March 31, 2025 amounted to ﷲ 1.1 million.

10. ZAKAT

The Group has filed a consolidated zakat return for the Company and its subsidiary for the year 2025.

a) Zakat status of Company

The assessment order for the year 2021 has been issued by ZATCA, amounting to ﷲ 2.5 million. The provision has been recorded accordingly in these interim condensed consolidated financial statements.

b) Zakat status of subsidiary

For the Zakat position of Hail Cement Company, Zakat has been reviewed, assessed, and settled for the years from 2012 to 2020 additionally the zakat assessment for the year 2021 and 2023 has been settled during 2025.

11. LONG-TERM BORROWING

During the period ended March 31, 2026, ﷲ 100 million was drawn down from Islamic banking facilities (Murabaha). (December 31, 2025: Nil). The loan is secured against the promissory note.

The loan contains certain covenants and the covenants are monitored by management. In case of potential breach, actions are taken by management to ensure compliance. During the period ended March 31, 2026, there has been no non-compliance with any of the covenants.

12. REVENUE

No other revenue classifications have been disclosed as the entire amount of revenue is a result of bulk and packed cement sales within the Kingdom of Saudi Arabia only and there are no other products for the Group . The Group also sells its entire products through distributors. The sale takes place at a point in time and not over time.

13. OTHER INCOME, NET

| | For the three-month period ended | |
|--|---|---|
| | March 31, 2026 (Unaudited) | March 31, 2025 (Unaudited) |
| Contractors' compensation | - | 6,948 |
| Rental income | 166,439 | 259,728 |
| Deposits received from Human Resources Development Fund | 252,501 | 303,438 |
| Revenue from sale of industrial waste, cement dust and scrap | 90,482 | 125,493 |
| Support for the sector competitiveness initiative * | 13,527,728 | 13,642,703 |
| Other miscellaneous income | 71,803 | 1,807,424 |
| | 14,108,953 | 16,145,734 |

* The amount represents the value of support the Company received during the period as part of the industrial sector competitiveness initiative by the Ministry of Industry and Mineral Resources due to the rising fuel prices.

14. BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. The diluted earnings per share is the same as the basic earnings per share as the Group has no diluted instruments.

| | Three-Month Period Ended | |
|---|---|---|
| | March 31, 2026 (Unaudited) | March 31, 2025 (Un-audited) (Restated note 17) |
| Net profit for the period | 68,721,990 | 88,616,441 |
| Weighted average number of outstanding shares | 109,760,647 | 109,760,647 |
| Basic and diluted earnings per share | 0.63 | 0.81 |

15. CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

As at March 31, 2026, the Group has bank facilities in the form of letters of guarantee and documentary credits from commercial banks amounting to ﷲ 89.9 million (December 31, 2025: ﷲ 66 million).

As at March 31, 2026, the capital commitments of the Group are ﷲ 1,391.9 million (December 31, 2025: ﷲ 1,400.1 million). The total value of outstanding and Finished projects contracts amounted to ﷲ 1,605 million as at March 31, 2026 (December 31, 2025: ﷲ 1,601.9 million).

The major capital commitment pertains to the project of establishing a fourth production line at its plant site in Buraydah city, with a production capacity of 10,000 TPD.

16. RELATED PARTY DISCLOSURES

Related parties represent major shareholders, members of the Board of Directors of the Group, key management personnel of the Group, and entities managed or a significant influence exercised over them by these parties. There are no transactions with the related parties other than the following.

Board of directors and key management personnel benefits

The remunerations of the members of the board of directors and other key management personnel charged during the period are as follows:

| | March 31, 2026 (Unaudited) | March 31, 2025 (Unaudited) |
|--|----------------------------------|----------------------------------|
| Salaries and short-term benefits - key management personnel | 3,042,947 | 2,640,872 |
| Post-employment benefits - key management personnel | 221,097 | 63,524 |
| Board of directors and committees’ remuneration and allowances | 1,428,000 | 1,364,000 |
| | 4,692,044 | 4,068,396 |

As at March 31, 2026 Board remuneration payable amounted to ﷲ 6.8 million (December 31, 2025: ﷲ 5.5 million)

17. RESTATEMENT OF COMPARATIVE FIGURES

On June 10, 2024, Qassim Cement Company acquired 100% of the issued share capital of Hail Cement Company ("HCC"). The net assets recognized in the annual consolidated financial statements for the year ended December 31, 2024 were based on a provisional assessment of their fair values. The valuation had not been completed by the date the 2024 consolidated financial statements were approved for issue by the Board of Directors. During the period June 2025, the Group completed the comprehensive purchase price allocation ‘PPA’ exercise that resulted in the fair value of the identifiable net assets as at acquisition date.

Since the PPA exercise was not completed till the date of the issuance of the interim condensed consolidated financial statements for the period ended March 31, 2025.

Effect on the interim condensed consolidated statement profit or loss and other comprehensive income for the three-months period ended March 31, 2025

| | As previously reported | Adjustments | Restated balance |
|--------------------------------------|---------------------------|-------------|------------------|
| Cost of revenue | (209,140,274) | (3,072,477) | (212,212,751) |
| Gross profit | 93,543,630 | (3,072,477) | 90,471,153 |
| Sales and marketing expenses | (3,637,594) | (2,450,636) | (6,088,230) |
| General and administrative expenses | (11,921,463) | 58,038 | (11,863,425) |
| Operating profit | 94,130,307 | (5,465,075) | 88,665,232 |
| Profit before Zakat | 103,765,490 | (5,465,075) | 98,300,415 |
| Profit for the year | 94,081,516 | (5,465,075) | 88,616,441 |
| Basic and diluted earnings per share | 0.86 | (0.05) | 0.81 |

17. RESTATEMENT OF COMPARATIVE FIGURES (CONTINUED)

Effect on the interim condensed consolidated statement of cash flows for the period ended March 31, 2025

| | As previously reported | Adjustments | Restated balance |
|--|---------------------------|-------------|------------------|
| Net cash generated from operating activities | 80,124,934 | (632,427) | 79,492,507 |
| Net cash used in financing activities | (80,773,957) | 632,427 | (80,141,530) |

18. FINANCIAL INSTRUMENTS

a) Fair value measurement

A number of the Group’s accounting policies and disclosures require the measurement of fair values for financial and non-financial assets and liabilities. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted (unadjusted) market prices in active markets for assets or liabilities.

Level 2: Inputs other than quoted prices included in Level 1, which are observable inputs for an asset or liability, either directly (such as prices) or indirectly (derived from prices).

Level 3: Inputs for assets or liabilities not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of the assets and liabilities fall within different levels in the fair value hierarchy, then the fair value is categorized as a whole using the lowest level of the fair value hierarchy inputs that are significant to the measurement as a whole. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Set out below is a comparison, by class, of the carrying amounts and fair value of the Group’s financial instruments at FVTPL:

| | | Fair value measurement using | | | |
|--|---------------------------|------------------------------|-------------|---------|-------------|
| | | Level 1 | Level 2 | Level 3 | Total |
| Financial instruments measured at fair value | | | | | |
| Financial investments at FVTPL | March 31, 2026 | 33,931,366 | 183,789,659 | - | 217,721,025 |
| Financial investments at FVTPL | December 31, 2025 | 33,940,431 | 233,585,023 | - | 267,525,454 |

19. DIVIDENDS

For the period ended March 31, 2026

- On February 16, 2026, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ﷲ 87.8 million at a rate of ﷲ 0.8 per share for the fourth-quarter 2025. The dividend to be distributed from April 20, 2026.

For the period ended March 31, 2025

- On March 18, 2025, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ﷲ 87.8 million at a rate of ﷲ 0.8 per share for the fourth-quarter 2024.

20. GEOPOLITICAL DEVELOPMENTS

The Group continues to monitor the regional geopolitical developments and their potential impact on Kingdom of Saudi Arabia given that the majority of the Group’s operations are conducted within the Kingdom of Saudi Arabia. While the situation remains evolving, the Group maintains a robust operational framework to manage associated risks. These developments have not had a material impact on Group's interim condensed consolidated financial statements for the period ended March 31, 2026; however, given the evolving nature of the conflict, the potential long-term impact on the Group’s business will continue to be assessed on future reporting dates.

21. SUBSEQUENT EVENTS

On May 06, 2026, based on the prior authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends of ﷲ 87.8 million at a rate of ﷲ 0.80 per share for the first quarter of the year 2026.

22. APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements are approved for issue by the Board of Directors and were approved on their behalf by the Audit Committee on May 05, 2026 pursuant to a delegation granted by the Board of Directors on January 21, 2025.