NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED)
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
AND INDEPENDENT AUDITOR'S REVIEW REPORT

NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION (UNAUDITED) FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026 AND INDEPENDENT AUDITOR'S REVIEW REPORT

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

To the Shareholders of
Najran Cement Company
(A Saudi Joint Stock Company)
Najran, the Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Najran Cement Company - A Saudi Joint Stock Company ("the Company") and its subsidiary (together "the Group"), as of 30 June 2026, and the related interim condensed consolidated statement of profit or loss and statement of comprehensive income, for the three-month and six-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard 34 - "Interim Financial Reporting" ("IAS 34") that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

Except as explained in following paragraph, 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 financial information 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.

Basis for Qualified Conclusion

As disclosed in Note 7 to the interim condensed consolidated financial information relating to property, plant and equipment, management performed an impairment assessment as of 31 December 2025, with the assistance of an external consultant, to determine whether any impairment existed in accordance with IAS 36 "Impairment of Assets." The assessment was based on projected future cash flows and other key assumptions and was undertaken due to the presence of potential indicators of impairment of property, plant and equipment with a carrying amount to ⃁ 1,927 million as of 30 June 2026 (31 December 2025: ⃁ 1,944 million). These indicators included a decline in the Group's net profit compared to prior years and the underutilization of the main production lines, among other factors. Based on this assessment, management concluded that no impairment existed. However, we were unable to obtain sufficient appropriate evidence to evaluate the reasonableness of the key assumptions and forecasts used by management and its external consultant in performing this assessment. Accordingly, we were unable to determine whether any adjustments might be necessary to the interim condensed consolidated financial information for the three-month and six-month periods ended 30 June 2026 and the consolidated financial statements for the year ended 31 December 2025.

Qualfied Conclusion

Except for the adjustments to the interim condensed consolidated financial information that we might have become aware of had it not been for the situation described above, based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information is not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION – (CONTINUED)

To the Shareholders of
Najran Cement Company
(A Saudi Joint Stock Company)
Najran, the Kingdom of Saudi Arabia

Other Matter

The interim condensed consolidated financial information of the Group for the three-month and six-month periods ended 30 June 2025 were reviewed by another auditor who expressed an unmodified conclusion on those interim condensed consolidated financial information on 17 Safar 1447H corresponding to 11 August 2025. In addition, the Group's consolidated financial statement for the year ended 31 December 2025 were audited by another auditor who issued modified opinion on those consolidated financial statements on 18 Shawwal 1447H corresponding to 6 April 2026.

RSM Allied Accountants Professional Services

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NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026 (UNAUDITED)
(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

	Note	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	7	**1,927,829**	1,944,136
TOTAL NON-CURRENT ASSETS		**1,927,829**	1,944,136
Current assets			
Inventories	8	**496,039**	438,990
Prepayments and other receivables		**41,499**	23,044
Trade receivables	9	**21,994**	22,315
Cash and cash equivalents		**9,891**	6,722
TOTAL CURRENT ASSETS		**569,423**	491,071
TOTAL ASSETS		**2,497,252**	2,435,207
EQUITY AND LIABILITIES			
Equity			
Share capital	10.1	**1,700,000**	1,700,000
Treasury shares	10.2	**(43,847)**	(43,847)
Retained earnings		**390,784**	378,825
TOTAL EQUITY		**2,046,937**	2,034,978
LIABILITIES			
Non-current liabilities			
Employees' defined benefit obligations		**55,428**	52,562
Non-current portion of lease liability		**1,549**	1,549
Rehabilitation provision		**1,344**	1,302
Long term banks facilities– non-current portion	11.1	**224,916**	215,280
TOTAL NON-CURRENT LIABILITIES		**283,237**	270,693
Current liabilities			
Short term bank facilities	11.2	**10,000**	10,000
Long term banks facilities –Current portion	11.1	**53,110**	35,393
Trade payables		**70,400**	53,006
Accrued and other payables		**22,989**	15,952
Contract liability-advances from customers		**5,813**	6,210
Current portion of lease liability		**277**	277
Dividends payable		**899**	899
Provision for zakat	12	**3,590**	7,799
TOTAL CURRENT LIABILITIES		**167,078**	129,536
TOTAL LIABILITIES		**450,315**	400,229
TOTAL EQUITY AND LIABILITIES		**2,497,252**	2,435,207

CFO	CEO	Authorized Board Member
Rami Jawad Abu Jneid	Ataa Abdulqader Bakkar	Fahad Abdullah AlRajhi

The accompanying notes 1 to 19 form an integral part of this interim condensed consolidated financial information.

NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(UNAUDITED)
(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

	Note	**For the three-months period ended 30 June**		**For the six-months period ended 30 June**	
		2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
Sales	13	**123,789**	124,701	**246,807**	259,941
Cost of sales		**(100,093)**	(103,227)	**(200,239)**	(204,633)
Gross profit		**23,696**	21,474	**46,568**	55,308
Selling and distribution expense		**(2,364)**	(2,125)	**(4,475)**	(4,083)
General and administrative expense		**(9,334)**	(9,683)	**(18,763)**	(18,814)
Operating profit		**11,998**	9,666	**23,330**	32,411
Finance costs		**(4,345)**	(4,549)	**(8,540)**	(9,325)
Other (expense) / income, net		**(52)**	932	**669**	1,686
Profit before zakat		**7,601**	6,049	**15,459**	24,772
Zakat	12	**(1,750)**	(1,530)	**(3,500)**	(3,060)
Net profit for the period		**5,851**	4,519	**11,959**	21,712
EARNING PER SHARE					
Basic and diluted earnings per share attributable to the shareholders of the Company (⃁ per share)	14	**0.04**	0.03	**0.07**	0.13

CFO	CEO	Authorized Board Member
Rami Jawad Abu Jneid	Ataa Abdulqader Bakkar	Fahad Abdullah AlRajhi

The accompanying notes 1 to 19 form an integral part of this interim condensed consolidated financial information.

NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2026
(UNAUDITED)
(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

	For the three-months period ended 30 June		**For the six-months period ended 30 June**	
	2026 (Unaudited)	2025 (Unaudited)	**2026 (Unaudited)**	2025 (Unaudited)
NET PROFIT FOR THE PERIOD	**5,851**	4,519	**11,959**	21,712
OTHER COMPREHENSIVE INCOME	**-**	-	**-**	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	**5,851**	4,519	**11,959**	21,712

CFO	CEO	Authorized Board Member
Rami Jawad Abu Jneid	Ataa Abdulqader Bakkar	Fahad Abdullah AlRajhi

The accompanying notes 1 to 19 form an integral part of this interim condensed consolidated financial information.

NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)
(ALL AMOUNTS IN THOUSANDS ﷼ UNLESS OTHERWISE STATED)

	Share capital	Treasury shares	Retained earnings	Total Equity
As at 31 December 2024 (Audited)	1,700,000	-	342,315	2,042,315
Net profit for the period	-	-	21,712	21,712
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	21,712	21,712
Treasury shares	-	(35,849)	-	(35,849)
Balance as at 30 June 2025 (Unaudited)	1,700,000	(35,849)	364,027	2,028,178
As at 31 December 2025 (Audited)	**1,700,000**	**(43,847)**	**378,825**	**2,034,978**
Net profit for the period	**-**	**-**	**11,959**	**11,959**
Other comprehensive income	**-**	**-**	**-**	**-**
Total comprehensive income for the period	**-**	**-**	**11,959**	**11,959**
Balance as at 30 June 2026 (Unaudited)	**1,700,000**	**(43,847)**	**390,784**	**2,046,937**

CFO	CEO	Authorized Board Member
Rami Jawad Abu Jneid	Ataa Abdulqader Bakkar	Fahad Abdullah AlRajhi

The accompanying notes 1 to 19 form an integral part of this interim condensed consolidated financial information.

NAJRAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX-MONTHS PERIOD ENDED 30 JUNE 2026 (UNAUDITED)
(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

	Note	For the six-months period ended 30 June	
		2026 (Unaudited)	2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before zakat		**15,459**	24,772
Adjustments:			
Depreciation of Property, Plant and Equipment	7	**48,486**	48,216
Finance costs		**8,540**	9,325
Current service cost of defined benefit obligations for employees		**4,291**	4,217
Reversal of expected credit losses	9.2	**(65)**	-
		76,711	86,530
Working capital adjustments			
Trade receivables		**386**	17
Inventories		**(57,049)**	(28,149)
Prepayments and other receivables		**(18,455)**	3,300
Contract liability - advances from customers		**(397)**	(14)
Trade payables		**17,394**	8,816
Accrued and other payables		**7,037**	(10,190)
Net cash generated from operations		**25,627**	60,310
Zakat Paid		**(7,709)**	(6,457)
Finance costs paid		**(8,310)**	(9,341)
Benefits paid from defined benefit obligations for employees		**(1,425)**	(261)
Net cash generated from operating activities		**8,183**	44,251
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7	**(32,776)**	(7,388)
Disposal of property, plant and equipment		**597**	302
Net cash used in investing activities		**(32,179)**	(7,086)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term banks facilities	11.1	**35,165**	-
Net movement of short-term bank facilities	11.2	**-**	10,000
Payment of long-term banks facilities	11.1	**(8,000)**	(8,000)
Purchases of treasury shares	10.2	**-**	(35,849)
Net cash generated from / (used in) financing activities		**27,165**	(33,849)
Net Change in cash and cash equivalents		**3,169**	3,316
Cash and cash equivalents at the beginning of the period		**6,722**	16,485
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		**9,891**	19,801

CFO	CEO	Authorized Board Member
Rami Jawad Abu Jneid	Ataa Abdulqader Bakkar	Fahad Abdullah AlRajhi

The accompanying notes 1 to 19 form an integral part of this interim condensed consolidated financial information.

1 GROUP INFORMATION

Najran Cement Company ("the Company" or "the Parent Company"), a Saudi Joint Stock Company, registered at Najran on 5 Ramadan 1426H (corresponding to 8 October 2005) under Commercial Registration number 5950010479 (Unified number 7001482079) was established on 10 Shaaban 1437H (corresponding to 17 May 2016), the Company was granted an Industrial License, number 2446. The Company's shares are listed in the Saudi stock Market in the Kingdom of Saudi Arabia.

The principal activities of the Company are manufacturing ordinary Portland cement and cement resistant to salt.

This interim condensed consolidated financial information comprises the Company and its wholly owned subsidiary, Wasl Al Janub Land Transportation Company (One person company) (together referred to as the "Group").

The subsidiary Company is registered as a limited liability Company at Najran was established on 23 Dhul-Hijjah 1441H (corresponding to 13 August 2020) under Commercial Registration number 5950119264 (Unified number 7017645222). On 02 Shaaban 1442H (corresponding to 15 March 2021), the subsidiary company was granted transportation License, number 11/00007925.

The principal activity of the subsidiary company is land transport of goods.

1.1 Geopolitical Developments

During the six-months period ended 30 June 2026, geopolitical tensions in parts of the Middle East intensified, leading to economic instability. Given that the majority of the Group's operations are conducted within the region, management continues to monitor these developments closely as the situation remains evolving, and any further escalation or prolonged continuation of the conflict could potentially affect Group's business.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This interim condensed consolidated financial information for the three-month and six-month periods ended 30 June 2026 have been prepared in accordance with IAS 34, "Interim Financial Reporting", as endorsed in the Kingdom of Saudi Arabia, and other standards and pronouncements endorsed by the Saudi Organization for Chartered and Professional Accountants.

The Group has prepared the interim condensed consolidated financial information on a going concern basis. Management considers that there are no material uncertainties that may cast significant doubt on this assumption. Management has exercised its judgement that there is a reasonable expectation that the Group has adequate resources to continue its operational existence for the foreseeable future, and for a period of not less than 12 months from the end of the reporting period.

The interim condensed consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2025. In addition, results of the six-month period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

2 BASIS OF PREPARATION (Continued)

2.2 Going Concern

Management has assessed the Group's ability to successfully execute its business plan and to generate sufficient cash flows to meet its obligations for the next twelve months. In preparing the forecasts, management considered all reasonably possible cash flows, with timing and amounts supported by conditions and facts available as at the date of approval of this Interim condensed consolidated financial information. In developing the business plan, management considered the following factors:

1. The Group has existing financing obligations, with no breaches of debt covenants, and has a proven track record of renewing banking facilities and dealing with financing parties.
2. As disclosed in Note (11), the Group obtained additional financing during the period ended 30 June 2026, which enhances its liquidity position and supports its ability to meet its obligations during the future period.
3. Management has prepared a budget and cash flow forecast covering the next twelve months, which indicates the Group's ability to meet its obligations as they fall due.

Based on the above plan, the Group's expected cash flows for the twelve-month period from the reporting date show a net positive cash flow. Management believes that the Group will be able to generate sufficient cash flows to meet its obligations as they fall due over the twelve months following the date of this interim condensed consolidated financial information. Accordingly, this interim condensed consolidated financial information have been prepared on a going concern basis.

2.3 Basis of measurement

This interim condensed consolidated financial information is prepared under the historical cost convention using the accrual basis of accounting and going concern concept, except what has been mentioned in the material accounting policy information within the consolidated financial statements for the year ended 31 December 2025.

2.4 Functional and presentation currency

This interim condensed consolidated financial information is presented in Saudi Arabian Riyals (⃁), which is also the Group's functional and presentation currency. All amounts have been rounded to nearest thousand, unless otherwise stated.

2.5 Significant accounting judgements, estimates and assumptions

The preparation of the Group's interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities.

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 annual consolidated financial statements for the year ended 31 December 2025.

3 BASIS OF CONSOLIDATION

This interim condensed consolidated financial information include the financial information of the Parent Company and its wholly owned subsidiary, Wasl Al Janub Land Transportation Company (One person company) (together referred to as the "Group"), In which the Group exercises control as at 30 June 2026.

3 BASIS OF CONSOLIDATION (Continued)

Subsidiary name	*Country of incorporation*	*Principal business activity*	***Effective ownership interest*** ***30 June 2026***	*31 December 2025*
Wasl Al Janub Land Transportation Company (One person company)	Kingdom of Saudi Arabia	land transport of goods	**100%**	100%

The financial information of the subsidiary are prepared for the same reporting period as that of the Group, using consistent accounting policies of the Group.

Transactions eliminated on consolidation
Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated.

Unrealized losses (if any) are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has control over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee.
- Rights arising from other contractual arrangements.
- The Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Control is achieved when the Group is exposed, or has rights, to variable returns from its transactions with the investee and has the ability to affect those returns through exercising its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e., existing rights that give the Group the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its transactions with the investee.
- The ability to use its power over the investee to affect its returns.

4 MATERIAL ACCOUNTING POLICY INFORMATION

The accounting policies adopted in the preparation of the interim condensed consolidated financial information are consistent with those used in preparing the annual consolidated financial statements for the Group for the year ended 31 December 2025.

5 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP

The new standards and amendments to standards disclosed in the Group's annual consolidated financial statements for the year ended 31 December 2025 remain unchanged.

IFRS 18 Presentation and Disclosure in Financial Statements will replace IAS 1 Presentation of Financial Statements and applies for annual reporting periods beginning on or after 1 January 2027 in accordance with the adoption requirements of Saudi Organization for Chartered and Professional Accountants dated 26 December 2024. The Group has not early adopted the new accounting standard in preparing these interim condensed consolidated financial information; however, earlier application is permitted.

The Group is in the process of assessing the estimated impact that the initial application of IFRS 18 will have on its consolidated financial statements.

a) Structure of the Statement of Profit or Loss

IFRS 18 requires entities to classify all income and expenses into categories in the statement of profit or loss – namely operating, investing, financing, zakat income tax and discontinued operations. Classification of income and expenses depends on the main business activities of an entity. The Group has determined that it does not have a specified main business activity of investing in assets and/or providing financing to customers.

Neither net profit nor net assets will change as a result of the Group’s adoption of IFRS 18. The Group will be required to present two newly defined subtotals, which are ‘operating profit’ and ‘profit or loss before financing and income taxes’, However, operating profit subtotal differs from the current operating profit subtotal presented by the Group. Based on the information currently available, the Group expects changes to the current structure of the statement of profit or loss to result from the following:

- Interest expenses are generally included in finance costs under the Group’s current accounting policy and are presented in the ‘finance costs’ subtotal. IFRS 18 provides specific guidance on the expenses classified in the financing categories.

- Interest cost on employee benefit obligations, which is currently presented within finance costs, will remain unchanged in terms of classification and presentation, with no material impact expected.

- Net foreign exchange losses are currently included in other (expense) / income, net. Under IFRS 18, foreign exchange differences are required to be presented in the same category as the income and expenses from the items that gave rise to the differences. The Group has determined that it has foreign exchange differences to be classified in the operating and financing categories. For example, foreign exchange differences on trade payables and trade receivables will be classified in the operating category.

b) Management- defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communications outside the financial statements that communicate to users management’s view of an aspect of the financial performance of the entity as a whole. The Group will be required to disclose specific information about MPMs in a single note in the financial statements.

The Group is in process to determine which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements. Therefore, MPMs disclosed by the Group following adoption of IFRS 18 will be determined based on public communications issued by the Group relating to the 2027 interim reporting period.

(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

5 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS ADOPTED BY THE GROUP (Continued)

c) Principles of aggregation and disaggregation
IFRS 18 provides enhanced principles on how to group information in the financial statements (i.e. the primary financial statements and the notes). It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The Group is assessing the grouping of items on the basis of similar and dissimilar characteristics. Based on this assessment, it will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes.

The Group is also assessing line items currently labelled as ‘other’ and will use more informative labels.

d) Consequential amendments
IFRS 18 introduces consequential amendments to IAS 7, which require entities to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows under the indirect method. The Group currently uses profit for the year/period as the starting point of the reconciliation to cash flows from operating activities. Certain adjusting items included in the reconciliation will change as a result of the new starting point.

The consequential amendments also provide specific guidance on the classification of interest and dividend cash flows. The Group will classify cash flows from interest paid as financing activities rather than operating activities under this guidance. Cash flows from interest and dividends received and from dividends paid will continue to be classified as investing activities and financing activities, respectively.

6 SEGMENTAL REPORTING
The Group is engaged in one significant operating segment, i.e., manufacturing cement and operates in entirely from the Kingdom of Saudi Arabia and certain foreign jurisdictions. Accordingly, the interim condensed consolidated financial information was not divided on to different geographic or business segments. Further, significant amount of liabilities of the Group are payable in Saudi Arabia.

7 PROPERTY, PLANT AND EQUIPMENT
For purpose of preparing the interim condensed consolidated statement of cash flows, movement in property, plant and equipment during the six-month period ended 30 June is as follows:

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Additions to property, plant and equipment	**32,776**	7,388
Depreciation	**48,486**	48,216

7.1 The plants are situated on land leased in Sulttana from Ministry of industry and Mineral Resources, for 30 Hijra years commenced on 11 Jumada II 1426H (corresponding to 17 July 2005) and land leased in Akfah from Najran Municipal for 25 Hijra years commenced on 21 Dhu al-Qi`dah 1428H (corresponding to 1 December 2007).

7.2 The Group, as of 31 December 2025, assessed whether there were any indicators of impairment of its property, plant and equipment in accordance with the requirements of International Accounting Standard (IAS) 36 “Impairment of Assets.” An impairment test was performed with the assistance of an independent certified valuer using a value-in-use model, which is based on estimated future cash flows and a number of key assumptions relating to expected operational performance and future economic conditions. The results of the assessment concluded that there is no impairment in the value of property, plant and equipment.

(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

8 INVENTORIES

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Raw materials, fuel and packing materials	**36,874**	26,921
Work in process	**394,338**	344,996
Finished goods	**6,143**	6,737
Spare parts - Consumables not for sale	**66,501**	68,153
Total	**503,856**	446,807
Less: Provision for obsolete spare parts	**(7,817)**	(7,817)
Total	**496,039**	438,990

9 TRADE RECEIVABLES

9.1 Trade Receivables

	Note	**30 June 2026 (Unaudited)**	31 December 2025 (Audited)
Trade receivables		**23,595**	23,981
Less: provision for expected credit loss	9.2	**(1,601)**	(1,666)
		21,994	22,315

Trade receivables are non-interest bearing and are generally payable on demand.

9.2 Movement in the provision for expected credit loss is as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**1,666**	1,666
Reversal for the period / year	**(65)**	-
Balance at the end of the period / year	**1,601**	1,666

10 SHARE CAPITAL

10.1 Share capital

The authorized share capital of the Company comprised 170 million ordinary shares stated at ⃁ 10 per share. All shares are issued and fully paid. (31 December 2025: 170 million ordinary shares stated at ⃁ 10 per share).

10.2 Treasury shares

On 22 Rabi’ al-Awal 1446H (corresponding to 25 September 2024), The Company's board of directors decided to purchase 17 million shares of the Company and retain them as treasury shares for a period of ten years from the date of the Extraordinary General Assembly’s approval, due to the decline in the Company’s share price in the market.

On 21 Jumada al-Thani 1446H (corresponding to 22 December 2024), the Extraordinary General Assembly of the Company approved the purchase of these shares.

The Company purchased 5.24 million shares worth ⃁ 43.8 million. Accordingly, the Company completed the share repurchase in accordance with the applicable laws and regulations.

(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

11 BANKS FACILITIES

Long and short terms banks facilities from commercial banks is presented as follows:

11.1 Long term banks facilities

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**248,808**	264,808
Plus: proceeds during the period/ year	**35,165**	-
Less: repayments during the period/ year	**(8,000)**	(16,000)
Net principal amount	**275,973**	248,808
Accrued financing costs for the period/ year	**2,053**	1,865
Total	**278,026**	250,673
Long term banks facilities - Current portion	**(53,110)**	(35,393)
Long term banks facilities – Non Current portion	**224,916**	215,280

11.2 Short term bank facilities

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at the beginning of the period / year	**10,000**	30,000
Plus: proceeds during the period/ year	**10,000**	40,000
Less: repayments during the period/ year	**(10,000)**	(60,000)
Balance at the end of the period / year	**10,000**	10,000

11.3 Tawarruq

During the year 2022, the Parent Company signed banking facilities agreement (Tawarruq) with a local Bank. In the same year the Parent company utilized ⃁ 278.5 million which are repayable in seven years over thirteen equal semi-annual instalments starting from May 2023, and carries financing costs on the basis of the prevailing Saudi interbank rate (SAIBOR) plus a specified profit margin. As of 30 June 2026, the long term bank facilities balance amounting: ⃁ 192.8 million (31 December 2025: ⃁ 192.8 million). The amount is secured by a promissory note. During the period, the Parent Company obtained the bank's approval to extend the loan term by an additional two and a half years. Accordingly, the repayment schedule was amended, with the next installment due on December 1, 2026.

During the year 2023, the subsidiary signed banking facilities agreement (Tawarruq) with a local bank and utilized ⃁ 80 million long term facilities to finance its capital expenditures. As of 30 June 2026, the long term bank facilities balance amounting: ⃁ 48 million (31 December 2025: ⃁ 56 million). The new facilities are repayable in six years over twelve equal semi-annual instalments starting from September 2024 and carries financing costs on the basis of the prevailing Saudi interbank rate (SAIBOR) plus a specified profit margin. The amount is secured by some of the subsidiary's vehicles and promissory note. The carrying values of the borrowings are denominated in Saudi riyals.

On 15 January 2026, the Parent Company signed new bank facilities agreement (Tawarruq) with a local Bank to finance the expansion of its subsidiary, amounting to ⃁ 50 million. As of 30 June 2026, the long term bank facilities balance amounting: ⃁ 27.8 million (31 December 2025: nil). The financing will be repaid over five years in semi-annual instalments, with a six-month grace period. Financing costs will be borne based on the prevailing Saudi Interbank Offered Rate (SAIBOR) plus a specified profit margin. The amount is secured by a promissory note. The loan book values are recorded in Saudi Riyals.

On 26 March 2026, the Parent Company signed a bank facilities agreement (Tawarruq) with a local bank to finance the electrical grid connection project, amounting to ⃁ 49 million note (15). As of 30 June 2026, the long term bank facilities balance amounting: ⃁ 7.3 million (31 December 2025: nil). The financing will be repaid over two years in annual instalments, with a six-month grace period. Financing costs will be borne based on the prevailing Saudi Interbank Offered Rate (SAIBOR) plus a specified profit margin. The amount is secured by a promissory note. The carrying amounts of the loans are denominated in Saudi Riyals.

(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

11 BANKS FACILITIES (Continued)

As of 30 June 2026, the short term bank facilities balance amounting: ⃁ 10 million (31 December 2025: ⃁ 10 million), for the working capital purposes of the Group.

The Short term bank facilities are repayable during the next 12 months and carries financing costs on the basis of the prevailing Saudi interbank rate (SAIBOR) plus a specified profit margin secured by a promissory note.

All the above loans are sharia compliant.

12 PROVISION FOR ZAKAT

The movement in zakat payable on the Group was as follows:

	30 June 2026 (Unaudited)	31 December 2025 (Audited)
Balance at beginning of the period / year	**7,799**	6,927
Provision during the period / year	**3,500**	7,329
Paid during the period / year	**(7,709)**	(6,457)
Balance at the end of the period / year	**3,590**	7,799

The Group submitted its Consolidated Zakat returns to the Zakat, Tax and Customs Authority (“ZATCA”) until the year ended 31 December 2025 and obtained the zakat certificate valid until 30 April 2027.

Zakat assessments for the years 2006 to 2011 and 2014 to 2024 have been finalized and settled with ZATCA.

13 SALES

13.1 Disaggregated sales information

	For the six-months period ended	
	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Product type		
Cement	**246,807**	259,941
Total sales	**246,807**	259,941
Customer type		
Corporate customers	**246,807**	259,941
Total sales	**246,807**	259,941
Geographical markets		
Local	**228,380**	243,689
Export	**18,427**	16,252
Total sales	**246,807**	259,941

13.2 Performance obligations – point in time

The performance obligation is satisfied at a point in time and payment is generally due in advance or in accordance with credit terms.

(ALL AMOUNTS IN THOUSANDS ⃁ UNLESS OTHERWISE STATED)

14 EARNING PER SHARE

The Group presents basic and diluted earnings per share for its ordinary shares. Basic is calculated by dividing the profit attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period.

	For the six-months period ended 30 June	
	2026 (Unaudited)	2025 (Unaudited)
Profit for the period attributable to the shareholders of the Group (in ⃁'000)	**11,959**	21,712
Weighted average number of ordinary shares for the purposes of basic and diluted earning ('000 shares)	**164,760**	168,872
Basic and diluted earnings per share based on profit for the period attributable to shareholders of the Group (⃁ per share)	**0.07**	0.13

The weighted average number of outstanding ordinary shares during the three-month and six-month periods ended 30 June 2026 and 2025 have been calculated after calculating the impact of the treasury shares (note 10.2).

15 CONTINGENCIES AND COMMITMENTS

The Group was contingently liable for letters of credit and bills for collections issued in the normal course of the business amounting to ⃁ 43 million as at 30 June 2026 (31 December 2025: ⃁ 26 million).

On 25 June 2025, the Group entered into an agreement with the National Electricity Transmission Company (a subsidiary of the Saudi Electricity Company) to implement a power transmission substation project aimed at supplying electricity to the Group's plant located in Sultana – Najran, under the Kingdom's Liquid Fuel Displacement Program. The total project cost will be included within the Liquid Fuel Displacement Program, in accordance with the Ministry of Energy letter No. (45020804/700) dated 27 Muharram 1445H.

On 5 March 2026, the Group signed a contract with Sinoma International Engineering Co., Ltd. amounting to ⃁ 49 million for the execution of the grid connection project (note 11).

16 RELATED PARTY TRANSACTIONS AND BALANCES

Allowances and compensation of the Board of Directors and senior executives

Related parties are associates, joint ventures, shareholders who have representation on the Company's board of directors, their close relatives, members of the board of directors, partners of subsidiaries, members of the Group's senior management, and companies that they control, are under common control, or over which they have a significant influence.

The Group's senior management includes key management personnel, executives and Board of Directors, having authorities and responsibilities for planning, directing and controlling the activities of the Group.

Board of Directors and committees' compensation charged during the six-month period ended 30 June, 2026 amounting to ⃁ 2.586 Million (30 June 2025: ⃁ 2.397 Million).

Allowances and compensation of the Board of Directors and senior executives comprised the following:

	30 June 2026 (Unaudited)	30 June 2025 (Unaudited)
Short term employee benefits	**5,521**	6,552
Post-employment benefits	**147**	175
	5,668	6,727

17 FAIR VALUE MEASUREMENT

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All financial instruments for which fair value is recognized or disclosed are categorized within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement, as follows:

- Level 1: quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2: valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

If the inputs used to measure the fair value of an asset or liability falls into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest input level that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. There were no transfers among the levels during the period.

The management assessed that the fair value of financial assets and financial liabilities approximate their carrying amounts primarily due to the short-term maturities of these instrument.

18 SUBSEQUENT EVENTS

Subsequent to the six-months period ended 30 June 2026, the Group was contingently liable for letters of credit and bills for collections issued in the normal course of the business amounting to ⃁ 22 Million.

There are no other significant subsequent events since the end of the period that would require disclosure or adjustment to this interim condensed consolidated financial information.

19 APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

This interim condensed consolidated financial information were authorized for issue by the Group's Board of Directors on 27 Safar 1448H (corresponding to 10 August 2026).