ARABIAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

FOR THE THREE MONTHS AND SIX MONTHS PERIODS ENDED 30 JUNE 2026

ARABIAN CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT

For the three months and six months periods ended 30 June 2026

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Ernst & Young Professional Services (Professional LLC)
Paid-up capital (⃁ 5,500,000 - Five million five hundred thousand Saudi Riyal)

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF ARABIAN CEMENT COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Arabian Cement Company ("the Parent") and its subsidiaries (collectively referred to as "the Group" as at 30 June 2026, and the related interim condensed consolidated statement of profit or loss and comprehensive income for the three months and six months periods ended 30 June 2026, and the related interim condensed consolidated statements of changes in equity and cash flows for the six months period then ended, and explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standard 34, "Interim Financial Reporting" ("IAS 34") as 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" as endorsed in the Kingdom of Saudi Arabia. A review of interim financial statement 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 as endorsed in the Kingdom of Saudi Arabia.

for Ernst & Young Professional Services

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Ernst & Young Professional Services
(Professional LLC)

Ahmed Ibrahim Reda
Certified Public Accountant
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Jeddah: 15 Safar 1448H
(29 July 2026)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 June 2026

	Notes	***30 June 2026 (Unaudited) SR ('000)***	*31 December 2025 (Audited) SR ('000)*
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	**1,793,779**	1,808,817
Intangible assets		**10,017**	10,680
Investment property		**5,000**	5,000
Investments in associates	9	**55,156**	54,997
Financial assets at fair value through OCI		**41,120**	47,632
Deferred tax assets	15	**18,109**	17,831
Right-to-use assets		**4,289**	4,484
TOTAL NON-CURRENT ASSETS		**1,927,470**	1,949,441
CURRENT ASSETS			
Inventories	11	**802,344**	692,612
Trade receivables	12	**221,789**	227,186
Prepayments and other receivables		**39,374**	27,537
Cash and cash equivalents		**55,205**	115,226
		1,118,712	1,062,561
Non-current asset held for sale	13	**47,023**	43,362
TOTAL CURRENT ASSETS		**1,165,735**	1,105,923
TOTAL ASSETS		**3,093,205**	3,055,364
EQUITY AND LIABILITIES			
EQUITY			
Share capital	1	**1,000,000**	1,000,000
Share premium		**293,565**	293,565
Statutory reserve	1	**-**	-
General reserve	1	**-**	-
Foreign currency translation reserve		**(561)**	(561)
Fair value reserve of financial assets at FVOCI		**(16,784)**	(10,272)
Retained earnings		**1,285,739**	1,294,922
Equity attributable to shareholders of the Parent		**2,561,959**	2,577,654
Non-controlling interests		**99,132**	96,935
TOTAL EQUITY		**2,661,091**	2,674,589

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 30 June 2026

	Notes	***30 June 2026 (Unaudited) SR ('000)***	*31 December 2025 (Audited) SR ('000)*
NON-CURRENT LIABILITES			
Rehabilitation provision	21	**15,507**	14,507
Long term loans and facilities	14	**5,029**	8,725
Employees' defined benefits liabilities		**65,519**	60,411
Deferred Tax Liabilities	15	**56,116**	56,116
Share based payment	16	**1,006**	-
Lease liabilities	10	**4,682**	4,980
TOTAL NON-CURRENT LIABILITES		**147,859**	144,739
CURRENT LIABILITES			
Long-term loans and facilities - current portion	14	**8,228**	10,650
Short term banking facilities	14	**75,000**	-
Trade and other payables		**155,096**	167,281
Zakat and income tax payable		**26,190**	38,523
Dividends payable	20	**19,375**	19,295
Lease liabilities	10	**366**	287
TOTAL CURRENT LIABILITES		**284,255**	236,036
TOTAL LIABILITES		**432,114**	380,775
TOTAL EQUITY AND LIABILITIES		**3,093,205**	3,055,364

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three months and six months periods ended 30 June 2026

	Notes	***For three months period ended 30 June***		***For six months period ended 30 June***	
		2026 (Unaudited) SR ('000)	*2025 (Unaudited) SR ('000)*	***2026 (Unaudited) SR ('000)***	*2025 (Unaudited) SR ('000)*
Revenue		**228,979**	232,818	**479,146**	470,882
Cost of sales		**(174,142)**	(195,540)	**(346,711)**	(385,662)
GROSS PROFIT		**54,837**	37,278	**132,435**	85,220
Selling and distribution expenses		**(3,027)**	(3,101)	**(5,957)**	(5,576)
General and administrative expenses		**(15,481)**	(15,099)	**(29,004)**	(28,678)
OPERATING PROFIT		**36,329**	19,078	**97,474**	50,966
Dividends from financial assets at fair value through OCI		-	-	**534**	-
Share of profit from equity accounted investments	9	**246**	329	**246**	485
Finance costs		**(1,154)**	(1,192)	**(1,394)**	(2,472)
Other revenues, net		**3,043**	5,326	**5,521**	8,829
PROFIT FOR THE PERIOD BEFORE ZAKAT AND INCOME TAX FROM CONTINUING OPERATIONS		**38,464**	23,541	**102,381**	57,808
Zakat	15	**(3,742)**	(4,231)	**(8,537)**	(9,355)
Income tax	15	**(4,281)**	(730)	**(4,404)**	(9,144)
PROFIT FOR THE PERIOD FROM CONTINUING OPERATIONS		**30,441**	18,580	**89,440**	39,309
PROFIT FOR THE PERIOD FROM DISCONTINUING OPERATIONS					
Profit from discontinued operations	13	**2,087**	2,007	**3,098**	3,015
PROFIT FOR THE PERIOD		**32,528**	20,587	**92,538**	42,324
PROFIT FOR THE PERIOD ATTRIBUTABLE TO:					
Equity holders of the Parent		**30,393**	20,514	**90,341**	44,066
Non-controlling interests		**2,135**	73	**2,197**	(1,742)
		32,528	20,587	**92,538**	42,324
Earnings per share of net profit for the period attributable to equity holders of the Parent (SR):					
Basic	17	**0.30**	0.21	**0.90**	0.44
Diluted	17	**0.30**	0.21	**0.90**	0.44
Earnings per share of net profit for the period from continuing operations attributable to equity holders of the Parent (SR):					
Basic	17	**0.28**	0.19	**0.87**	0.41
Diluted	17	**0.28**	0.19	**0.87**	0.41

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the three months and six months periods ended 30 June 2026

	Notes	***For three month period ended 30 June*** 2026 (Unaudited) SR ('000)	*For three month period ended 30 June* 2025 (Unaudited) SR ('000)	***For six month period ended 30 June*** 2026 (Unaudited) SR ('000)	*For six month period ended 30 June* 2025 (Unaudited) SR ('000)
PROFIT FOR THE PERIOD		**32,528**	20,587	**92,538**	42,324
Other comprehensive income:					
Other comprehensive income items that will not be reclassified to profit or loss in subsequent periods:					
Unrealized loss on investment in equity instruments at fair value through OCI		**(9,479)**	(9,778)	**(6,512)**	(12,340)
Group's share in other comprehensive (loss) / income of associate	9	**(87)**	-	**(87)**	99
TOTAL OTHER COMPREHENSIVE LOSS FROM CONTINUING OPERATIONS		**(9,566)**	(9,778)	**(6,599)**	(12,241)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD FROM CONTINUING OPERATIONS		**20,875**	8,802	**82,841**	27,068
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD FROM DISCONTINUING OPERATIONS					
Other comprehensive income / (loss) from discontinued operations	13	**137**	-	**563**	(427)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**23,099**	10,809	**86,502**	29,656
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:					
Equity holders of the Parent		**20,964**	10,736	**84,305**	31,398
Non-controlling interests		**2,135**	73	**2,197**	(1,742)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**23,099**	10,809	**86,502**	29,656

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENDSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months period ended 30 June 2026

	Equity attributable to shareholders of the Parent									
	Share capital SR ('000)	***Share premium SR ('000)***	***Statutory reserve SR ('000)***	***General reserve SR ('000)***	***Foreign currency translation reserve SR ('000)***	***Fair value reserve of financial assets at fair value through OCI ('000)***	***Retained earnings SR ('000)***	***Equity attributable to shareholders of the Parent SR ('000)***	***Non-controlling interests SR ('000)***	***Total equity SR ('000)***
As at 1 January 2026 (Audited)	**1,000,000**	**293,565**	**-**	**-**	**(561)**	**(10,272)**	**1,294,922**	**2,577,654**	**96,935**	**2,674,589**
Total comprehensive income										
Profit for the period	-	-	-	-	-	-	**90,341**	**90,341**	**2,197**	**92,538**
Other comprehensive loss	-	-	-	-	-	**(6,512)**	**476**	**(6,036)**	**-**	**(6,036)**
Total comprehensive income	-	-	-	-	-	**(6,512)**	**90,817**	**84,305**	**2,197**	**86,502**
Dividends of the parent Company (Note 20)	-	-	-	-	-	-	**(100,000)**	**(100,000)**	**-**	**(100,000)**
Balance at 30 June 2026 (Unaudited)	**1,000,000**	**293,565**	**-**	**-**	**(561)**	**(16,784)**	**1,285,739**	**2,561,959**	**99,132**	**2,661,091**

INTERIM CONDENDSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)
For the six months period ended 30 June 2026

	Equity attributable to shareholders of the Parent									
	Share capital SR ('000)	*Share premium SR ('000)*	*Statutory reserve SR ('000)*	*General reserve SR ('000)*	*Foreign currency translation reserve SR ('000)*	*Fair value reserve of financial assets at fair value through OCI ('000)*	*Retained earnings SR ('000)*	*Equity attributable to shareholders of the Parent SR ('000)*	*Non-controlling interests SR ('000)*	*Total equity SR ('000)*
As at 1 January 2025 (Audited)	1,000,000	293,565	500,000	95,000	(561)	15,754	661,654	2,565,412	94,375	2,659,787
Total comprehensive income										
Profit for the period	-	-	-	-	-	-	44,066	44,066	(1,742)	42,324
Other comprehensive loss	-	-	-	-	-	(12,340)	(328)	(12,668)	-	(12,668)
Total comprehensive income	-	-	-	-	-	(12,340)	43,738	31,398	(1,742)	29,656
Dividends of the parent Company (Note 20)	-	-	-	-	-	-	(75,000)	(75,000)	-	(75,000)
Balance at 30 June 2025 (Unaudited)	1,000,000	293,565	500,000	95,000	(561)	3,414	630,392	2,521,810	92,633	2,614,443

INTERIM CONDENDSED CONSOLIDATED STATEMENT OF CASHFLOWS
For the six months period ended 30 June 2026

	Notes	***For six months period ended 30 June*** ***2026 (Unaudited) SR ('000)***	*2025 (Unaudited) SR ('000)*
OPERATING ACTIVITIES			
Profit for the period before zakat and income tax from continuing operations		**102,381**	57,808
Adjustments:			
Depreciation of property, plant and equipment	8	**54,714**	78,487
Amortization of intangible assets		**664**	626
Amortization of right to use assets		**196**	195
Group's share of results of associated companies	9	**(246)**	(485)
Dividends of financial assets at fair value through OCI		**(534)**	-
Provision for impairment of inventories	11	**3,468**	815
Write off in provision for impairment of trade receivables	12	**(43)**	-
Finance costs		**1,394**	2,472
Rehabilitation provision	21	**1,000**	1,000
Employees' defined benefit obligations charged for the period		**5,657**	5,749
		168,651	146,667
Changes in working capital:			
Trade receivables, prepayments and other receivables		**(5,840)**	8,538
Inventories		**(113,200)**	(42,482)
Trade and other payables		**(12,693)**	(31,967)
		36,918	80,756
Finance costs paid		**(252)**	(2,299)
Zakat and income tax paid	15	**(25,551)**	(26,881)
Employees' defined benefit obligations paid		**(550)**	(2,830)
Net cash generated from operating activities		**10,565**	48,746
INVESTING ACTIVITES			
Additions to property, plant and equipment	8	**(39,676)**	(29,797)
Dividends from financial assets at fair value through OCI		**534**	-
Net cash used in investing activities		**(39,142)**	(29,797)
Financing activities			
Proceeds from term loans		**75,000**	30,677
Repayments of term loans	14	**(6,118)**	(59,957)
Repayment of lease liabilities	10	**(406)**	(347)
Dividends paid	20	**(99,920)**	(75,017)
Net cash used in financing activities		**(31,444)**	(104,644)

The attached notes 1 to 25 form an integral part of these interim condensed consolidated financial statements.

INTERIM CONDENDSED CONSOLIDATED STATEMENT OF CASHFLOWS (CONTINUED)
For the six months period ended 30 June 2026

	For six months period ended 30 June	
	2026	*2025*
	(Unaudited)	*(Unaudited)*
	SR('000)	*SR ('000)*
Net decrease in cash and cash equivalents	**(60,021)**	(85,695)
Cash and cash equivalents at 1 January	**115,226**	145,112
Cash and cash equivalents at the end of the period	**55,205**	59,417
SIGNIFICANT NON-CASH TRANSACTIONS		
Net loss from equity instruments at fair value through OCI	**(6,512)**	(12,340)
Deferred tax assets	**278**	278
Transferred from projects in progress to property, plant and equipment	**2,415**	15,358
Transferred from projects in progress to intangible assets	**-**	(50)

1 COMPANY INFORMATION

Arabian Cement Company (the Company" or the Parent") is a Saudi Joint Stock Company incorporated in accordance with the Companies' Law in the Kingdom of Saudi Arabia under the Royal Decree No. 731 dated 12 Jumada Al-Ula 1374H (corresponding to 7 January 1955) and the Company operates under Commercial Registration Number 4030000148 and Unified Number 7000848668 issued in Jeddah dated 14 Ramadan 1376H (corresponding to 15 April 1957).

The Parent's share capital is one billion Saudi Riyals divided into 100 million shares, with the value of SR 10 each, as at 30 June 2026 and 31 December 2025.

The Parent's shares are listed in Saudi Exchange (Tadawul) in the Kingdom of Saudi Arabia. The Parent is owned by 9% by a major shareholder, while 91% is owned by other shareholders as at 30 June 2026 (31 December 2025: 8.94% by major shareholders and 91.06% by other shareholders).

The main activities of the Group are as follows:

1) Production of cement, construction materials and other related materials and derivatives inside and outside the Kingdome of Saudi Arabia.

2) Trading of clinker, cement, construction materials and other related materials and derivatives inside and outside the Kingdome of Saudi Arabia.

3) Utilization of mines, establishing factories and warehouses required to be used in manufacturing, storage, selling, purchasing, exporting, importing and other complementary and supportive industries.

To achieve these purposes, the Group has the right to enter all types of contracts of properties and movable assets within the limits if the applicable regulations.

The registered address of the Parent is Arabian Cement Company's building, 8605 King Abdulaziz Road, Nahdha District, Jeddah 23523-2113, Kingdom of Saudi Arabia.

As at 30 June 2026 and 31 December 2025, the Group has, directly or indirectly, investments in the following subsidiaries (collectively referred to the "Group"):

The details of the subsidiaries are as follows:

Subsidiary	***Principal activity***	***Country of incorporation***	***Shareholding (%)***	
			2026	*2025*
Bahrain Arabian Cement Holding Company (a single shareholder Company) ("Bahrain Cement Company")	Holding Company	Kingdom of Bahrain	**100%**	100%

On 5 November 2007, Bahrain Arabian Cement Company was incorporated as an individual Company registered in the Kingdom of Bahrain with the purpose of managing its subsidiaries, investing its funds in shares, bonds and securities, owning properties and movable assets necessary to its operations and providing loans, guaranties and financing for its subsidiaries.

Bahrain Cement Company has investment in the following subsidiary:

Subsidiary	***Principal activity***	***Country of incorporation***	***Shareholding (%)***	
			2026	*2025*
Qtrana Cement Joint Stock Private Company ("Qtrana Cement Company")	Cement production	The Kingdom of Jordan	**86.74%**	86.74%

Bahrain Cement Company owns 86.74% of Qatrana Cement Company's shares and holds control over its business and management. Thus, Qatrana Cement Company is considered as an indirectly owned subsidiary by the Parent Company and has been consolidated in these interim condensed consolidated financial statements. Qatrana Cement Company is engaged in the production of black portland cement, white cement and calcium carbonate.

1 COMPANY INFORMATION (continued)

The interim condensed consolidated statement of profit or loss includes the results of operations of the subsidiaries for the three months and six months periods ended 30 June 2026, and the interim condensed consolidated statement of financial position includes the assets and liabilities of the subsidiaries, as at 30 June 2026.

The following are the details of the associates:

Company name	*Country of incorporation*	*Principal activities*	*Shareholding (%)*	
			2026	*2025*
Ready Mix Concrete and Construction Supplies Company	Kingdom of Jordan	Concrete production	**36.67%**	36.67%
Cement Products Industry Company Limited	Kingdom of Saudi Arabia	Bags production Cement	**33.33%**	33.33%

Statutory and General Reserves

On 13 July 2025, the extraordinary general assembly meeting was held, and the assembly approved transferring the entire balance of the statutory reserve amounting to SR 500 million, and the entire balance of the general reserve amounting to SR 95 million as stated in the consolidated financial statements for the year ended 31 December 2024 to the retained earnings.

2 BASIS OF PREPERATION

2.1 Statement of compliance

These interim condensed consolidated financial statements for the three months and six months periods ended 30 June 2026 have been prepared in accordance with IFRS Accounting Standard 34 "Interim Financial Reporting" ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are endorsed by Saudi Organization for Chartered and Professional Accountants ("SOCPA"). The Group has prepared the interim condensed consolidated financial statements on the basis that it will continue to operate on going concern basis. The management believes that there are no material uncertainties that may cast significant doubt over this assumption. They have exercised their judgement that there are reasonable expectations that the Group has adequate resources to continue in operational existence for the foreseeable future, and not less than 12 months from the end of the reporting period.

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

2.2 Basis of measurement

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

- Equity investments are measured at Fair Value through Other Comprehensive Income
- Defined benefits liabilities for future obligations are recognised based on the expected credit unit method.

2.3 Functional and presentation currency

These interim condensed consolidated financial statements are prepared in Saudi Arabian Riyals (SR) which is the Parent's functional and presentation currency of the Group. All amounts have been rounded off to the nearest thousand Saudi Riyals unless otherwise stated.

3 USES OF JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed consolidated financial statements of the Group requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expense. Actual results could differ from the estimates.

Estimates and assumptions are based on previous experience and factors that may include expecting suitable future events which are used to extend book period of dependent assets and liabilities from other resources and estimates and assumptions are evaluated on an on-going basis. Accounting estimates are also reviewed in the period in which the estimates are revised in the audit period and future periods, if the changed estimates affect current and future periods.

Significant judgments made by the management upon adopting the Company's accounting policies are consistent with the disclosed policies in the financial statements for the year ended 31 December 2025. Certain differences compared to the comparative period ended 30 June 2025 arose as a result of changes in accounting judgments and estimates related to the reassessment of the useful lives of certain property, plant and equipment, which were adopted and disclosed in the annual financial statements for the year ended 31 December 2025.

On October 2025, the Parent has reviewed the estimated economic useful lives of all components within the Plant, factory installations and power of its property, plant and equipment from 20 years to 30 years, based on the combination of evaluation conducted by an independent consultants and management assessment, this reflects updated expectations of future economic benefits. In accordance with IAS 8, the change has been accounted for prospectively. The impact of above changes was to decrease depreciation expenses by SR 12 million in the current quarter and is expected to decrease depreciation expense by approximately SR 49 million each year in future periods.

4 BASIS OF CONSOLIDATION

The interim condensed consolidated financial statements of the Group include the financial statements of the Group and its subsidiaries set forth in Note 1. Control is achieved when the Group is exposed or has rights to returns from its involvement with the investee and has the ability to affect those returns through exercising its power over the investee. The Group is considered having control over the investee in the following cases or elements:

1) Control over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
2) Exposure to rights in variable returns from its involvement with the investee.
3) The ability to use its power over the investee to affect its returns

The Group reassesses whether it has control over the investee if facts and circumstances indicate that there have been changes in one of the above-mentioned elements of control. The consolidation of the 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 the acquired or disposed of subsidiary during the period are included in the consolidated financial statements from the date the Group gains control until the date the control ceases.

Profits, losses and all components of other comprehensive income are attributable to the equity holders of the Parent Company of the Group and to the holders of non-controlling interests, even if this results in a deficit balance in favor of the non-controlling interest holders. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies. All intra-group balances and financial transactions resulting from transactions between the Group and its subsidiaries and those arising between the subsidiaries are eliminated when preparing these interim condensed consolidated financial statements. Also, any unrealized gains or losses resulting from internal transactions in the Group are eliminated upon the consolidation of the interim financial statements.

Any change in shareholding interests in the subsidiary, without loss of control, is accounted for as an equity transaction, and when the Group loses control on the subsidiary it and does the following:

- Derecognition of the assets (including goodwill) and liabilities of the subsidiary
- Derecognition of the carrying amount of any noncontrolling interest.
- Derecognition of the cumulative transfer differences recorded under equity.
- Recognition of fair value of consideration received.
- Recognition of the fair value of any investment retained
- Recognition of surplus or deficit in profit or loss.

The Parent's share of the components within other comprehensive income is reclassified under profit, loss or retained earnings, as would be required if the Group had directly disposed of the related assets or liabilities.

4 BASIS OF CONSOLIDATION (continued)

Eliminated transactions
Intra-group balances and transactions, as well as any unrealized gains or losses resulting from internal transactions between the Group's companies, are completely eliminated when preparing these condensed consolidated financial statements. Unrealized gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but to the extent that there is no evidence of impairment.

Non-controlling interests
The non-controlling interests in the net assets of the consolidated subsidiaries are recognized separately from the Group's equity in the net assets. Non-controlling interests consist of the amounts of those interests that are recognized at the date of the original business combination in addition to their shares in the changes in equity in the Company that occur after the date of acquisition.

The Group does not add its indirect share in the subsidiaries that it owns through investments in equity-accounted investees. When calculating the shares attributable to non-controlling interests, only the shares owned directly or indirectly by another subsidiary are taken into account.

5 NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group 's annual consolidated financial statements for the year ended 31 December 2025, for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any standard, interpretation or amendment that have been issued but is not yet effective. IASB issued the accounting standards, amendments effective for periods beginning on or after 1 January 2026. The management has assessed that the amendments have no significant impact on the interim condensed financial statements of the Group.

Standard, interpretation, amendments	***Description***	***Effective date***
Amendments to the Classification and Measurement of Financial Instruments—Amendments to IFRS 9 and IFRS 7	-A clarification that a financial liability is derecognised on the 'settlement date' and the introduction of an accounting policy choice (if specific conditions are met) to derecognise financial liabilities settled using an electronic payment system before the settlement date -Additional guidance on how the contractual cash flows for financial assets with environmental, social and corporate governance (ESG) and similar features should be assessed -Clarifications on what constitute 'non-recourse features' and what are the characteristics of contractually linked instruments - The introduction of disclosures for financial instruments with contingent features and additional disclosure requirements for equity instruments classified at fair value through other comprehensive income (OCI).	1 January 2026

6 NEW STANDARDS BUT NOT YET EFFECTIVE

The following is a brief on the other new IFRS and amendments to IFRS, effective for annual periods beginning on or after 1 January 2027. The Group has opted not to early adopt these pronouncements, and they do not have a significant impact on the consolidated financial statements of the Group.

6 NEW STANDARDS BUT NOT YET EFFECTIVE (continued)

Standard, interpretation, amendments	***Description***	***Effective date***
IFRS 19 Subsidiaries without Public Accountability: Disclosures	IFRS 19, which allows eligible entities to elect to apply its reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other IFRS accounting standards. To be eligible, at the end of the reporting period, an entity must be a subsidiary as defined in IFRS 10, cannot have public accountability and must have a parent (ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with IFRS accounting standards.	1 January 2027

Expected impact of the initial application of IFRS 18 ("Presentation and Disclosure in Financial Statements")

In April 2024, the International Accounting Standards Board ("IASB") issued IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements and becomes effective for annual reporting periods beginning on or after 1 January 2027. The new standard introduces new requirements and updates to the statement of profit or loss, with the main objective of improving comparability in the statement of profit or loss and enhancing transparency over management-defined performance measures.

The key new concepts introduced by IFRS 18 include:

- A revised structure of the statement of profit or loss, requiring classification of income and expenses into 5 defined categories based on the entity's main business activities and presentation of mandatory subtotals;
- Enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general; and
- Required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures).

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

1- Structure of the Statement of Profit or Loss

The standard is expected to result in changes to the presentation of certain line items and subtotals in the statement of profit or loss namely operating, investing, financing, zakat and income tax and discontinued operations. This classification depends on the main business activities of the entity.

Based on the Group preliminary assessment and the nature of its main business activities, performed to date. The Group expects changes to the current structure of Statement of Profit or Loss to result in:

- Mandatory subtotals: The Group currently presents "Operating Profit" and "Profit for the period before Zakat and Income Tax from continuing operations". The new mandatory subtotal "Profit before financing and income taxes" is not currently presented. The statement of profit or loss will be restructured to introduce this subtotal above the financing category upon adoption of IFRS 18.
- Use of label "Other": The Group currently presents a line item captioned "other revenues, net". This label will be replaced with a more descriptive caption and material components will be disaggregated in the notes upon adoption of IFRS 18. Composition of this line to be obtained from management for appropriate re-labelling.

6 NEW STANDARDS BUT NOT YET EFFECTIVE (continued)

Expected impact of the initial application of IFRS 18 ("Presentation and Disclosure in Financial Statements") (continued)

1- Structure of the Statement of Profit or Loss (continued)

- Operating expenses by function: As expenses are presented by function, additional note disclosures will be required to provide a qualitative description of the nature of expenses included in each function line item and specified amounts for depreciations, amortisation of intangibles, amortisation of ROU assets, employees' defined benefit obligations charge, inventory impairment and impairment of trade receivables. Certain amounts are already disclosed in notes / cash flow statement; format will be aligned with IFRS 18.
- Interest expenses: (i) the interest cost component of the net periodic charge on employees' defined benefit obligations is currently embedded within operating expenses and will be reclassified to the financing category upon adoption of IFRS 18, and (ii) the unwinding of discount on the rehabilitation provision is being assessed to determine appropriate classification (operating vs. financing).
- The Group's Share of profit from equity accounted investments and Dividends from financial assets at fair value through OCI are currently presented outside operating profit. Under IFRS 18 it will be classified within the new investing category and, accordingly, will be included within profit or loss before financing and income taxes.

2- Aggregation and disaggregation

The new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary. The Group is assessing how items are aggregated and disaggregated in the primary financial statements and the notes on the basis of similar and dissimilar characteristics.

Certain profit or loss line items description, aggregations and subtotals may change to provide useful structured summaries and disclose additional material information in the notes. The Group is performing a detailed assessment to determine the appropriate classification of items. The Group expects Material line items are broadly appropriately aggregated in the current presentation. Management will re-assess line items against the new IFRS 18 aggregation / disaggregation principles based on similar / dissimilar characteristics, both in the primary statements and the notes. Enhanced disaggregation may be required for certain expense categories in the notes upon adoption of IFRS 18.

The Group also expects expanded disclosure requirements relating to the aggregation and disaggregation of information.

The Group is also assessing line items currently labeled as "other" and will use more informative labels that describes the aggregated items as precisely as possible.

3- Management Performance Measures "MPMs"

Management-defined Performance Measures (MPMs) is a subtotal of income and expenses that entity uses in public communication outside the financial statements that communicates management's view of an aspect of the financial performance of the entity as a whole. Where applicable, these measures may require quantitative reconciliation to IFRS-defined subtotals together with expanded explanatory disclosures

The Group currently reviewing its public communications (including annual reports, Board reports, Tadawul disclosures, investor communications and press releases) to identify whether any subtotals of income and expenses reported outside the financial statements meet the definition of an MPM under IFRS 18. Based on the assessment performed to date, the Group does not disclose non-GAAP performance measures such as adjusted EBITDA, adjusted EBIT, underlying profit or similar measures within its interim condensed consolidated financial statements. The assessment of public communications remains ongoing, and if any MPMs are identified, the required disclosures (including quantitative reconciliations to the most directly comparable IFRS subtotals) will be prepared and included in the financial statements upon adoption of IFRS 18.

6 NEW STANDARDS BUT NOT YET EFFECTIVE (continued)

Expected impact of the initial application of IFRS 18 ("Presentation and Disclosure in Financial Statements") (continued)

4- Consequential amendments

The Group is also evaluating the consequential amendments arising from IFRS 18, including amendments to IAS 7 Statement of Cash Flows and IAS 34 Interim Financial Reporting.

The Group currently uses "Profit for the period before Zakat and Income Tax from continuing operations" 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 IFRS 18. Cash flows from interest and dividends paid will continue to be classified as investing and financing activities, respectively.

The Group assessment remains ongoing and further refinements to the expected impact may arise as implementation activities progress and additional industry and regulatory guidance becomes available.

7 SEGMENT INFORMATION

The Group is mainly engaged in an operating segment that is related to production and selling of cement.

For managerial purposes, the Group is organized as business units according to the geographical distribution, where units are distributed as follows:

- All the operations of the Group are carried out in the Kingdom of Saudi Arabia.
- The Group’s operations outside the Kingdom of Saudi Arabia, which mainly represent the Group’s operations in the Kingdom of Jordan, in addition to the Kingdom of Bahrain.

As at 30 June 2026 (Unaudited)	*Inside KSA SR ('000)*	*Outside KSA SR ('000)*	*Adjustments SR ('000)*	*TOTAL SR ('000)*
Total property, plant, equipment and investment properties	**1,198,941**	**668,054**	**(68,216)**	**1,798,779**
Financial assets at fair value through OCI	**41,120**	**-**	**-**	**41,120**
Total Other Non-Current Assets	**812,064**	**37,464**	**(761,957)**	**87,571**
Total Current Assets	**837,245**	**281,808**	**(341)**	**1,118,712**
TOTAL ASSETS	**2,889,370**	**987,326**	**(830,514)**	**3,046,182**
TOTAL LIABILITES	**374,432**	**236,525**	**(178,843)**	**432,114**

As at 31 December 2025 (Audited)	*Inside KSA SR ('000)*	*Outside KSA SR ('000)*	*Adjustments SR ('000)*	*TOTAL SR ('000)*
Total property, plant, equipment and investment properties	1,196,176	688,058	(70,417)	1,813,817
Financial assets at fair value through OCI	47,632	-	-	47,632
Total Other Non-Current Assets	797,641	38,047	(747,696)	87,992
Total Current Assets	796,505	267,100	(1,044)	1,062,561
TOTAL ASSETS	2,837,954	993,205	(819,157)	3,012,002
TOTAL LIABILITES	303,660	258,718	(181,603)	380,775

7 SEGMENT INFORMATION (continued)

Financial information of revenues, profits attributable to shareholders of the Parent, financing costs, depreciation and amortization costs related to geographical segments after elimination of the impact of the transactions between the Group's companies for the six months period ended 30 June 2026 and 2025 are as follows:

for the period ended 30 June 2026 (Unaudited)	*Inside KSA SR ('000)*	*Outside KSA SR ('000)*	*Adjustments SR ('000)*	*TOTAL SR ('000)*
Revenue from contracts with customers	**302,930**	**176,216**	**-**	**479,146**
Profit of the period from continuing operations	**87,243**	**16,313**	**(14,116)**	**89,440**
Finance costs	**955**	**439**	**-**	**1,394**
Depreciations and amortizations	**35,867**	**21,908**	**(2,201)**	**55,574**
for the period ended 30 June 2025 (Unaudited)				
Revenue from contracts with customers	319,632	151,250	-	470,882
Profit of the period from continuing operations	41,052	(13,287)	11,544	39,309
Finance costs	-	2,472	-	2,472
Depreciations and amortisations	60,098	21,411	(2,201)	79,308

8 PROPERTY, PLANT AND EQUIPMENT

For the purposes of preparing the interim condensed consolidated statement of cash flows, the movement in property, plant and equipment during the six months period ended 30 June 2026 is as follows:

	For six month period ended 30 June	
	2026 (Unaudited) SR ('000)	*2025 (Unaudited) SR ('000)*
Depreciation	**54,714**	78,487
Additions of property, plant and equipment	**39,676**	29,797

1) Property, plant and equipment of the Group as at 30 June 2026 include projects in progress amounting to SR 107 million (31 December 2025: SR 83 million) mainly relates to projects of works for improving efficiency of production lines.

   The Group's management during prior years reviewed the recoverable amount of some projects in progress and reduced their book value by SR 19.5 million.

2) The Group's property, plant and equipment are not pledged against standing loans as at 30 June 2026 and 31 December 2025.

3) The Parent's buildings, machinery and facilities were built on lands within the concession obtained by the Parent Company for mining in Rabigh by Royal Decree No. M/29 dated 9 Dhul Qi'dah 1406H (corresponding to 15 July 1986) for a period of 30 years, which represents the exploitation license for limestone that was renewed by Ministerial Resolution No. Qaf/7197 dated 15/9/1437H (corresponding to 20 September 2016) which is valid for 30 years starting from 9 Shawwal 1437H (corresponding to 14 July 2016).

9 INVESTMENTS IN ASSOCIATES

Company name	***Country of incorporation***	***Principal activity***	***Shareholding (%)***			
			2026	*2025*	***30 June 2026 (Unaudited) SR ('000)***	*31 December 2025 (Audited) SR ('000)*
Ready Mix Concrete and Construction Supplies Company	Kingdom of Jordan	Ready concrete production	**36.67%**	36.67%	**-**	-
Cement Products Industry Company Limited	Kingdom of Saudi Arabia	Bags production Cement	**33.33%**	33.33%	**55,156**	54,997
					55,156	54,997

The movement of investments in associates during the period / year was as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Balance at the beginning of the period/year	**54,997**	89,759
Group’s share in associates’ results for the period / year	**246**	8,928
Group’s share in comprehensive loss for the period / year	**(87)**	(328)
Reclassified to non current asset held for sale (Note 13)	**-**	(43,362)
Balance at the end of the period / year	**55,156**	54,997

10 LEASES

Lease liabilities were presented in the interim condensed consolidated statement of financial position as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Long term liability	**4,682**	4,980
Short-term liability	**366**	287
	5,048	5,267

The interest expense resulting from lease contracts during the period ended 30 June 2026 amounted to SR 187 thousand (30 June 2025: SR 173 thousand).

11 INVENTORIES

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Under progress products and finished inventories	**597,246**	500,171
Spare parts	**209,228**	212,592
Raw materials and fuel	**94,269**	78,825
Goods in transit	**10,054**	6,009
	910,797	797,597
Provision for slow moving inventories	**(108,453)**	(104,985)
	802,344	692,612

The movement in the provision for slow moving inventories is as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
At the beginning of the period / year	**104,985**	99,778
Charged during the period / year	**3,468**	5,207
At the end of the period /year	**108,453**	104,985

12 TRADE RECEIVABLES

Trade receivables comprise the following:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Trade receivables	**198,502**	200,286
Receivables due from related parties (note 19)	**27,613**	31,269
	226,115	231,555
Provision for impairment of trade receivables	**(4,326)**	(4,369)
	221,789	227,186

12 TRADE RECEIVABLES (continued)

Below is the movement in the provision for impairment of trade receivables:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Balance at the beginning of the period / year	**4,369**	4,369
Write off during the period / year	**(43)**	-
Balance at the end of the period/year	**4,326**	4,369

13 NON-CURRENT ASSET HELD FOR SALE

On 29 December 2025, the Group publicly announced the decision of its Board of Directors to sell their investment in Ready Mix Concrete and Construction Supplies Company (investment in associate). On 22 July 2026 the Group publicly announced that Group sold 7,300,000 shares its investment in Ready Mix Concrete and Construction Supplies Company, to Al Hijaz Cement Company (LLC), (affiliate company to Ready Mix Concrete and Construction Supplies Company), In addition, The Group agreed to exchange the remaining 1,851,666 shares of its investment in Ready Mix Concrete and Construction Supplies Company, with Al Rawsha Investment and Trading Company in exchange for acquiring 2,272,727 shares from Al Rawsha Investment and Trading Company's investment in Qatrana Cement Company (The Subsidiary). Furthermore, The Group agreed to acquire the 6,245,246 shares held by Ready Mix Concrete and Construction Supplies Company in Qatrana Cement Company.

The transaction is expected to be completed in 2026. As at 30 June 2026, Ready Mix Concrete and Construction Supplies Company was classified as an asset held for sale and as a discontinued operation.

The results of Ready-Mix Concrete company for the period are presented below:

	30 June 2026 (Unaudited) SR ('000)	*30 June 2025 (Unaudited) SR ('000)*
Group's share of results during the period	**3,098**	3,015
Profit for the period from discontinued operations	**3,098**	3,015
Gain / (loss) on share in other comprehensive income of equity accounted investees	**563**	(427)
Other comprehensive income / (loss) from discontinued operations	**563**	(427)
Total comprehensive income from discontinued operations	**3,661**	2,588

The classes of assets of Ready-Mix Concrete which is investment in associates classified as held for sale are as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Assets:		
Investments in equity accounted investees	**47,023**	43,362

The net cash flows by Ready-Mix Concrete are, as follows:

	30 June 2026 (Unaudited) SR ('000)	*30 June 2025 (Unaudited) SR ('000)*
Operating activities	**3,098**	3,015
Net cash inflow	**3,098**	3,015

13 NON-CURRENT ASSET HELD FOR SALE (continued)

	30 June 2026 (Unaudited) SR ('000)	*30 June 2025 (Unaudited) SR ('000)*
Earnings per share of net profit for the period from discontinuing operations attributable to equity holders of the Parent (in SR):		
Basic	**0.03**	0.03
Diluted	**0.03**	0.03

14 LONG TERM LOANS AND FACILITIES

14.1 Long term loans and facilities

Long term loans are presented in the interim condensed consolidated statement of financial position as the following:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Current portion of long term loans and facilities	**8,228**	10,650
Non-current portion of long term loans and facilities	**5,029**	8,725
	13,257	19,375

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

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Balance at the beginning of the period / year	**19,375**	85,356
Proceeds during the period / year	**-**	109,429
Paid during the period / year	**(6,118)**	(175,410)
Balance at the end of the period / year	**13,257**	19,375

14.2 short term banking facilities

During the period ended 30 June 2026, the Parent Company obtained a short-term loan amounting to SR 75 million. The loan bears an interest rate of 6.14%, amounting to SR 2.3 million. The Parent did not obtain any long-term loans.

15 ZAKAT AND INCOME TAX PAYABLE

Zakat and tax status

Arabian Cement Company (The Parent)

The Parent finalized its zakat status up to the year ended 31 December 2020.

The Parent filed its zakat returns for the years ended 31 December 2021 up to 2022, ZATCA issued zakat assessment for the two years mentioned above, which showed accrued zakat differences at an amount of SR 1.4 million. The Parent objected to zakat assessment and settled the minimum accrued zakat differences as per zakat assessment at 10% according to the system which amounted to SR 140 thousand. ZATCA rejected the objection completely, the Parent escalated the objection to Tax Committee for Resolution of Zakat, Tax and Customs Violations and Disputes for consideration and issue a decision in this regard. The Committee for Resolution of Zakat, Tax and Customs Violations and Disputes issued resolution No. (IFR-2025-263985) and No. (IFR-2025-263984) related to the Parent objection for the aforementioned years. Based on the two aforementioned decisions, the Committee rejected the Parent objection completely. The Parent appealed to the two aforementioned decisions of the Appeal Committee for Zakat, Tax and Customs Violations and Disputes for consideration and issuance of another resolution.

15 ZAKAT AND INCOME TAX PAYABLE (continued)

Zakat and tax status (continued)

Arabian Cement Company (The Parent) (continued)

The First Appellate Circuit for Income Tax Violations and Disputes issued its decision No. (IR-2026-268597) concerning the Parent appeal against the Committee for Resolution decision for the year ended 31 December 2022, pursuant to which the Parent's appeal was rejected completely. The Parent subsequently filed a petition against the above-mentioned decision with the Appeal Committee for Tax Violations and Disputes for its review and the issuance of a decision thereon. which is still under review by the committee to date. The appeal against the decision of Committee for Resolution for the year ended 31 December 2021 remains under review by the committee as of the date of this report.

The Parent finalized its zakat status for the years ended 31 December 2023 and 31 December 2024.

Qtrana Cement Company – Jordan (Subsidiary)

The subsidiary has obtained a final tax clearance from the Income Tax Department up to the year 2021. The subsidiary has submitted its self-assessment tax returns for the years 2022 through 2025 within the statutory deadline; however, the Income and Sales Tax Department has not yet audited these returns as at the date of issuance of the condensed consolidated interim financial statements.

The Income and Sales Tax Department reviewed the income tax for the subsidiary for the year 2014 and issued its initial decisions requesting the subsidiary to pay tax differences resulting from a difference in the interpretation of the decision of the Investment Board exemptions. Accordingly, the objection was submitted to the Objection Committee of the Income and Sales Tax Department. On 21 June 2020, the objection decision was issued which included not to calculate investment promotion exemption on profits for the year 2014. However, the subsidiary submitted its objection against the Department's decisions, and the files were transferred to the court to consider that dispute.

On 31 January 2023, the First instance Court issued its resolution which included the nullification of the contested decision, previously issued by the Objection Committee, and decided to consider the carried over losses for the year 2014, which amounted to SR 44.7 million (JD 8.45 million), as stated in the lawsuit. The Income Tax and Sales Department decided to include the charges, expenses and an amount of SR 5.3 thousand (JD 1,000) as attorney's fees. The above court's resolution was appealed by the Income Tax and Sales Department, and on 27 June 2024 the Court of Appeal issued its decision canceling the decision issued by the Court of Cassation and including the subsidiary's fees and expenses and an amount of SR 7.9 thousand (JD 1,500) as attorney fees for the litigation phase.

On 28 July 2024, the subsidiary filed an appeal against the decision of the Court of Appeal. On 13 February 2025, the Court of Cassation issued a decision rejecting the appeal filed by the subsidiary, upholding the appealed decision, and returning the documents to their source. The Subsidiary recorded an income tax provision amounting to SR 9.5 million (JD 1.8 million). The Company did not book the weekly late payment penalties at a rate of 0.004 until the date of full payment, pursuant to a resolution issued by the Prime Ministry establishing tax settlement and reconciliation committees, the subsidiary has submitted an application for the waiver of tax penalties relating to the year 2021, which is currently under review by the Prime Ministry.

On 8 July 2026, the subsidiary settled the principal income tax liability for the year 2021, amounting to SR 9 million (JD 1.7 million). Based on the statement of the subsidiary's tax advisor, the application for the waiver of penalties, amounting to SR 7.9 million (JD 1.5 million) as at 30 June 2026 has been forwarded to the Prime Ministry for completion of the required legal and financial procedures. This settlement constitutes a prerequisite for the consideration of the request to suspend the penalties pending the decision of the tax settlement and reconciliation committees.

15 ZAKAT AND INCOME TAX PAYABLE (continued)

The movement on the deferred tax assets was as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Balance at beginning of period / year	**17,831**	19,012
Additions and adjustments during the period / year	**278**	563
Transferred to the income tax provision	**-**	(1,744)
Balance at the end of the period / year	**18,109**	17,831

The movement in deferred tax liabilities was as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Balance at the beginning and end of the period / year	**56,116**	56,116

The differed tax assets and liabilities for the period ended 30 June 2026 is accounted for according to the Jordanian Income Tax Law No. (34) for the year 2018, which came into effect as of 1 January 2019. According to this law, the legal tax rate on the subsidiary is 20%, in addition to the national contribution rate at 1% (2025: 20% in addition to the national contribution at 1%).

16 SHARE BASED PAYMENTS

During the period, the Group implemented a long-term incentive program for certain members of its senior executive management. Under this program, eligible employees are granted phantom share units whose value is linked to the market value of the Company's shares at the vesting date. The incentives granted under the program are subject to a three-year vesting period, contingent upon the employee's continued service and the achievement of the key performance indicators approved by the Board of Directors. Accordingly, the Group has classified the program as a cash-settled share-based payment arrangement in accordance with the requirements of IFRS 2, "Share-Based Payments."

17 EARNING PER SHARE

A) Basic earnings per share

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

	For the three months period ended		***For the six months period ended***	
	30 June 2026 (Unaudited) SR ('000)	*30 June 2025 (Unaudited) SR ('000)*	***30 June 2026 (Unaudited) SR ('000)***	*30 June 2025 (Unaudited) SR ('000)*
Profit for the period (SR in 000)	**30,393**	20,514	**90,341**	44,066
Number of shares (weighted average - in thousands)	**100,000**	100,000	**100,000**	100,000
Basic earnings per share (SR)	**0.30**	0.21	**0.90**	0.44

17 EARNING PER SHARE (continued)

	For the three months period ended		***For the six months period ended***	
	30 June 2026 (Unaudited) SR ('000)	*30 June 2025 (Unaudited) SR ('000)*	***30 June 2026 (Unaudited) SR ('000)***	*30 June 2025 (Unaudited) SR ('000)*
Profit for the period from continuing operations (SR in 000)	**28,306**	18,507	**87,243**	41,051
Number of shares (weighted average - in thousands)	**100,000**	100,000	**100,000**	100,000
Basic earnings per share (SR)	**0.28**	0.19	**0.87**	0.41

B) Diluted EPS

The calculation of the diluted earnings per share is based on the profit distributable to shareholders on ordinary shares and the weighted-average number of outstanding ordinary shares after the adjustment of the effects of all dilutive potential ordinary shares, if any.

During the period, there are no transactions resulting in reducing the earnings per share and therefore the earnings per diluted share is not different from the basic earnings per share.

18 CONTINGENCIES AND CAPITAL COMMITMENTS

- As at 30 June 2026, the Group has contingencies represented in outstanding letters of guarantee and letters of credit of SR 70.5 million (31 December 2025: SR 81 million).
- As at 30 June 2026, the Group has capital commitments related to renovation of production lines, facilities and factories of the Group amounted to SR 8.3 million (31 December 2025: SR 35 million) and there are guarantees amounting to SR 30 million (31 December 2025: SR 27 million) provided to local banks against bank loans and facilities for associate.
- As at 30 June 2026, there are lawsuits filed against the subsidiary, with a value of SR 654 thousand (JD 124 thousand) (31 December 2025: SR 656 thousand (JD 124 thousand)), these matters arise in the ordinary course of the subsidiary’s business. In the opinion of the subsidiary's management and its legal counsel, the provision recognized, amounting to SR 185 thousand (JD 35 thousand) as at 30 June 2026, is sufficient to cover any potential liabilities arising from these cases, and no other material obligations are expected to be incurred by the subsidiary in respect thereof.

19 RELATED PARTIES’ DISCLOSERS

Related parties represent major shareholders, members of the Group's board of directors, key management personnel in the Group, and entities that are managed or which are significant influence is exercised by these parties. The related parties of the Company are as follows:

Description	***Nature of Relationship***
Ready Mix Concrete and Construction Supplies Company	Associate
Cement Products Industry Company Limited	Associate
Alquds Ready Mix Company	Affliates
Asas Ready Mix Company	Affliates
Riyad Bank	Related parties
Arabian Petroleum Supply Company	Related parties
Elite Horizons Trusted Advisory	Related parties
Etihad Etisalat Company (A Saudi Joint Stock Company)	Related parties
Group’s BOD members	Related parties
Key management personnel and senior executives	Related parties

19 RELATED PARTIES' DISCLOSERS (continued)

The following table summarizes related parties' balances as at 30 June 2026, and 31 December 2025:

	Nature of transactions	*Volume of transactions*		*Closing balance*	
		For the six months period ended 30 June 2026 (Unaudited) SR ('000)	*For the year ended 31 December 2025 (Audited) SR ('000)*	***For the six months period ended 30 June 2026 (Unaudited) SR ('000)***	*For the year ended 31 December 2025 (Audited) SR ('000)*
Balances due from related parties under trade receivables (note 12)					
Ready Mix Concrete and Construction Supplies Company "associate"	Sales	**18,867**	23,606	**17,221**	19,792
Alquds Ready Mix Company "Affliate"	Sales	**8,222**	12,259	**8,241**	9,696
Asas Ready Mix Company "Affliate"	Sales	**2,861**	1,595	**2,151**	1,781
				27,613	31,269
Balances due from related parties under other receivables					
Ready Mix Concrete and Construction Supplies Company "associate"	Dividends	-	115	-	-
Cement Products Industry Company Limited "associate"	Advances	-	13,876	-	207
Etihad Etisalat Company (A Saudi Joint Stock Company) "Related parties"	Other revenues	**20**	20	-	-
				-	207
Balances due to related parties under other payables					
Cement Products Industry Company Limited "associate"	Purchases	**5,328**	-	**297**	-
	Loan	-	65,000		
Riyad Bank "Related parties"	Loan commissions	-	1,096	-	-
Arabian Petroleum Supply Company "Related parties"	Purchases	**2,702**	4,758	**1,134**	949
Elite Horizons Trusted Advisory "Related parties"	Purchases	**55**	-	-	-
Etihad Etisalat Company (A Saudi Joint Stock Company) "Related parties"	Purchases	**47**	47	-	-
				1,431	949

19 RELATED PARTIES' DISCLOSERS (continued)

B) Salaries and remunerations of key management personnel, senior executives of the Company and remuneration of BOD members:

	For six months period ended 30 June	
	2026	*2025*
	(Unaudited)	*(Unaudited)*
	SR ('000)	*SR ('000)*
Salaries and remunerations of key management personnel and senior executives of the Parent	**3,315**	3,240
Board of directors numerations of the Parent	**1,350**	1,350
Long-term share based payments liabilities (note 16)	**1,006**	-
Salaries and remunerations of Company's key management and Senior Executives of the subsidiary	**381**	381
Board of directors numerations of the subsidiary	**240**	240
Allowances for attending Board of Directors meetings of the Parent	**136**	176
Allowances for attending Board of Directors meetings of the subsidiary	**60**	64

Key managers' benefits include basic salaries, renumerations and other benefits under the Group's policy. Key management personnel, including CEO and key management personnel, are those persons having authority and responsibility for planning, directing and controlling the activities of the Group directly or indirectly.

20 DIVIDENDS PAYABLE

On 15 February 2026, the Board of Directors recommended to distribute cash dividends in the amount of SR 100 million to shareholders for the second half of 2025, at SR 1 per share. Such dividends were approved during the (71) ordinary general assembly meeting on 15 April 2026.

On 27 July 2025, the Board of Directors recommended to distribute cash dividends in the amount of SR 50 million to shareholders for the first half of 2025, at SR 0.50 per share.

On 19 February 2025, the Board of Directors recommended to distribute cash dividends in the amount of SR 75 million to shareholders for the second half of 2024, at SR 0.75 per share. Such dividends were approved during the (70) ordinary general assembly meeting on 27 April 2025.

The movement in accrued dividends during the period/year is as follows:

	30 June 2026	*31 December 2025*
	(Unaudited)	*(Audited)*
	SR ('000)	*SR ('000)*
Balance at the beginning of the period/year	**19,295**	17,619
Declared during the period / year	**100,000**	125,000
Paid during the period / year	**(99,920)**	(123,324)
Balance at the end of the period/year	**19,375**	19,295

21 REHABILITATION PROVISION

The Group's management conducted a study by an external expert to estimate and calculate the quantities of earth materials to cover and protect exploration drillings and the costs of soil stabilization, rocky slopes and surfaces to be safe for humans and animals in all the Company's quarries, based on the areas exploited in the quarries after the mining period is over. The discount rate as of 30 June 2026 6.1% (31 December 2025: 6.1%) was used by management for the estimated amounts for the depreciable life of the inventories in each quarry.

21 REHABILITATION PROVISION (continued)

The provision for the rehabilitation of areas subject to a franchise license represents the present value of the expected cost of re-settlement of the Parent's franchise site. The movement on the provision for rehabilitation of franchised areas is as follows:

	30 June 2026 (Unaudited) SR ('000)	*31 December 2025 (Audited) SR ('000)*
Balance at the beginning of the period / year	**14,507**	13,565
Finance costs for rehabilitation of areas subject to franchise license	**1,000**	942
Balance at the end of the period/year	**15,507**	14,507

22 FINANCIAL INSTRUMENTS RISK MANAGEMENT

The Group's activities may expose the Group to a variety of financial risks. Market risk (including currency risk, fair value and cash flow, interest rate risks and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk management framework
Risk management is carried out by senior management under policies approved by the Board of Directors. Senior management identifies evaluates and hedges financial risks in close co-operation with the Group's operating units. The most important types of risk are credit risk, currency risk and fair value and cash flow interest rate.

The Board of Directors has overall responsibility for establishment and oversight of the Group's risk management framework. The executive management team is responsible for developing and monitoring the Group's risk management policies. The team regularly meets, and any compliance issues are reported to the Board of Directors through the audit committee.

Risk management systems are reviewed regularly by the executive management team to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Board of Directors oversees compliance by management with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group.

Financial instruments in the statement of financial position include Cash and cash equivalents, trade receivables and other receivables, financial assets, loans, trade and other payables. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

Market risk
Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk include three types: Interest rate risk, currency risk and price risk.

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group long-term debt obligations with floating interest rates. The Group manages its interest rate risk of the Group by continuously monitoring the movement in interest rates bearing financial instruments. The Group's interest-bearing liabilities, which are mainly bank borrowings, are at floating rates of interest, which are subject to re-pricing. Management monitors the changes in interest rates and believes that the fair value and cash flow on a rate risk to the Group are not significant. Interest bearing financial assets comprises of short term Murabaha deposits which are at fixed interest rates; therefore, there is no exposure to cash flow interest rate risk and fair value interest rate risk.

22 FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

Foreign Currency Risk
Currency risk is the risk that the value of a financial instrument will fluctuate due to fluctuations in foreign exchange rates. The Group is not exposed to fluctuations in foreign exchange rates during its normal course of business. Since the Group's core transactions during the period were denominated in Saudi Riyals, Jordanian Dinars, and US Dollars; and since the US Dollar is pegged against Saudi Riyals and Jordanian Dinars; Thus, there are no significant risks associated with transactions and balances denominated in US Dollars.

Credit risk
Credit risk is the risk that counterparty will fail to meet its obligations leading to a financial loss. Concentration risk arises when a number of counterparties engaged in similar business activities or activities in the same geographical region or have economic features that would cause them to fail their contractual obligations. To reduce exposure to credit risk, the Group has developed a formal approval process whereby credit limits are applied to its customers, which are based on comprehensive customer ratings and past repayment rates.

The management also continuously monitors the credit exposure related to its customers and makes provision against those balances considered doubtful of recovery. Standing balances of customers are continuously monitored. Cash and cash equivalents are placed with national banks with sound credit ratings. Trade and other receivables are basically due from customers in local markets and most balances are pledged against effective bank guarantees from local banks with sound credit ratings. Trade and other receivables are stated at their estimated realizable values.

The Management considers reasonable and supportive forward-looking information such as:

- Actual or expected significant adverse changes in business,
- actual or expected significant changes in the operating results of the counterparty,
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations,
- Significant increase in credit risk on other financial instruments of the same counterparty,
- Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Liquidity risk
Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from an inability to sell financial assets quickly at an amount close to its fair value. Liquidity risk is managed by monitoring on a regular basis that sufficient funds are available.

The concentrations of liquidity risk may arise from the repayment terms of financial liabilities, sources of borrowings or reliance on a particular market in which to realize liquid assets. The following is the contractual maturities for financial liabilities at the end of the period and represented by growth amounts.

Below is the remaining contractual maturity dates of financial liabilities at reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting arrangements.

	Contractual cash flows				
30 June 2026 (Unaudited)	***1 year or less SR ('000)***	***from 2 to 3 years SR ('000)***	***3 years or More SR ('000)***	***Total contractual maturity SR ('000)***	***Total Carrying value SR ('000)***
Non-derivative financial liabilities					
Loans	**8,460**	**5,093**	**-**	**13,553**	**13,257**
Trade and other payables	**145,642**	**-**	**-**	**145,642**	**155,096**
Dividends payable	**19,375**	**-**	**-**	**19,375**	**19,375**
Lease liabilities	**660**	**1,321**	**6,441**	**8,422**	**5,048**
	174,137	**6,414**	**6,441**	**186,992**	**192,776**

22 FINANCIAL INSTRUMENTS RISK MANAGEMENT (continued)

Liquidity Risk (continued)

	Contractual cash flows				
31 December 2025 (Audited)	*1 year or less SR ('000)*	*from 2 to 3 years SR ('000)*	*3 years or More SR ('000)*	*Total contractual maturity SR ('000)*	*Total Carrying value SR ('000)*
Non-derivative financial liabilities					
Loans	11,003	8,876	-	19,879	19,375
Trade and other payables	147,086	-	-	147,086	167,281
Dividends payable	19,295	-	-	19,295	19,295
Lease liabilities	660	1,321	6,847	8,828	5,267
	178,044	10,197	6,847	195,088	211,218

It is not expected that the cash flows included in the maturity analysis above could occur significantly earlier, or at significantly different amounts.

Capital risk management
The Group's objective when managing capital is to safeguard the Group's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders. In addition to maintain a strong capital base to support the sustained development of its businesses.

23 SUBSEQUENT EVENTS

On 26 July 2026, the Board of Directors recommended to distribute cash dividends in the amount of 50 million Saudi riyals to shareholders for the first half of 2026, at 0.50 Saudi riyals per share.

24 RECENT GEOPOLITICAL DEVELOPMENTS IN THE MIDDLE EAST

During the period, geopolitical tensions in parts of the Middle East intensified, leading to regional 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.

25 APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements were approved by the Board of Directors on 26 July 2026 (corresponding to 12 Safar 1448H).