

SAUDI CEMENT COMPANY
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL
STATEMENTS AND INDEPENDENT AUDITOR'S
REVIEW REPORT FOR THE THREE AND SIX MONTH
PERIODS ENDED JUNE 30, 2025**

SAUDI CEMENT COMPANY

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S
REVIEW REPORT
FOR THE THREE AND SIX MONTH PERIOD ENDED JUNE 30, 2025**

<u>CONTENTS</u>	<u>PAGES</u>
Independent auditor's review report	2
Condensed consolidated interim statement of financial position	3
Condensed consolidated interim statement of profit or loss and other comprehensive income	4
Condensed consolidated interim statement of changes in equity	5
Condensed consolidated interim statement of cash flows	6
Notes to the condensed consolidated interim financial statements	7 - 14



الدكتور محمد العمري وشركاه

Dr. Mohamed Al-Amri & Co.

Head office: Moon Tower - 8 Floor

P.O. Box 8736, Riyadh 11492

Unified Number : 92 002 4254

Fax : +966 11 278 2883

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

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

Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Saudi Cement Company ("the Company") and its subsidiary (collectively referred to as "the Group") which comprises the condensed consolidated interim statement of financial position as at June 30, 2025 and the related condensed consolidated interim statement of profit or loss and other comprehensive income for the three and six month periods then ended and the related condensed consolidated interim 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 these condensed consolidated interim financial statements in accordance with International Accounting Standard 34 – ("IAS 34") "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed consolidated interim 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 condensed consolidated interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing 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 condensed consolidated interim financial statements of the group are not prepared, in all material respects, in accordance with IAS 34 as endorsed in the Kingdom of Saudi Arabia.

Other matter

The condensed consolidated interim financial statements of the Group for the three and six month periods ended June 30, 2024 and three-months period ended March 31, 2025 were reviewed by another auditor who expressed an unmodified conclusion on those condensed consolidated interim financial statements on August 06, 2024 and May 13, 2025 respectively. In addition, the consolidated financial statements of the Group as at and for the year ended December 31, 2024 were audited by the same another auditor who expressed an unmodified opinion on those consolidated financial statements on March 10, 2025.

For Dr. Mohamed Al-Amri & Co.

Maher T. Al-Khatieb
Certified Public Accountant
Registration No. 514



Dammam, on 13 Safar 1447 (H)
Corresponding to: 7 August 2025 G

SAUDI CEMENT COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

		June 30, 2025	December 31, 2024
	Notes	(Un-audited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	4	1,831,164	1,867,429
Right of use assets		37,182	40,570
Intangible assets		16,869	14,578
Investment in an associate	5	53,395	52,813
Total non-current assets		1,938,610	1,975,390
Current assets			
Inventories	6	637,040	594,700
Trade receivables	12	435,657	412,127
Prepayments and other current assets		51,637	33,766
Cash and cash equivalents	7	166,037	120,969
Total current assets		1,290,371	1,161,562
TOTAL ASSETS		3,228,981	3,136,952
EQUITY AND LIABILITIES			
Equity			
Share capital	8	1,530,000	1,530,000
Retained earnings	9	531,965	710,513
Total equity		2,061,965	2,240,513
Liabilities			
Non-current liabilities			
Employees' benefits		129,871	129,419
Lease liability		37,126	37,110
Provision for site restoration		7,857	7,625
Total non-current liabilities		174,854	174,154
Current liabilities			
Trade payables		66,832	52,374
Short-term loans	10	345,000	255,000
Current portion of lease liability		3,222	6,768
Dividend payable	17	374,236	227,447
Accruals and other current liabilities		181,703	150,370
Contract liabilities	12	10,530	9,959
Provision for Zakat	11	10,639	20,367
Total current liabilities		992,162	722,285
Total liabilities		1,167,016	896,439
TOTAL EQUITY AND LIABILITIES		3,228,981	3,136,952

The accompanying notes from 1 to 21 form an integral part of these unaudited condensed consolidated interim financial statements.



Designated Member / CEO
Mohammed A. AlGarni



Finance Manager
Evan Abaza

SAUDI CEMENT COMPANY

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE AND SIX MONTH PERIODS ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

	Notes	For the three months period ended June 30		For the six months period ended June 30	
		2025	2024	2025	2024
		(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Revenue	12	431,530	378,133	849,779	804,654
Cost of revenue		(276,546)	(234,122)	(522,200)	(485,884)
Gross profit		154,984	144,011	327,579	318,770
Selling and distribution expenses		(39,409)	(40,973)	(74,476)	(76,657)
General and administrative expenses		(19,704)	(18,982)	(41,246)	(38,734)
Other income		9,050	13,183	9,976	17,458
Profit from operations		104,921	97,239	221,833	220,837
Share of profit of investment in an associate	5	327	1,232	582	2,082
Finance charges		(4,386)	(6,626)	(7,663)	(12,815)
Profit before Zakat		100,862	91,845	214,752	210,104
Zakat expense	11	(5,400)	(4,500)	(10,800)	(9,000)
NET PROFIT FOR THE PERIOD		95,462	87,345	203,952	201,104
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		95,462	87,345	203,952	201,104
Earnings per share		ﷲ	ﷲ	ﷲ	ﷲ
Basic and diluted earnings per share	18	0.62	0.57	1.33	1.31

The accompanying notes from 1 to 21 form an integral part of these unaudited condensed consolidated interim financial statements.



Designated Member / CEO
Mohammed A. AlGarni



Finance Manager
Evan Abaza

SAUDI CEMENT COMPANY
(A Saudi Joint Stock Company)

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025
(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

	<u>Share capital</u>	<u>Statutory reserve</u>	<u>Retained earnings</u>	<u>Total</u>
At January 01, 2024 (audited)	1,530,000	459,000	170,311	2,159,311
Net profit for the period	-	-	201,104	201,104
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	201,104	201,104
Transfer of statutory reserve to retained earnings (note 9)	-	(459,000)	459,000	-
Dividend (note 17)	-	-	(344,250)	(344,250)
At June 30, 2024 (un-audited)	<u>1,530,000</u>	<u>-</u>	<u>486,165</u>	<u>2,016,165</u>
At January 01, 2025 (audited)	1,530,000	-	710,513	2,240,513
Net profit for the period	-	-	203,952	203,952
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	-	-	203,952	203,952
Dividend (note 17)	-	-	(382,500)	(382,500)
At June 30, 2025 (un-audited)	<u>1,530,000</u>	<u>-</u>	<u>531,965</u>	<u>2,061,965</u>

The accompanying notes from 1 to 21 form an integral part of these unaudited condensed consolidated interim financial statements.



Designated Member / CEO
Mohammed A. AlGarni



Finance Manager
Evan Abaza

SAUDI CEMENT COMPANY

(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

	Notes	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before Zakat		214,752	210,104
<i>Adjustments for:</i>			
Depreciation – property, plant and equipment	4	103,493	105,041
Depreciation - right of use assets		3,388	3,218
Amortization - intangible assets		523	287
Share of profit of investment in an associate	5	(582)	(2,082)
Provision for employees' benefits		7,551	5,957
Finance charges		7,663	12,815
Provision for slow moving and obsolete spare parts		252	4,477
Provision for site restoration		232	-
		<u>337,272</u>	<u>339,817</u>
<i>Changes in:</i>			
Inventories		(42,592)	(15,624)
Trade receivables		(23,530)	(50,462)
Prepayments and other current assets		(17,871)	(5,564)
Trade payables		14,458	(12,961)
Accruals and other current liabilities		31,333	47,447
Contract liabilities		571	(11,911)
Cash generated from operating activities		<u>299,641</u>	<u>290,742</u>
Employees' benefits paid		(7,099)	(4,572)
Finance charges paid		(6,692)	(11,747)
Zakat paid		(20,528)	(19,115)
Net cash generated from operating activities		<u>265,322</u>	<u>255,308</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Additions to property, plant and equipment	4	(67,228)	(56,632)
Proceeds from disposal of property, plant and equipment	4	-	7,361
Additions to intangible assets		(2,814)	-
Net cash used in investing activities		<u>(70,042)</u>	<u>(49,271)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term loans		115,000	300,000
Repayment of short term loans		(25,000)	(150,000)
Repayment of lease liability		(4,501)	(3,238)
Dividend paid		(229,500)	(344,250)
Dividends returned from bank		-	6,373
Dividend payment of past due dividends		(6,211)	(3,938)
Net cash used in financing activities		<u>(150,212)</u>	<u>(195,053)</u>
Net change in cash and cash equivalents		<u>45,068</u>	<u>10,984</u>
Cash and cash equivalents at beginning of the period		120,969	114,916
Cash and cash equivalents at end of the period		<u>166,037</u>	<u>125,900</u>

The accompanying notes from 1 to 21 form an integral part of these unaudited condensed consolidated interim financial statements.



Designated Member / CEO
Mohammed A. AlGarni



Finance Manager
Evan Abaza

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

1. CORPORATE INFORMATION AND GROUP STRUCTURE

Saudi Cement Company ("the Company") is a Saudi Joint Stock Company incorporated under Royal Decree number 6/6/10/726 dated Rabi' II 08, 1375 H (corresponding to November 23, 1955) and registered in the Kingdom of Saudi Arabia, in the city of Dammam under Commercial Registration number 2050000602 dated Dhul Qadah 06, 1377 H (corresponding to May 24, 1958). The Company is engaged in manufacturing and selling cement and its related products.

The Company obtained under the Royal Decree number 10/6/6/8500 dated Rajab 26, 1370 H corresponding to May 03, 1951, the right of the mining concession for the extraction of limestone, gypsum and clay and all the necessary materials for the manufacture of cement in Al-Ahsa for 30 years period.

Thereafter, the Company obtained the licenses for the existing quarries under the Royal Decree number M/11 dated Rabi' II 29, 1405 H (corresponding to January 22, 1985) which gives mining concession for the extraction of limestone, gypsum and clay and all the necessary materials for the manufacture of cement for 30 years period.

In the year 1985, a Saudi Bahraini Company obtained the right of the mining concession for the extraction of limestone, gypsum and clay under the Royal Decree number M/12 dated Rabi' II 29, 1405 H (corresponding to January 22, 1985) which was merged with the Saudi Cement Company in 1990. Accordingly, the Ministry of Petroleum and Mineral Resources resolved on Muharram 04, 1412 H (corresponding to July 15, 1991) to transfer all quarries and related licenses of Saudi Bahraini Company to the Saudi Cement Company.

In the year 2020, all of the above licenses which have been issued under the Royal Decree numbers M/11 and M/12 dated Rabi' II 29, 1405 H (corresponding to January 22, 1985) were renewed by the Ministry of Industry and Mineral Resources for a period of 30 years started from Rabi' II 29, 1435 H (corresponding to March 01, 2014) except quarry license for Aba Hamama area in Al-Ahsa region which has been renewed for 10 years started from Dhul Hijjah 11, 1441 H (corresponding to August 01, 2020).

The accompanying condensed consolidated interim financial statements includes the activities of the Company and its following subsidiary (collectively referred to as "the Group").

Subsidiary name	Country of incorporation	Effective ownership interest (%)	
		June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
United Cement Company W.L.L.	Kingdom of Bahrain	100%	100%

United Cement Company W.L.L. (UCC) is a limited liability company incorporated in the Kingdom of Bahrain on March 15, 1989 with the Ministry of Industry, Commerce and Tourism under commercial registration number 20906. The principal activities of UCC include import, export and sale of cement in different forms. The registered office of UCC is situated at Mina Salman Industrial Area, P.O. Box 26719, Kingdom of Bahrain.

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting ("IAS 34") as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These condensed consolidated interim financial statements do not include all the information and disclosures required in annual consolidated financial statements and therefore, should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2024.

The results for the six-months period ended June 30, 2025 are not necessarily indicative of the results that can be expected for the year ending December 31, 2025.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**
(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

2.2 Basis of preparation

These condensed consolidated interim financial statements are prepared under the historical cost convention, using the accruals basis of accounting, except for certain employees' benefits which are measured at present value of the defined benefit obligation using the projected unit credit method.

2.3 Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Riyals (ﷲ) which is the Company's functional and Group's presentation currency.

2.4 Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those described in the latest annual consolidated financial statements as at and for the year ended December 31, 2024.

2.5 Material accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended December 31, 2024.

2.6 Basis of consolidation

These consolidated financial statements incorporate the financial statements of the Company and its subsidiary as at the reporting date. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses 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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the period are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiary is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control over its subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (Continued)

2.6 Basis of consolidation (continued)

All significant intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group and its subsidiary have the same reporting periods.

3. NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

There are no new standards issued, however, there are number of amendments to standards which are effective from January 01, 2025 and onwards and have been explained in Group's annual consolidated financial statements for the year ended December 31, 2024, but these do not have a material effect on the Group's condensed consolidated interim financial statements for the six months period ended June 30, 2025. The Group did not early adopt any such amendments.

4. PROPERTY, PLANT AND EQUIPMENT

4.1 Property, plant and equipment comprise of the following:

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Land	69,607	69,607
Buildings and civil works	439,738	455,275
Plant and equipment	1,097,107	1,151,655
Tools and transportation equipment	20,690	21,530
Furniture, fixtures and office equipment	5,957	7,521
Construction work-in-progress (note 4.3)	198,065	161,841
	1,831,164	1,867,429

4.2 The movement of property, plant and equipment is as follows:

	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
Carrying value at the beginning of the period	1,867,429	2,003,471
Additions	67,228	56,632
Disposals, net of accumulated depreciation	-	(7,361)
Depreciation for the period	(103,493)	(105,041)
Carrying value at the end of the period	1,831,164	1,947,701

4.3 Construction work-in-progress majorly represents the ongoing construction work of a bulk railway loading facility and its railway link (collectively referred to as "the railway project") and other construction projects. On July 18, 2024, the Group signed a contract with an independent contractor to complete the said project in four months from the date of the contract with a cost of ﷲ 6.64 million. As at period ended June 30, 2025, the contractor has completed his scope of the connection. Only the testing and commissioning are under progress with Saudi Arabia Railways (SAR) and independent contractor and thereafter, upon successful completion of the project, it will be capitalized which is expected by the end of year 2025.

5. INVESTMENT IN AN ASSOCIATE

Investment in an associate represents 33.33% share in Cement Product Industry Company Limited (CPI). CPI is a Limited Liability Company registered and operating in the Kingdom of Saudi Arabia. CPI is engaged in the manufacturing of cement derivative products and other products necessary for manufacturing and packing cement. Share of profit for the six months period ended June 30, 2025 amounts to ﷲ 0.58 million (June 30, 2024: ﷲ 2.08 million) which has been taken from management accounts of the associate.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**
(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

6. INVENTORIES

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Spare parts	195,281	183,281
Less: provision for spare parts (note 6.1)	(15,284)	(15,032)
	179,997	168,249
Raw materials	98,695	74,577
Work in progress	339,394	332,028
Finished goods	18,954	19,846
	637,040	594,700

6.1 Movement in the provision for spare parts is as follows:

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
At the beginning of the period / year	15,032	17,301
Provision for the period / year	252	10,203
Written off during the period / year	-	(12,472)
At the end of the period / year	15,284	15,032

7. CASH AND CASH EQUIVALENTS

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Cash in hand	264	207
Murabaha investments and deposits (note 7.1)	4,127	5,623
Cash at banks	161,646	115,139
	166,037	120,969

7.1 Murabaha investments and deposits represent placements with banks (related to the subsidiary) having original maturity of less than three months and carry interest rate of 4.31% - 5.05% per annum (December 31, 2024: 3.65% - 5.36%).

8. SHARE CAPITAL

The authorized, issued and paid-up capital of the Company is ﷲ 1,530 million which is divided into 153 million shares (December 31, 2024: 153 million shares) of ﷲ 10 each.

9. STATUTORY RESERVE

On Shawwal 15, 1445H (corresponding to April 24, 2024), the General Assembly approved the transfer of statutory reserve balance amounting to ﷲ 459 million to retained earnings.

10. SHORT TERM LOANS

Short term loans represent Tawarruq facilities obtained from various local banks to meet the working capital requirements with a total facility limit amount of ﷲ 2,330 million (December 31, 2024: ﷲ 2,330 million). The utilized balance as of June 30, 2025 amounted to ﷲ 345 million (December 31, 2024: ﷲ 255 million). These facilities carry financial costs in excess of SIBOR and are consistent with the terms of each facility agreement that are secured by promissory notes issued by the Group and carry charges agreed with the facilities' providers.

The outstanding financing is classified under current liabilities in the condensed consolidated interim statement of financial position as these are repayable within 12 months from the reporting date.

SAUDI CEMENT COMPANY
(A Saudi Joint Stock Company)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

11. ZAKAT

The Company has submitted its zakat returns up to year 2024 and have obtained the required certificates. The Company received a final zakat assessment from Zakat, Tax and Customs Authority (“ZATCA”) up to year 2023 which has been settled.

12. REVENUE

The Group generates revenue primarily from the sale of cement and clinker.

Disaggregation of revenue

In the following table, revenue is disaggregated by primary geographical market and major products. Revenue is recognised at point in time for all products.

	Three months period ended June 30,		Six months period ended June 30,	
	2025	2024	2025	2024
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Primary geographic markets				
Local	303,801	241,779	616,009	553,924
Exports	127,729	136,354	233,770	250,730
	431,530	378,133	849,779	804,654
Major product types				
Cement	364,586	307,572	733,154	669,476
Clinker	66,944	70,561	116,625	135,178
	431,530	378,133	849,779	804,654

The following table provides information about trade receivables and advance from customers.

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Trade receivables	435,657	412,127
Contract liabilities (note 12.1)	10,530	9,959

12.1 Contract liabilities represent advance consideration received from customers for the products to be sold, for which revenue is recognized at point in time. This will be recognized as revenue when the Group deliver the products to the customers and their balances for advances are settled with the revenue made.

13. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include shareholders, key management personnel and the entities controlled, jointly controlled or significantly influenced by such parties and entities having common directorship.

The details of transactions and balances with related parties are as follows:

Related parties	Relationship	Nature of transactions	Amounts of transaction for six months period ended June 30,		Balances as at	
			2025	2024	June 30, 2025	December 31, 2024
			(Un-audited)	(Un-audited)	(Un-audited)	(Audited)
Cement Product Industry Company Limited	Associate	Purchase of raw materials	14,160	15,083	14	(1,013)
Wataniya Insurance Company	Common directorship	Insurance of property, plant and equipment	5,811	5,818	(67)	(3)

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025
(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

13. RELATED PARTY TRANSACTIONS AND BALANCES (CONTNUED)

Terms and conditions of transactions with related parties

Transactions with related parties are made in the ordinary course of business. Outstanding balances at the period ended June 30, 2025 and December 31, 2024 are unsecured and settled in cash. There have been no guarantees provided to amounts to related parties. These balances represent due to related parties and are classified under trade payables.

Prices and terms for the above transactions are approved by the Group's management.

Remuneration of key management personnel:

	For the six months period ended	
	June 30, 2025	June 30, 2024
	(Un-audited)	(Un-audited)
Short term employment benefits	8,871	8,547
Post-employment benefits	641	541
	9,512	9,088

14. CONTINGENCIES AND COMMITMENTS

- As of June 30, 2025, the capital expenditure contracted by the Company but not incurred till June 30, 2025 was approximately ﷲ 189.89 million (December 31, 2024: ﷲ 87.64 million).
- The Company's bankers have given guarantees, on behalf of the Company amounted to ﷲ 147.05 million (December 31, 2024: ﷲ 135.04 million).
- UCC's bankers have issued guarantees, on behalf of UCC, in favour of various suppliers against purchase and services obtained in the normal course of business amounted to ﷲ 2.52 million (December 31, 2024: ﷲ 2.52 million).

15. SEGMENT INFORMATION

A segment is a distinguishable component of the Group that is engaged in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

The Group's operations are related to two operating geographical segments which are Saudi Cement Company operating in the Kingdom of Saudi Arabia and United Cement Company operating in Kingdom of Bahrain. Both segments are engaged in cement manufacturing and are sold to local and foreign customers. Accordingly, segment analysis, as presented to the Chief Executive Officer of the Group is as follows:

	Kingdom of Saudi Arabia	Kingdom of Bahrain	Elimination	Total
<i>For the six months period ended June 30, 2025</i>				
<i>(Un-audited)</i>				
External revenue	820,106	29,673	-	849,779
Inter-segment revenue	15,449	-	(15,449)	-
Total revenue	835,555	29,673	(15,449)	849,779
Cost of revenue	(509,031)	(28,618)	15,449	(522,200)
Profit / (loss) for the period	203,952	(1,905)	1,905	203,952
Finance charges	(7,556)	(107)	-	(7,663)
Depreciation - property, plant and equipment	(102,601)	(892)	-	(103,493)
Depreciation - right of use assets	(3,338)	(50)	-	(3,388)
Amortization - intangible assets	(523)	-	-	(523)
Share of profit from an associate	582	-	-	582
Zakat expense	(10,800)	-	-	(10,800)

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

15. SEGMENT INFORMATION (CONTINUED)

	Kingdom of Saudi Arabia	Kingdom of Bahrain	Elimination	Total
<i>For the six months period ended June 30, 2024 (Un-audited)</i>				
External revenue	782,153	22,501	-	804,654
Inter-segmental revenue	11,673	-	(11,673)	-
Total revenue	793,826	22,501	(11,673)	804,654
Cost of revenue	(472,412)	(25,145)	11,673	(485,884)
Profit / (loss) for the period	201,104	(5,442)	5,442	201,104
Finance charges	(12,710)	(105)	-	(12,815)
Depreciation - property, plant and equipment	(101,387)	(3,654)	-	(105,041)
Depreciation - right of use assets	(3,167)	(51)	-	(3,218)
Amortization - intangible assets	(287)	-	-	(287)
Share of profit from an associate	2,082	-	-	2,082
Zakat expense	(9,000)	-	-	(9,000)

	Kingdom of Saudi Arabia	Kingdom of Bahrain	Elimination	Total
<i>As at June 30, 2025 (Un-audited)</i>				
Total assets	3,215,260	43,251	(29,530)	3,228,981
Total liabilities	1,153,295	21,575	(7,854)	1,167,016

As at December 31, 2024 (Audited)

Total assets	3,126,904	44,414	(34,366)	3,136,952
Total liabilities	886,391	20,361	(10,313)	896,439

16. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

As at June 30, 2025 and December 31, 2024, all of the Group's financial instruments have been carried at amortized cost and the Group does not hold any financial instruments measured at fair value. The carrying value of the other financial assets and liabilities in the condensed consolidated interim statement of financial position approximates to their fair values due to their short-term maturity.

17. DIVIDENDS

On Dhul Qadah 02, 1446H (corresponding to April 30, 2025), the General Assembly authorized the Board of Directors to distribute interim cash dividend for the year 2025. Accordingly, on Dhul Hijjah 28, 1446H (corresponding to June 24, 2025), the Board of Directors has resolved to distribute interim cash dividend amounting to ﷲ 1 per share (ﷲ 153 million in total) for the first half of 2025. Payment of this dividend distribution was commenced on Muharram 13, 1447H (corresponding to July 08, 2025).

On Dhul Qadah 02, 1446H (corresponding to April 30, 2025), the General Assembly approved the Board of Directors' proposal to distribute cash dividend amounting to ﷲ 1.50 per share (ﷲ 229.50 million in total) for the second half of 2024.

On Shawwal 15, 1445H (corresponding to April 24, 2024), the General Assembly approved the Board of Directors' recommendation to distribute cash dividend amounted to ﷲ 1 per share (ﷲ 153 million in total) for the second half of 2023. Payment of this dividend distribution was commenced on Shawwal 29, 1445H (corresponding to May 08, 2024).

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTH PERIOD ENDED JUNE 30, 2025**

(Expressed in Saudi Riyals (ﷲ) in thousands, unless otherwise stated)

17. DIVIDENDS (CONTINUED)

On Shawwal 15, 1445H (corresponding to April 24, 2024), the General Assembly authorized the Board of Directors to distribute interim cash dividend for the year 2024. Accordingly, on Dhul Qadah 28, 1445H (corresponding to June 05, 2024), the Board of Directors has resolved to distribute interim cash dividend amounting to ﷲ 1.25 per share (ﷲ 191.25 million in total) for the first half of 2024. Payment of this dividend distribution was commenced on Dhul Hijjah 20, 1445H (corresponding to June 26, 2024).

Dividend payable as at June 30, 2025 amounted to ﷲ 221.24 million (December 31, 2024: ﷲ 227.45 million) represents unclaimed dividend for prior years.

18. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

The following reflects the profit and share capital data used in the basic and diluted earnings per share computations:

	Three months period ended June 30,		Six months period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Profit attributable to equity holders	95,462	87,345	203,952	201,104
Number of shares outstanding in '000	153,000	153,000	153,000	153,000
Earnings per share in (ﷲ)	0.62	0.57	1.33	1.31

There has been no item of dilution affecting the weighted average number of ordinary shares.

19. COMPARATIVE FIGURES

For the period ended June 30, 2025, management reclassified other income as part of operating income. Accordingly, the comparative figures have been reclassified to comply with the current period presentation of the condensed consolidated interim financial statements.

20. EVENTS AFTER THE REPORTING DATE

In the opinion of management, there have been no significant subsequent events since the period ended June 30, 2025 till the date of authorization for issuance and approval of these condensed consolidated interim financial statements by the Board of Directors that require either an adjustment or disclosure in these condensed consolidated interim financial statements.

21. APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were authorized for issue and approved by the Board of Directors of the Company on August 04, 2025 G.