

**EASTERN PROVINCE CEMENT COMPANY**  
(A Saudi Joint Stock Company)

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

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**EASTERN PROVINCE CEMENT COMPANY**  
(A Saudi Joint Stock Company)

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

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

To the shareholders of  
Eastern Province Cement Company  
(A Saudi Joint Stock Company)

**Introduction**

We have reviewed the interim condensed consolidated financial position of Eastern Province Cement Company "A Saudi Joint Stock Company" ("the Company"), and its Subsidiary (together "the Group") as of June 30, 2025, and the related interim condensed consolidated statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended, and the interim condensed consolidated statements of changes in equity and cash flows for the six-month period then ended, and other explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Accounting Standards 34 – "Interim Financial Reporting" (IAS 34) that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

**Scope of review**

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

**Conclusion**

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

**For Dr. Mohammed Al-Amri & Co.**



Ahmed Aljumah  
Certified Public Accountant  
Registration No.621



Damman, on: 11 Safar 1447 (H)  
Corresponding to: 05 August, 2025 G

**EASTERN PROVINCE CEMENT COMPANY**  
(A Saudi Joint Stock Company)

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

(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

	<u>Notes</u>	<u>June 30, 2025 (Un-audited)</u>	<u>December 31, 2024 (Audited)</u>
<b><u>ASSETS</u></b>			
<b>Non- current assets</b>			
Property, plant and equipment	3	1,042,900	895,517
Intangible assets		8,303	8,435
Investment properties		85,737	86,553
Right-of-use assets		4,618	5,711
Investments at FVTOCI	4	245,780	273,327
Investment in an associate	5	107,102	115,499
Prepayments and other assets-non- current portion	7	19,644	17,439
		<u>1,514,084</u>	<u>1,402,481</u>
<b>Current Assets</b>			
Inventories, net		541,945	533,447
Trade receivables and retentions receivables, net	6	427,929	404,753
Prepayments and other assets- current portion, net	7	103,638	67,022
Investment at fair value through profit or loss	8	115,619	202,018
Cash and cash equivalents	9	78,175	154,751
		<u>1,267,306</u>	<u>1,361,991</u>
<b>TOTAL ASSETS</b>		<u><b>2,781,390</b></u>	<u><b>2,764,472</b></u>
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity</b>			
Share capital		860,000	860,000
Voluntary reserve		834,639	834,639
Retained earnings		706,975	667,541
Reserve of valuation of investments carried at FVTOCI		(82,865)	(55,318)
Actuarial reserve		(17,877)	(13,226)
		<u>2,300,872</u>	<u>2,293,636</u>
<b><u>LIABILITIES</u></b>			
<b>Non- current liabilities</b>			
Employees’ end of service benefits		108,709	99,767
Other provisions		37,227	36,804
Lease liabilities		3,077	3,579
		<u>149,013</u>	<u>140,150</u>
<b>Current liabilities</b>			
Trade payable and other liabilities	10	249,525	234,211
Due to related parties	11	21	769
Dividends payable		61,367	61,001
Lease liabilities		1,806	2,331
Provision for zakat	12	18,786	32,374
		<u>331,505</u>	<u>330,686</u>
<b>Total liabilities</b>		<u><b>480,518</b></u>	<u><b>470,836</b></u>
<b>TOT EQUITY AND LIABILITIES</b>		<u><b>2,781,390</b></u>	<u><b>2,764,472</b></u>



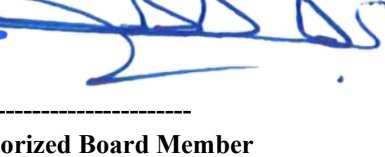
 _____ <b>Finance Manager</b>	 _____ <b>Chief Executive Officer</b>	 _____ <b>Authorized Board Member</b>
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The accompanying notes from 1 to 22 considered as an integral part of these interim condensed consolidated financial statements

**EASTERN PROVINCE CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPERHENSIVE INCOME**  
**FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2025**  
(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

		For the three-month ended		For the six-month ended	
		June 30,	June 30,	June 30,	June 30,
		2025	2024	2024	2024
		(Un-audited)	(Restated note 20)	(Un-audited)	(Restated note 20)
	Note	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
Revenue, net	13	310,728	268,639	609,252	574,327
Cost of revenue		(217,590)	(184,709)	(419,085)	(386,905)
<b>Gross profit</b>		<b>93,138</b>	<b>83,930</b>	<b>190,167</b>	<b>187,422</b>
General and administration expenses		(13,160)	(14,248)	(29,132)	(31,548)
Sales and marketing expenses		(3,290)	(3,035)	(7,346)	(6,301)
<b>Operating profit</b>		<b>76,688</b>	<b>66,647</b>	<b>153,689</b>	<b>149,573</b>
Dividends and Murabaha Income		1,219	9,313	2,567	11,881
Impairment of investment in an associate	5	(4,170)	(9,644)	(9,212)	(9,644)
Share of profits/ (losses) in an associate	5	1,572	(2,285)	815	(5,765)
(Losses) /gains from revaluation of investments at fair value through profit or loss		(1,295)	(4,636)	641	(395)
Other income		2,806	4,514	6,235	8,012
Other expenses		(2,768)	(2,280)	(9,178)	(4,093)
Finance charges		(1,530)	(1,226)	(2,868)	(2,694)
(Loss) / gain on exchange of foreign currency		(103)	(89)	(225)	144
(Losses) / gains on disposal of property, plant and equipment		(271)	292	(685)	292
<b>Profit before zakat</b>		<b>72,148</b>	<b>60,606</b>	<b>141,779</b>	<b>147,311</b>
Zakat expenses	12	(8,795)	(5,226)	(16,345)	(12,926)
<b>Net profit for the period</b>		<b>63,353</b>	<b>55,380</b>	<b>125,434</b>	<b>134,385</b>
<b>Other comprehensive income items:</b>					
<i>Items that will not be reclassified to consolidated statement of profit or loss:</i>					
Re-measurement of employees’ end of service benefits and employee loans		(4,766)	(3,031)	(4,651)	517
Unrealized (Loss) / gain on investments at FVTOCI		(24,757)	10,683	(27,547)	3,701
<b>Other comprehensive (loss) / income for the period</b>		<b>(29,523)</b>	<b>7,652</b>	<b>(32,198)</b>	<b>4,218</b>
<b>Total comprehensive income</b>		<b>33,830</b>	<b>63,032</b>	<b>93,236</b>	<b>138,603</b>
<b>Earnings per share basic and diluted</b>					
Earnings per share from profit for the period	15	0.74	0.64	1.46	1.56

**Finance Manager**
**Chief Executive Officer**
**Authorized Board Member**

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

**EASTERN PROVINCE CEMENT COMPANY**


(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025**

(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

	Capital	Statutory reserve	Voluntary reserve	Retained earnings	Reserve of valuation of investments carried at FVTOCI	Actuarial Reserve	Total equity
Balance as at January 1, 2024 as previously reported	860,000	430,000	404,639	535,307	175,785	(15,722)	2,390,009
Adjustments (note 20)	-	-	-	8,575	(10,580)	-	(2,005)
Balance as at January 1, 2024 (restated)	860,000	430,000	404,639	543,882	165,205	(15,722)	2,388,004
Net profit for the period	-	-	-	134,385	-	-	134,385
Other comprehensive income for the period	-	-	-	-	3,701	517	4,218
Total comprehensive income for the period	-	-	-	134,385	3,701	517	138,603
Realized gain from investments at FVTOCI	-	-	-	13,376	(13,376)	-	-
Transfer of statutory reserve to a voluntary reserve	-	(430,000)	430,000	-	-	-	-
Dividends	-	-	-	(86,000)	-	-	(86,000)
Balance as at June 30, 2024 (restated note 20), (un-audited)	860,000	-	834,639	605,643	155,530	(15,205)	2,440,607
<b>Balance as at January 1, 2025 (audited)</b>	<b>860,000</b>	<b>-</b>	<b>834,639</b>	<b>667,541</b>	<b>(55,318)</b>	<b>(13,226)</b>	<b>2,293,636</b>
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,434</b>	<b>-</b>	<b>-</b>	<b>125,434</b>
<b>Other comprehensive loss for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(27,547)</b>	<b>(4,651)</b>	<b>(32,198)</b>
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>125,434</b>	<b>(27,547)</b>	<b>(4,651)</b>	<b>93,236</b>
<b>Dividends (note 18)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(86,000)</b>	<b>-</b>	<b>-</b>	<b>(86,000)</b>
<b>Balance as at June 30, 2025 (un-audited)</b>	<b>860,000</b>	<b>-</b>	<b>834,639</b>	<b>706,975</b>	<b>(82,865)</b>	<b>(17,877)</b>	<b>2,300,872</b>


  
 Finance Manager


  
 Chief Executive Officer


  
 Authorized Board Member

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

**EASTERN PROVINCE CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2025**  
(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

	June 30, 2025	June 30, 2024 (Restated note 20)
	<u>(Un-audited)</u>	<u>(Un-audited)</u>
<b><u>Cash flows from operating activities:</u></b>		
Profit before zakat	141,779	147,311
<b><u>Adjustments for:</u></b>		
Depreciation of property, plant and equipment and amortization of intangible assets	53,799	53,252
Losses /(gains) from disposal of property, plant and equipment	685	(292)
Dividends and Murabaha Income	(2,567)	(11,881)
Depreciation of investment property	816	815
Depreciation of right-of-use assets	974	1,025
Provision for slow moving inventory of spare parts	3,613	3,613
Finance charges	2,868	2,694
Impairment of investment in an associate	9,212	9,644
Share of (profit) / loss in an associate	(815)	5,765
(Gain) / loss from revaluation of investments at fair value through profit or loss	(641)	395
Employees’ end of service benefits	3,700	3,707
	<u>213,423</u>	<u>216,048</u>
<b><u>Changes in working capital:</u></b>		
Trade receivables, retentions receivables, prepayments and other assets	(61,872)	(28,248)
Inventories	(12,111)	(8,882)
Trade payable and other liabilities	15,314	4,184
Due to related parties	(748)	(554)
Employees’ end of service benefits paid	(2,124)	(2,047)
Zakat paid	(29,933)	(28,071)
Finance charges paid	(125)	(151)
<b>Net cash generated from operating activities</b>	<u>121,824</u>	<u>152,279</u>
<b><u>Cash flows from investing activities</u></b>		
Additions to property, plant and equipment and intangible assets	(201,763)	(139,008)
Proceed from disposal of property, plant and equipment	28	327
Proceed from dividends and interests on Murabaha	1,422	11,881
Dividends received from associate	-	5,330
Net movement in investment at fair value through profit or loss	(112,960)	(43,945)
Proceed from selling of investment at fair value through profit or loss	200,000	22,053
Net change in Murabaha deposits	1,145	125,000
<b>Net cash used in investing activities</b>	<u>(112,128)</u>	<u>(18,362)</u>
<b><u>Cash flows from financing activities</u></b>		
Dividends paid	(85,634)	(85,809)
Repayment of lease liabilities	(638)	(1,100)
<b>Net cash used in financing activities</b>	<u>(86,272)</u>	<u>(86,909)</u>
Net change in cash and cash equivalents	(76,576)	47,008
Cash and cash equivalent at the beginning of the period	154,751	86,802
<b>Cash and cash equivalent at the end of the period</b>	<u>78,175</u>	<u>133,810</u>
<b><u>Non-cash transactions from investing activities</u></b>		
Associate dividends charged to prepayments and other assets	-	1,776
Additions to property, plant and equipment and intangible assets through capital work in progress	24,512	25,409
Unrealized (loss) /gain on investments at fair value through other comprehensive income “FVTOCI”	(27,547)	3,701

Finance Manager

Chief Executive Officer

Authorized Board Member

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



## **EASTERN PROVINCE CEMENT COMPANY**

(A Saudi Joint Stock Company)

### **NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2025**

(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

#### **1- ORGANIZATION AND MAIN ACTIVITIES**

Eastern Province Cement Company (“the Company”) or (“the Holding Company”) is a Saudi joint stock company established pursuant to the Royal Decree No. M/11 dated Rabi’ Al-Awwal 14, 1402 -H (corresponding to January 9, 1982) and Resolution of His Royal Highness the Minister of Commerce No. 939 dated Rabi’ Al-Thani 3, 1403 H (corresponding to January 17, 1983), and registered in Dammam under the Commercial Registration No. 2050013400 dated Jumada Al-Awwal 22, 1403 H (corresponding to March 7, 1983).

The Holding Company's head office is located in Dammam, Saudi Arabia.

The main activity of the Holding company is operating quarries, mining gypsum and anhydrite, and wholesale of cement and gypsum.

The Holding Company obtained by Royal Decree No. M/6 dated Rabi Al Thani 17, 1405 H (Corresponding to January 9, 1985 G) the mining franchise for exploitation of limestone and clay in Al-Khurasania area for a renewable period of thirty years. The Holding Company has completed the legal procedures to renew the Franchise license. Ministerial Decree No. Q/5334 dated Rajab 12, 1438 H has been issued to renew the Holding company’s rights in utilizing the limestone and clay for its factory located in Al-Tawy site near to Al-Khurasania in Al-Jubail Governorate for thirty Hijri years starting from Rabi Al-Awwal 18, 1436H.

The Holding Company also obtained, pursuant to Ministerial Resolution No. Q/14 dated Safar 24, 1433 H (Corresponding to January 18, 2012), the mining franchise for the exploitation of limestone and clay in Al-Najabia valley at Al-Ahsa Governorate in the Eastern region valid till December 31, 2035.

The Group’s interim condensed consolidated financial statements as at June 30, 2025 include the interim condensed financial statements of the Holding Company and its branch, its subsidiary and its branch:

#### **Branch of the Holding Company:**

##### **Branch Commercial**

<b><u>Registration No</u></b>	<b><u>Date</u></b>	<b><u>Place of issue</u></b>	<b><u>Commercial Name of Branch</u></b>
2055022383	16/06/1435- H	Al-Jubail	Eastern Province Cement Company Factory

The main activities of the branch are quarry operation, gypsum and anhydrite mining, and wholesale cement and gypsum trading. The holding company has a branch commercial registration in Jubail for the Eastern Province Cement Company Factory No. 2055022383 dated Jumada Al-Thani 16, 1435-H (corresponding to April 16, 2014) and its activity is represented in the manufacture of ordinary cement (Portland), the manufacture of salt-resistant cement, and the manufacture of compact cement (clinker) under the National Industrial License No. 1300.

#### **The subsidiary**

The Board of Directors of the Eastern Province Cement Company decided in its meeting held on December 11, 2018, to start the procedures for converting the branch of Prainsa Saudi Arabia for Precast, registered in the Commercial Register under No. 2051035184, into a limited liability company. The legal procedures for changing the legal structure of the branch were completed during the second quarter of 2023 with the same commercial register number.

<b><u>Name of subsidiary</u></b>	<b><u>Date of CR</u></b>	<b><u>Commercial activity</u></b>	<b><u>Effective percentage of ownership</u></b>
Prainsa Saudi Arabia for Precast Concrete	21/7/1428-H (August 3, 2007- G)	Production of Precast under industrial license #3031328 issued 03/03/1437-H	100%

On December 25, 2024, the Board of Directors of Eastern Province Cement Company decided to increase the subsidiary's capital from 55 million ﷲ to 145 million ﷲ and to initiate the necessary regulatory procedures. On January 16, 2025, the commercial register was amended to show the revised share capital amounted to 145 million ﷲ.

#### **Branch of the subsidiary:**

##### **Branch Commercial**

<b><u>Registration No*</u></b>	<b><u>Date</u></b>	<b><u>Place of issue</u></b>	<b><u>Commercial Name of Branch</u></b>
4042100240	02/12/1439-H	ASFAN	Factory of Prainsa Saudi Arabia for Precast Concrete

The main activities of the branch are the construction of precast buildings, concrete and steel buildings, light and heavy prefabricated buildings, infrastructure works, and import of all building materials and precast.

\* During 2024, the holding company transferred ownership of the commercial registration of the Eastern Province Cement Company plant in ASFAN to its subsidiary.



**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2025**  
(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

**2- BASIS OF PREPARATION**

These interim condensed consolidated financial statements of the Group have been prepared in accordance with the requirements of International Accounting Standard (34) “Interim Financial Reporting” as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants, which should be read in conjunction with the Group’s latest annual consolidated financial statements for the year ended December 31, 2024 (“Latest Annual Consolidated Financial Statements”). These interim condensed consolidated financial statements do not include all the information required for a complete set of consolidated financial statements.

**2-1 MATERIAL ACCOUNTING POLICIES**

The Group has applied the same accounting policies and methods of calculation in its interim condensed consolidated financial statements as in its most recent annual consolidated financial statements, except for the following amendments which apply for the first time in 2025. However, not all of them are expected to impact the Group as they are either not relevant to the Group’s activities or require accounting that is consistent with the Group’s current accounting policies.

**2-1-1 Standards and amendments issued, applied and effective in the current period**

There are no new standards issued, however, there are amendments to the following standards, which are effective for the current period and do not have a material impact on the Group’s interim condensed consolidated financial statements.

Amendment of standard	Description	Effective for the year started on or after
IAS 21	Amendments-lack of exchangeability	January 1, 2025

**2-1-2 The impact of accounting standards to be applied in future periods**

There are a number of standards and interpretations issued by the International Accounting Standards Board that are effective for annual periods beginning after December 31, 2025 (the date of the Group’s next annual financial statements) that the Group has decided not to early adopt. The Group does not believe that these standards and interpretations will have a material impact on the financial statements once adopted.

**3- PROPERTY, PLANT AND EQUIPMENT**

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Book values to:		
Operating fixed assets	645,464	670,092
Capital work in progress	397,436	225,425
	<b>1,042,900</b>	<b>895,517</b>

**3-1 Operating fixed assets**

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Net book value at the beginning of the period / year	670,092	707,842
Transfer from capital work in progress during the period / year	24,512	60,917
Additions during the period / year	5,241	9,266
Disposal during the period / year	(714)	(1,939)
Depreciation charge during the period / year	(53,667)	(105,994)
Net book value at the end of the period / year	<b>645,464</b>	<b>670,092</b>

**EASTERN PROVINCE CEMENT COMPANY**  
(A Saudi Joint Stock Company)

**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2025**  
(ALL AMOUNTS IN THOUSANDS OF SAUDI RIYALS “ﷲ” UNLESS OTHERWISE STATED)

**3- PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

**3-2** Transfers from capital works in progress to operating fixed assets during the period / year as follows:

	<b>June 30, 2025 (Un-audited)</b>	December 31, 2024 (Audited)
Buildings	3,600	15,161
Thermal Bricks, Grinding Balls and Other	-	13,849
Machinery, equipment and heavy trucks	20,912	31,555
Furniture, Fixtures and Tools	-	352
	<b>24,512</b>	<b>60,917</b>

**3-3 Capital works in progress**

	<b>June 30, 2025 (Un-audited)</b>	December 31, 2024 (Audited)
As at the beginning of the period / year	225,425	25,214
Additions during the period / year	196,910	261,128
Adjustments during the period / year	(387)	-
Transfer to operating fixed assets during the period/year	(24,512)	(60,917)
As at the end of the period / year	<b>397,436</b>	<b>225,425</b>

Total additions to projects under construction during the period amounted to 197.8 million ﷲ. This amount includes advance payments amounting to 176 million ﷲ paid to Sinoma CDI, a Chinese company, during the period for work related to the Line 5 project.

**4- INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME “FVTOCI”**

The Group classified all equity investments listed below as investments at fair value through other comprehensive income, as these securities represent investments that the Group intends to hold for the long term for strategic purposes.

A- Investments at fair value through other comprehensive income consist of the following:

		June 30, 2025 (Un-audited)		December 31, 2024 (Audited)	
	Note	Number of shares	Value	Number of shares	Value
Industrialization and Energy Services Company	4-a-1	27,187	193,575	27,187	213,115
Saudi Arabian Oil Company (Aramco)	4-a-2	2,147	52,205	2,147	60,212
			245,780		273,327

4-a-1 Industrialization and Energy Services Company (a Saudi closed joint stock company), in which the Group owns 3.79% of the investee's shares. The Group's management determined the value of the investment in Industrialization and Energy Services Company based on a report from an independent valuer based on the investee's consolidated financial statements as of December 31, 2024 (which represents the latest available financial information) at 7.12 ﷲ per share (December 31, 2024: 7.84 ﷲ per share). To determine the fair value, the Group used the Comparable Companies Method (“CCM”) under the market approach using an EBITDA multiple.

4-a-2 The share price on June 30, 2025, was 24.32 ﷲ per share (on December 31, 2024, 28.05 ﷲ per share). The Group received during the period dividends from Saudi Arabian Oil Company (Aramco) amounting to 1.4 million ﷲ.

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**5- INVESTMENT IN AN ASSOCIATE**

The Group has a 31.58% investment in the Arab Yemen Cement Company (“the Associate”), a limited liability company registered in the Republic of Yemen. The Associate was established to carry out cement production activity and started production in 2009. The movement on the investment during the period / year is as follows:

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Opening balance	<b>253,744</b>	267,594
Dividends	-	(7,105)
Share in profits /(losses) of the associate during the period/year	<b>815</b>	(6,745)
	<b>254,559</b>	253,744
Less: impairment of the investment value	<b>(147,457)</b>	(138,245)
Ending balance	<b>107,102</b>	115,499

During the period ending June 30, 2025, the Company updated the study previously prepared by an independent consulting firm for the year ending December 31, 2024, regarding the possibility of an impairment in the value of the investment in the Arab Yemen Cement Company due to a decrease in the profits of the associate company, by calculating the expected future discounted cash flows and comparing them to the book value of the investee company. As a result of this study, an additional impairment in the value of the investment was recognized during the period in the amount of 9 million ﷲ (2024: 39.3 million ﷲ). The Group used the discounted cash flow method to determine the fair value as of June 30, 2025.

The movement in the provision for impairment of investment during the period/year is as follows:

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Opening balance	<b>138,245</b>	98,976
Impairment of investment in associate	<b>9,212</b>	39,269
Closing balance	<b>147,457</b>	138,245

The auditor’s report on the audited financial statements for the year ended December 31, 2024, of the associate company includes a going concern uncertainty due to the economic situation and ongoing security events in the Republic of Yemen.

**6- TRADE RECEIVABLES AND RETENTIONS RECEIVABLES, NET**

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Trade receivables	<b>435,423</b>	398,206
Less: provision for trade receivables	<b>(39,714)</b>	(39,714)
	<b>395,709</b>	358,492
Retentions receivables	<b>43,129</b>	57,170
Less: provision for retentions receivables	<b>(10,909)</b>	(10,909)
	<b>32,220</b>	46,261
	<b>427,929</b>	404,753

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**7- PREPAYMENTS AND OTHER ASSETS, NET**

The prepayments and other assets balance, net, as of June 30, 2025, amounted to 103,638 thousand ﷲ (December 31, 2024: 67,022 thousand ﷲ), including amount of 52,075 thousand ﷲ as of June 30, 2025 (December 31, 2024: 33,792 thousand ﷲ), representing the contract assets balance, and amount of 24,475 thousand ﷲ as of June 30, 2025 (December 31, 2024: 21,308 thousand ﷲ), representing the employees’ receivables balance.

**8- INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

A- Investment at fair value through profit or loss consists of the following:

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Investments in investment funds	-	85,470
Investments in Discretionary Portfolios Management *	<b>115,619</b>	116,548
	<b>115,619</b>	202,018

\* During the year ended December 31, 2022, the Group’s management entered into agreements for locally managed discretionary portfolios managed by an investment manager, which include investments in cash discretionary portfolios amounting to 397 thousand ﷲ as of June 30, 2025 (December 31, 2024: 250 thousand ﷲ).

B- Movement in investments as follows:

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Opening balance	<b>202,018</b>	110,580
Change in fair value	<b>641</b>	6,438
Disposals	<b>(202,040)</b>	(80,000)
Additions	<b>115,000</b>	165,000
Closing balance	<b>115,619</b>	202,018

**9- CASH AND CASH EQUIVALENTS**

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Cash at banks	<b>78,094</b>	77,876
Cash on hand	<b>81</b>	-
Short term Murabaha deposits (*)	-	76,875
	<b>78,175</b>	154,751

\* The Group invests a portion of its surplus cash in time deposits with a maturity of three month or less with financial institutions. The average annual commission rates on these deposits during the period were 3.88% (December 31, 2024: average annual commission rates were 4.69%).

**10- TRADE PAYABLES AND OTHER LIABILITIES**

The balance of trade payable and other liabilities as of June 30, 2025, amounted to 249,525 thousand ﷲ (December 31, 2024: 234,211 thousand ﷲ), including amount of 112,347 thousand ﷲ as of June 30, 2025 (December 31, 2024: 100,877 thousand ﷲ), representing the balance of trade payables, and 79,370 thousand ﷲ as of June 30, 2025 (December 31, 2024: 68,852 thousand ﷲ), representing the balance of accrued expenses.

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**11- RELATED PARTIES' TRANSACTIONS AND BALANCES**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Related parties consist of shareholders, directors and businesses in which the shareholders and the Board of directors, individually or collectively, have significant influence. The Group's transactions with related parties are conducted on at arm's length basis in the ordinary course of business and are to be approved by management.

The transactions represent amounts received by the Group from the account of the Arab Yemen Cement Company (an associate company) in a bank in the state of Oman until they are paid to the suppliers and creditors of the associate on its behalf, as the associate company faces difficulties in bank transfers to and from the Republic of Yemen.

Company	Relationship
Arab Yemen Cement Company	Associate
Al Dawaa Medical Services Company	Related party
Walaa Cooperative Insurance Company	Related party

Significant transactions with related parties during the period are as follows:

Related party	Nature of relationship	For the six-month period ended on June 30, 2025 (Un-audited)	For the six-month period ended on June 30, 2024 (Un-audited)
Arab Yemen Cement Company	Payments to Yemeni Company suppliers, net	82	163
Al Dawaa Medical Services Company	Rental revenue	1,668	1,462
Walaa Cooperative Insurance Company	Services	667	391

A- The balances due to related parties are as follows:

	June 30, 2025 (Un-audited)	December 31, 2024 (Audited)
Walaa Cooperative Insurance Company	-	667
Arab Yemen Cement Company	21	102
	<b>21</b>	<b>769</b>

B- Remuneration of members of Board of Directors and key management personnel

	June 30, 2025 (Un-audited)		June 30, 2024 (Un-audited)	
	Members of Board of directors	Key management personnel	Members of Board of directors	Key management personnel
Board of directors' remuneration	2,966	-	2,160	-
Salaries, wages and allowances	75	7,242	132	6,061
End of service expenses	-	885	-	957
	<b>3,041</b>	<b>8,127</b>	<b>2,292</b>	<b>7,018</b>

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**12- PROVISION FOR ZAKAT**

Movement of zakat provision

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>December 31, 2024</b> <b>(Audited)</b>
Balance at the beginning of the period / year	<b>32,374</b>	32,154
Zakat charges during period / year	<b>16,345</b>	28,027
Paid during period / year	<b>(29,366)</b>	(28,071)
Adjustments during period / year	<b>(567)</b>	264
Balance at the end of the period / year	<b>18,786</b>	32,374

**Zakat status**

The Group submitted its Zakat returns for the years up to 2024 at the consolidated level to the Zakat, Tax and Customs Authority and obtained the required certificate. During 2024, the Group paid the Zakat accrued balance for the 2024 return at the amount of 29,366 thousand ﷲ.

The Company has completed its zakat assessments with the Zakat, Tax and Customs Authority (the Authority) up to 2022. During 2024, the assessments were made for 2021 and 2022, and the payments and settlements were made with the Authority. On May 8, 2025, the Group received the final assessment from the Authority, with a claim to pay an additional zakat amount of 567,641 ﷲ for the year 2023.

**13- REVENUE, NET**

The Group’s revenue from contracts with customers during the period has been classified based on the timing of revenue recognition and based on the product’s type is as follows:

	<b>June 30, 2025</b> <b>(Un-audited)</b>	<b>June 30, 2024</b> <b>(Restated note 20)</b> <b>(Un-audited)</b>
<b><u>Timing of revenue recognition / Types of products</u></b>		
At point in time / Cement	<b>450,363</b>	422,215
Over time / Precast concrete	<b>158,889</b>	152,112
	<b>609,252</b>	574,327

**14- SEGMENTAL REPORTING**

The Group has separated the business segments into two main divisions for the purpose of preparing segment reports, which are as follows:

<b>Segment</b>	<b>Business</b>			
Cement	Manufacturing and wholesale ordinary cement, salt-resistant cement and clinker cement.			
Precast concrete	Manufacture of partitions, frames and prefabricated buildings from prefabricated concrete.			
			<b>Settlements of transactions and inter-segment balances</b>	
<b>As at June 30, 2025 (un-audited)</b>	<b>Cement</b>	<b>Precast concrete</b>	<b>balances</b>	<b>Total</b>
Total assets	2,382,023	450,828	(51,461)	2,781,390
Total liabilities	374,029	157,950	(51,461)	480,518
<b><u>For the six-month period ended on June 30, 2025 (un-audited)</u></b>				
Revenue, net	453,102	158,889	(2,739)	609,252
Net profit	105,981	19,453	-	125,434

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**14- SEGMENTAL REPORTING (CONTINUED)**

As at December 31, 2024 (audited)	Cement	Precast concrete	Settlements of transactions and inter-segment balances	Total
Total assets	2,382,305	430,328	(48,161)	2,764,472
Total liabilities	225,066	293,931	(48,161)	470,836

For the six-month period ended on  
June 30, 2024 (un-audited) -  
(restated note 20)

Revenue, net	425,982	152,112	(3,767)	574,327
Net profit	117,736	16,649	-	134,385

The revenues generated by geographical segments are as follows:

	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
K.S. A	607,485	554,833
Other countries	1,767	19,494
	<b>609,252</b>	<b>574,327</b>

**15- EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the net income for the period attributable to ordinary shareholders of the Group by the weighted average number of outstanding ordinary shares during the period. The calculation of basic and diluted earnings per share is as follows:

	For the three-month period ended		For the six-month period ended	
	June 30, 2024 (Un-audited)	June 30, 2024 (Un-audited)	June 30, 2025 (Un-audited)	June 30, 2024 (Un-audited)
Net profit of the period (in thousands of ﷲ)	63,353	55,380	125,434	134,385
Number of outstanding shares (in thousands of shares)	86,000	86,000	86,000	86,000
Earnings per share Basic and Diluted	0.74	0.64	1.46	1.56

**16- CAPITAL COMMITMENTS**

On June 30, 2025, future capital projects approved by the Group’s management amounted to 691 million ﷲ, of which 481 million ﷲ includes the amount of the letter of credit issued to the company contracted to design, supply, construct and operate the new cement production line (as of December 31, 2024, amounting to 911.9 million ﷲ).

**17- CONTINGENT LIABILITIES**

As of June 30, 2025, the Group’s contingent liabilities against letters of credit and bank guarantees amounted to 706 million ﷲ, of which 481 million ﷲ was for the implementation, design, supply, construction and operation of a new cement production line (December 31, 2024: 840 million ﷲ).

**18- DIVIDENDS**

On March 25, 2025, the Company's Board of Directors approved the distribution of cash dividends to shareholders amounting to 86 million ﷲ for the second half of 2024, at 1 ﷲ per share for the 86 million shares entitled to dividends.



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**19- FAIR VALUE**

For the purposes of financial reporting, the Group used the fair value hierarchy classified at levels 1, 2 and 3 based on the degree of observance of the inputs in the fair value measurement and the importance of these inputs in measuring the fair value in its entirety, as shown below:

Level 1: Quoted market prices in an active market for similar assets or liabilities that the Group can value at the measurement date.

Level 2: Inputs other than quoted prices in Level 1 that can be observed either directly (similar prices) or indirectly.

Level 3: Inputs for assets and liabilities that are not based on observable market information cannot be observed either directly or indirectly from the market.

Investments in quoted equity instruments in the Saudi market are valued according to the market closing price on the date of the interim condensed consolidated financial statements and those instruments have been classified under Level 1.

Investments in unquoted investment funds in the Saudi market are valued according to closing price provided by fund manager on the date of the interim condensed consolidated financial statements and those instruments have been classified under Level 2.

Investments in unquoted equity instruments are evaluated based on approved valuation methods that depend on income approach and market approach, and those instruments are classified under level 3.

	Book value	Fair value		
		Level 1	Level 2	Level 3
<b>As at June 30, 2025 (un-audited)</b>				
Investments at fair value through other comprehensive income	245,780	52,205	193,575	-
Investments at fair value through profit or loss	115,619	38,184	77,435	-
Total	361,399	90,389	271,010	-
<b>As at December 31, 2024 (audited)</b>				
Investments at fair value through other comprehensive income	273,327	60,212	213,115	-
Investments at fair value through profit or loss	202,018	39,671	162,347	-
Total	475,345	99,883	375,462	-

The Valuation models used for the main investment in level 2 (i.e., Industrialization and Energy Services Company) follow the Comparable Companies Method within the Market Approach using the EBITDA multiple. This method is based on information from comparable companies similar to the investee company, adjusted to reflect the impact of the investee company’s lack of marketability. The approach used heavily relies on observable market input. None of the investments classified under Level 2 were transferred to either Level 1 or Level 3 during the period ended June 30, 2025.

**Fair value of financial instruments stated at amortized cost**

Management believes that the carrying amounts of financial assets and liabilities stated at amortized cost in the interim condensed consolidated financial statements approximates their fair values.

**20- COMPERATIVE FIGURES**

During the current period, the Group identified a number of errors shown below, which were corrected in accordance with the requirements of International Accounting Standard (8) “Accounting Policies, Changes in Accounting Estimates and Errors”, adopted in the Kingdom of Saudi Arabia. Correcting the aforementioned errors led to retrospective adjustments to the comparative figures as of June 30, 2024.

The following tables summarize the impact of these amendments on the statement of changes in equity as of January 1, 2024 and June 30, 2024, as well as the statement of profit or loss and other comprehensive income and the statement of cash flows for the six-month period ended June 30, 2024:

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**20- COMPERATIVE FIGURES (CONTINUED)**

**Items of the statement of profit or loss and other comprehensive income**

**For the six-month period ended June 30, 2024**

	Note	As previously reported	Amendments	Restated balance
Revenue, net	B	584,892	(10,565)	574,327
Cost of revenue	C	(405,062)	18,157	(386,905)
<b>Gross profit</b>		<b>179,830</b>	<b>7,592</b>	<b>187,422</b>
Gains / (Losses) from revaluation of investments at fair value through profit or loss	A	1,180	(1,575)	(395)
<b>Profit before zakat</b>		<b>141,294</b>	<b>6,017</b>	<b>147,311</b>
<b>Net profit for the period</b>		<b>128,368</b>	<b>6,017</b>	<b>134,385</b>
Unrealized gain on investments at fair value through other comprehensive income	A	2,126	1,575	3,701
Other comprehensive loss for the period		2,643	1,575	4,218
<b>Total comprehensive income</b>		<b>131,011</b>	<b>7,592</b>	<b>138,603</b>
<b>Earnings per share of net profit for the period</b>		<b>1.49</b>	<b>0.07</b>	<b>1.56</b>

**For the three-month period ended June 30, 2024**

	Note	As previously Reported	Amendments	Restated balance
Revenue, net	B	282,644	(14,005)	268,639
Cost of revenue	C	(198,522)	13,813	(184,709)
<b>Gross profit</b>		<b>84,122</b>	<b>(192)</b>	<b>83,930</b>
Gains / (losses) from revaluation of investments at fair value through profit or loss	A	296	(4,932)	(4,636)
<b>Profit before zakat</b>		<b>65,730</b>	<b>(5,124)</b>	<b>60,606</b>
<b>Net profit for the period</b>		<b>60,504</b>	<b>(5,124)</b>	<b>55,380</b>
Unrealized profits on investments at fair value through other comprehensive income	A	5,751	4,932	10,683
Other comprehensive income for the period		2,720	4,932	7,652
<b>Total comprehensive income</b>		<b>63,224</b>	<b>(192)</b>	<b>63,032</b>
<b>Earnings per share of net profit for the period</b>		<b>0.70</b>	<b>(0.06)</b>	<b>0.64</b>

**Items of statement of changes in equity**

**As at January 1, 2024**

	Note	As previously Reported	Amendments	Restated
Retained earnings	A, B, C	535,307	8,575	543,882
Reserve of valuation of investments at fair value through other comprehensive income	A	175,785	(10,580)	165,205
<b>Total equity</b>		<b>2,390,009</b>	<b>(2,005)</b>	<b>2,388,004</b>

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**20- COMPERATIVE FIFGURES (CONTINUED)**

**Items of statement of cash flows**

<b>For six-month period ended June 30, 2024</b>	<b>Note</b>	<b>As previously Reported</b>	<b>Amendments</b>	<b>Restated balance</b>
Net profit before zakat	A, B, C	141,294	6,017	147,311
Gains from revaluation of investments at fair value through profit and loss	A	(1,180)	1,575	395
Trade receivables, retentions receivable, prepayments and other assets	B, C	(2,804)	(25,444)	(28,248)
Inventory	C	(11,131)	2,249	(8,882)
Trade payables and other liabilities	B	(11,419)	15,603	4,184
<b>Net cash generated from operating activities</b>		<b>152,279</b>	<b>-</b>	<b>152,279</b>

- A- In previous years, the Group classified investments in Discretionary Portfolio Management as investments at fair value through other comprehensive income. However, after assessing the nature of these investments and their compliance with the requirements of International Financial Reporting Standard 9 "Financial Instruments" and International Accounting Standard 32 "Financial Instruments: Presentation", it was determined that they do not meet the criteria for classification as investments at fair value through other comprehensive income. Accordingly, the Group amended the classification of these investments to be presented as investments at fair value through profit or loss (FVTPL). In addition, the Group adjusted the previously recognized revaluation gains recorded under other comprehensive income to be presented within profit or loss. Accordingly, the Group decided to amend the comparative figures for the six-month period ended June 30, 2024.
- B- The Group reviewed its revenue recognition policy for contracts with customers in the precast concrete segment. This review included an assessment of compliance with the requirements of IFRS 15 "Revenue from Contracts with Customers". As a result, it was determined that revenue measurement had been incorrectly applied, particularly in relation to identifying performance obligations and allocating the transaction price to each performance obligation. Accordingly, the Group recalculated revenue by properly identifying performance obligations and allocating the transaction price to each obligation accurately. As a result, the Group recognized contract assets and contract liabilities arising from this adjustment. Based on this, the Group decided to adjust the comparative figures for the six-month period ended June 30, 2024.
- C- As a result of the revenue adjustment, the group also adjusted the cost of goods sold and inventory, in addition to adjusting the deferred contract costs related to the contracts for which revenue was recalculated. Accordingly, the group decided to adjust the comparative figures for the six-month period ended June 30, 2024.

**21- SUBSEQUENT EVENTS**

On July 31, 2025, the Board of Directors decided to distribute cash dividends of 51.6 million ﷲ for the first half of the fiscal year 2025. The dividend per share is ﷲ 0.60, and the entitlement date for the dividends will be September 24, 2025.

**22- APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

These interim condensed consolidated financial statements were approved by the Group's Board of Directors on July 31, 2025.