Riyadh Cement Company
(A Saudi Joint Stock Company)

Interim Condensed Financial Statements (Unaudited)

For the Three-Month and Six-Month Periods Ended 30 June 2026
and Independent Auditor's Review Report

Riyadh Cement Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)AND INDEPENDENT AUDITOR’S REVIEW REPORT

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 FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF RIYADH CEMENT COMPANY (A SAUDI JOINT STOCK COMPANY)

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Riyadh Cement Company ("the Company") as at 30 June 2026, and the related interim condensed statement of profit or loss and other comprehensive income for the three-month and six-month periods ended 30 June 2026, and the related interim condensed statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed 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 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 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

Abdullah A. Alshenaibir
Certified Public Accountant
License No. 583

Riyadh: 29 Safar 1448H
(12 August 2026)

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CR. 1010383821
شركة إرنست ويونغ للخدمات المهنية
(مهنية ذات مسؤولية محدودة)
Ernst & Young Professional Services
(Professional LLC)

INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2026

(All amounts are in Saudi Riyals unless otherwise stated)

	Notes	*30 June 2026 (Unaudited)* **SR**	*31 December 2025 (Audited)* SR
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment		**1,213,354,297**	1,230,642,147
Right-of-use assets		**868,997**	906,779
TOTAL NON-CURRENT ASSETS		**1,214,223,294**	1,231,548,926
CURRENT ASSETS			
Inventories	4	**407,095,893**	338,175,517
Trade and other receivables	5	**235,198,719**	245,984,261
Advances, prepayments and other current assets		**13,742,829**	9,205,118
Short term Murabaha	6	**10,191,667**	10,001,347
Cash and cash equivalents	7	**52,977,575**	61,971,835
TOTAL CURRENT ASSETS		**719,206,683**	665,338,078
TOTAL ASSETS		**1,933,429,977**	1,896,887,004
EQUITY AND LIABILITIES			
EQUITY			
Share capital		**1,200,000,000**	1,200,000,000
Reserve	8	**-**	360,000,000
Retained earnings		**557,150,571**	158,190,701
TOTAL EQUITY		**1,757,150,571**	1,718,190,701
LIABILITIES			
NON-CURRENT LIABILITIES			
Employee benefit obligations		**28,348,223**	27,456,249
Assets retirement obligations		**9,140,673**	8,876,757
Lease liabilities		**843,269**	936,211
TOTAL NON-CURRENT LIABILITIES		**38,332,165**	37,269,217
CURRENT LIABILITIES			
Trade payables		**22,060,298**	22,188,285
Accruals and other current liabilities		**96,722,410**	94,342,161
Dividends payable		**12,680,149**	12,477,451
Current portion of lease liabilities		**120,000**	720,000
Zakat liability	9	**6,364,384**	11,699,189
TOTAL CURRENT LIABILITIES		**137,947,241**	141,427,086
TOTAL LIABILITIES		**176,279,406**	178,696,303
TOTAL EQUITY AND LIABILITIES		**1,933,429,977**	1,896,887,004

Chairman	**Chief Executive Officer**	**Chief Financial Officer**

The attached notes 1 to 18 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)

For the three-month and six-month periods ended 30 June 2026
(All amounts are in Saudi Riyals unless otherwise stated)

	Notes	***For the three-month period ended 30 June 2026 SR***	*For the three-month period ended 30 June 2025 SR*	***For the Six-month period ended 30 June 2026 SR***	*For the Six-month period ended 30 June 2025 SR*
Revenue	11	**193,325,598**	190,886,887	**393,171,692**	416,113,392
Cost of revenue		**(134,863,506)**	(122,089,328)	**(263,126,632)**	(261,465,288)
GROSS PROFIT		**58,462,092**	68,797,559	**130,045,060**	154,648,104
General and administrative expenses		**(8,150,925)**	(8,175,380)	**(17,283,407)**	(15,994,520)
Selling and marketing expenses		**(919,346)**	(726,349)	**(1,726,264)**	(1,868,580)
PROFIT FROM OPERATIONS		**49,391,821**	59,895,830	**111,035,389**	136,785,004
Murabaha income		**372,775**	1,265,927	**1,483,271**	4,022,483
Finance costs		**(311,715)**	(751,978)	**(515,976)**	(1,135,322)
Other income (expenses), net	12	**3,267,370**	(383,327)	**4,180,032**	1,486,681
PROFIT BEFORE ZAKAT		**52,720,251**	60,026,452	**116,182,716**	141,158,846
Zakat	9	**(3,006,136)**	(2,557,785)	**(6,231,919)**	(8,008,020)
PROFIT FOR THE PERIOD		**49,714,115**	57,468,667	**109,950,797**	133,150,826
OTHER COMPREHENSIVE INCOME					
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods:					
Remeasurements of defined benefit obligation		**1,009,073**	(1,564,904)	**1,009,073**	(1,564,904)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**50,723,188**	55,903,763	**110,959,870**	131,585,922
Earnings per share of profit for the period attributable to the shareholders of the Company					
Basic and diluted earnings per share	13	**0.41**	0.48	**0.92**	1.11

Chairman **Chief Executive Officer** **Chief Financial Officer**

The attached notes 1 to 18 form an integral part of these interim condensed financial statements.

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For the six-month period ended 30 June 2026
(All amounts are in Saudi Riyals unless otherwise stated)

	Share capital SR	*Reserve SR*	*Retained earnings SR*	*Total SR*
1 January 2026	**1,200,000,000**	**360,000,000**	**158,190,701**	**1,718,190,701**
Profit for the period	-	-	**109,950,797**	**109,950,797**
Other comprehensive income for the period	-	-	**1,009,073**	**1,009,073**
Total comprehensive income for the period	-	-	**110,959,870**	**110,959,870**
Transfer (note 8)	-	**(360,000,000)**	**360,000,000**	-
Dividends (Note 16)	-	-	**(72,000,000)**	**(72,000,000)**
30 June 2026	**1,200,000,000**	-	**557,150,571**	**1,757,150,571**
1 January 2025	1,200,000,000	360,000,000	221,249,005	1,781,249,005
Profit for the period	-	-	133,150,826	133,150,826
Other comprehensive income for the period	-	-	(1,564,904)	(1,564,904)
Total comprehensive income for the period	-	-	131,585,922	131,585,922
Dividends (Note 16)			(150,000,000)	(150,000,000)
30 June 2025	1,200,000,000	360,000,000	202,834,927	1,762,834,927

Chairman **Chief Executive officer** **Chief Financial officer**

Riyadh Cement Company
(A Saudi Joint Stock Company)

INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
For the six-month period ended 30 June 2026
(All amounts are in Saudi Riyals unless otherwise stated)

	Notes	*For the six-month period ended 30 June* *2026* *SR*	*2025* *SR*
OPERATING ACTIVITIES			
Profit before zakat		**116,182,716**	141,158,846
Adjustments for non-cash items			
Depreciation of property, plant and equipment		**60,931,627**	57,083,631
Depreciation of right-of use assets		**37,782**	37,782
Provision for slow-moving inventories		**6,595,045**	1,644,045
Assets retirement obligations		**263,916**	329,470
Provision for employee benefits obligations		**2,584,094**	2,359,879
Interest on lease liabilities		**27,058**	28,664
		186,622,238	202,642,317
Change in operating assets and liabilities			
Change in inventories		**(75,515,421)**	(30,236,100)
Change in trade and other receivables		**10,785,542**	(20,730,411)
Change in advances, prepayments and other current assets		**(4,537,711)**	(3,152,761)
Change in trade payables		**(127,987)**	(21,639,933)
Change in accruals and other current liabilities		**2,380,249**	13,649,688
Cash generated from operations		**119,606,910**	140,532,800
Employee benefit obligations paid		**(683,047)**	(1,234,350)
Zakat paid		**(11,566,724)**	(13,852,789)
Net cash generated from operating activities		**107,357,139**	125,445,661
INVESTING ACTIVITIES			
Additions to property, plant and equipment		**(43,643,777)**	(79,685,353)
Short term Murabaha		**(190,320)**	25,231,207
Net cash used in investing activities		**(43,834,097)**	(54,454,146)
FINANCING ACTIVITIES			
Payment of lease liabilities		**(692,942)**	(91,336)
Interest on lease liabilities paid		**(27,058)**	(28,664)
Dividend paid	16	**(71,797,302)**	(150,000,000)
Net cash used in financing activities		**(72,517,302)**	(150,120,000)
Net (decrease) in cash and cash equivalents		**(8,994,260)**	(79,128,485)
Cash and cash equivalents at the beginning of the period		**61,971,835**	148,702,353
Cash and cash equivalents at end of the period		**52,977,575**	69,573,868

Chairman **Chief Executive officer** **Chief Financial officer**

The attached notes 1 to 18 form an integral part of these interim condensed financial statements.

1 ORGANIZATION AND ACTIVITIES

Riyadh Cement Company (the "Company") is a Saudi joint stock company registered in Riyadh, Kingdom of Saudi Arabia under unified number 7001387864 and Commercial Registration No. 1010146169 dated 25 Safar 1418H (corresponding to 1 July 1997).

The Company is principally engaged in the production and selling of cement pursuant to Industrial License No. 494 dated 25 Jumada II 1414H (corresponding to 8 December 1993) as amended in the Ministerial Resolution No. 797 dated 29 Rajab 1419H (corresponding to 18 November 1998).

The accompanying interim condensed financial statements include the financial information of the Company and its branch, registered in Riyadh, under CR numbers 1010210405, and 1010449308. The registered address of the Company is P.O. Box 17775, Riyadh 11494, Kingdom of Saudi Arabia.

The authorized, issued and paid-up capital of the Company is SR 1,200,000,000 divided into 120 million shares of SR 10 each.

2 MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

This interim condensed financial statements has been prepared in accordance with the International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA") in the Kingdom of Saudi Arabia.

The Company has prepared the interim condensed financial statements on the basis that it will continue to operate as a going concern.

The interim condensed financial statements do not include all the information and disclosures required in the annual financial statements in accordance with IFRS Accounting Standards and other standards and pronouncements that are endorsed by the SOCPA. Therefore, these interim condensed financial statements should be read in conjunction with the Company's annual financial statements for the year ended 31 December 2025. In addition, the results of the operations for the six-month period ended 30 June 2026 do not necessarily represent an indicator for the results of the operations for the year ending 31 December 2026.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

This condensed interim financial information are presented in Saudi Riyal (SR), which is the Company's presentation currency.

2.2 Material accounting policies

The material accounting policies and methods used in the preparation of these interim condensed financial statements are consistent with those used in the preparation of the annual audited financial statements for the year ended 31 December 2025 and corresponding interim reporting period, except for the new accounting policies introduced as adoption of the following amendments to IFRS which became applicable for annual reporting periods commencing on or after 1 January 2026. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2 MATERIAL ACCOUNTING POLICIES (continued)

2.3 New standards, interpretations and amendments adopted by the Company

The following standards and interpretations apply for the first time to financial reporting periods commencing on or after 1 January 2026:

Contracts Referencing Nature-dependent Electricity – Amendments to IFRS 9 and IFRS 7
Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7
Annual Improvements to IFRS accounting Standards – Volume 11

The amendments had no impact on Company's interim condensed financial statements.

2.4 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 interim condensed Statement of Profit or Loss, with the main objective of improving comparability in the interim condensed 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 interim condensed 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).

In accordance with the requirements of the Capital Market Authority ("CMA") regarding the disclosure of the preliminary assessment of the expected impact of the initial application of IFRS 18, the Company preliminary assessed the expected impact of adopting this new standard on its interim condensed financial statements. This adoption is expected to result only in changes to the presentation and disclosure of information within the financial statements and will not have any financial impact on the Company's financial position, financial performance, cash flows, earnings per share or total equity.

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

a) Impact on the structure of the Interim Condensed Statement of Profit or Loss and Other Comprehensive Income

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

Based on the Company's preliminary assessment and the nature of its main business activities, performed to date, the Company expects changes to the current structure of interim condensed statement of profit or loss to result in:

2 MATERIAL ACCOUNTING POLICIES (continued)

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

- Murabaha Income: Murabaha income are mainly profits earned on call deposits, short-term deposits and cash equivalents maintained for liquidity management, which together are currently reported as Murabaha income in the interim condensed statement of profit or loss and other comprehensive income. These activities are incidental to the Company's operations and do not represent its principal business. Accordingly, investing in assets is not a specified main business activity of the Company. Under IFRS 18, these incomes should be classified within the investing category of the interim condensed statement of profit or loss.

- Finance costs: Finance costs are mainly from unwinding of assets retirement obligations, bank charges and interest expenses on lease liabilities recognised under IFRS 16 which together are currently reported as finance cost in the interim condensed statement of profit or loss and other comprehensive income. These financing arrangements support the Company's operating activities and do not represent a principal business activity. Under IFRS 18, these costs should be classified within the financing category of the interim condensed statement of profit or loss and other comprehensive income.

- Foreign exchange differences: Foreign exchange differences are currently presented in Other income / (expenses) in the interim condensed statement of profit or loss and other comprehensive income. Under IFRS 18, foreign exchange differences are required to be classified in the same category as the income and expenses from the items that gave rise to the foreign exchange differences. All foreign exchange differences arises operating activities and accordingly these will be categorized in the relevant operating activities category.

b) Aggregation and disaggregation

The new aggregation and disaggregation requirements will lead into changes to present the most useful structured summary. The Company 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 Company is performing a detailed assessment to determine the appropriate classification of items. The Company is also assessing line items currently labelled as "other" and will use more informative labels that describes the aggregated items as precisely as possible. The Company also expects expanded disclosure requirements relating to the aggregation and disaggregation of information.

c) 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 Company is currently assessing which of its public communications should be reviewed to identify these MPMs, and since these measures must align with the same period covered by the interim condensed financial statements, the MPM disclosures made upon IFRS 18 adoption will be drawn from the Company's public communications for the 2027 interim reporting period.

2 MATERIAL ACCOUNTING POLICIES (continued)

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

d) Consequential amendments

The Company 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 Company currently uses profit for the year/period before zakat as a 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 finance cost and dividend cash flows. The Company will classify cash flows from finance cost paid as financing activities rather than operating activities under IFRS 18 and cash flows from finance incomes will be classified as investing activities.

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

2.5 Significant accounting estimates and judgements

The preparation of the Company's interim condensed financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, the accompanying disclosures, and the disclosure of contingent liabilities, at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that may require a material adjustment to the carrying amount of the asset or liability affected in the future. These estimates and assumptions are based upon experience and various other factors that are believed to be reasonable under the circumstances and are used to judge the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised or in the revision period and future periods if the changed estimates affect both current and future periods.

As at 30 June 2026, management believes that all sources of estimation uncertainty remain similar to those disclosed in the Company's annual financial statements for the year ended 31 December 2025. The current geopolitical developments (refer to 2.5.1 below) has not materially impacted the significant accounting judgements, estimates and assumptions as at and for the period ended 30 June 2026 and management will continue to monitor the situation and any changes required will be reflected in future reporting periods.

2.5.1 Ongoing regional geopolitical developments

During the period, geopolitical tensions in parts of the Middle East intensified, leading to regional instability. The Company continues to monitor the regional geopolitical developments and their potential impact. These developments have not had a material impact on Company's financial statements for the period ended 30 June 2026. However, given the evolving nature of the conflict, the potential impact on the Company's business and financial performance will continue to be assessed on future reporting dates as further escalation or prolonged continuation of the conflict could potentially affect its business.

3. SEGMENT INFORMATION

All the Company's operations are related to one operating segment which is cement manufacturing and are substantially sold to local customers. The information related to revenue from major customers and geographic area are disclosed in Note 11. As at 30 June 2026, two largest customers accounted for 90% (31 December 2025: four largest customers accounted for 94%) of the outstanding trade receivables.

(All amounts are in Saudi Riyals unless otherwise stated)

4. INVENTORIES

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Work in process	**247,399,193**	192,532,687
Spare parts and supplies, not held for sale	**125,501,029**	120,618,242
Raw materials	**63,383,446**	47,531,196
Finished goods	**8,910,077**	8,996,199
	445,193,745	369,678,324
Less: Provision for slow-moving inventories	**(38,097,852)**	(31,502,807)
	407,095,893	338,175,517

5. TRADE AND OTHER RECIEVAVBLES

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Trade receivables – third parties	**172,087,709**	176,613,984
Trade receivables – related parties (note 10)	**57,061,310**	46,115,057
Expected credit loss allowance	**(1,969,819)**	(1,995,586)
	227,179,200	220,733,455
Receivable from the Industrial Competitiveness Program	**7,940,281**	25,223,481
Employee receivables	**79,238**	27,325
	235,198,719	245,984,261

6. SHORT TERM MURABAHA

As at 30 June 2026, short-term Islamic Murabaha represent deposits amounting SR 10 million (31 December 2025: SR 10 million) and were placed with local banks, with a maturity period of more than three months and less than twelve months, and generates returns based on profit rates stipulated in the Murabaha agreements.

7. CASH AND CASH EQUIVALENTS

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Cash at banks	**22,755,143**	26,684,179
Cash in hand	**178,162**	255,677
Short term Murabaha (Note 7.1)	**30,044,270**	35,031,979
	52,977,575	61,971,835

7.1 These represent deposits placed in Murabaha deposits with a maturity period of three months or less from the date of placement and generate returns based on profit rates stipulated in the Murabaha agreements.

(All amounts are in Saudi Riyals unless otherwise stated)

8. RESERVE

This balance represents the total amounts appropriated from net income for prior years as statutory reserves in accordance with the requirements of the previous Companies Law and the Company's By-Law prior to alignment with the new Companies Law.

The General Assembly in its meeting held on 3 Thul-Qi'dah 1447H (corresponding to 20 April 2026) approved to transfer the full amount of reserve to retained earnings.

9. ZAKAT

9.1 Movement

The movement in Zakat provision is as follows

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Opening balance	**11,699,189**	13,988,330
Provided during the period/year	**6,231,919**	11,563,648
Payment during the period/year	**(11,566,724)**	(13,852,789)
	6,364,384	11,699,189

9.2 Status of final assessments

The Company has filed its zakat return up to 31 December 2025 and have received zakat certificates for the year ended 31 December 2025.

The Company has finalized its assessment with ZATCA up to 31 December 2020.

10. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise the shareholders, directors, associate companies, key management personnel. Related parties also include business entities in which certain directors or senior management have an interest (other related parties).

Rashid Development Company Limited (Rashidco) is one of the major shareholder of the Company with effective ownership interest percentage of 23.21% as at 30 June 2026, and 2025. Rashidco is 100% owned by Al Awael Investment Holding Company which is its ultimate parent.

(a) Followings are the transactions with related parties:

Name	***Nature of transactions***	***Three-month period ended 30 June***		***Six-month period ended 30 June***	
		2026 (Unaudited)	*2025 (Unaudited)*	***2026 (Unaudited)***	*2025 (Unaudited)*
Al Rashed Cement Company (Common Ownership)	Revenue	**31,941,605**	23,895,253	52,715,866	50,107,621
Towa Development Company (Common Directorship)	Revenue	**4,460,788**	5,216,601	**7,987,817**	10,883,914

(All amounts are in Saudi Riyals unless otherwise stated)

10. RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

(b) Key management personnel compensation:

	Three-month period ended 30 June		***Six-month period ended 30 June***	
	2026 (Unaudited)	*2025 (Unaudited)*	***2026 (Unaudited)***	*2025 (Unaudited)*
Salaries and other employee benefits	**2,683,900**	2,354,575	**5,324,875**	4,785,975
Post-employment benefits outstanding balance	**2,641,570**	2,246,183	**2,641,570**	2,246,183

(c) Directors and other committees' remuneration and related expenses

	Three-month period ended 30 June		***Six-month period ended 30 June***	
	2026 (Unaudited)	*2025 (Unaudited)*	***2026 (Unaudited)***	*2025 (Unaudited)*
Board of Directors and other committees' remuneration	**755,000**	720,000	**1,475,000**	1,440,000

(d) ***Due from related parties***

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Alrashed Cement Company - Common Ownership	**47,234,246**	36,473,983
Towa Development Company - Common Directorship	**9,824,948**	9,638,958
Precast Building System Company	**2,116**	2,116
	57,061,310	46,115,057

Due from related parties are recorded under trade and other receivables (refer note 5).

(e) Terms **and conditions**

The transactions with related parties are entered at mutually agreed terms and conditions and a price agreed upon according to a contract / arrangement / agreement. Key management personnel remunerations are made according to their contractual terms.

11. REVENUE

The Company derives revenue from the sale of cement at a point in time in the following major product lines:

	Three-month period ended June 30,		***Six-month period ended June 30,***	
	2026 ***(Unaudited)***	2025 *(Unaudited)*	**2026** ***(Unaudited)***	2025 *(Unaudited)*
Grey cement	**142,705,665**	151,956,967	**305,122,303**	334,881,108
White cement	**50,619,933**	38,929,920	**88,049,389**	81,232,284
	193,325,598	190,886,887	**393,171,692**	416,113,392

Revenue from two major customers for the six-month period ended 30 June 2026 amounted to SR 159.8 million and SR 52.7 million respectively (Six-month period ended 30 June 2025: three major customers amounted to SR 153.8 million, SR 50.1 million and SR 44.2 million respectively). The rest of the revenue is derived from various customers whose individual revenue is less than 10% of total revenue.

(All amounts are in Saudi Riyals unless otherwise stated)

11. REVENUE (continued)

Disaggregation by geographical markets

	Three-month period ended 30 June		*Six-month period ended 30 June*	
	2026 (Unaudited)	*2025 (Unaudited)*	***2026 (Unaudited)***	*2025 (Unaudited)*
Kingdom of Saudi Arabia	190,480,685	190,643,115	**389,012,085**	414,811,998
Outside Kingdom of Saudi Arabia	2,844,913	243,772	**4,159,607**	1,301,394
	193,325,598	190,886,887	**393,171,692**	416,113,392

12. OTHER INCOME (EXPENSE), NET

	Three-month period ended 30 June		*Six-month period ended 30 June*	
	2026 (Unaudited)	*2025 (Unaudited)*	***2026 (Unaudited)***	*2025 (Unaudited)*
Foreign exchange gain / (loss)	**936,164**	(392,413)	**1,525,128**	(653,429)
Sale of scrap	**2,236,661**	-	**2,236,661**	-
Refund of withholding tax	**-**	-	**-**	2,043,067
Others	**94,545**	9,086	**418,243**	97,043
	3,267,370	(383,327)	**4,180,032**	1,486,681

13. EARNING PER SHARE

Earnings per share have been calculated by dividing the profit for the period of the Company by the weighted average number of shares outstanding during the period.

	Three-month period ended 30 June		*Six-month period ended 30 June*	
	2026 (Unaudited)	*2025 (Unaudited)*	***2026 (Unaudited)***	*2025 (Unaudited)*
Profit for the period	**49,714,115**	57,468,667	**109,950,797**	133,150,826
Weighted average number of shares	**120,000,000**	120,000,000	**120,000,000**	120,000,000
Basic earnings per share (Saudi Riyals per share)	**0.41**	0.48	**0.92**	1.11

The Company does not have any dilutive potential shares.

14. COMMITMENTS

i) Guarantees and letters of credit

The banks issued guarantees and letters of credit on behalf of the Company as at 30 June 2026 for an amount of SR 196.7 million (31 December 2025: SR 61.12 million).

ii) Capital commitments

The Company has capital commitments in relation with contracts for constructing property and equipment as at 30 June 2026 amounting to SR 140.1 million (31 December 2025: SR 44.12 million).

(All amounts are in Saudi Riyals unless otherwise stated)

15. FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial instruments comprise of financial assets and financial liabilities. The Company's financial assets mainly consist of short-term deposits, cash at banks, trade receivables and certain other current assets. Its financial liabilities mainly consist of trade payables, lease liabilities and certain payable, dividend payable and accruals.

The management has assessed that fair value of cash at bank, trade receivables and other receivables, short term Murabaha, trade payables, accrual and other liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

15.1 FINANCIAL ASSETS

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Financial assets measured at amortised cost		
Trade and other receivables	**235,198,719**	245,984,261
Short term Murabaha	**10,191,667**	10,001,347
Cash and cash equivalents	**52,977,575**	61,971,835
	298,367,961	317,957,443

15.2 FINANCIAL LIABILITIES

	30 June 2026 (Unaudited)	*31 December 2025 (Audited)*
Financial liabilities measured at amortised cost		
Trade payables	**22,060,298**	22,188,285
Accruals and other current liabilities	**96,722,410**	94,342,161
Lease liabilities	**963,269**	1,656,211
Dividend payable	**12,680,149**	12,477,451
Total financial liabilities	**132,426,126**	130,664,108
Non-current	**843,269**	936,211
Current	**131,582,857**	129,727,897
Total financial liabilities	**132,426,126**	130,664,108

16. DIVIDENDS

On 24 Jumada Al-Alkhirah 1447H (corresponding to 15 December 2025), the Board of Directors of the Company recommended dividend of SR 72 million at SR 0.60 per share for distribution from the retained earnings. The General Assembly approved these dividends on 3 Thul-Qi'dah 1447H (corresponding to 20 April 2026).

On 21 Rajab 1446H (corresponding to 21 January 2025), the Board of Directors of the Company recommended dividend of SR 150 million at SR 1.25 per share for distribution from the retained earnings. The General Assembly approved these dividends on 19 Shawwal 1446H (corresponding to 17 April 2025).

17. EVENTS SUBSEQUENT TO THE REPORTING DATE

In the opinion of management, there are no events have occurred subsequent to the reporting date and before the issuance of these financial statements which requires adjustment to, or disclosure, in these financial statements.

18. BOARD OF DIRECTORS' APPROVAL

The interim condensed financial statements were approved by the Board of Directors on 22 Safar 1448H corresponding to 5 August 2026.