

**YAMAMA CEMENT COMPANY
(SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026**

**Yamama Cement Company
Saudi Joint Stock Company
INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
AND INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE MONTH-PERIOD ENDED MARCH 31, 2026**

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REPORT ON THE REVIEW OF THE INTERIM CONDENSED FINANCIAL STATEMENTS

To the **Shareholders of YAMAMA Cement Company**
(A Saudi Joint Stock Company)

Introduction:

We have reviewed the interim condensed financial statements of YAMAMA Cement Company (the Company), which comprise the interim condensed statement of financial position as at March 31, 2026, and the interim condensed statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and notes to the interim condensed financial statements, including a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation and presentation for 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 condensed 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 in Auditing, as 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.

Professional Consultants Company



Abdullah S. Al Misned
License No. (456)

Riyadh:
11 Dhu al Qadah 1447H
28 April 2026



YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS OF MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

	Note	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Assets			
Non-current assets			
Property, plant and equipment, Net	(3)	5,928,437,161	5,938,946,684
Intangible assets, Net	(4)	20,562,758	14,973,083
Right of use assets, Net	(5)	4,537,435	4,962,820
Investments in associates using equity method, Net	(6)	55,102,104	54,977,783
Financial assets at fair value through other comprehensive income	(7)	283,677,268	282,694,673
Total non-current assets		6,292,316,726	6,296,555,043
Current assets			
Trade receivables		292,922,815	276,364,578
Inventory	(8)	634,269,076	577,318,740
Prepayments and other debit balances		69,416,297	43,180,083
Financial assets at fair value through profit or loss	(9)	300,000,000	227,000,000
Cash and cash equivalents		74,141,618	52,296,760
Total current assets		1,370,749,806	1,176,160,161
Total Assets		7,663,066,532	7,472,715,204
Shareholders' Equity and liabilities			
Shareholders' Equity:			
Share capital	(1)	2,025,000,000	2,025,000,000
Statutory reserve		726,883,763	726,883,763
Additional reserve		579,936,772	579,936,772
Retained earnings		1,824,960,925	1,681,089,849
Cumulative change in fair value of other comprehensive income		(42,236,024)	(43,218,618)
Total Shareholders' Equity		5,114,545,436	4,969,691,766
Non-current liabilities			
Long term loans- non-current portion	(10)	1,594,176,471	1,447,128,852
Lease liabilities – non-current portion	(5)	1,769,305	1,756,101
Provision for land restoration cost		38,999,230	38,931,740
Employees' defined benefits obligations		166,784,139	165,562,555
Total non-current liabilities		1,801,729,145	1,653,379,248
Current liabilities:			
Trade payable		251,798,191	248,688,197
Long term loans- current portion	(10)	307,787,115	386,787,114
Lease liabilities – current portion	(5)	1,717,076	1,704,262
Due to related parties	(11)	659,527	6,904,396
Dividends payable		63,946,426	63,954,396
Accrued expenses and other credit balances		96,721,133	120,143,342
Provision for Zakat	(12)	24,162,483	21,462,483
Total current liabilities		746,791,951	849,644,190
Total liabilities		2,548,521,096	2,503,023,438
Shareholders' Equity and Liabilities		7,663,066,532	7,472,715,204

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The accompanying notes are an integral part of these financial statements.

YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UNAUDITED)
FOR THE THREE MONTH-PERIOD ENDED MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

	Note	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Revenue, Net	(13)	339,796,787	349,029,170
Cost of revenue		(185,089,187)	(178,193,236)
Gross profit		154,707,600	170,835,934
Selling and distribution expenses		(3,976,575)	(3,831,051)
General and administrative expenses		(18,454,004)	(18,455,969)
Income from main activities		132,277,021	148,548,914
Other (expenses)/ income:			
Investment income		3,708,783	1,072,846
Gain from sale of property, plant and equipment	(14)	21,376,254	9,537,970
Finance Cost		(12,798,264)	(14,023,871)
Other income		2,007,282	643,237
Income for the period before zakat		146,571,076	145,779,096
Zakat charged for the period		(2,700,000)	(3,700,000)
Net income for the period		143,871,076	142,079,096
Other Comprehensive Income:			
Items that will not be reclassified to profit or loss:			
Profits /(Losses) of change in fair value of financial assets designated at fair value through other comprehensive income		982,594	(312,644)
Total other comprehensive profit / (loss) for the period		982,594	(312,644)
Total comprehensive income for the period		144,853,670	141,766,452
Earnings per share:			
From net income for the period	(18)	0.71	0.70

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The accompanying notes are an integral part of these financial statements.

YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

	Share Capital	Statutory Reserve	Additional Reserve	Retained Earnings	Cumulative change in fair value of other comprehensive income	Total
Balance as of 1 January 2025 (Audited)	2,025,000,000	726,883,763	579,936,772	1,410,340,907	101,171,726	4,843,333,168
Profit for the period (Unaudited)	-	-	-	142,079,096	-	142,079,096
Other comprehensive loss for the period	-	-	-	-	(312,644)	(312,644)
Balance as of 31 March 2025 (Unaudited)	2,025,000,000	726,883,763	579,936,772	1,552,420,003	100,859,082	4,985,099,620
Balance as at 1 January 2026 (Audited)	2,025,000,000	726,883,763	579,936,772	1,681,089,849	(43,218,618)	4,969,691,766
Profit for the period (Unaudited)	-	-	-	143,871,076	-	143,871,076
Other comprehensive profit for the period	-	-	-	-	982,594	982,594
Balance as at 31 March 2026 (Unaudited)	2,025,000,000	726,883,763	579,936,772	1,824,960,925	(42,236,024)	5,114,545,436

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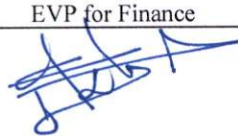

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The accompanying notes are an integral part of these financial statements.

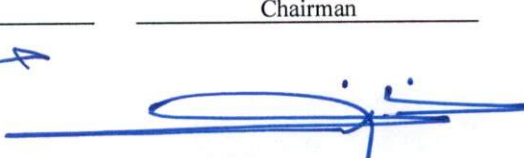
YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before zakat for the period	146,571,076	145,779,096
Adjustments to reconcile net profit for the period to net cash provided by operating activities:		
Depreciation and amortization	52,242,256	49,117,804
Employees defined benefit obligations	2,447,175	2,275,748
Provision for land restoration cost	67,490	2,227,357
Gain from sale of property, plant and equipment	(21,376,254)	(9,537,970)
Realized gain from financial assets at fair value through other comprehensive income	(625,287)	(831,537)
Realized gain from financial assets at fair value through profit or loss	(2,959,175)	-
Profits from investments in associated companies	(124,321)	(241,309)
Finance Cost	12,798,264	14,023,871
	189,041,224	202,813,060
Changes in working capital		
Trade receivable	(16,558,237)	(22,380,349)
Inventory	(56,950,336)	(39,676,337)
Prepayments and other debit balances	(26,236,214)	36,810,864
Trade payable	3,109,994	74,545,949
Due to related parties	(6,244,869)	(2,118,224)
Accrued expenses and other credit balances	(38,236,622)	(29,269,256)
Employees defined benefits obligations paid	(1,434,029)	(682,540)
Operating financing costs paid	(4,691,994)	(3,678,105)
	41,798,917	216,365,062
Cash flows generated from operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at fair value through profit or loss	(73,000,000)	-
Purchase of property, plant, and equipment	(10,469,597)	(3,403,526)
Purchase of intangible assets	(750,000)	-
Proceeds from sale of property, plant, and equipment	22,387,558	10,998,396
Additions to capital works in progress	(25,641,980)	(154,551,759)
Proceeds from investment income	3,584,462	831,537
Capital financing costs paid	(4,130,169)	(3,492,620)
	(88,019,726)	(149,617,972)
Net cash flows used in investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES		
Repaid amount of long-term loan	(191,952,381)	(181,952,381)
Proceeds from long-term loan	260,000,000	135,000,000
Dividends paid	(7,970)	(170,100)
Change in lease obligations	26,018	38,454
	68,065,667	(47,084,027)
Net cash flows generated from / (used in) financing activities		
Change in cash and cash equivalents	21,844,858	19,663,063
Cash and cash equivalents at the beginning of the period	52,296,760	61,033,582
Cash and cash equivalents at the end of the period	74,141,618	80,696,645

The disclosure of non-cash activities in the Note (15).

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The accompanying notes are an integral part of these financial statements.

YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

1. THE COMPANY AND NATURE OF ITS BUSINESS:

1. THE COMPANY AND NATURE OF ITS BUSINESS:

1.1 Establishment of Company

YAMAMA Cement Company is a Saudi Joint Stock Company - formed by Royal Decree No. 15 dated 13/3/1381H – and registered in Riyadh city under Commercial Registration No. 1010001578 dated 18-4 1379H.

1.2 Nature of Company's Activity

The nature of the company's activity is the manufacture and production of cement, its derivatives, components and trading in it inside and outside the Kingdom of Saudi Arabia, with industrial license number (2370) dated 22/09/1439 AH.

1.3 Company's Capital

YAMAMA Cement Company is a public joint stock company listed on the Saudi stock market. With a capital of SAR 2,025 million divided into 202,5 million shares with a value of 10 SAR per share, It is wholly owned by individuals and public institutions.

2. BASIS OF PREPARATION:

2.1 Statement of compliance

The preliminary condensed financial statements of the company have been prepared in accordance with International Accounting Standard (IAS) No. 34 "Interim Financial Reporting" as adopted in the Kingdom of Saudi Arabia. These preliminary condensed financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the company's annual financial statements as of December 31, 2025. Additionally, the results of operations for the three-month period ending on March 31, 2026, do not necessarily indicate the results of operations for the year ending December 31, 2026.

2.2 Basis of measurement

Financial statements are prepared in accordance with the principle of historical cost and using Accrual basis and the concept of continuity of activity, excluding financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss and investments in Islamic Murabaha that are proven at fair value through the statement of profits or losses and investments in associate companies which are recorded in accordance with the method of equity.

2.3 Functional and presentation currency

The financial statements are prepared in Saudi Riyals, which is the functional and presentation currency for the Company, all the numbers are rounded to the nearest Saudi Riyal, unless otherwise indicated.

2.4 Significant accounting policies

The accounting policies applied in the preparation of the preliminary condensed financial statements for the three-month period ending March 31, 2026, are the same as those applied in the financial statements for the year ending December 31, 2025.

2.5 Significant accounting estimates, judgements, and assumptions

The preparation of the preliminary condensed financial statements requires management to make estimates, judgments, and assumptions that affect the amounts disclosed for revenues, expenses, assets, liabilities, related disclosures, and the disclosure of contingent liabilities. Uncertainty regarding these assumptions and estimates may result in outcomes that require material adjustments to the carrying amounts of assets or liabilities that are affected in future periods. The estimates and key assumptions are reviewed continuously. Adjustments to accounting estimates are recognized in the period in which the estimate is revised, and in any future periods affected by these adjustments. The significant accounting estimates and judgments applied in the preparation of the preliminary condensed financial statements for the three-month period ending March 31, 2026, are the same as those applied in the financial statements for the year ending December 31, 2025.

2.6 Geopolitical Developments

The company continues to monitor regional geopolitical developments and their potential impact on the Kingdom of Saudi Arabia, given that the majority of the company's operations are conducted within the Kingdom. While conditions remain evolving, the company maintains a strong operational framework to manage the associated risks. These developments have not resulted in any material impact on the company's financial statements for the period ended March 31, 2026. However, due to the changing nature of the situation, the company will continue to assess potential long-term impacts on its business in future reporting periods.

YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

3. PROPERTY, PLANT, AND EQUIPMENT:

	<u>Land</u>	<u>Buildings and Construction</u>	<u>Plants and Machinery</u>	<u>Vehicles</u>	<u>Tools</u>	<u>Furniture and Office Equipment</u>	<u>*Capital Works in Progress</u>	<u>Total</u>
Cost								
Balance as at January 1,2026	12,234,510	2,905,462,895	4,180,751,140	16,188,371	16,333,582	56,937,808	1,205,456,525	8,393,364,831
Additions	-	181,145	9,765,521	-	460,731	62,200	30,972,383	41,441,980
Transferred from\ to capital works in progress	-	-	43,264,368	-	-	-	(43,264,368)	-
Disposals	-	(201,330)	(11,395,534)	(1,014,664)	-	(5,571,564)	-	(18,183,092)
Balance as at March 31,2026	12,234,510	2,905,442,710	4,222,385,495	15,173,707	16,794,313	51,428,444	1,193,164,540	8,416,623,719
Accumulated depreciation and Impairment								
Balance as at January 1,2026	-	815,736,677	1,566,277,748	15,665,035	9,558,803	47,179,884	-	2,454,418,147
Depreciation charged for the period	-	21,505,347	27,980,061	146,005	236,089	1,072,697	-	50,940,199
Disposals	-	(201,330)	(10,384,241)	(1,014,654)	-	(5,571,564)	-	(17,171,789)
Balance as at March 31,2026	-	837,040,694	1,583,873,568	14,796,386	9,794,892	42,681,017	-	2,488,186,557
Net Book Value:								
Balance as at March 31,2026	12,234,510	2,068,402,016	2,638,511,926	377,321	6,999,421	8,747,427	1,193,164,540	5,928,437,161

* Capital work in progress as of 31 March 2026 includes an amount of SAR 1.173 million representing expenditures related to the third production line project which began its trial operation phase during the first quarter of 2026, resulting in sales that were recognized in the current quarter.

YAMAMA CEMENT COMPANY
SAUDI JOINT STOCK COMPANY
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026
(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

3. PROPERTY, PLANT, AND EQUIPMENT (continued):

	<u>Land</u>	<u>Buildings and Construction</u>	<u>Plants and Machinery</u>	<u>Vehicles</u>	<u>Tools</u>	<u>Furniture and Office Equipment</u>	<u>Capital Works in Progress</u>	<u>Total</u>
Cost								
Balance as at January 1,2025	12,234,510	2,854,120,814	3,969,498,278	20,895,925	14,340,708	55,407,014	1,142,381,610	8,068,878,859
Additions during the year	-	1,949,543	16,821,333	108,190	1,992,874	1,403,279	389,663,261	411,938,480
Transferred from\ to capital works in progress	-	49,392,538	277,068,293	-	-	127,515	(326,588,346)	-
Disposals	-	-	(82,636,764)	(4,815,744)	-	-	-	(87,452,508)
Balance as at December 31,2025	<u>12,234,510</u>	<u>2,905,462,895</u>	<u>4,180,751,140</u>	<u>16,188,371</u>	<u>16,333,582</u>	<u>56,937,808</u>	<u>1,205,456,525</u>	<u>8,393,364,831</u>
Accumulated depreciation and Impairment								
Balance as at January 1,2025	-	730,978,595	1,496,378,484	19,829,593	8,752,542	43,060,699	-	2,298,999,913
Depreciation charged for the year	-	84,758,082	97,846,653	651,186	806,261	4,119,185	-	188,181,367
Disposals	-	-	(59,749,164)	(4,815,744)	-	-	-	(64,564,908)
Impairment	-	-	31,801,775	-	-	-	-	31,801,775
Balance as at December 31,2025	<u>-</u>	<u>815,736,677</u>	<u>1,566,277,748</u>	<u>15,665,035</u>	<u>9,558,803</u>	<u>47,179,884</u>	<u>-</u>	<u>2,454,418,147</u>
Net Book Value:								
Balance as at December 31,2025	<u>12,234,510</u>	<u>2,089,726,218</u>	<u>2,614,473,392</u>	<u>523,336</u>	<u>6,774,779</u>	<u>9,757,924</u>	<u>1,205,456,525</u>	<u>5,938,946,684</u>

* Capital work in progress as of 31 December 2025 includes an amount of SAR 1.196 million representing expenditures related to the production line project.

YAMAMA CEMENT COMPANY

Saudi Joint Stock Company

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026

(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

4. INTANGIBLE ASSETS:

	Intangible Assets	Capital works in progress	Total
Cost:			
Balance as at 1 January 2026	24,132,030	7,865,215	31,997,245
Additions during the Period	750,000	5,716,347	6,466,347
Total costs as at 31 March 2026	24,882,030	13,581,562	38,463,592
Accumulated Amortization			
Balance as at 1 January 2026	17,024,162	-	17,024,162
Amortization charged the period	876,672	-	876,672
Balance as at 31 March 2026	17,900,834	-	17,900,834
Net book value as at 31 March 2026	6,981,196	13,581,562	20,562,758
Net book value as at 31 December 2025	7,107,868	7,865,215	14,973,083

5. LEASE CONTRACTS:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Right to use assets		
Cost:		
Balance at beginning of the period/year	15,056,123	15,056,123
Balance at end of the period/year	15,056,123	15,056,123
Accumulated Amortization:		
Balance at beginning of the period/year	10,093,303	8,391,763
Amortization during the period/year	425,385	1,701,540
Balance at end of the period/year	10,518,688	10,093,303
Net book value as at the end of the period/year	4,537,435	4,962,820

Lease obligations

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Cost:		
Balance at beginning of the period/year	3,460,363	5,114,319
Interest charged during the period/year	26,018	151,044
Payments made during the period/year	-	(1,805,000)
Balance at end of the period/year	3,486,381	3,460,363
The current portion of leasing obligations	1,717,076	1,704,262
Non-current portion of leasing obligations	1,769,305	1,756,101
	3,486,381	3,460,363

YAMAMA CEMENT COMPANY**Saudi Joint Stock Company**

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2026

(ALL AMOUNTS EXPRESSED IN SAUDI RIYAL UNLESS OTHERWISE STATED)

6. INVESTMENTS IN ASSOCIATE USING EQUITY METHOD:

	Percentage equity %	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Saudi Yamani Cement Co. (closed joint Stock)	20%	75,060,000	75,060,000
Less: Provision for Investments		<u>(75,060,000)</u>	<u>(75,060,000)</u>
Net, Investment in Saudi Yamani Cement Co. (closed joint stock)		-	-
Cement Product Industry Co. Ltd.	33.33%	55,102,104	54,977,783
		<u>55,102,104</u>	<u>54,977,783</u>

7. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME:

	Percentage equity %	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Investments in Securities:			
Industrialization & Energy Service Co. (Saudi Joint Stock Co.)	3.92%	247,499,930	247,499,930
Investments in real estate funds and sukuk		36,177,338	35,194,743
Total		<u>283,677,268</u>	<u>282,694,673</u>

8. INVENTORY:

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Work in Process	475,017,377	424,032,529
Spare parts	139,565,016	131,216,894
Raw materials	9,065,135	8,969,119
Finished Goods	8,488,514	11,213,220
Packing materials	2,133,034	1,886,978
	<u>634,269,076</u>	<u>577,318,740</u>

9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Islamic Murabaha	300,000,000	227,000,000
Total	<u>300,000,000</u>	<u>227,000,000</u>

These Murabaha placements represent Islamic deposits invested with local banks in accordance with Sharia compliant structures, and all of them are short-term in nature.

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10 . LONG TERM LOANS:

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
Local Banks (a)	1,901,963,586	1,728,915,966
Saudi Industrial Development Fund (b)	-	105,000,000
Total	1,901,963,586	1,833,915,966
Classified as follows:		
Long term loans – Current portion	307,787,115	386,787,114
Long term loans – Non-current portion	1,594,176,471	1,447,128,852
	1,901,963,586	1,833,915,966

(a) Loan from Local Banks:

The company obtained Islamic facilities in the form of long, medium, and short-term loans (Islamic Murabaha compatible with Islamic Sharia) from local banks amounting to 2,920 million Saudi riyals to finance projects, refinance loans, finance working capital, and enhance liquidity. The Islamic banking facilities (Islamic Murabaha) that are not used from long term loans and available for use amounted to 478,53 million riyals as of March 31, 2026, AD. These facilities are subject to a commission according to the commission rates accepted between banks in Saudi Arabia (SIBOR), plus an agreed upon margin, and these facilities are guaranteed by promissory notes. The loans are repaid on a semi-annual basis. The loan agreement includes certain pledges with the banks. Under the terms of this agreement, the management monitors the pledges periodically.

(b) Loan from Saudi Industrial Development Fund:

On December 20, 2016, the company obtained long-term financing compatible with Sharia regulations in the amount of 900 million Saudi riyals from the Saudi Industrial Development Fund for the purpose of financing the construction of the new Yamama Cement Factory in the northern Al-Halal region of Al-Kharj Governorate affiliated of Riyadh Region, the financing is secured by a pledge of the new factory's assets in addition to promissory notes. The loan will be repaid in 12 semi-annual payments, with repayments started in September 2020. The loan agreement includes certain commitments with the Saudi Industrial Development Fund. Under the terms of this agreement, the management monitors the pledges periodically, And the final installment was paid in the first quarter of 2026.

11. RELATED PARTIES:

Dealing with related parties are in ordinary scope of work for the Company. Determining the value of those transactions by fair value.

	March 31, 2026	December 31, 2025
	(Unaudited)	(Audited)
Due to Related Parties:		
Cement Product Industry Co. Ltd.	651,801	1,767,018
Arabian Shield Co-operative Insurance Co (Saudi Joint Stock)	7,726	-
Sahl Al-Madar Trading Co. Ltd.	-	5,137,378
	659,527	6,904,396

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11. RELATED PARTIES (continued):**Significant year end balances arising from transactions with related parties are as follows:**

	Nature	Type of Transactions	March 31, 2026 (Unaudited)	March 31, 2025 (Unaudited)
Cement Product Industry Co. Ltd.	Affiliate company	Purchasing Packing Paper Bags	4,250,880	4,553,280
Arabian Shield Co-operative Insurance Co (Saudi Joint Stock)	(A)	Insurance	3,873,098	2,629,219
Saudi Yamani Cement (Joint Stock Co.)	Affiliate company	Payments on behalf	86,850	155,925
Sahl Al-Madar Trading Co. Ltd.	(B)	Development of logistics services	-	1,877,460

A. The Chairman of the Board of Directors of the Arabian Shield Cooperative Insurance Company is the Chairman of the Board of Directors of the company.

A. Board member of Arabian Shield Co-operative Insurance Company is Vice Chairman of the Company's Board of Directors.

B. Board member of Sahl Al-Madar Trading Company He is Vice Chairman of the Company's Board of Directors.

12. ZAKAT PROVISION:**The movement in zakat provision is as follows:**

	March 31, 2026 (Unaudited)	December 31, 2025 (Audited)
Balance as at 1 January	21,462,483	19,462,616
Charged during the period/year	2,700,000	13,000,000
Paid during the period/year	-	(11,000,133)
Net book value as at the end of the period/year	24,162,483	21,462,483

13. REVENUE:

The company sells cement products and derivatives, and there is no significant difference between the selling prices or production costs for bulk or packaged cement. The sales occur at a point in time, and the sales transactions are not conducted over a period of time.

14. GAINS FROM THE SALE OF PROPERTY, PLANT AND EQUIPMENT:

The value of gains from the sale of property, plant, and equipment represents the profits resulting from the sale of certain accessories of old production lines and part of old gas turbines during the first three months of 2026, which had been fully depreciated.

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15. NON-CASH TRANSACTIONS

	March 31, 2026	March 31, 2025
	(Unaudited)	(Unaudited)
Loss of change in fair value of financial assets designated at fair value through other comprehensive income	982,594	(312,644)
Transfer from employee defined benefits obligations to capital work-in-progress	208,438	207,525
Transfer from capital work-in-progress to assets	43,264,368	127,515
Transfer from capital work-in-progress to intangible assets	-	1,501,535
Operating Financing Costs	8,106,270	10,345,766
Capital Financing Costs	6,708,143	7,489,338

16. FAIR VALUE OF FINANCIAL TOOLS:

Fair value is the amount received when an asset is sold or paid to transfer a liability in an organized transaction between market participants on the date of measurement. The Company's financial instruments consist of financial assets and financial liabilities.

The Company's financial assets consist of cash and its judgment, commercial debtors and payments to suppliers and other debtor assets due from related parties.

Financial liabilities consist of credit suppositions and receivables to related parties and other credit balances. The fair value of financial instruments is not fundamentally different from their listed value, unless otherwise indicated.

17. RISK MANAGEMENT:**Credit risk**

Credit risk represents one party's inability to meet its obligations, resulting in the other party incurring financial loss. The Company is committed to managing customer-related credit risk by setting credit limits for each customer and monitoring existing debits.

Special commission price risk

Special commission price risk relates to the risks resulting from the fluctuation of the value of a financial instrument as a result of the change in the prevailing commission rates in the market, and the Company is subject to the risk of special commission rates on its assets associated with special commissions such as Murabaha deposits and credit facilities.

Liquidity risk

Liquidity risks represent the Company's difficulties in providing funds to meet financial instrument obligations. Liquidity risk results from the inability to sell a financial asset quickly at an amount equivalent to its fair value. The Company manages liquidity risks by maintaining cash balances with banks and ensuring that adequate facilities can be obtained, if necessary, to continuously cover its At maturity obligations. The following are the contractual maturities of financial liabilities as at the end of the reporting period. The amounts are presented on a gross basis and include estimated interest payments up to the maturity date.

<u>As of March 31, 2026</u>	Book Value	On demand or less than one year	From 1 to 5 years	More than 5 years	Total
Loans and facilities	1,901,963,586	414,395,976	1,515,512,978	344,746,556	2,274,655,510
Trade and other payables	348,519,324	348,519,324	-	-	348,519,324
Lease liabilities	3,486,381	1,717,076	1,769,305	-	3,486,381
	<u>2,253,969,291</u>	<u>764,632,376</u>	<u>1,517,282,283</u>	<u>344,746,556</u>	<u>2,626,661,215</u>

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17. RISK MANAGEMENT (continued):**Liquidity risk (continued)**

<u>As of</u> <u>December 31, 2025</u>	Book Value	On demand or less than one year	From 1 to 5 years	More than 5 years	Total
Loans and facilities	1,833,915,966	486,277,114	1,298,595,963	375,652,887	2,160,525,966
Trade and other payables	368,831,539	368,831,539	-	-	368,831,539
Lease liabilities	3,460,363	1,704,263	1,756,100	-	3,460,363
	2,206,207,868	856,812,916	1,300,352,064	375,652,888	2,532,817,868

Currency risk

Currency risk resulting from fluctuating value of financial instruments is the result of changes in foreign exchange rates. The Company is subject to fluctuations in foreign exchange rates during its normal business cycle. The Company did not conduct any significant transactions in currencies other than the Saudi riyal, US dollar and euro during the year.

Capital management

The Company's objective in managing capital is to maintain the Group's ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders, and to maintain a strong capital base to support the sustainable development of its business.

18. EARNINGS PER SHARE FOR THE YEAR:

Profit per share by division of profit for the year is calculated by the weighted rate of the number of shares during the year and stated as follows:

	March 31, 2026	March 31, 2025
	<u>(Unaudited)</u>	<u>(Unaudited)</u>
Net profit for the year of the Company's shareholders	143,871,076	142,079,096
Weighted average number of shares	202,500,000	202,500,000
Share of profit for period	0.71	0.70

- There is no difference between the weighted average number of shares used in calculating basic earnings per share and that used in calculating diluted earnings per share.

19. GEOGRAPHICAL DISTRIBUTION:

All of the Company's assets and liabilities are located in Saudi Arabia except for investments in the Saudi Yamani Cement Company, which is headquartered in Yemen (note 6).

20. SEGMENT INFORMATION:

The company's main activities consist of the manufacture and production of cement, its derivatives, by-products, and components. All of these are sold to local customers; therefore, the company does not report on operating segments in terms of multiple products or different geographical areas.

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21. CONTINGUOUSION AND COMMITMENTS:

- A.** The Company engages in commitments related to Capital works in progress as at March 31, 2026, Amounted to SAR 303 million (as at December 31, 2025: SAR 207 million).
- B.** The potential liabilities are the value of the letters of guarantee and credit issued to third parties by the Company, which amounted to SAR 139,47 million as of March 31, 2026, for third-party services (as at December 31, 2025: 88 million).

22. RECLASSIFICATION OF COMPARATIVE FIGURES:

Certain comparative figures have been reclassified to conform with the current period's presentation for the three month period ended March 31, 2026.

23. THE SUBSEQUENT EVENTS:

On April 13, 2026, the Ordinary General Assembly, in its first meeting, approved the Board of Directors' recommendation to distribute cash dividends amounting to SAR 202,500,000 to shareholders for the fiscal year ending December 31, 2025. This represents SAR 1.00 per share, equivalent to 10% of the nominal value per share.

24. THE APPROVAL OF THE FINACIAL STATEMENTS:

These financial statements were approved by the Company's Board of Directors on April 27, 2026, Dhul – Qidah 10, 1447H.