



Building for a better future

CITY CEMENT COMPANY

(A SAUDI JOINT STOCK COMPANY)

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE THREE AND NINE-MONTH PERIOD ENDED 30 September 2025

AND INDEPENDENT AUDITOR'S REVIEW REPORT

**INDEX OF CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE
AND NINE-MONTH PERIODS ENDED 30 September 2025 (UNAUDITED)**

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INDEPENDENT AUDITOR'S REVIEW REPORT ON THE CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

To the Shareholders of
CITY CEMENT COMPANY
A Saudi Joint Stock Company

Riyadh, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying condensed interim consolidated statement of financial position of City Cement Company (The "Company"), and its subsidiaries (together the "Group") as at 30 September 2025 and the related condensed interim consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the nine-month period then ended including other explanatory notes.

Management is responsible for the preparation and presentation of this condensed interim consolidated financial statements in accordance with International Accounting Standard "Interim Financial Reporting" (IAS 34), that is endorsed in the Kingdom of Saudi Arabia. Our responsibility is to express a conclusion on these condensed interim 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 financial information 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 condensed interim consolidated financial statements is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' that is endorsed in the Kingdom of Saudi Arabia.

For Dr. Mohamed Al-Amri & Co.,



Gihad Mohamed Al-Amri
Certified Public Accountant
License No. 362

Riyadh, on: 7 Jumada al Ula 1447 (H)
Corresponding to: 29 October 2025 (G)



CITY CEMENT COMPANY

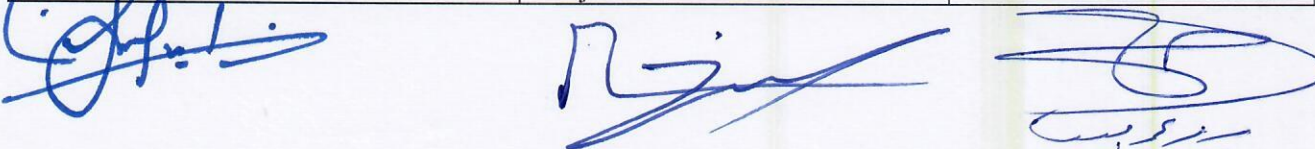
A Saudi Joint Stock Company

CONDENSED INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All amounts in SAR unless otherwise stated)

		Balance As at	
	Notes	30 September 2025 (Unaudited)	31 December 2024 (Audited)
Assets			
Non-current assets			
Property, plant and equipment	5	1,142,140,958	1,190,962,122
Right of use assets	6	2,592,477	2,420,497
Investment in equity instruments at fair value through other comprehensive income	7	2,747,962	3,130,801
Investments in Joint Venture	8	3,497,068	3,607,539
Intangible assets		7,249,245	7,602,920
Total non-current assets		1,158,227,710	1,207,723,879
Current assets			
Inventory		160,432,779	156,419,480
Trade receivables		39,349,708	44,143,524
Financial investments at fair value through profit or loss	9	166,902,951	214,976,744
Prepayments and other receivables		36,080,498	13,193,235
Short term time deposit		331,000,000	216,000,000
Cash and cash equivalents		11,620,298	42,358,215
Total current assets		745,386,234	687,091,198
Total assets		1,903,613,944	1,894,815,077
Equity and Liabilities			
Equity			
Share capital		1,400,000,000	1,400,000,000
Other reserves		(821,181)	(438,342)
Retained earnings		401,237,276	395,568,374
Total equity		1,800,416,095	1,795,130,032
Liabilities			
Non-current liabilities			
Employees' end-of-service benefits		23,667,683	19,430,653
Non-Current portion of lease liability		554,424	
Provision for rehabilitation of areas subject to franchise license	10	7,771,141	7,544,794
Total non-current liabilities		31,993,248	26,975,447
Current liabilities			
Trade payables		38,033,819	29,739,991
Current portion of lease liability		582,786	1,695,396
Accrual and other payables		21,951,204	28,470,457
Provision for zakat		10,636,792	12,803,754
Total current liabilities		71,204,601	72,709,598
Total liabilities		103,197,849	99,685,045
Total equity and liabilities		1,903,613,944	1,894,815,077

Chief Financial and Administrative Officer	CEO and Board Member	Chairman
Abdulaziz Bin Mohamed Alsuwaidan	Majed Bin Abdulrahman Al-Osailan	Bader Bin Omar Al-Abdullatif



The accompanying notes from (1) to (19) form an integral part of these condensed interim consolidated financial statements

CITY CEMENT COMPANY

A Saudi Joint Stock Company

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

(All amounts in ﷲ unless otherwise stated)

	Notes	For the three-month period ended 30 September		For the nine-month period ended 30 September	
		2025	2024	2025	2024
Sales		96,491,359	130,110,462	385,248,667	361,219,557
Cost of sales		(81,065,082)	(84,233,593)	(260,985,582)	(227,334,019)
Gross profit		15,426,277	45,876,869	124,263,085	133,885,538
General and administrative expenses		(10,292,798)	(10,854,441)	(30,071,352)	(29,119,990)
Selling and marketing expenses		(1,482,833)	(3,283,135)	(10,586,968)	(10,021,051)
Operating profit		3,650,646	31,739,293	83,604,765	94,744,497
Other income, net		5,514,658	3,522,505	16,799,075	12,085,957
Group's share in losses of joint venture	8	(90,463)	-	(110,471)	-
Gains of changes in fair value of financial investments through profit or loss	9	2,666,069	2,202,204	9,071,122	6,317,586
Finance cost		(89,546)	(83,564)	(268,981)	(272,942)
Provision for expected credit loss expense		(60,000)	(60,000)	(180,000)	(180,000)
Net profit for the period before zakat		11,591,364	37,320,438	108,915,510	112,695,098
Zakat expense		(2,842,952)	(3,662,723)	(12,246,608)	(9,662,723)
Net profit for the period		8,748,412	33,657,715	96,668,902	103,032,375
Items of other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Gain (loss) on changes in fair value of investment in equity instruments	7	33,485	(89,292)	(382,839)	(658,529)
Total comprehensive income for the period		8,781,897	33,568,423	96,286,063	102,373,846
Earnings per share					
Basic and diluted earnings per share of net profit for the period	11	0,06	0,24	0,69	0,74

Chief Financial and Administrative Officer	CEO and Board Member	Chairman
Abdulaziz Bin Mohamed Alsuwaidan	Majed Bin Abdulrahman Al-Osailan	Bader Bin Omar Al-Abdullatif

The accompanying notes from (1) to (19) form an integral part of these condensed interim consolidated financial statements

CITY CEMENT COMPANY

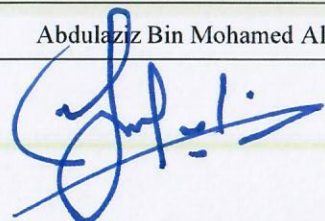
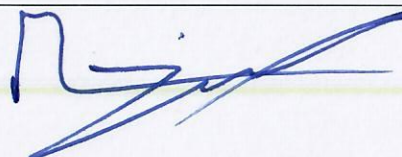
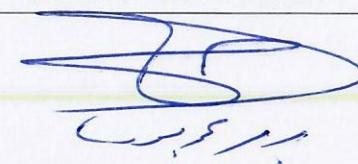
A Saudi Joint Stock Company

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

(All amounts in SAR unless otherwise stated)

	Share capital	Statutory reserve	Other reserves	Retained earnings	Total equity
For the nine-month period ended 30 September 2025					
Balance as at 1 January 2025 (Audited)	1,400,000,000	-	(438,342)	395,568,374	1,795,130,032
Net profit for the period	-	-	-	96,668,902	96,668,902
Other comprehensive income	-	-	(382,839)	-	(382,839)
Total comprehensive income for the period	-	-	(382,839)	96,668,902	96,286,063
Dividends	-	-	-	(91,000,000)	(91,000,000)
Balance as at 30 September 2025 (Unaudited)	1,400,000,000	-	(821,181)	401,237,276	1,800,416,095
For the nine-month period ended 30 September 2024					
Balance as at 1 January 2024 (Audited)	1,400,000,000	211,199,871	(1,264,866)	166,248,570	1,776,183,575
Net profit for the period	-	-	-	103,032,375	103,032,375
Other comprehensive income	-	-	(658,529)	-	(658,529)
Total comprehensive income for the period	-	-	(658,529)	103,032,375	102,373,846
Transfer of statutory reserve balance to retained earnings	-	(211,199,871)	-	211,199,871	-
Dividends	-	-	-	(126,000,000)	(126,000,000)
Balance as at 30 September 2024 (Unaudited)	1,400,000,000	-	(1,923,395)	354,480,816	1,752,557,421

Chief Financial and Administrative Officer	CEO and Board Member	Chairman
Abdulaziz Bin Mohamed Alsuwaidan	Majed Bin Abdulrahman Al-Osailan	Bader Bin Omar Al-Abdullatif

The accompanying notes from (1) to (19) form an integral part of these condensed interim consolidated financial statements.

CITY CEMENT COMPANY

A Saudi Joint Stock Company

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)

(All amounts in ﷲ unless otherwise stated)

	For the nine-month period ended 30 September	
	2025	2024
<u>Operating activities</u>		
Net profit for the period before zakat	108,915,510	112,695,098
<u>Adjustments:</u>		
Depreciation	71,953,031	66,858,954
Loss from disposal of property, plant and equipment	373,664	-
Gain on changes in fair value of investment in equity instruments	(9,071,122)	(6,317,586)
Provision for expected credit loss expense	180,000	180,000
Provision for obsolescence inventory expense	225,000	225,000
Employees' end-of-service benefits	4,970,720	1,769,127
Group's share in losses of joint venture	110,471	(20,400)
Finance cost	268,981	272,942
<u>Changes in:</u>		
Inventory	(4,238,299)	2,482,265
Trade receivables	4,613,816	(6,369,383)
Prepayments and other receivables	(22,887,263)	7,351,912
Due from related party	-	(2,046,523)
Trade payables	8,293,828	(4,897,277)
Accrual and other payables	(6,653,118)	7,126,039
Cash from operation	157,055,219	179,310,168
Zakat paid	(14,413,570)	(12,098,089)
Employees' end-of-service benefits paid	(733,690)	(949,403)
Net cash flows generated from operating activities	141,907,959	166,262,676
<u>Investing activities</u>		
Purchase of Financial Investments at fair value through profit or loss	(237,442,447)	(171,723,078)
Proceeds from the Sale of Financial Investments at fair value through profit or loss	294,587,361	163,339,633
Purchase of short time deposit	(115,000,000)	-
Purchase of property, plant and equipment	(21,710,470)	(22,595,368)
Purchase of intangible assets	-	(103,500)
Net cash flows used in investing activities	(79,565,556)	(31,082,313)
<u>Financing activities</u>		
Dividends paid	(91,000,000)	(126,000,000)
Repayments of lease liability	(2,080,320)	(1,736,320)
Net cash flows used in financing activities	(93,080,320)	(127,736,320)
Net change in cash and cash equivalents	(30,737,917)	7,444,043
Cash and cash equivalents at the beginning of the period	42,358,215	43,293,906
Cash and cash equivalents at the end of the period	11,620,298	50,737,949

Non-cash transactions from investing activities:

Transfer from capital work in progress to property, plant and equipment	-	23,005,871
Addition to Right of Use	1,713,812	-

Chief Financial and Administrative Officer	CEO and Board Member	Chairman
Abdulaziz Bin Mohamed Alsuwaidan	Majed Bin Abdulrahman Al-Osailan	Bader Bin Omar Al-Abdullatif

The accompanying notes from (1) to (19) form an integral part of these condensed interim consolidated financial statements.

CITY CEMENT COMPANY

A Saudi Joint Stock Company

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

(All amounts in Saudi Riyals unless otherwise stated)

1. THE COMPANY, ITS SUBSIDIARY AND ACTIVITY

1.1 Establishment of the Company

City Cement Company ("The Company"), is a Saudi joint stock company, established under Ministerial Resolution No. 804 and dated 12/5/1426 (corresponding to: 18/6/2005) and registered in Riyadh under Commercial Registration No. 1010210441 dated 14/5/1426H (corresponding to: 20/6/2005G) and Industrial License No. 1163/ dated 3/6/1426H (corresponding to:9/7/2005G) and renewed with No. 590 dated 10/2/1438H (corresponding to:10/11/2016G). The Company operates under a material quarry license according to the mining regulations issued by Royal Decree No. 216 dated 28/7/1425H (corresponding to: 12/9/2004G) and its duration is thirty Hijra periods starting from the date of the license, and the Company has the right to request a similar period of renewal of this license subject to the approval of the Ministry of Industry and Mineral Resources.

The Company has the following branches:

Branch name	CR No.	Date	
		Hijri	Georgian
Branch of city cement company for contracting	1010356028	16-1-1434	29-11-2012

These condensed interim consolidated financial statements include the assets, liabilities and results of the work of its subsidiaries which owned 100%, Green Solutions for environmental services & Nizak for Mining.

1.2 Climate Change

The Group is subject to short-term and long-term climate change related risks, these risks are inherent part of operating a cement industry. The Group is continuously working to reduce environmental impact from the business, in part, due to inherent risks.

Rising fuel costs and the greenhouse gas emissions associated with fuel and electricity consumption have an impact not only on the environment but also on the Group's net financial profit. Climate change also leads to risks to cement production through reduction in fuel consumption, diseases, etc., that pose challenges for sustaining and increasing production levels.

The Group has developed a sustainability strategy, outlining how it will improve its energy performance through efficient energy consumption and generation from sustainable sources. The strategy focuses on electricity generation and fuel efficiency measures powered by alternative fuels.

1.3 The company's activity

The Company's activity is the production of ordinary Portland cement and sulphate resistant cement, the import and operation of radioactive devices of the company's plants, processing waste, industrial, agricultural and municipal waste, and producing alternative fuels after obtaining the necessary licenses and specialized sub-contracts.

1.4 Company's share capital

City Cement Company is a public joint stock company listed in the Saudi capital market. Its share capital is 1,400,000,000 ﷲ divided into 140,000,000 shares with a nominal value of 10 ﷲ.

CITY CEMENT COMPANY

A Saudi Joint Stock Company

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

(All amounts in Saudi Riyals unless otherwise stated)

1. THE COMPANY, ITS SUBSIDIARY AND ACTIVITY (continued)

1.4 Company's share capital (continued)

Green Solutions for environmental services – (Subsidiary)

On 27/7/1442 H (corresponding to 10/3/2021), the company's board of directors approved the establishment of a 100% owned one-person limited liability company, headquartered in Riyadh, with a capital of 500,000 ﷲ, after obtaining the necessary approvals and licenses from the relevant authorities.

During the year 2021, the company announced the completion of the issuance of the articles of incorporation and commercial registration for its subsidiary company under Commercial Registration No. 1010664201.

The company's articles of incorporation were issued on 27 Shawwal 1442 H (corresponding to 8 June 2021).

The nature of the company's activity is as follows:

Collecting materials for recycling, transporting municipal waste, operating municipal waste dumping sites for disposal purposes, treating organic waste for the purpose of disposal, recycling and reusing municipal waste.

During the year 2023, City Cement Company, through its subsidiary, "Green Solutions Company for Environmental Services," participated in establishing the Innovative Alternatives Company for Environmental Services, with a capital of 6,770,000 ﷲ and an ownership percentage of 29.4%, for the Green Solutions Company for Environmental Services, in partnership with "Tadweer Company for Environmental Services," with an ownership percentage of 51%, owned by the Saudi Investment and Recycling Company (SIRC) and with Lichtenberg Middle East Environmental Services Company (Related Party) with an ownership percentage of 19.6%, which is 80% owned by Al-Abdullatif Holding Group and 20% by Lichtenberg Holding Company, so that the new company will produce alternative fuels from waste and market them locally and internationally.

Nizak for Mining Company – (Subsidiary)

On October 6, 2024, the subsidiary company "Nizak for Mining" was established—a limited liability company wholly owned (100%) by City Cement Company—under Commercial Registration No. (1009112679). The subsidiary specializes in providing mining services.

On October 8, 2024, City Cement Company, through its subsidiary "Nizak for Mining," signed a partnership agreement with Next Generation SCM Company. This agreement aims to establish a company specialized in processing natural raw materials using environmentally friendly technologies for use in construction activities

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The condensed interim consolidated financial statements have been prepared in accordance with International Accounting Standard (34) "Interim Financial Reporting" that is endorsed in the Kingdom of Saudi Arabia and other standards and pronouncement as issued by the Saudi Organization for Chartered and Professional Accountants ("SOCPA"). The condensed interim consolidated financial statements do not include all the information and disclosures required for a complete set of annual consolidated financial statements. The results for the nine-month period ending September 30, 2025 are not necessarily indicative of the results that can be expected for the year ending December 31, 2025, Furthermore, they should be read in conjunction with the latest consolidated financial statements for the year ended 31 December 2024.

CITY CEMENT COMPANY

A Saudi Joint Stock Company

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

(All amounts in Saudi Riyals unless otherwise stated)

2. BASIS OF PREPARATION (continued)

2.2 Condensed Interim Consolidated Financial Statements Preparation

This condensed interim consolidated financial statement has been prepared on the historical cost basis. Another basis is used if required by International Financial Reporting Standards (IFRS), and also in accordance with the accrual principle and the going concern concept.

2.3 Functional and presentation currency

These Condensed Interim consolidated financial statements are presented in Saudi Riyals “SAR”, which is the Group’s functional and presentational currency. The figures in these condensed interim consolidated financial statements have been rounded to the nearest Saudi Riyal.

2.4 Basis of consolidation

The condensed interim consolidated financial statements include the financial statements of the Company and its subsidiary (Referred as “Group”) as at 30 September 2025:

Name of Subsidiary	Legal statue	Ownership percentage as at 30 September 2025
Green Solutions for environmental services	One Person limited liability company	100%
Nizak for Mining Company	One Person limited liability company	100%

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee).
- Exposure, or rights, to variable returns from its involvement with the investee.
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights results in control to support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement(s) with the other vote holders of the investee;
- Rights arising from other contractual arrangements;
- The Group’s voting rights and potential voting rights.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiaries begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

CITY CEMENT COMPANY

A Saudi Joint Stock Company

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025 (UNAUDITED)

(All amounts in Saudi Riyals unless otherwise stated)

2. BASIS OF PREPARATION (continued)

2.4 Basis of consolidation (continued)

Profit or loss and each component of other comprehensive income (FVOCI) are attributed to the equity holders of the Group.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

New standards, amendments to standards, and interpretation

The following are the new standards, interpretations, and amendments effective in the current period that had no impact on these condensed interim consolidated financial statements.

<u>IFRS</u>	<u>Summary</u>	<u>Effective date</u>
IAS 21	Amendment – Lack of Exchangeability	1 January 2025

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied to the condensed Interim consolidated financial statements are the same as those accounting policies applied for annual financial statements as of 31 December 2024. The Group's financial risk management policies and objectives are consistent with those disclosed in consolidated financial statements as of 31 December 2024.

4 SIGNIFICANT JUDGEMENTS AND ESTIMATES

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

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

CITY CEMENT COMPANY

A Saudi Joint Stock Company

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025 (UNAUDITED)**

(All amounts are in ﷻ unless otherwise stated)

5 PROPERTY, PLANT AND EQUIPMENT

	Land	Machinery and equipment	Buildings and roads	Mobile equipment	Vehicles	Furniture and fixtures	Capital work in progress	Total
Cost:								
Balance as at 1 January 2024	3,600,000	1,600,749,024	614,438,615	130,593,721	13,019,050	17,483,813	10,802,514	2,390,686,737
Additions	-	26,803,288	831,472	510,707	131,821	880,695	9,958,050	39,116,033
Transferred from Capital work in progress	-	12,123,291	-	-	-	-	(12,123,291)	-
Balance as at 31 December 2024	3,600,000	1,639,675,603	615,270,087	131,104,428	13,150,871	18,364,508	8,637,273	2,429,802,770
Additions	-	8,589,738	-	4,005,521	-	397,941	8,717,270	21,710,470
Disposals	-	(1,368,397)	-	-	-	-	-	(1,368,397)
Balance as at 30 September 2025	3,600,000	1,646,896,944	615,270,087	135,109,949	13,150,871	18,762,449	17,354,543	2,450,144,843
Accumulated depreciation:								
Balance as at 1 January 2024	-	778,055,801	250,371,043	92,826,555	12,191,924	16,559,858	-	1,150,005,181
Depreciation	-	64,687,836	18,084,808	5,139,532	266,725	656,566	-	88,835,467
Balance as at 31 December 2024	-	842,743,637	268,455,851	97,966,087	12,458,649	17,216,424	-	1,238,840,648
Depreciation	-	51,537,428	13,518,485	4,530,215	164,913	406,929	-	70,157,970
Accumulated depreciation of disposals	-	(994,733)	-	-	-	-	-	(994,733)
Balance as at 30 September 2025	-	893,286,332	281,974,336	102,496,302	12,623,562	17,623,353	-	1,308,003,885
Net book value:								
As at 30 September 2025	3,600,000	753,610,612	333,295,751	32,613,647	527,309	1,139,096	17,354,543	1,142,140,958
As at 31 December 2024	3,600,000	796,931,966	346,814,236	33,138,341	692,222	1,148,084	8,637,273	1,190,962,122

CITY CEMENT COMPANY

A Saudi Joint Stock Company

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 2025
(UNAUDITED)**

(All amounts are in ﷻ unless otherwise stated)

6 RIGHT OF USE ASSETS

	Leased land	Leased building	Total
Cost:			
Balance as at 1 January 2024	-	5,750,599	5,750,599
Disposals during the year	981,625	-	981,625
Balance as at 31 December 2024	981,625	5,750,599	6,732,224
Additions	1,713,812	-	1,713,812
Adjustments	(53,527)	(368,406)	(421,933)
Balance as at 30 September 2025	2,641,910	5,382,193	8,024,103
Accumulated depreciation:			
Balance as at 1 January 2024	-	2,875,299	2,875,299
Depreciation	286,309	1,150,119	1,436,428
Balance as at 31 December 2024	286,309	4,025,418	4,311,727
Depreciation	597,218	844,170	1,441,388
Adjustments	(26,765)	(294,724)	(321,489)
Balance as at 30 September 2025	856,762	4,574,864	5,431,626
Net book value:			
As at 30 September 2025	1,785,148	807,329	2,592,477
As at 31 December 2024	695,316	1,725,181	2,420,497

- The additions during the period are represented in the lease contract for the operation and maintenance of the damaged tire recycling unit in the city of Riyadh.

7 Investment in equity instruments at fair value through other comprehensive income:

Saudi Arabian Oil Company (Aramco) a Saudi Joint Stock Company	No of Shares	As at 30 September 2025	As at 31 December 2024
Balance at the beginning of the period / year	111,615	3,130,801	3,683,295
Loss on change in fair value		(382,839)	(552,494)
Balance at the end of the period/year		2,747,962	3,130,801

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(All amounts are in ﷲ unless otherwise stated)

8 INVESTMENTS IN JOINT VENTURE:

	No. of Shares	Ownership percentage	As at 31 December 2024	Share in Business Results	As at 30 September 2025
Innovative Alternatives Company for Environmental Services	19,914 Shares	29.4%	3,607,539	(110,471)	3,497,068
Total investment in shares			3,607,539	(110,471)	3,497,068

9 Financial investments at fair value through profit or loss

	As at 30 September 2025	As at 31 December 2024
Balance at the beginning of the period / year	214,976,744	132,358,210
Purchases during the period / year	237,442,447	220,900,000
Sales during the period / year	(294,587,362)	(147,016,556)
Gains on change in fair value	9,071,122	8,735,090
Balance at the end of the period / year	166,902,951	214,976,744

The investments represent units in open local investment funds with an objective of providing a reasonable amount of income as well as liquidity from short-term investments in Saudi Riyals.

10 PROVISION FOR REHABILITATION OF AREAS SUBJECT TO FRANCHISE LICENSE

Movement the provision is as follow:

	As at 30 September 2025	As at 31 December 2024
Balance at the beginning of the period / year	7,544,794	7,254,605
Effective interest	226,347	290,189
Balance at the end of the period / year	7,771,141	7,544,794

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11 EARNINGS PER SHARE

Basic and diluted earnings per share was calculated by dividing the period's net profit by the weighted average number of shares during the period:

	For the three-month period ended 30 September		For the nine-month period ended 30 September	
	2025	2024	2025	2024
Net profit for the period	8,748,412	33,657,715	96,668,902	103,032,375
Weighted average number of shares	No of Share	No of Share	No of Share	No of Share
	140,000,000	140,000,000	140,000,000	140,000,000
Basic and diluted earnings per share from the net profit of the period	SAR / Share	SAR / Share	SAR / Share	SAR / Share
	0,06	0,24	0,69	0,74

12 FINANCIEL FACILITIES

The Group has unused finance facilities from local banks amounting to SR 90.6 million that is guaranteed by promissory note, the group has not used until the date of these condensed interim consolidated financial statements, and there are no obligations as a result of not using these facilities.

13 CONTINGENT LIABILITIES

- The contingent liabilities against letters of guarantee are ﷲ 22,082,774 as at 30 September 2025.
- The contingent liabilities against letters of credits are ﷲ 1,069,823 as at 30 September 2025.

14 Capital Commitments

The company has capital commitments for the construction of a tower to process natural raw materials to produce synthetic products with low-emission, environmentally friendly technologies and high cementitious properties used in construction, at an amount of ﷲ 41,787,650 an amount of ﷲ 20,893,825 of the total cost has been paid, the remaining amount at ﷲ 20,893,825 represents the capital commitment as of 30 September 2025.

15 SEGMENT REPORTING

	For the nine-month period ended 2025		For the nine-month period ended 2024	
	Cement sales	Revenue from environmental services	Cement sales	Revenue from environmental services
Geographical area				
Kingdom of Saudi Arabia	385,248,667	1,595,862	361,219,557	2,021,042
Total	385,248,667	1,595,862	361,219,557	2,021,042

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16 TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties consist mainly of salaries, allowances and key management personnel remuneration.

Key management personnel are those who exercise authority and responsibility in directly or indirectly planning, directing and monitoring the group's activities, including the members of board and senior management employees.

Members of the Board of Directors do not receive any remuneration for their role in managing the group unless approved by the General Assembly. Members of the Board of Directors receive an attendance allowance for Board and Board Committee meetings. Executive Directors receive fixed remuneration as a result of their direct duties and responsibilities.

The following table illustrates details of remuneration and compensation paid to Directors, Executives and Key Management Personnel.

Related parties	Nature of the transaction	For the nine-months period ended 30 September	
		2025	2024
Members of Board of the Directors and key management personnel	Salaries, wages and equivalents, Board Directors' and sub-committees' remunerations, and attendance allowances	10,322,544	7,571,331

17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Group's activities expose it to a variety of financial risks, market risk, credit risk, and liquidity risk.

Financial instruments in the group's condensed interim consolidated statement of financial position include investments at fair value through profit or loss and other comprehensive income, cash and cash equivalents, other assets, account receivable, and other liabilities.

a) **Market risk**

Market price risk is the risk that value of a financial instrument will fluctuate as a result of changes in market prices, such as, commission rates, commodity prices and foreign currency exchange rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

Commission rate risk

Commission rate risk is the exposure associated with the effect of fluctuations in the prevailing commission rates on the Group's interim condensed consolidated financial position and interim condensed consolidated cash flows.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognized assets and liabilities are denominated in currency that is not the Group's currency. The Group exposure to foreign currency risk is primarily limited to transactions in United State Dollars ("USD") and Euro. The fluctuation in exchange rates against USD and EUR are monitored on a continuous basis.

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17 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**b) Credit risk**

Credit risk is the risk that one party to financial instruments will fail to discharge an obligation and cause the other party to incur a financial loss. The Group is exposed to credit risk on its cash and cash equivalent, time deposits balances and trade receivables.

The Group manages credit risk relating to trade receivables in accordance with the specified policies and procedures. The Group limits credit risk relating to trade receivables by setting credit limits for each customer and continuously monitoring outstanding trade receivables.

c) Liquidity risk

Liquidity risk is the risk that an enterprise will encounter difficulty in raising funds to meet commitments associated with financial instruments. Liquidity risk may result from the inability to sell a financial asset quickly at an amount close to its fair value. Following are the contractual maturities at the end of the reporting period of financial liabilities. The amounts are grossed and undiscounted and include estimated interest payments.

As at 30 September 2025	Book value	Less than one year	From 1 year to 5 years	Total
Lease liability	1,137,210	600,000	600,000	1,200,000
Trade payables	38,033,819	38,033,819	-	38,033,819
Accrual and other payables	21,951,204	21,951,204	-	21,951,204
	<u>61,122,233</u>	<u>60,585,023</u>	<u>600,000</u>	<u>61,185,023</u>
As at 31 December 2024	Book value	Less than one year	From 1 year to 5 years	Total
Lease liability	1,695,396	1,736,320	-	1,736,320
Trade payables	29,739,991	29,739,991	-	29,739,991
Accrual and other payables	28,470,457	28,470,457	-	28,470,457
	<u>59,905,844</u>	<u>59,946,768</u>	<u>-</u>	<u>59,946,768</u>

Liquidity risk is managed by monitoring on a regular basis that sufficient funds and banking and other credit facilities are available to meet the Group's future commitments. The Group's terms of sales require amounts to be paid either on a cash on delivery or on a term's basis.

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18 SUBSEQUENT EVENTS AFTER THE DATE OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

With reference to the announcement made by City Cement Company on 24/04/1446H (corresponding to 27/10/2024G) regarding the signing of the implementation agreement for the acquisition transaction with Umm Al- Qura Cement Company on 21/04/1446H (corresponding to 24/10/2024G), under which the Company agreed to submit an offer to the shareholders of Umm Al- Qura Cement Company to acquire all shares of Umm Al- Qura in exchange for issuing new shares in the Company, in accordance with Article (26) of the Merger and Acquisition Regulations. The Implementation agreement included a number of conditions necessary to complete the transaction, including obtaining the approval of the Capital Market Authority to publish the shareholders circular and the offer document related to the transaction before the end of one year from the date of signing the Implementation Agreement. The period specified for fulfilling the conditions of the Implementation Agreement ended on 02/05/1447H (corresponding to 24/10/2025G) without fulfilling the conditions and completing the procedures stipulated in the implementation agreement, which are considered essential and necessary to complete the transaction, and without reaching an agreement to extend the duration of the implementation agreement.

19 APPROVAL OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

These condensed interim consolidated financial statements were approved by the Board of Directors of the Group on Jumada al Ula 6, 1447 (H) Corresponding to October 28, 2025 (G).
