QASSIM CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED) FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 WITH INDEPENDENT AUDITOR'S REVIEW REPORT

QASSIM CEMENT COMPANY
(A Saudi Joint Stock Company)

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025 WITH INDEPENDENT AUDITOR'S REVIEW REPORT**

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

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

Introduction

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

Scope of Review

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

Conclusion

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

Other Matter

The consolidated financial statements of the Group for the year ended December 31, 2024, were audited by another auditor who expressed an unmodified opinion on those financial statements on March 26, 2025. The interim condensed consolidated financial statements of the Group for the three-month and nine-month periods ended September 30, 2024, were reviewed by the same auditor who expressed an unmodified conclusion on those financial statements on November 12, 2024.

For Dr. Mohamed Al-Amri & Co.

Ahmed Al Jumah
Certified Public Accountant
Registration No. 621

د. محمد العمري وشركاه - محاسبون قانونيون
شركة مهنية رقم ٣٢٢/١١/٦٦/٢
س.ت ٢٠٥٠١٠٥٨٢٢
Dammam
Certified Public Accountants
Dr. Mohamed Al-Amri & Co.

Dammam, on 12 Jumada Al-Ula, 1447 H
Corresponding to 03 November, 2025 G

QASSIM CEMENT COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2025
(Saudi Riyals "⃁")

	Note	September 30, 2025 (Unaudited)	December 31, 2024 (Restated note 17)
ASSETS			
Non-current assets			
Property, plant and equipment	6	**1,267,612,421**	1,317,014,007
Intangible assets		**88,260,586**	96,510,331
Goodwill	16	**25,378,018**	25,378,018
Investment properties		**9,516,450**	9,516,450
Financial investments at FVTPL	7	**127,736,638**	27,668,322
Financial investments at amortized cost	9	**100,000,000**	100,000,000
Right-of-use assets		**2,030,781**	2,321,654
Total non-current assets		**1,620,534,894**	1,578,408,782
Current assets			
Inventory	8	**774,252,571**	760,273,191
Prepaid expenses and other receivables		**60,450,380**	24,919,324
Financial investments at amortized cost	9	**133,000,000**	180,000,000
Financial investments at FVTPL	7	**234,860,636**	326,081,100
Trade receivables		**142,243,509**	140,600,834
Cash and cash equivalents		**60,859,232**	106,802,357
Total Current Assets		**1,405,666,328**	1,538,676,806
Total assets		**3,026,201,222**	3,117,085,588
EQUITY AND LIABILITIES			
Equity attributable to the Shareholders of the Company			
Share capital	1	**1,105,590,000**	1,105,590,000
Additional share capital	16	**997,111,500**	997,111,500
Statutory reserve		**270,000,000**	270,000,000
Treasury shares		**(47,617,914)**	(47,617,914)
Cumulative changes in the items of other comprehensive income		**116,709**	116,709
Retained earnings		**352,590,934**	424,945,654
Total equity		**2,677,791,229**	2,750,145,949
Liabilities			
Non-current liabilities			
Provision for rehabilitation of areas subject to franchise license		**22,374,824**	21,622,722
Employees' benefits obligations		**67,170,454**	63,112,762
Long-term lease liabilities		**2,211,345**	2,232,462
Total Non-current liabilities		**91,756,623**	86,967,946
Current liabilities			
Trade and other payables		**176,361,847**	190,946,167
Dividends' payable		**55,183,878**	53,947,760
Zakat Provision		**24,177,325**	33,847,827
Other Provision		**817,314**	817,314
Short-term lease liabilities		**113,006**	412,625
Total current liabilities		**256,653,370**	279,971,693
Total liabilities		**348,409,993**	366,939,639
Total equity and liabilities		**3,026,201,222**	3,117,085,588

Mater bin Saud Al Enazi	**Eng. Omar Bin Abdullah Al Omar**
Chief Financial Officer	**Chief Executive Officer - Board Member**

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

QASSIM CEMENT COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2025
(Saudi Riyals "⃁")

	Note	For the three-month period ended		For the nine-month period ended	
		September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited) (Restated note 17)	**September 30, 2025 (Unaudited)**	September 30, 2024 (Unaudited) (Restated note 17)
Revenue	11	**246,828,223**	264,877,634	**842,981,851**	664,595,367
Cost of revenue		**(213,548,971)**	(191,658,937)	**(646,407,359)**	(430,545,826)
Gross profit		**33,279,252**	73,218,697	**196,574,492**	234,049,541
Selling and marketing expenses		**(7,789,952)**	(6,539,899)	**(19,902,031)**	(13,232,370)
General and administrative expenses		**(10,794,052)**	(16,242,169)	**(33,441,976)**	(46,307,053)
Reversal / (allowance) for expected credit loss		**1,550,791**	(90,350)	**554,456**	(2,048,282)
Other income, net	12	**20,151,381**	19,844,410	**54,748,265**	37,780,765
Operating profit		**36,397,420**	70,190,689	**198,533,206**	210,242,601
Unrealized gains on investments at FVTPL, net	7	**1,344,641**	6,171,818	**2,681,165**	13,217,362
Realized gains / (losses) on investments at FVTPL, net		**3,261,749**	(4,637,291)	**3,247,987**	(499,907)
Dividends from investments at fair value through profit or loss		**1,043,549**	1,479,986	**1,701,697**	3,549,417
Income from financial investments at amortized cost	9	**2,905,334**	3,214,600	**10,072,027**	10,263,344
Finance costs		**(1,316,255)**	(340,185)	**(3,690,668)**	(822,120)
Profit before zakat		**43,636,438**	76,079,617	**212,545,414**	235,950,697
Zakat		**(2,246,175)**	(10,149,701)	**(21,474,581)**	(24,382,107)
Net profit for the period		**41,390,263**	65,929,916	**191,070,833**	211,568,590
Other comprehensive income:					
Items that will not be reclassified to profit or loss:					
Re-measurement of employees' benefits obligations		**-**	-	**-**	-
Total comprehensive income		**41,390,263**	65,929,916	**191,070,833**	211,568,590
Basic and diluted earnings per share for the period:	13	**0.38**	0.60	**1.74**	2.16

Mater bin Saud Al Enazi	**Eng. Omar Bin Abdullah Al Omar**
Chief Financial Officer	**Chief Executive Officer - Board Member**

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QASSIM CEMENT COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2025
(Saudi Riyals “⃁”)

	Share capital	Statutory reserve	Additional Share capital	Treasury shares	Cumulative changes in other comprehensive income items	Retained earnings	Total
For the nine-month period ended September 30, 2024 (unaudited)							
Balance as at January 01, 2024 (Unconsolidated)	900,000,000	270,000,000	-	-	(1,724,396)	411,025,579	1,579,301,183
Profit for the period (restated note 17)	-	-	-	-	-	211,568,590	211,568,590
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income (restated note 17)	-	-	-	-	-	211,568,590	211,568,590
Issue of ordinary shares (note 16)	205,590,000	-	997,111,500	-	-	-	1,202,701,500
Treasury shares	-	-	-	(47,617,914)	-	-	(47,617,914)
Interim dividends (note 19)	-	-	-	-	-	(202,226,700)	(202,226,700)
Balance as at September 30, 2024 (Restated note 17)	1,105,590,000	270,000,000	997,111,500	(47,617,914)	(1,724,396)	420,367,469	2,743,726,659
For the nine-month period ended September 30, 2025 (unaudited)							
Balance as at January 01, 2025 as previously reported	**1,105,590,000**	**270,000,000**	**997,111,500**	**(47,617,914)**	**116,709**	**438,803,796**	**2,764,004,091**
Effect of restatement (note 17)	**-**	**-**	**-**	**-**	**-**	**(13,858,142)**	**(13,858,142)**
Balance as at January 01, 2025 (Restated note 17)	**1,105,590,000**	**270,000,000**	**997,111,500**	**(47,617,914)**	**116,709**	**424,945,654**	**2,750,145,949**
Profit for the period	**-**	**-**	**-**	**-**	**-**	**191,070,833**	**191,070,833**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**191,070,833**	**191,070,833**
Interim dividends (note 19)	**-**	**-**	**-**	**-**	**-**	**(263,425,553)**	**(263,425,553)**
Balance as at September 30, 2025	**1,105,590,000**	**270,000,000**	**997,111,500**	**(47,617,914)**	**116,709**	**352,590,934**	**2,677,791,229**

Mater bin Saud Al Enazi
Chief Financial Officer

Eng. Omar Bin Abdullah Al Omar
Chief Executive Officer - Board Member

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

QASSIM CEMENT COMPANY
(A Saudi Joint Stock Company)

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2025
(Saudi Riyals "⃁")

	Note	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited) (Restated note 17)
Profit for the period		**191,070,833**	211,568,590
Adjustments for:			
Zakat expense		**21,474,581**	24,382,107
Depreciation of property, plant and equipment	6	**92,738,679**	63,771,524
Amortization of intangibles assets		**9,162,175**	3,590,364
Depreciation of right-of-use assets		**290,873**	727,178
(Reversal) / allowance for expected credit loss		**(554,456)**	2,048,282
Impairment loss on inventory	8	**7,875,056**	1,872,646
Unrealized gains on financial investments at FVTPL	**7**	**(2,681,165)**	(13,217,362)
Realized gains/ (losses) on financial investments at FVTPL		**(3,247,987)**	499,907
Income from investments at amortized cost		**(10,072,027)**	(10,263,334)
Employees' benefit obligations		**7,506,509**	4,792,078
Finance costs for rehabilitation of areas subject to franchise license		**752,102**	2,090,250
Finance costs from leases		**47,274**	286,011
property, plant and equipment written off		**552,579**	149,527
		314,915,026	292,297,768
Changes in working capital:			
Inventory		**(21,854,436)**	(40,333,617)
Trade receivables		**(1,088,219)**	(24,723,473)
Prepaid expenses and other receivables		**(35,531,056)**	(7,129,048)
Trade and other payables		**(14,584,320)**	4,928,689
Employees' benefits obligations paid		**(3,448,817)**	(1,807,637)
Zakat paid		**(31,145,083)**	(20,634,947)
Net cash generated from operating activities		**207,263,095**	202,597,735
Cash flows from investing activities			
Paid to purchase property, plant and equipment	6	**(43,889,672)**	(49,186,426)
Paid to purchase intangible assets		**(912,430)**	(325,268)
Paid to purchase investments at FVTPL	7	**(97,647,948)**	(20,033,858)
Proceeds from sale of investments at FVTPL		**94,729,248**	54,293,943
Paid to purchase financial investments at amortized cost		**(475,947,063)**	(616,150,783)
Proceeds from financial investments at amortized cost		**522,947,063**	621,298,950
Proceeds from investments income at amortized cost		**10,072,027**	11,750,857
Cash and cash equivalents through business combination		**-**	52,868,623
Net cash generated from investing activities		**9,351,225**	54,516,038
Cash flows from financing activities			
Lease payments		**(368,010)**	(625,197)
Dividend paid		**(262,189,435)**	(205,062,631)
Net cash used in financing activities		**(262,557,445)**	(205,687,828)
Net change in cash and cash equivalents during the period		**(45,943,125)**	51,425,945
Cash and cash equivalents as at the beginning of the period		**106,802,357**	39,989,094
Cash and cash equivalents as at the end of the period		**60,859,232**	91,415,039

Mater bin Saud Al Enazi	**Eng. Omar Bin Abdullah Al Omar**
Chief Financial Officer	**Chief Executive Officer - Board Member**

The accompanying notes from 1 to 20 form an integral part of these interim condensed consolidated financial statements.

1- ORGANIZATION AND PRINCIPAL ACTIVITIES

Qassim Cement Company (the "Company" or "Parent Company") is a Saudi Joint Stock Company registered in Buraydah in the Kingdom of Saudi Arabia under commercial registration number (1131001224) dated 28 Shaaban 1398H (corresponding to August 02, 1978). The Company was established by the Royal Decree no. M/62 dated 15 Shaaban 1396H (corresponding to August 11, 1976).

The Group's share capital is ⃁ 1,105 million divided into 110.559 million shares, of ⃁ 10 each, as at September 30, 2025 (December 31, 2024: ⃁ 1,105 million divided into 110.559 million shares of ⃁ 10 each).

The Group is engaged in manufacturing and producing cement, its derivatives and related products, the trade of these products, and carrying out all activities directly and indirectly related to this purpose. The Group carries out its activities through its two existing factories located in Buraidah – Al-Qassim and Hail.

The group's fiscal year begins on the January 1st and ends on December 31st of each calendar year.

The Group's registered address is P.O. Box 4266, Unit No. 1 – Buraidah 52271-6735, Kingdom of Saudi Arabia.

2- BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

2.1 Accounting standards applied

These interim condensed consolidated financial statements for the three-month and nine-month periods ended September 30, 2025 have been prepared in accordance with the IAS 34 "Interim Financial Reporting" as endorsed in Kingdom of Saudi Arabia and other standards and pronouncements issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA"). These interim condensed consolidated financial statements should be read in conjunction with the Company's last year consolidated financial statements as at December 31, 2024 ("Last year financial statements"). These interim condensed consolidated financial statements do not include all the required information to prepare a full set of consolidated financial statements in accordance with IFRS as endorsed in the Kingdom of Saudi Arabia; however, certain accounting policies and selected explanatory notes are included to explain significant events and transactions to understand the changes in the Group's consolidated financial position and performance from last year financial statements. Further, the results for the nine-month period ended September 30, 2025 are not necessarily indicative of the results that may be expected for the year ended December 31, 2025.

2.2 Basis of Measurement

The interim condensed consolidated financial statements have been prepared on a historical cost basis, except for the following major items presented in the interim condensed consolidated statement of financial position:

- Term Murabaha and Sukuk is measured at amortized cost.
- Investments are measured at fair value through the statement of profit or loss.
- Future employees' benefits obligations entitlements are recognized based on the projected unit credit method.

2.3 Functional and presentation currency

These interim condensed consolidated financial statements have been prepared in Saudi Riyal ("⃁"), which is the Group's functional and presentation currency.

2- BASIS OF PREPARATION OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

2.4 Basis of consolidation

The interim condensed consolidated financial statements comprise the financial statements of the Company and its subsidiary as at September 30, 2025.
A subsidiary is an entity controlled by the Group. Control is achieved when the Group is exposed to risks and has rights to receive variable returns from its involvement with the investee and has the power to affect the returns through its power over the investee.

The Group has presented the interim condensed consolidated statement of financial position for the nine-month period ended September 30, 2025, as well as for the year ended December 31, 2024, subsequent to the acquisition of the subsidiary on June 10, 2024.

These interim condensed consolidated financial statements include the financial position and financial performance of the Company and its subsidiary listed below:

Subsidiary name	**Principal activities**	**Country of incorporation**	**Share capital**	**Date of acquisition**	**Effective holding percentage**	
					September 30, 2025	December 31, 2024
Hail Cement Company	Production of cement	Kingdom of Saudi Arabia, commercial registration no. 3350159045	⃁ 979,000,000 divided into 97,900,000 shares with a nominal value of ⃁ 10 each.	June 10, 2024	**100%**	100%

3- USE OF ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of the Group's interim condensed consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, costs, assets and liabilities and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty regarding about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amounts of the assets and liabilities affected in the future.

These estimates and assumptions are based on historical experience and factors including expectations of future events that are appropriate in the circumstances and are used to determine the carrying amounts of assets and liabilities that are not independent from other sources. The estimates and assumptions are reviewed on an ongoing basis.

Accounting estimates recognized in the period in which the estimates are reviewed in the reviewing period and future periods are reviewed if the changed estimates affect both current and future periods.

The significant judgments made by management in applying the Group's accounting policies and the methods of computation and the key sources of estimation are the same as those that applied to the consolidated financial statements for the year ended December 31, 2024.

4- MATERIAL INFORMATION ON ACCOUNTING POLICIES

The accounting policies used when preparing these interim condensed consolidated financial statements are in line with the consolidated financial statements of the Group for the year ended December 31, 2024.

The material information applied in the preparation of these interim condensed consolidated financial statements has been consistently applied to all the periods presented.

New standards, amendments to standards, and interpretations

New standards and amendments to standards have been issued, effective from January 01, 2025, and have been explained in the annual consolidated financial statements. However, they do not have a material impact on Group's interim condensed consolidated financial statements.

5- SEGMENT INFORMATION

The Group's activities are mainly represented in an operating segment, which is the manufacturing and selling of cement that is mainly sold to local customers. Accordingly, the financial information was not divided into different geographic or business segment.

6- PROPERTY, PLANT AND EQUIPMENT

	September 30, 2025 (Unaudited)	December 31, 2024 (Restated note 17)
Net book value at the beginning of the period / year	**1,317,014,007**	695,116,855
Additions resulting from acquisition of a subsidiary	**-**	656,060,838
Additions during the period / year	**43,889,672**	61,208,340
Depreciation during the period / year	**(92,738,679)**	(95,358,040)
Written off / disposal during the period / year	**(552,579)**	(13,986)
Net book value at the end of the period / year	**1,267,612,421**	1,317,014,007

As at September 30, 2025, the value of projects in progress amounted to ⃁ 20.7 million (December 31, 2024: ⃁ 20.8 million).

Projects in progress mainly consist of projects to improve and develop equipment and production lines.

7- FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

The below investments represent shares in commodity trading funds and trading finance funds with financial companies, and are measured at fair value.

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Financial investments at FVTPL – non-current	**127,736,638**	27,668,322
Financial investments at FVTPL - current	**234,860,636**	326,081,100

7- FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

Movement of financial investments at FVTPL

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of the period / year	**353,749,422**	334,074,546
Addition during the period / year	**97,647,948**	20,033,858
Additions resulting from acquisition of a subsidiary	**-**	65,713,579
Disposals during the period / year	**(91,481,261)**	(87,368,537)
Unrealized gain during the period / year	**2,681,165**	21,295,976
	362,597,274	353,749,422

8- INVENTORY

	September 30, 2025 (Unaudited)	December 31, 2024 (Restated note 17)
Spare parts	**179,739,431**	169,163,114
Raw materials	**20,497,159**	68,451,964
Production in progress	**577,142,262**	517,862,297
Finished goods	**14,051,340**	11,800,062
Packing and packaging materials	**4,803,739**	5,740,490
Consumables and supplies	**19,892,205**	22,264,309
Goods in-transit	**6,972,607**	5,962,071
	823,098,743	801,244,307
Less: impairment of inventory	**(48,846,172)**	(40,971,116)
	774,252,571	760,273,191

Movement in impairment of inventory during the period / year is as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Restated note 17)
Balance at the beginning of the period / year	**40,971,116**	28,485,157
Increase as a result of acquisition	-	10,164,917
Provided during the period / year	**7,875,056**	2,321,042
	48,846,172	40,971,116

The provision for impairment of inventory for the period ended September 30, 2025 amounted to ⃁ 7.9 million. (September 30, 2024 ⃁ 1.4 million).

9- FINANCIAL INVESTMENS AT AMORTIZED COST

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Balance at beginning of the period / year	**280,000,000**	260,830,667
Additions during the period / year	**475,947,063**	731,150,783
Disposals during the period / year	**(522,947,063)**	(711,981,450)
	233,000,000	280,000,000

9- FINANCIAL INVESTMENS AT AMORTIZED COST (CONTINUED)

Financial investments classified at amortized cost as at the end of the period/ year as follows:

	September 30, 2025 (Unaudited)	December 31, 2024 (Audited)
Non-current portion of financial investments at amortized cost (*)	**100,000,000**	100,000,000
Current portion of financial investments at amortized cost	**133,000,000**	180,000,000

Financial investments represent the Murabaha and Sukuk with profit margin and the average annual yield rate is 4.67% per annum (September 30, 2024: 5.56%). The total Murabaha and Sukuk income of ⃁ 10.07 million included in statement of profit or loss for the nine-month period ended at September 30, 2025 (September 30, 2024: ⃁ 10.26 million).

(*) non-current portion of financial investments at amortized cost is represented in Sukuk for period exceeding one year of that date.

10- ZAKAT

The Group has filed a consolidated zakat return for the Company and its subsidiary for the year 2024. The Group obtained a certificate from ZATCA for the year ended December 31, 2024 to enable it to complete all its transactions, including the payment of its final accruals for contracts.

a) Zakat status of Qassim Cement Company:

The assessment order for the year 2021 has been issued by ZATCA amounting to ⃁ 2.47 million. The provision has been recorded in these interim condensed consolidated financial statements. Final assessment for the year 2024 is still awaited from ZATCA.

b) Zakat status of subsidiary:

1- For the Zakat position of Hail Cement Company, Zakat has been reviewed, assessed, and settled for the years from 2012 to 2020.

2- Additional information was requested by ZATCA for the Zakat returns for the years 2021 and 2023, and it has been provided to ZATCA. The assessment order for the year 2021 and 2023 has been issued by ZATCA for the amount of ⃁ 0.25 million and ⃁ 0.14 million respectively. The provision for these amounts has been recorded in these interim condensed consolidated financial statements. Final assessment for the year 2024 is still awaited from ZATCA.

11- REVENUE:

	For the three-month period ended		**For the nine-month period ended**	
	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	**September 30, 2025 (Unaudited)**	September 30, 2024 (Unaudited)
Revenue from contracts with customers	**246,828,223**	264,877,634	**842,981,851**	664,595,367

All the revenue is generated within the Kingdom of Saudi Arabia from the sale of cement at a point in time.

12- OTHER INCOME, NET

	For the three-month period ended		For the nine-month period ended	
	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)	**September 30, 2025 (Unaudited)**	September 30, 2024 (Unaudited)
Contractors' compensation	**-**	744,900	**44,898**	1,631,049
Rental income	**184,112**	263,859	**668,786**	789,402
Deposits received from Human Resources Development Fund	**255,891**	428,005	**930,385**	1,176,016
Revenue from sale of cement dust	**99,013**	61,661	**345,831**	213,080
Revenue from sale of industrial waste and scrap	**-**	1,217,391	**5,478**	1,678,261
Reversal of provisions and expenses reimbursements	**-**	-	**250,000**	-
Support industrial sector competitiveness initiative *	**16,937,668**	16,850,089	**48,511,698**	30,942,508
Other miscellaneous income, net	**2,674,697**	278,505	**3,991,189**	1,350,449
	20,151,381	19,844,410	**54,748,265**	37,780,765

* The amount represents the value of support, the Group received during the period as part of the industrial sector competitiveness initiative by the Ministry of Industry and Mineral Resources due to the rising fuel prices as at January 1, 2024, and the commencement of the transition plan in accordance with the agreement of the industrial sector competitiveness program.

13- BASIC AND DILUTED EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the earnings attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. The diluted earnings per share is the same as the basic earnings per share as the Group has no diluted instruments.

	Three-Month Period Ended		Nine-Month Period Ended	
	September 30, 2025 (Unaudited)	**September 30, 2024 (Un-audited) (Restated note 17)**	**September 30, 2025 (Unaudited)**	**September 30, 2024 (Un-audited) (Restated note 17)**
Net profit for the period	**41,390,263**	65,929,916	**191,070,833**	211,568,590
Weighted average number of outstanding shares	**109,760,646**	109,760,646	**109,760,646**	98,064,088
Basic and diluted earnings per share	**0.38**	0.60	**1.74**	2.16

14- CONTINGENT LIABILITIES AND CAPITAL COMMITMENTS

As at September 30, 2025, the Group has bank facilities in the form of letters of guarantee and documentary credits from commercial banks amounting to ⃁ 70.4 million (December 31, 2024: ⃁ 57.6 million).

As at September 30, 2025, the capital commitments of the Group are ⃁ 1,246.76 million (December 31, 2024: ⃁ 16.8 million). The total value of outstanding and Finished projects contracts amounted to ⃁ 1,268 million as at September 30, 2025 (December 31, 2024: ⃁ 190.3 million).
The major capital commitment pertains to the project of establishing a fourth production line at its plant site in Buraydah city, with a production capacity of 10,000 TPD.

15- <u>RELATED PARTY DISCLOSURES</u>

Related parties represent major shareholders, members of the Board of Directors of the Group, key management personnel of the Group, and entities managed or a significant influence exercised over them by these parties. There are no transactions with the related parties other than the following.

Board of directors and key management personnel benefits

The remunerations of the members of the board of directors and other key management personnel charged during the period are as follows:

	September 30, 2025 (Unaudited)	September 30, 2024 (Unaudited)
Salaries and short-term benefits - key management personnel	**8,129,723**	5,305,943
Remuneration of board of directors and committees	**4,308,000**	3,318,535
Post-employment benefits - key management personnel	**295,528**	435,691
	12,733,251	9,060,169

16- <u>BUSINESS COMBINATIONS</u>

On June 10, 2024, Qassim Cement Company acquired 100% of the issued share capital of Hail Cement Company, and the acquisition is in line with the Qassim Cement Company's strategy to enhance its market competitiveness.

<u>Purchase consideration</u>

The fair value of the issued 20,559,000 shares has been determined as part of the consideration paid to acquire Hail Cement Company and on the basis of the closure rate in the Saudi Stock Exchange (Tadawul) of the ordinary share for Qassim Cement Company in the Saudi Stock Exchange at the acquisition date i.e., at June 10, 2024 with a nominal value of ⃁ 10 each and market value of (⃁ 58.5).

As a result of shares issuance, there was an increase in the share capital and additional paid in share capital of the Company of ⃁ 205,590,000 and ⃁ 997,111,500, respectively.

<u>Acquisition Accounting</u>

The business combination has been accounted for using the acquisition method under IFRS 3 – "Business Combinations" with the group being acquirer and the Hail Cement Company being the acquiree.

The net assets recognized in the annual consolidated financial statements for the year ended December 31, 2024 were based on provisional amounts. The valuation had not been completed by the date the 2024 consolidated financial statements were issued.

During the measurement period, the Group completed a purchase price allocation exercise, resulting in a fair value adjustment to the net identifiable assets as of the acquisition date. The comparative figures for 2024 have been restated to reflect these adjustments to provisional amounts. As a result, there was an increase in intangible assets. Additionally, there was an increase in the property plant and equipment and inventory leading to a decrease in goodwill, as detailed below. The goodwill is primarily attributed to the expected future profits from the acquired business and the synergies generated by the acquisition.

16- BUSINESS COMBINATIONS (CONTINUED)

The net identifiable assets of Hail Cement company at the date of acquisition were as follows;

	⃁
Assets	
Property, plant and equipment - net	**656,060,838**
Intangible assets, net	**97,400,000**
Right-of-use assets, net	**2,029,520**
Inventory, net	**330,701,868**
Trade receivables – net	**12,854,906**
Prepaid expenses and other receivables	**16,472,552**
Investments at fair value through profit or loss	**65,713,579**
Cash and cash equivalents	**52,868,623**
Total assets	**1,234,101,886**
Liabilities	
Lease liabilities	**2,161,403**
Employee benefit obligations	**19,432,746**
Provision for rehabilitation of areas subject to franchise license	**4,334,172**
Trade payables and accrued expenses	**43,787,974**
Accrued profits	**264,021**
Zakat Provision	**6,059,707**
Total liabilities	**76,040,023**
Total identifiable net assets	**1,158,061,863**

a) Acquired receivables

The fair value of the trade receivables acquired amounted to ⃁ 12,854,906 acquired upon acquisition.

Trade receivables comprise gross contractual amounts due of ⃁ 12,854,906, out of which no amounts would be expected to be uncollectible at the acquisition date.

b) Revenue and contribution in profits

Hail Cement Company contributed revenues of ⃁ 221.2 million and Net Profit after Zakat of ⃁ 21.3 million to the Group during the nine-month period ended September 30, 2025. (During the nine months period ended September 30, 2024, Hail Cement Company contributed revenues of ⃁ 83 million and Net profit after Zakat of ⃁ 11 million).

If the acquisition of Hail Cement Company had been completed on the first day of the financial year of 2024, Group revenues for the nine months period ended September 30, 2024 would have been ⃁ 790.6 million and group net profit for the nine months period ended September 30, 2024 after Zakat would have been ⃁ 246.2 million.

Goodwill

	⃁
Purchase consideration	1,202,701,500
Less: treasury shares	(19,261,619)
Less: the fair value of the net assets acquired of Hail Cement Company	(1,158,061,863)
	25,378,018

17- RESTATEMENT OF COMPARATIVE FIGURES

During the period ended June 30, 2025, the Group completed the Purchase Price Allocation for the subsidiary acquired in 2024, Hail Cement Company. The Group determined the fair value and adjusted the carrying amounts retrospectively at the date of acquisition in accordance with IFRS 3.

The above transaction resulted in the restatement of the comparative figures as at December 31, 2024 in the consolidated financial statements to retrospectively reflect the adjustments arising during the measurement period, as set out below;

(i) Property, plant and equipment increased by ⃁ 77.3 million as a result of the fair value adjustment, partly offset by ⃁ 7.5 million of additional depreciation, resulting in a net increase of ⃁ 69.8 million.

(ii) Intangible assets increased by ⃁ 94.8 million as a result of the fair value adjustment, partly offset by ⃁ 6.1 million of additional amortization, resulting in a net increase of ⃁ 88.7 million.

(iii) Right-of-use assets decreased by ⃁ 5.4 million due to the derecognition of the quarry license at the acquisition date in accordance with IFRS 16. The corresponding lease liability was adjusted due to the same.

(iv) Inventory increased by ⃁ 0.9 million as a result of the fair value adjustment, partly offset by ⃁ 0.3 million due to the consumption till December 31, 2024, resulting in a net increase of ⃁ 0.6 million.

(v) Goodwill was decreased by ⃁ 173.7 million following the incorporation of all the fair value adjustments noted above.

The following tables summarize the impact of these adjustments on the consolidated statement of financial position as at December 31, 2024, the interim condensed consolidated statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2024, as well as the interim condensed consolidated statement of changes in equity and the interim condensed consolidated statement of cash flows for the nine-month period ended September 30, 2024.

Effect on the consolidated statement of financial position as at December 31, 2024:

	As previously reported	Adjustments	Restated balance
Property, plant and equipment	1,247,166,215	69,847,792	1,317,014,007
Intangible assets	7,773,643	88,736,688	96,510,331
Goodwill	199,083,364	(173,705,346)	25,378,018
Right-of-use assets	7,712,501	(5,390,847)	2,321,654
Total non-current assets	**1,598,920,495**	**(20,511,713)**	**1,578,408,782**
Inventory	759,699,960	573,231	760,273,191
Total Current Assets	**1,538,103,575**	**573,231**	**1,538,676,806**
Total assets	**3,137,024,070**	**(19,938,482)**	**3,117,085,588**
Retained earnings	438,803,796	(13,858,142)	424,945,654
Total equity	**2,764,004,091**	**(13,858,142)**	**2,750,145,949**
Long-term lease liabilities	8,312,802	(6,080,340)	2,232,462
Total Non-current liabilities	**93,048,286**	**(6,080,340)**	**86,967,946**
Total liabilities	**373,019,979**	**(6,080,340)**	**366,939,639**
Total equity and liabilities	**3,137,024,070**	**(19,938,482)**	**3,117,085,588**

17- RESTATEMENT OF COMPARATIVE FIGURES (CONTINUED)

Effect on the interim condensed consolidated statement of profit or loss and other comprehensive income for the nine-months period ended September 30, 2024

	As previously reported	Adjustments	Restated balance
Cost of revenue	(425,537,874)	(5,007,952)	(430,545,826)
Gross profit	239,057,493	(5,007,952)	234,049,541
Sales and marketing expenses	(10,205,457)	(3,026,913)	(13,232,370)
General and administrative expenses	(46,363,172)	56,119	(46,307,053)
Operation profit	218,221,347	(7,978,746)	210,242,601
Profit before Zakat	243,929,443	(7,978,746)	235,950,697
Profit for the year	219,547,336	(7,978,746)	211,568,590
Basic and diluted earnings per share	2.24	(0.08)	2.16

Effect on the interim condensed consolidated statement of profit or loss and other comprehensive income for the three-months period ended September 30, 2024

	As previously reported	Adjustments	Restated balance
Cost of revenue	(187,561,121)	(4,097,816)	(191,658,937)
Gross profit	77,316,513	(4,097,816)	73,218,697
Sales and marketing expenses	(4,085,402)	(2,454,497)	(6,539,899)
General and administrative expenses	(16,289,919)	47,750	(16,242,169)
Operation profit	76,695,252	(6,504,563)	70,190,689
Profit before Zakat	82,584,180	(6,504,563)	76,079,617
Profit for the year	72,434,479	(6,504,563)	65,929,916
Basic and diluted earnings per share	0.66	(0.06)	0.60

Effect on the Interim condensed consolidated statement of changes in equity for the nine-months period ended September 30, 2024

	As previously reported	Adjustments	Restated balance
Retained earnings	428,346,215	(7,978,746)	420,367,469

Effect on the interim condensed consolidated statement of cash flows for the nine-months period ended September 30, 2024

	As previously reported	Adjustments	Restated balance
Profit for the period	219,547,336	(7,978,746)	211,568,590
Depreciation of property, plant and equipment	59,283,470	4,488,054	63,771,524
Amortization of intangibles assets	239,105	3,351,259	3,590,364
Inventory	(40,473,050)	139,433	(40,333,617)

18- FINANCIAL INSTRUMENTS

a) Fair value measurement

A number of the Group's accounting policies and disclosures require the measurement of fair values for financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: Quoted (unadjusted) market prices in active markets for assets or liabilities.
Level 2: Inputs other than quoted prices included in Level 1, which are observable inputs for an asset or liability, either directly (such as prices) or indirectly (derived from prices).
Level 3: Inputs for assets or liabilities not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of the assets and liabilities fall within different levels in the fair value hierarchy, then the fair value is categorized as a whole using the lowest level of the fair value hierarchy inputs that are significant to the measurement as a whole. The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

18. FINANCIAL INSTRUMENTS (CONTINUED)

b) Fair value measurement of financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. They do not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximate of fair value.

	September 30, 2025							
	Carrying amount				Fair value			
	Fair value	Amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value:								
FVTPL investments	**362,597,274**	**-**	**-**	**362,597,274**	**107,520,903**	**255,076,371**	**-**	**362,597,274**
	362,597,274	**-**	**-**	**362,597,274**	**107,520,903**	**255,076,371**	**-**	**362,597,274**
Financial assets at amortized cost:								
Financial investments at amortized cost	**-**	**233,000,000**	**-**	**233,000,000**	**-**	**-**	**-**	**-**
Trade receivables	**-**	**142,243,509**	**-**	**142,243,509**	**-**	**-**	**-**	**-**
Prepaid expenses and other receivables	**-**	**22,750,889**	**-**	**22,750,889**	**-**	**-**	**-**	**-**
Cash and cash equivalents	**-**	**60,859,232**	**-**	**60,859,232**	**-**	**-**	**-**	**-**
	-	**458,853,630**	**-**	**458,853,630**	**-**	**-**	**-**	**-**
Financial liabilities not measured at fair value:								
Trade payables	**-**	**-**	**79,480,626**	**79,480,626**	**-**	**-**	**-**	**-**
Accrued expenses and other payables	**-**	**-**	**96,881,221**	**96,881,221**	**-**	**-**	**-**	**-**
Lease liabilities	**-**	**-**	**2,324,351**	**2,324,351**	**-**	**-**	**-**	**-**
Dividends' payable	**-**	**-**	**55,183,878**	**55,183,878**	**-**	**-**	**-**	**-**
	-	**-**	**233,870,076**	**233,870,076**	**-**	**-**	**-**	**-**

18. FINANCIAL INSTRUMENTS (CONTINUED)

b) Fair value measurement of financial instruments (continued)

	December 31, 2024 (Audited)							
	Carrying amount				Fair value			
	Fair value	Amortized cost	Other financial liabilities	Total	Level 1	Level 2	Level 3	Total
Financial assets at fair value:								
FVTPL investments	353,749,422	-	-	353,749,422	111,098,350	242,651,072	-	353,749,422
	353,749,422	-	-	353,749,422	111,098,350	242,651,072	-	353,749,422
Financial assets at amortized cost:								
Financial investments at amortized cost	-	280,000,000	-	280,000,000	-	-	-	-
Trade receivables	-	140,600,834	-	140,600,834	-	-	-	-
Prepaid expenses and other receivables	-	6,665,182	-	6,665,182	-	-	-	-
Cash and cash equivalents	-	106,802,357	-	106,802,357	-	-	-	-
	-	534,068,373	-	534,068,373	-	-	-	-
Financial liabilities not measured at fair value:								
Trade payables	-	-	82,055,062	82,055,062	-	-	-	-
Accrued expenses and other payables	-	-	108,891,105	108,891,105	-	-	-	-
Lease liabilities	-	-	2,645,087	2,645,087	-	-	-	-
Dividends' payable	-	-	53,947,760	53,947,760	-	-	-	-
	-	-	247,539,014	247,539,014	-	-	-	-

19- DIVIDENDS

For the period ended September 30, 2025

- On March 18, 2025, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ⃁ 87.8 million at a rate of ⃁ 0.8 per share for the fourth-quarter 2024.

- On May 20, 2025, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ⃁ 87.8 million at a rate of ⃁ 0.8 per share for the first-quarter of 2025.

- On August 14, 2025, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ⃁ 87.8 million at a rate of ⃁ 0.8 per share for the second-quarter of 2025.

For the period ended September 30, 2024

- On February 21, 2024, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ⃁ 58.5 million at a rate of ⃁ 0.65 per share for the fourth-quarter 2023.

- On August 27, 2024, based on the authorization of the General Assembly of the shareholders, the Board of Directors resolved to distribute dividends amounting to ⃁ 143.7 million at a rate of ⃁ 1.30 per share for the first and second quarters 2024.

20- APPROVAL OF THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

These interim condensed consolidated financial statements are approved for issue by the Board of Directors and were approved on their behalf by the Audit Committee on October 30, 2025, pursuant to a delegation granted by the Board of Directors on January 21, 2025.