

SOUTHERN PROVINCE CEMENT COMPANY
(A Saudi Joint Stock Company)

**INTERIM CONDENSED
FINANCIAL STATEMENTS (UNAUDITED)**
For the three-month periods ended 31
March 2026
AND
INDEPENDENT AUDITOR'S REVIEW REPORT

**SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL STATEMENTS (UNAUDITED) AND
INDEPENDENT AUDITOR'S REVIEW REPORT
FOR THE THREE-MONTH PERIODS ENDED 31 March 2026**

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the shareholders
Southern Province Cement Company
(A Saudi Joint Stock Company)
Abha, Kingdom of Saudi Arabia

Introduction

We have reviewed the accompanying interim condensed statement of financial position of Southern Province Cement Company - a Saudi Joint Stock Company (the "Company") as of 31 March 2026, and the interim condensed statements of profit or loss and other comprehensive income statement of changes in shareholders equity and cash flows for the three-month period then ended and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 - "Interim Financial Reporting" (IAS 34) that is 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" 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 interim condensed financial statements is not prepared, in all material respects, in accordance with International Accounting Standard (34) that is endorsed in the Kingdom of Saudi Arabia.

Other matter

The interim condensed financial statements of the Company for the three-month period ended 31 March 2025 were reviewed by another auditor, who expressed an unmodified conclusion on those interim condensed financial statements on 22 Dhul Qadah 1446H, corresponding to 20 May 2025.

For BDO Dr. Mohamed Al-Amri & Co.

Maher Al-Khatieb
Certified Public Accountant
License No. 514



Date: 18/05/2026(G)
Corresponding to: 01/12/1447(H)

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION
AS AT 31 March 2026
(ALL AMOUNTS ARE EXPRESSED IN ٴ)

	Note	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Assets			
Non-current assets			
Property plant and equipment	7	3,584,307,411	3,563,082,488
Intangible assets		995,588	1,040,061
Total non-current assets		3,585,302,999	3,564,122,549
Current assets			
Inventories	8	915,136,010	918,795,785
Trade receivables		160,715,841	151,877,701
Prepayments and other current assets	9	24,144,575	23,396,950
Cash and cash equivalents	10	89,366,683	100,926,261
Total current assets		1,189,363,109	1,194,996,697
Total assets		4,774,666,108	4,759,119,246
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	1	1,400,000,000	1,400,000,000
Statutory reserve	1	700,000,000	700,000,000
Retained earnings		961,698,644	965,768,196
Total shareholders' equity		3,061,698,644	3,065,768,196
Liabilities			
Non-current liabilities			
Bank facilities	11	1,178,198,269	1,168,603,934
Employees' defined benefits obligations		90,007,124	89,209,000
Quarry rehabilitation provision		3,958,648	3,958,648
Total Non-current liabilities		1,272,164,041	1,261,771,582
Current liabilities			
Bank facilities	11	122,987,916	95,303,545
Accrued expenses and other current liabilities		100,693,662	84,004,297
Trade payables		66,822,143	72,048,437
Dividend payables	12	124,486,403	159,430,142
Zakat provision	13	25,813,299	20,793,047
Total Current liabilities		440,803,423	431,579,468
Total liabilities		1,712,967,464	1,693,351,050
Total shareholders' equity and liabilities		4,774,666,108	4,759,119,246


**Executive Vice
President of Finance**


Chief Executive Officer


Chairman

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

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE
INCOME (UNAUDITED)
FOR THE THREE-MONTH PERIODS ENDED 31 March 2026
(ALL AMOUNTS ARE EXPRESSED IN ٬)

	Note	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited) (Restated - Note 17)
Revenue	6	202,698,424	219,556,574
Cost of revenue		(179,775,382)	(179,646,453)
Gross profit		22,923,042	39,910,121
Selling and distribution expenses		(4,614,562)	(2,307,466)
General and administrative expenses		(14,880,502)	(13,394,249)
Operating profit		3,427,978	24,208,406
Finance income		182,000	1,384,657
Finance costs	11	(2,915,401)	(3,283,949)
Other income		256,123	587,523
Profit before zakat		950,700	22,896,637
Zakat		(5,020,252)	(6,748,737)
(Loss) / Profit for the period		(4,069,552)	16,147,900
Other comprehensive income for the period		-	-
Total comprehensive (Loss) / income for the period		(4,069,552)	16,147,900
(Loss) / Earnings per share			
Basic and diluted, (Loss) / earnings per share	14	(0.03)	0.12


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SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 March 2026
(ALL AMOUNTS ARE EXPRESSED IN ٬)

	<u>Note</u>	<u>Share capital</u>	<u>Statutory reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Balance as at 1 January 2025 (Audited) (Restated -Note 17)		1,400,000,000	700,000,000	1,271,468,777	3,371,468,777
Prior years' adjustments (Restated -Note 17)		-	-	(129,718,999)	(129,718,999)
		<u>1,400,000,000</u>	<u>700,000,000</u>	<u>1,141,749,778</u>	<u>3,241,749,778</u>
Profit for the period (Restated -Note 17)		-	-	16,147,900	16,147,900
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		-	-	16,147,900	16,147,900
Balance as at 31 March 2025 (Restated - Unaudited)		<u>1,400,000,000</u>	<u>700,000,000</u>	<u>1,157,897,678</u>	<u>3,257,897,678</u>
Balance as at 1 January 2026 (Audited)		<u>1,400,000,000</u>	<u>700,000,000</u>	<u>965,768,196</u>	<u>3,065,768,196</u>
Loss for the period		-	-	(4,069,552)	(4,069,552)
Other comprehensive income		-	-	-	-
Total comprehensive Loss for the period		-	-	(4,069,552)	(4,069,552)
Balance AS AT 31 March 2026 (Unaudited)		<u>1,400,000,000</u>	<u>700,000,000</u>	<u>961,698,644</u>	<u>3,061,698,644</u>


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SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
INTERIM CONDENSED STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 March 2026
(ALL AMOUNTS ARE EXPRESSED IN ٢٠٢٦)

	Note	For the three-month period ended 31 March	
		2026 (Unaudited)	2025 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before Zakat		950,700	22,896,637
Adjustments for:			
Depreciation on property, plant and equipment	7	45,462,080	49,032,839
Amortization of intangible assets		44,473	28,565
Loss from disposal of property, plant and equipment		6,855	-
Inventory write-off		2,143,770	-
Expected credit losses on trade receivables		-	118,143
Finance cost		2,915,401	3,283,949
Finance income		(182,000)	(1,382,200)
Provision for employees' defined benefit obligations		2,156,113	2,017,744
		53,497,392	75,995,677
Change in working capital:			
Trade receivables		(8,838,140)	(23,221,988)
Inventories		1,516,005	(5,756,200)
Prepayments and other current assets		(747,625)	161,212
Trade payables		(5,226,294)	(1,052,579)
Accrued expenses and other current liabilities		16,689,365	(4,040,855)
Cash generated from operating activities		56,890,703	42,085,267
Employees' defined benefit obligations paid		(1,357,989)	(7,188,761)
Finance cost paid		(15,170,032)	(6,648,980)
Net cash generated from operating activities		40,362,682	28,247,526
CASH FLOW FROM INVESTING ACTIVITIES			
Additions of property, plant and equipment	7	(54,515,703)	(230,156,137)
Finance income received		182,000	1,382,200
Net cash used in investing activities		(54,333,703)	(228,773,937)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from bank facilities	11	44,648,838	250,407,437
Repayments of bank facilities	11	(7,293,656)	-
Dividends paid	12	(34,943,739)	(2,519,594)
Net cash generated from financing activities		2,411,443	247,887,843
Net change in cash and cash equivalents		(11,559,578)	47,361,432
Cash and cash equivalents at beginning of the period		100,926,261	186,413,978
Cash and cash equivalents at the end of the period	10	89,366,683	233,775,410
Non-cash transactions			
Transfer from projects in progress to property, plant and equipment	7	943,803	38,366
Accrued interest capitalized on property, plant and equipment		12,178,155	6,648,980


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SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

1. GENERAL

Southern Province Cement Company was established as a Saudi Joint Stock Company (“the Company”) under the Royal Decree No. M/3 on 12/2/1398H corresponding to 22 January 1978 with **unified number 700027198**. Based on the companies’ law and executive regulations from the Ministry of Commerce.

The Company's main activity is to manufacture and produce cement, its derivatives and accessories, and to trade in those products and to carry out all works related directly or indirectly to the realization of these purposes.

AS AT 31 March 2026, the Company authorized, subscribed and fully paid-up capital amounted to ﷲ 1.4 billion (2025: ﷲ1.4 billion) divided into 140 million ordinary shares (2025: 140 million ordinary shares) of ﷲ 10 each (2025: ﷲ 10).

In accordance with the Company’s Articles of Association, the Ordinary General Assembly may, based on a proposal by the Board of Directors, decide to form reserves to the extent that serves the Company’s interest or ensures, as far as possible, the distribution of consistent dividends to shareholders.

The registered address of the Company is as follows:

Southern Province Cement Company
Abha City
PO Box 548
Abha, Kingdom of Saudi Arabia

The Company operates through three factories, which are as follows:

1. Jazan Region, Ahad Al Masarihah city.
2. Aseer Region, Bisha.
3. Mecca Region, Al Qunfudhah - Thaloth Emarah.

The following factories operate under separate industrial licenses that are numbered and dated as follows:

<u>Factory</u>	<u>Industrial license No.</u>	<u>Industrial license expiry date</u>
Ahad Al Masarihah - Jazan area	1397100191146	24 Shawal 1450H, corresponding to 10 March 2029G
Bisha - Aseer area	441110123631	24 Rajab 1449H, corresponding to 23 December 2027G
Tehama - Makkah area	142410018392	6 Rabea Al Awal 1451 H, corresponding to 19 July 2029 G.

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

2. BASIS OF PREPARATION

a) Statement of compliance

These interim condensed financial statements have been prepared in accordance with the International Accounting Standard 34, “Interim Financial Reporting” (“IAS 34”) that is endorsed in the Kingdom of Saudi Arabia (“KSA”) and other standards and pronouncements that are issued by the Saudi Organization for Chartered and Professional Accountants (“SOCPA”).

These interim condensed financial statements do not include all the information and disclosures required in the full set of annual financial statements and should be read in conjunction with the Company’s annual financial statements for the year ended 31 December 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company’s financial position and performance since the last annual financial statements. In addition, results for the interim period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

b) Basis of measurement

The interim condensed financial statements have been prepared on historical cost convention using the accruals basis of accounting and going concern concept except for employee defined benefits obligations which are measured at present value for the future obligations and provision for quarry rehabilitation is measured at the present value of the expected cost of resurfacing the site using the discount rate as at the contract inception date.

c) Functional and presentation currency

These interim condensed financial statements have been presented in Saudi Arabian Riyals (ﷲ) which is the Company’s functional and presentation currency.

3. USE OF JUDGEMENTS AND ESTIMATES

The preparation of the interim condensed financial statements requires management to make judgments and estimates that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and actual results may differ from these estimates.

Estimates and assumptions are based on previous experience and factors that may include expecting suitable future events which are used to estimate carrying values of assets and liabilities from other resources and estimates and assumptions are continuously being evaluated. Revised accounting estimates are also reviewed in the period in which the estimates are revised in the audit period and future periods, if the changed estimates affect current and future periods.

The significant judgments and estimates made by management in applying the Company’s accounting policies are consistent with those disclosed in the annual financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Company in preparing the interim condensed financial statements are consistent with those followed in preparing the annual financial statements of the Company for the year ended 31 December 2025.

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

5. NEW STANDARDS, INTERPRETATIONS AND AMENDMENTS

New standards, interpretations, and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the International Accounting Standards Board (“IASB”) that are effective in future accounting periods that the Company has decided not to adopt early.

IFRS	Summary	Effective date
IFRS 18	Presentation and Disclosures in Financial Statements	1 January 2027
IFRS 19	Disclosures - Subsidiaries without Public Accountability	1 January 2027

The Company is currently assessing the impact of these new accounting standards and amendments. The Company does not expect any standard issued by IASB that are yet to be effective to have a material impact on the Company’s condensed interim financial statements.

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

6. SEGMENT INFORMATION

The Company has one principal product, which is bagged and bulk cement. The Company's operating segments are presented based on geographical areas, as the Company's operations are organized and managed according to their geographical locations, with each location representing a separate operating unit. These geographical segments are determined based on the manner in which management monitors the Company's operations, evaluates performance, and allocates resources. The Company conducts its operations within the Kingdom of Saudi Arabia through the following geographical regions:

**For the three months period ended
31 March 2026 (Unaudited)**

	<u>Jazan</u>	<u>Bisha</u>	<u>Tehama</u>	<u>Unallocated</u>	<u>Total</u>
Revenue from selling cement	62,131,081	58,931,643	58,654,575	-	179,717,299
Revenue from selling clinker	16,193,025	-	6,788,100	-	22,981,125
Total revenues	78,324,106	58,931,643	65,442,675	-	202,698,424
Depreciation and amortization	4,859,989	15,016,674	25,473,877	156,013	45,506,553
Finance income	-	-	-	182,000	182,000
Finance cost	-	-	-	(2,915,401)	(2,915,401)
Profit / (Loss) before Zakat	3,622,731	9,765,921	5,516,218	(17,954,170)	950,700
Zakat expense	-	-	-	(5,020,252)	(5,020,252)
Profit / (Loss) for the period	3,622,731	9,765,921	5,516,218	(22,974,422)	(4,069,552)
<u>As of 31 March 2026,</u>					
Total assets	1,520,083,556	1,310,281,117	1,844,772,449	99,528,986	4,774,666,108
Total liabilities	1,257,407,685	226,158,317	66,264,599	163,136,863	1,712,967,464

(*) The timing of the revenue recognition from the sale of cement and clinker are at a point in time.

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

6. SEGMENT INFORMATION (Continued)

For the three-month period ended 31 March 2025 (Unaudited) (Restated -Note 17)	Jazan	Bisha	Tehama	Unallocated	Total
Revenue from selling cement	79,772,981	65,532,104	63,052,114	-	208,357,199
Revenue from selling clinker	11,199,375	-	-	-	11,199,375
Total revenues	90,972,356	65,532,104	63,052,114	-	219,556,574
Depreciation and amortization	8,317,246	14,948,934	25,503,811	291,413	49,061,404
Finance income	-	-	-	1,384,657	1,384,657
Finance cost	-	-	-	(3,283,949)	(3,283,949)
Profit / (loss) before Zakat	12,735,053	10,739,663	14,127,938	(14,706,017)	22,896,637
Zakat expense	-	-	-	(6,748,737)	(6,748,737)
Profit / (loss) for the period (Restated)	12,735,053	10,739,663	14,127,938	(21,454,754)	16,147,900
As of 31 December 2025,					
Total assets	1,513,464,662	1,315,001,126	1,817,206,577	113,446,881	4,759,119,246
Total liabilities	1,125,416,638	327,654,546	94,571,961	145,707,905	1,693,351,050

(*) The timing of the revenue recognition from the sale of cement and clinker are at a point in time.

SOUTHERN PROVINCE CEMENT COMPANY
(A SAUDI JOINT STOCK COMPANY)
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

7. PROPERTY, PLANT AND EQUIPMENT

7.1 For the purposes of preparing the interim condensed statement of cash flows, the movement in property, plant and equipment during the three-month period is as follows:

	31 March 2026 (Unaudited)	31 March 2025 (Unaudited)
Depreciation during the period	45,462,080	49,032,839
Additions during the period	3,478,875	1,500,721
Additions during the period- Capital work in progress	63,214,983	235,304,396
Net value of disposals during the period	6,855	-

7.2 Company's property, plant and equipment are not pledged against standing loans as at 31 March 2026 and 31 December 2025.

7.3 Borrowing costs capitalized during the first quarter of 2026 amounted to SAR 12,178,155 (2025: SAR 6,648,980) on the project under construction (Jazan Plant). Accordingly, the total borrowing costs capitalized on the project amounted to SAR 135,896,527 as at 31 March 2026.

8. INVENTORIES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Production under processing	692,519,784	692,138,668
Spare parts	243,740,023	243,820,510
Raw materials, packing materials and others	80,364,176	82,180,810
	1,016,623,983	1,018,139,988
Less: write-down inventory items	(101,487,973)	(99,344,203)
	915,136,010	918,795,785

Movement in inventory provision items is as follows:

	For the three- month period ended 31 March 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance at the beginning of the period/year	99,344,203	93,510,993
Provided during the period/year	2,143,770	5,833,210
	101,487,973	99,344,203

SOUTHERN PROVINCE CEMENT COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

9. PREPAYMENTS AND OTHER CURRENT ASSETS

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Payments to suppliers	11,392,812	15,962,189
Prepaid expenses	10,577,963	5,233,857
Other receivables balances	2,173,800	2,200,904
	24,144,575	23,396,950

10. CASH AND CASH EQUIVALENTS

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Cash at banks	59,329,817	100,889,395
Cash in hand	36,866	36,866
	59,366,683	100,926,261
Islamic deposits (Refer to 10.1)	30,000,000	-
	89,366,683	100,926,261

10.1 The investment in Islamic deposits represents time deposits placed with commercial banks with maturities of three months or less from the original investment date, on which commissions are earned based on prevailing short-term deposit rates.

11. BANK FACILITIES

	31 March 2026 (Unaudited)	31 December 2025 (Audited)
Current portion under current liabilities	122,987,916	95,303,545
Non-current portion under non-current liabilities	1,178,198,269	1,168,603,934
	1,301,186,185	1,263,907,479

The movement on bank facilities during the period/year is as follows:

	For the three months period ended 31 March 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance at the beginning of the period/year	1,263,907,479	657,122,945
Proceed received during the period/year	44,648,838	624,251,341
Profit from Loan Rescheduling	-	(10,327,752)
Amortization of loan rescheduling losses	(202,050)	(1,564,971)
Paid during the year	(7,293,656)	(7,293,656)
Interest accrued	15,295,606	65,588,911
Interest paid	(15,170,032)	(63,869,339)
Balance at the end of the period / year	1,301,186,185	1,263,907,479

SOUTHERN PROVINCE CEMENT COMPANY
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NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS (UNAUDITED)
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2026
(ALL AMOUNTS ARE EXPRESSED IN ﷲ)

11. BANK BORROWINGS (Continued)

- 11.1 The total facilities amounted to SAR 1.63 billion as at 31 March 2026 (31 December 2025: SAR 1.63 billion), while the utilized balance of the facilities amounted to SAR 1,3 billion as at 31 March 2026 (31 December 2025: SAR 1,3 billion). The facilities are repayable in variable quarterly instalments commencing on 6 October 2025 through the end of 2033. These facilities are secured by a promissory note
- 11,2 On 8 June 2023, the Company renewed the facilities agreement and restructured the banking facilities with one of the local banks, which resulted in losses from loan restructuring amounting to SAR 7.6 million.
- 11.3 During the year 2025, the Company restructured one of its credit facilities, whereby the repayment terms were amended so that the instalment payments commence from 6 October 2026 until the end of 2033, instead of the previous repayment schedule, resulting in gains from loan restructuring amounting to SAR 9.8 million.
- 11.4 The company has complied with all covenants and contractual terms as stipulated in the loan agreements during the period.
- 11.5 All bank facilities obtained by the Company are compliant with Islamic Sharia principles.

12. DIVIDEND PAYABLES

	For the three- months period ended 31 March 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance at 1 January	159,430,142	128,738,188
Dividends declared during the period/year	-	133,000,000
Dividend payments during the period/year	(34,943,739)	(102,308,046)
	124,486,403	159,430,142

- The Board of Directors, in its meeting held on 26 Ramadan 1446H, corresponding to 26 March 2025, resolved to distribute cash dividends amounting to SAR 98 million for the second half of the financial year 2024, at SAR 0.70 per share. These dividends were approved by the Company's General Assembly at its meeting held on 22 Dhu Al-Hijjah 1446H, corresponding to 18 June 2025.
- The Board of Directors, in its meeting held on 9 Rajab 1447H, corresponding to 29 December 2025, resolved to distribute cash dividends amounting to SAR 35 million for the first half of the financial year 2025, at SAR 0.25 per share.

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13. ZAKAT

	For the three-month period ended 31 March 2026 (Unaudited)	For the year ended 31 December 2025 (Audited)
Balance as at the beginning of the period/year	20,793,047	27,265,331
Provision for the period/year	5,020,252	20,793,047
Provision no longer required	-	(7,290,199)
Paid during the period/year	-	(19,975,132)
Balance as at the end of the period/year	25,813,299	20,793,047

Zakat and tax status

The Company submitted its Zakat return for the financial year ended 31 December 2025 and obtained a certificate valid until 30 April 2027.

14. (LOSS) / EARNINGS PER SHARE

The calculation of basic earnings per share has been based on the distributable earnings attributable to shareholders of ordinary shares and the weighted average number of ordinary shares outstanding at the date of the interim condensed financial statements. The calculation of diluted earnings per share ('EPS') is not applicable to the Company.

	For the three-month period ended (Unaudited)	
	31 March 2026	31 March 2025 (Restated - Note 17)
(Loss) / Profit for the period (ﷲ)	(4,069,552)	16,147,900
Weighted average number of shares	140,000,000	140,000,000
Basic (loss)/earnings per share (ﷲ)	(0.03)	0.12

Diluted EPS

The calculation of diluted earnings per share has been based on the profit distributable to shareholders on ordinary shares and weighted-average number of ordinary shares outstanding after adjustment for the effects of all dilutive potential ordinary shares, if any. During the period there are no factors diluting earnings per share.

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16. CONTINGENCIES AND CAPITAL COMMITMENTS

- a) Contingent liabilities in respect of bank guarantees issued amounted to SAR 61.9 million as at 31 March 2026 (31 December 2025: SAR 80.4 million).
- b) Capital commitments relating to projects under construction amounted to SAR 63.3 million as at 31 March 2026 (31 December 2025: SAR 104.4 million).
- c) There are legal cases filed against the Company that are still pending before the courts. Based on the assessment of the Company's management and legal counsel, no financial obligation is expected to arise from these cases. Accordingly, no provision has been recognized in respect thereof.

17. PRIOR YEARS ADJUSTMENTS

During the year 2025, management reassessed the accounting treatments of certain transactions and balances reported in the financial statements for prior periods, with the objective of verifying whether such transactions and balances were recognized, measured, and presented in compliance with the International Financial Reporting Standards as adopted in the Kingdom of Saudi Arabia.

As a result of this assessment, certain errors relating to prior periods were identified, and management corrected them and appropriately reflected their accounting impact during the fourth quarter of 2025. Accordingly, the impact of these adjustments on the statement of profit or loss for the financial period ended 31 March 2025 has been determined as follows:

1- Borrowing Costs

During the year 2025, management reassessed the accounting treatment of borrowing costs related to projects under construction and identified arising differences from the capitalization of certain borrowing costs that did not meet the capitalization criteria in accordance with the requirements of International Financial Reporting Standards, as such costs should have been recognized as finance costs in the statement of profit or loss rather than being capitalized as part of projects under construction.

Management analyzed these differences and determined the periods to which they relate, and appropriately recognized the accounting impact in the relevant years. Accordingly, it was determined that the share of the statement of profit or loss for the financial period ended 31 March 2025 resulting from these adjustments amounted to SAR 3.4 million.

2- Strategic spare parts inventory:

During the year 2025, management conducted a study of the strategic spare parts inventory. Based on the results of this study, it was determined that certain spare parts meet the recognition criteria as property, plant and equipment in accordance with the requirements of International Accounting Standard (IAS) 16, as they are expected to be used for more than one financial period.

Accordingly, the Company reclassified an amount of SAR 14 million from inventory to property, plant and equipment, and calculated the related depreciation for the relevant prior periods. As a result, it was determined that the statement of profit or loss for the financial period ended 31 March 2025 should be adjusted by an amount of SAR 238 thousand.

3- Accruals related to the Ministry of Industry and Mineral Resources:

During the year 2025, the Company received an email from representatives of the Ministry of Industry and Mineral Resources indicating the existence of differences between the clinker quantities reported in the Board of Directors' report and the quantities disclosed in the mining declaration.

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17. PRIOR YEARS ADJUSTMENTS (Continued)

3- Accruals related to the Ministry of Industry and Mineral Resources: (Continued)

It was determined that these differences arose from the failure to calculate the financial consideration for the exploitation license in accordance with the methodology required under the Mining Investment Law and its Executive Regulations since 2023. Accordingly, management prepared a study to estimate the payables related to prior periods from the date of application of the new methodology for calculating the exploitation consideration. As a result of this study, it was determined that the statement of profit or loss for the financial period ended 31 March 2025 should be adjusted by an amount of SAR 2.2 million.

4- Limestone inventory count:

In prior years up to the year ended 31 December 2025, the Company did not adequately verify the existence of limestone inventory. Upon completion of the physical inventory count and reconciliation of the results with the accounting records, differences were identified between the actual quantities and the quantities recorded in the books.

Management analyzed these differences and determined the periods to which they relate, and appropriately recognized the accounting impact in the relevant periods. Accordingly, it was determined that the statement of profit or loss for the financial period ended 31 March 2025 should be adjusted by an amount of SAR 2.2 million.

5- Depreciation rate of additions related to the suspended production line at Jazan plant:

During the year 2023, the Company's management decided to suspend the old production line at the Jazan plant effective from the second half of 2026. Based on this decision, the useful lives of the assets related to this line should have been revised to reflect the expected suspension date.

However, during 2025, it was identified that the Company continued to calculate depreciation on certain capital additions made after the suspension decision using the previous depreciation rates, instead of applying the revised rates that reflect the remaining useful life up to the expected suspension date.

As a result, a difference in depreciation expense amounting to SAR 2.6 million was identified for the financial period ended 31 March 2025, and the related accounting impact has been appropriately adjusted.

Impact on interim condensed Statement of Profit or Loss and Other Comprehensive Income for the three-month ended 31 March 2025:

Description	2025		2025
	As issued	Adjustments	Adjusted
Cost of revenue	(172,400,523)	(7,245,930)	(179,646,453)
Finance Cost	152,759	(3,436,708)	(3,283,949)
Net profit	26,830,538	(10,682,638)	16,147,900

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18. SUBSEQUENT EVENTS

Management believes that there are no significant subsequent events since the end of the financial period that may require adjustment or disclosure in these condensed interim financial statements.

19. APPROVAL OF FINANCIAL STATEMENTS

These interim condensed financial statements were approved for issue on 10 May 2026 corresponding to 23 Dhul-Qi'dah 1447H.