**SAUDI CEMENT COMPANY**

(A Saudi Joint Stock Company)

# CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REVIEW REPORT FOR THE THREE AND NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2026

**SAUDI CEMENT COMPANY**
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**
**AND INDEPENDENT AUDITOR'S REVIEW REPORT**
**FOR THE THREE AND NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2026**

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

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

## Introduction

We have reviewed the accompanying condensed consolidated interim financial statements of Saudi Cement Company ("the Company") and its subsidiary (collectively referred to as "the Group") which comprise the condensed consolidated interim statement of financial position as at September 30, 2026 and the related condensed consolidated interim statement of profit or loss and other comprehensive income for the three and nine months periods then ended and the related condensed consolidated interim statements of changes in equity and cash flows for the nine months period then ended and other explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim 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 condensed consolidated interim financial statements based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" as endorsed in the Kingdom of Saudi Arabia. A review of condensed consolidated interim 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 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 consolidated interim financial statements of the Group are not prepared, in all material respects, in accordance with IAS 34 that is endorsed in the Kingdom of Saudi Arabia.

**For BDO Dr. Mohamed Al-Amri & Co.**






**Maher Al-Khatieb**
**Certified Public Accountant**
**Registration No. 514**

**29/05/1448 (H)**
**09/11/2026 (G)**



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**SAUDI CEMENT COMPANY**
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**
**AS AT SEPTEMBER 30, 2026**
(Expressed in Saudi Riyals (﷼) in thousands, unless otherwise stated)

| | Notes | September 30, 2026 (Un-audited) | December 31, 2025 (Audited) |
|---|---|---|---|
| **ASSETS** | | | |
| **Non-current assets** | | | |
| Property, plant and equipment | 4 | **1,847,887** | 1,817,971 |
| Right of use assets | | **30,449** | 36,674 |
| Intangible assets | | **23,739** | 26,366 |
| Investment in an associate | 5 | **55,823** | 54,888 |
| Investment properties | 4 | **13,151** | - |
| **Total non-current assets** | | **1,971,049** | 1,935,899 |
| **Current assets** | | | |
| Inventories | 6 | **712,747** | 656,546 |
| Trade receivables | 11 | **424,702** | 391,713 |
| Prepayments and other receivables | | **80,855** | 53,992 |
| Cash and cash equivalents | 7 | **43,217** | 43,980 |
| **Total current assets** | | **1,261,521** | 1,146,231 |
| **TOTAL ASSETS** | | **3,232,570** | 3,082,130 |
| **EQUITY AND LIABILITIES** | | | |
| **Equity** | | | |
| Share capital | 8 | **1,530,000** | 1,530,000 |
| Retained earnings | | **687,931** | 689,855 |
| **Total equity** | | **2,217,931** | 2,219,855 |
| **Liabilities** | | | |
| **Non-current liabilities** | | | |
| Long term loan | 9.1 | **81,172** | - |
| Employees' benefits | | **137,316** | 133,722 |
| Lease liabilities | | **24,893** | 31,643 |
| Provision for site restoration | | **9,894** | 9,462 |
| **Total non-current liabilities** | | **253,275** | 174,827 |
| **Current liabilities** | | | |
| Trade payables | | **62,637** | 71,465 |
| Short-term loans | 9.2 | **315,000** | 190,000 |
| Lease liabilities – current portion | | **8,921** | 8,354 |
| Dividend payable | 16 | **219,502** | 222,763 |
| Accruals and other liabilities | | **123,177** | 162,274 |
| Contract liabilities | 11 | **13,189** | 11,153 |
| Provision for Zakat | 10 | **18,938** | 21,439 |
| **Total current liabilities** | | **761,364** | 687,448 |
| **Total liabilities** | | **1,014,639** | 862,275 |
| **TOTAL EQUITY AND LIABILITIES** | | **3,232,570** | 3,082,130 |

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

**Designated Member / CEO**
Mohammed A. AlGarni

**Finance Manager**
Evan Abaza

**SAUDI CEMENT COMPANY**
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THREE AND NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2026**
(Expressed in Saudi Riyals (﷼) in thousands, unless otherwise stated)

| | Notes | For the three months period ended September 30, | | For the nine months period ended September 30, | |
|---|---|---|---|---|---|
| | | **2026** | 2025 | **2026** | 2025 |
| | | **(Un-audited)** | (Un-audited) | **(Un-audited)** | (Un-audited) |
| Revenue | 11 | **378,201** | 363,934 | **1,195,709** | 1,213,713 |
| Cost of revenue | | **(251,639)** | (256,041) | **(743,989)** | (778,241) |
| **Gross profit** | | **126,562** | 107,893 | **451,720** | 435,472 |
| Selling and distribution expenses | | **(28,172)** | (33,304) | **(91,223)** | (107,780) |
| General and administrative expenses | | **(25,519)** | (20,487) | **(71,601)** | (61,733) |
| Other income | | **7,604** | 10,494 | **10,938** | 20,470 |
| **Operating profit** | | **80,475** | 64,596 | **299,834** | 286,429 |
| Share of results in investment in an associate | 5 | **591** | 460 | **935** | 1,042 |
| Finance cost | | **(5,400)** | (6,430) | **(12,093)** | (14,093) |
| **Profit before Zakat** | | **75,666** | 58,626 | **288,676** | 273,378 |
| Zakat expense | 10 | **(4,400)** | (5,400) | **(15,200)** | (16,200) |
| **NET PROFIT FOR THE PERIOD** | | **71,266** | 53,226 | **273,476** | 257,178 |
| **Other comprehensive income** | | **-** | - | **-** | - |
| **TOTAL COMPREHENSIVE INCOME FOR THE PERIOD** | | **71,266** | 53,226 | **273,476** | 257,178 |
| **Earnings per share** | | **﷼** | ﷼ | **﷼** | ﷼ |
| Basic and diluted earnings per share | 17 | **0.47** | 0.35 | **1.79** | 1.68 |

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

**Designated Member / CEO**
Mohammed A. AlGarni

**Finance Manager**
Evan Abaza

**SAUDI CEMENT COMPANY**
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2026**
(Expressed in Saudi Riyals (﷼) in thousands, unless otherwise stated)

| | Share capital | Retained earnings | Total |
|---|---|---|---|
| At January 01, 2025 (audited) | 1,530,000 | 710,513 | 2,240,513 |
| Net profit for the period | - | 257,178 | 257,178 |
| Other comprehensive income | - | - | - |
| Total comprehensive income for the period | - | 257,178 | 257,178 |
| Dividend (note 16) | - | (382,500) | (382,500) |
| At September 30, 2025 (un-audited) | 1,530,000 | 585,191 | 2,115,191 |
| **At January 01, 2026 (audited)** | **1,530,000** | **689,855** | **2,219,855** |
| **Net profit for the period** | - | **273,476** | **273,476** |
| **Other comprehensive income** | - | - | - |
| **Total comprehensive income for the period** | - | **273,476** | **273,476** |
| **Dividend (note 16)** | - | **(275,400)** | **(275,400)** |
| **At September 30, 2026 (un-audited)** | **1,530,000** | **687,931** | **2,217,931** |

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

**Designated Member / CEO**
Mohammed A. AlGarni

**Finance Manager**
Evan Abaza

**SAUDI CEMENT COMPANY**
(A Saudi Joint Stock Company)

**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**
**FOR THE NINE MONTHS PERIOD ENDED SEPTEMBER 30, 2026**
(Expressed in Saudi Riyals (﷼) in thousands, unless otherwise stated)

| | Notes | September 30, 2026 (Un-audited) | September 30, 2025 (Un-audited) |
|---|---|---|---|
| **CASH FLOWS FROM OPERATING ACTIVITIES** | | | |
| Profit before Zakat | | **288,676** | 273,378 |
| | | | |
| ***Adjustments for:*** | | | |
| Depreciation – property, plant and equipment | 4 | **154,979** | 155,835 |
| Depreciation - right of use assets | | **6,225** | 5,352 |
| Amortization - intangible assets | | **1,255** | 819 |
| Write off of intangibles | | **7,500** | - |
| Share of results in investment in an associate | 5 | **(935)** | (1,042) |
| Provision for employees' benefits | | **11,377** | 11,326 |
| Finance cost | | **12,093** | 14,093 |
| Provision for slow moving spare parts | | **2,716** | 332 |
| Provision for site restoration | | **432** | 349 |
| | | **484,318** | 460,442 |
| ***Changes in:*** | | | |
| Inventories | | **(58,917)** | (85,086) |
| Trade receivables | | **(32,989)** | 4,915 |
| Prepayments and other receivables | | **(26,863)** | (30,186) |
| Trade payables | | **(8,828)** | 21,118 |
| Accruals and other liabilities | | **(39,097)** | 23,004 |
| Contract liabilities | | **2,036** | 2,767 |
| **Cash generated from operating activities** | | **319,660** | 396,974 |
| Employees' benefits paid | | **(7,783)** | (10,815) |
| Finance cost paid | | **(10,780)** | (13,050) |
| Zakat paid | | **(17,701)** | (20,528) |
| **Net cash generated from operating activities** | | **283,396** | 352,581 |
| | | | |
| **CASH FLOWS FROM INVESTING ACTIVITIES** | | | |
| Additions to property, plant and equipment | 4 | **(198,046)** | (113,900) |
| Additions to intangible assets | | **(6,128)** | (10,913) |
| **Net cash used in investing activities** | | **(204,174)** | (124,813) |
| | | | |
| **CASH FLOWS FROM FINANCING ACTIVITIES** | | | |
| Proceeds from long-term loan | | **81,172** | - |
| Net movement in short-term loans | | **125,000** | 100,000 |
| Lease repayments – principal | | **(7,496)** | (6,600) |
| Dividend paid – net | | **(278,661)** | (384,228) |
| **Net cash used in financing activities** | | **(79,985)** | (290,828) |
| | | | |
| **Net change in cash and cash equivalents** | | **(763)** | (63,060) |
| Cash and cash equivalents at beginning of the period | | **43,980** | 120,969 |
| Cash and cash equivalents at end of the period | | **43,217** | 57,909 |
| | | | |
| **Significant non-cash transactions:** | | | |
| Transferred to investment properties from property, plant and equipment | 4 | **13,151** | - |

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

**Designated Member / CEO**
Mohammed A. AlGarni

**Finance Manager**
Evan Abaza

## 1. CORPORATE INFORMATION AND GROUP STRUCTURE

Saudi Cement Company ("the Company") is a Saudi Joint Stock Company incorporated under Royal Decree number 6/6/10/726 dated Rabi' II 08, 1375 H (corresponding to November 23, 1955) and registered in the Kingdom of Saudi Arabia, in the city of Dammam under Commercial Registration number 2050000602 dated Dhul Qadah 06, 1377 H (corresponding to May 24, 1958) with unified number of 7000677216. The Company is engaged in manufacturing and selling cement and its related products.

The Company obtained under the Royal Decree number 10/6/6/8500 dated Rajab 26, 1370 H corresponding to May 03, 1951, the right of the mining concession for the extraction of limestone, gypsum and clay and all the necessary materials for the manufacture of cement in Al-Ahsa for 30 years period.

Thereafter, the Company obtained the licenses for the existing quarries under the Royal Decree number M/11 dated Rabi' II 29, 1405 H (corresponding to January 22, 1985) which gives mining concession for the extraction of limestone, gypsum and clay and all the necessary materials for the manufacture of cement for 30 years period.

In the year 1985, a Saudi Bahraini Company obtained the right of the mining concession for the extraction of limestone, gypsum and clay under the Royal Decree number M/12 dated Rabi' II 29, 1405 H (corresponding to January 22, 1985) which was merged with the Saudi Cement Company in 1990. Accordingly, the Ministry of Petroleum and Mineral Resources resolved on Muharram 04, 1412 H (corresponding to July 15, 1991) to transfer all quarries and related licenses of Saudi Bahraini Company to the Saudi Cement Company.

In the year 2020, all of the above licenses which have been issued under the Royal Decree numbers M/11 and M/12 dated Rabi' II 29, 1405 H (corresponding to January 22, 1985) were renewed by the Ministry of Industry and Mineral Resources for a period of 30 years started from Rabi' II 29, 1435 H (corresponding to March 01, 2014) except quarry license for Aba Hamama area in Al-Ahsa region which has been renewed for 10 years started from Dhul Hijjah 11, 1441 H (corresponding to August 01, 2020).

The accompanying condensed consolidated interim financial statements includes the activities of the Company and its following subsidiary (collectively referred to as "the Group").

| | | **Effective ownership interest (%)** | |
|---|---|---|---|
| **Subsidiary name** | **Country of incorporation** | **September 30, 2026 (Un-audited)** | December 31, 2025 (Audited) |
| United Cement Company W.L.L. | Kingdom of Bahrain | **100** | 100 |

United Cement Company W.L.L. (UCC) is a limited liability Company incorporated in the Kingdom of Bahrain on March 15, 1989 with the Ministry of Industry, Commerce and Tourism under commercial registration number 20906. The principal activities of UCC include import, export and sale of cement in different forms. The registered office of UCC is situated at Mina Salman Industrial Area, P.O. Box 26719, Kingdom of Bahrain.

## 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

### 2.1 Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 "Interim Financial Reporting" as endorsed in the Kingdom of Saudi Arabia and other standards and pronouncements that are issued by Saudi Organization for Chartered and Professional Accountants ("SOCPA").

These condensed consolidated interim financial statements do not include all the information and disclosures required in annual consolidated financial statements and therefore, should be read in conjunction with the Group's annual consolidated financial statements for the year ended December 31, 2025.

The results for the nine-months period ended September 30, 2026 are not necessarily indicative of the results that can be expected for the year ending December 31, 2026.

## 2. BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (CONTINUED)

### 2.2 Basis of preparation

These condensed consolidated interim financial statements are prepared under the historical cost convention, using the accruals basis of accounting, except for certain employees' benefits which are measured at present value of the defined benefit obligations using the Projected Unit Credit Method. These condensed consolidated interim financial statements are prepared on going concern basis.

### 2.3 Functional and presentation currency

These condensed consolidated interim financial statements are presented in Saudi Riyals (﷼) which is the Company's functional and Group's presentation currency. All amounts have been rounded off to the nearest Saudi Riyals (﷼) in thousands unless otherwise stated.

### 2.4 Use of judgements and estimates

In preparing these condensed consolidated interim 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 latest annual consolidated financial statements as at and for the year ended December 31, 2025.

### 2.5 Material accounting policies

The accounting policies and methods of computation applied in these condensed consolidated interim financial statements are the same as those applied in the Group's consolidated financial statements as at and for the year ended December 31, 2025.

### 2.6 Basis of consolidation

These condensed consolidated interim financial statements incorporate the financial statements of the Company and its subsidiary as at the reporting date. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses 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 listed above.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, assets, liabilities, income and expenses of a subsidiary acquired or disposed off during the period are included in the consolidated statement of comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of the subsidiary is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the Group loses control over its subsidiary, it derecognizes the related assets (including goodwill), liabilities, non-controlling interests and other components of equity, while any resultant gain or loss is recognized in profit or loss. Any investment retained is recognized at fair value. 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 significant intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation. The Group and its subsidiary have the same reporting periods.

## 3. NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS

There are new standards and number of amendments to standards which are effective from January 01, 2026 and onwards and have been explained in Group's annual financial statements for the year ended December 31, 2025, but these do not have a material effect on the Group's condensed consolidated interim financial statements for the nine months period ended September 30, 2026. The Group did not early adopt any such standards and amendments.

### 3.1 IFRS 18 'Presentation and Disclosure in Financial Statements'

IFRS 18 'Presentation and Disclosure in Financial Statements' is effective for annual reporting periods beginning on or after January 1, 2027 and will replace IAS 1 'Presentation of Financial Statements'. TheGroup has not early adopted this accounting standard in preparing these condensed consolidated interim financial statements; however, earlier application is permitted. On adoption, the Group will apply IFRS 18 retrospectively.

IFRS 18 introduces new requirements for the presentation of the statement of profit or loss and other comprehensive income, disclosure requirements for management-defined performance measures and enhanced principles for the aggregation and disaggregation of information in the financial statements and notes. IFRS 18 does not change the recognition and measurement of items in the financial statements, accordingly net profit for the year, earnings per share and total equity will not be affected. The Group has performed an initial assessment of the expected impacts of IFRS 18 on its consolidated financial statements, the results of which are set out below. The assessment is ongoing and the expected impacts described below are preliminary and may change as the Group finalizes its implementation of IFRS 18.

#### a. Structure of the statement of profit or loss and other comprehensive income

The key changes include the requirements to classify all income and expense into one of these categories: operating, investing, financing, zakat and taxation and discontinued operations. Classification of income and expenses depends on the main business activities of the Group. The Group has determined that it does not have a main business activity of investing in assets and/or providing financing to customers.

Based on the information currently available, the Group expects the following changes to the current structure of the statement of profit or loss and other comprehensive income:

- The share of results of associate and interest income on short term deposits will be classified in investing category.
- The Group will recognize another subtotal after the operating profit, named as "Profit or Loss before financing and zakat". This subtotal will include share of results from an associate and interest income on short term deposits.
- The finance cost includes unwinding of discount on provision for site restoration and interest on long term and short term loans, employees defined benefits obligations and lease liabilities. These are currently presented within the sub-total of Profit before Zakat and after the operating profit. After the implementation of IFRS 18, these expenses will be classified under the subtotal of the financing category.
- Bank charges and other charges not related to raising finance will be reclassified and presented under the operating category.
- In case of any other income or expense (except for Zakat and discontinued operations), such as recovery of written off trade debts and disposal gain / loss on property and equipment, the Group will recognize such incomes and expenses in the operating category and will be included in the operating profit or loss of the Group.

## 3. NEW ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS (CONTINUED)

### 3.1 IFRS 18 'Presentation and Disclosure in Financial Statements' (continued)

#### b. Principles of aggregation and disaggregation

IFRS 18 introduces enhanced requirements for the aggregation and disaggregation which focuses on grouping items based on their shared characteristics, including specific presentation or disclosure matters identified through management implementation assessment. It also introduces guidance on labelling and describing items presented in the primary financial statements or disclosed in the notes.

The management is currently assessing the characteristics of the assets, liabilities, equity items, income, expenses and cashflows when determining which information should be aggregated and what information should be disaggregated. Based on this, management will present line items in the primary financial statements that provide useful structured summaries and disclose additional material information in the notes. The management is also assessing line items currently labelled as "others" and will use more informative labels.

#### c. Management defined performance measures

Management-defined performance measures (MPMs) are subtotals of income and expenses used in public communication outside the financial statements that reflect management's view of the Group's financial performance as a whole. The Group will be required to disclose specific information about MPMs in a single note in the financial statements including a reconciliation of each MPM to the most directly comparable subtotal specified by the IFRS Accounting Standards.

The Group is in process of determining which public communications should be considered when identifying MPMs. MPMs relate to the same reporting period as the financial statements, therefore, MPMs disclosed upon adoption of IFRS 18 will be determined based on public communications issued by the Group relating to 2027 interim reporting period

#### d. Consequential amendments

IFRS 18 introduces consequential amendments to "IAS 7 – Statement of Cashflows", which require the Group to use the newly defined operating profit subtotal as the starting point for the statement of cash flows when presenting operating cash flows using the indirect method. The Group currently uses "profit/loss for the year before Zakat" as the starting point of the reconciliation of operating activities. Certain adjusting items included in the reconciliation will change as a result of this amendment.

The consequential amendments also provide specific guidance on the classification of interest and dividends. The Group will classify cash flows from interest paid as financing activities rather than operating activities, in line with the new guidance. Cash flows from interest income on short term deposits will be classified as investing activities and dividends paid will continue to be classified as financing activities. The assessment of consequential amendments to the statement of cashflows is ongoing and will be completed prior to the standard's effective date.

## 4. PROPERTY, PLANT AND EQUIPMENT

### 4.1 Property, plant and equipment comprise of the following:

| | **September 30, 2026 (Un-audited)** | December 31, 2025 (Audited) |
|---|---|---|
| Land | **56,456** | 69,607 |
| Buildings and civil works | **464,374** | 482,031 |
| Plant and equipment | **1,139,989** | 1,136,017 |
| Tools and transportation equipment | **47,145** | 25,012 |
| Furniture, fixtures and office equipment | **3,898** | 6,460 |
| Construction work-in-progress (note 4.3) | **136,025** | 98,844 |
| | **1,847,887** | 1,817,971 |

### 4.2 The movement of property, plant and equipment is as follows:

| | **September 30, 2026 (Un-audited)** | September 30, 2025 (Un-audited) |
|---|---|---|
| Carrying value at the beginning of the period | **1,817,971** | 1,867,429 |
| Additions | **198,046** | 113,900 |
| Depreciation for the period | **(154,979)** | (155,835) |
| Transfer to investment properties (note 4.4) | **(13,151)** | - |
| Carrying value at the end of the period | **1,847,887** | 1,825,494 |

4.3 Construction work-in-progress "CWIP" represents ongoing plant construction and enhancement projects which mainly includes project related to the conversion of production kilns to dual-fuel capability, enabling operations using both gas and liquid fuel which aims at improving operational flexibility and energy efficiency.

4.4 During the nine-month period ended September 30, 2026, the Company transferred certain land plots, with a carrying amount of ﷼ 13.15 million, from property, plant and equipment to investment properties as a result of entering into rental agreements with third parties. The Company has adopted the cost model for the subsequent measurement of investment properties in accordance with IAS 40, Investment Property, consistent with the accounting policy applied to property, plant and equipment. Accordingly, the investment properties are measured at cost less accumulated depreciation and accumulated impairment losses, if any.

## 5. INVESTMENT IN AN ASSOCIATE

Investment in an associate represents 33.33% share in Cement Product Industry Company Limited (CPI) amounted to ﷼ 55.82 million (December 31, 2025: ﷼ 54.88 million). CPI is a Limited Liability Company registered and operating in the Kingdom of Saudi Arabia. CPI is engaged in the manufacturing of cement derivative products and other products necessary for manufacturing and packing cement. Share in results for the nine-months period ended September 30, 2026 amounts to ﷼ 0.93 million (September 30, 2025: ﷼ 1.04 million).

## 6. INVENTORIES

| | **September 30, 2026 (Un-audited)** | December 31, 2025 (Audited) |
|---|---|---|
| Spare parts | **179,185** | 192,658 |
| Less: Allowance for slow moving spare parts (note 6.1) | **(17,880)** | (15,164) |
| | **161,305** | 177,494 |
| Raw materials | **116,008** | 113,220 |
| Work in progress | **414,937** | 344,454 |
| Finished goods | **20,497** | 21,378 |
| | **712,747** | 656,546 |

## 6. INVENTORIES (CONTINUED)

### 6.1 Movement in the allowance for spare parts is as follows:

| | **September 30, 2026 (Un-audited)** | December 31, 2025 (Audited) |
|---|---|---|
| At the beginning of the period / year | **15,164** | 15,032 |
| Provision for the period / year | **2,716** | 804 |
| Written off during the period / year | **-** | (672) |
| **At the end of the period / year** | **17,880** | 15,164 |

## 7. CASH AND CASH EQUIVALENTS

| | **September 30, 2026 (Un-audited)** | December 31, 2025 (Audited) |
|---|---|---|
| Cash in hand | **160** | 210 |
| Cash at banks | **43,057** | 42,143 |
| Murabaha investments and deposits (note 7.1) | **-** | 1,627 |
| | **43,217** | 43,980 |

7.1 Murabaha investments and deposits were placements with banks (related to subsidiary) having original maturity of less than three months and carry interest rate ranging from 4.31% - 5.05% per annum as at December 31, 2025.

## 8. SHARE CAPITAL

The authorized, issued and paid-up capital of the Company is ﷼ 1,530 million which is divided into 153 million shares of ﷼ 10 each (December 31, 2025: 153 million shares of ﷼ 10 each).

## 9. LOANS

### 9.1 Long term loan

Long term loan represents Murabaha loan facilities obtained from a commercial bank (related to subsidiary) with a total facilities limit amount of United Arab Emirates Dirham 130 million (equivalent to approximately ﷼ 133 million). The utilized balance as of September 30, 2026 amounted to ﷼ 81.2 million (December 31, 2025: Nil), with final maturity in 2032. The facility carries financial costs at EIBOR plus a margin, and is secured by a corporate guarantee from the Group and a promissory note. The facilities agreement includes financial covenants which, among other things, require certain financial ratios to be maintained and to be assessed annually. The first repayment is scheduled to commence from December 2027. Accordingly, the outstanding loan is classified as a non-current in this condensed consolidated interim statement of financial position.

### 9.2 Short term loans

Short term loans represent Tawarruq facilities obtained from various local banks to meet the working capital requirements with a total facility limit amount of ﷼ 2,080 million (December 31, 2025: ﷼ 2,280 million). The utilized balance as of September 30, 2026 amounted to ﷼ 315 million (December 31, 2025: ﷼ 190 million). These facilities carry financial costs in excess of SIBOR and are consistent with the terms of each facility agreement that are secured by promissory notes issued by the Group and carry charges agreed with the facilities' providers.

The outstanding financing is classified under current liabilities in the condensed consolidated interim statement of financial position as these are repayable within 12 months from the reporting date.

## 10. ZAKAT

The Company has submitted its zakat returns up to year 2025 and have obtained the required certificates. The Company received a final zakat assessment from Zakat, Tax and Customs Authority ("ZATCA") up to year 2024 which has been settled.

United Cement Company W.L.L. is not subject to Zakat or corporate income tax in accordance with the applicable laws and regulations of the Kingdom of Bahrain.

## 11. REVENUE

The Group generates revenue primarily from the sale of cement and clinker.

**Disaggregation of revenue**

In the following table, revenue is disaggregated by primary geographical market and major products. Revenue is recognised at point in time for all products.

| | Three months period ended September 30, | | Nine months period ended September 30, | |
|---|---|---|---|---|
| | **2026 (Un-audited)** | 2025 (Un-audited) | **2026 (Un-audited)** | 2025 (Un-audited) |
| ***Primary geographic markets*** | | | | |
| Local | **293,279** | 260,379 | **917,753** | 876,388 |
| Exports | **84,922** | 103,555 | **277,956** | 337,325 |
| | **378,201** | 363,934 | **1,195,709** | 1,213,713 |
| ***Major product types*** | | | | |
| Cement | **336,477** | 311,500 | **1,072,614** | 1,044,654 |
| Clinker | **41,724** | 52,434 | **123,095** | 169,059 |
| | **378,201** | 363,934 | **1,195,709** | 1,213,713 |

The following table provides information about trade receivables and contract liabilities.

| | **September 30, 2026 (Un-audited)** | December 31, 2025 (Audited) |
|---|---|---|
| Trade receivables | **424,702** | 391,713 |
| Contract liabilities (note 11.1) | **13,189** | 11,153 |

11.1 Contract liabilities represent advance consideration received from customers for the products to be sold, for which revenue is recognized at point in time. This will be recognized as revenue when the Group delivers the products to the customers and their balances for advances are settled with the revenue made.

## 12. RELATED PARTY TRANSACTIONS AND BALANCES

Related parties include shareholders, key management personnel and the entities controlled, jointly controlled or significantly influenced by such parties and entities having common directorship.

The details of transactions and balances with related parties are as follows:

| | | | **Amounts of transaction for nine months period ended September 30,** | | **Balances as at September 30,** | December 31, |
|---|---|---|---|---|---|---|
| **Related parties** | **Relationship** | **Nature of transactions** | **2026 (Un-audited)** | 2025 (Un-audited) | **2026 (Un-audited)** | 2025 (Audited) |
| Cement Product Industry Company Limited | Associate | Purchase of raw materials | **21,333** | 21,762 | **(2,119)** | 448 |
| Wataniya Insurance Company | Common directorship | Insurance of property, plant and equipment | **5,308** | 6,031 | **(35)** | 408 |

## 12. RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

**Terms and conditions of transactions with related parties**
Transactions with related parties are made in the ordinary course of business. Outstanding balances at September 30, 2026 and December 31, 2025 are unsecured. There have been no guarantees provided to amounts to related parties. These balances represent due to related parties and are classified under trade payables (December 31, 2025: due from balances classified under prepayments and other receivables).

Prices and terms for the above transactions are approved by the Group's management.

**Remuneration of key management personnel:**

| | For the nine months period ended | |
|---|---|---|
| | **September 30, 2026 (Un-audited)** | September 30, 2025 (Un-audited) |
| Short term employment benefits | **14,362** | 13,901 |
| Post-employment benefits | **1,076** | 932 |
| | **15,438** | 14,833 |

## 13. CONTINGENCIES AND COMMITMENTS

a. As of September 30, 2026, the capital expenditure contracted by the Company but not incurred till September 30, 2026 was approximately ﷼ 107.46 million (December 31, 2025: ﷼ 185.05 million).
b. The Company's bankers have given guarantees, on behalf of the Company amounted to ﷼ 146.74 million (December 31, 2025: ﷼ 146.74 million).
c. UCC's bankers have issued guarantees, on behalf of UCC, in favour of various suppliers against purchase and services obtained in the normal course of business amounted to ﷼ 2.52 million (December 31, 2025: ﷼ 2.52 million).

## 14. SEGMENT INFORMATION

A segment is a distinguishable component of the Group that is engaged in providing products or services (a business segment) or in providing products or services within a particular economic environment (a geographic segment), which is subject to risks and rewards that are different from those of other segments.

The Group's operations are related to two operating geographical segments which are Saudi Cement Company operating in the Kingdom of Saudi Arabia and United Cement Company operating in Kingdom of Bahrain. Both segments are engaged in cement manufacturing and are sold to local and foreign customers. Accordingly, segment analysis, as presented to the Chief Executive Officer of the Group is as follows:

| | **Kingdom of Saudi Arabia** | **Kingdom of Bahrain** | **Elimination** | **Total** |
|---|---|---|---|---|
| ***For the nine months period ended September 30, 2026 (Un-audited)*** | | | | |
| **External revenue** | **1,151,875** | **43,834** | **-** | **1,195,709** |
| **Inter-segment revenue** | **26,938** | **-** | **(26,938)** | **-** |
| **Total revenue** | **1,178,813** | **43,834** | **(26,938)** | **1,195,709** |
| **Cost of revenue** | **(724,814)** | **(46,113)** | **26,938** | **(743,989)** |
| **Finance cost** | **(11,780)** | **(313)** | **-** | **(12,093)** |
| **Depreciation - property, plant and equipment** | **(152,709)** | **(2,270)** | **-** | **(154,979)** |
| **Depreciation - right of use assets** | **(6,195)** | **(30)** | **-** | **(6,225)** |
| **Amortization - intangible assets** | **(1,255)** | **-** | **-** | **(1,255)** |
| **Share in results from an associate** | **935** | **-** | **-** | **935** |
| **Zakat expense** | **(15,200)** | **-** | **-** | **(15,200)** |
| **Profit / (loss) before Zakat** | **288,676** | **(6,548)** | **6,548** | **288,676** |

## 14. SEGMENT INFORMATION (CONTINUED)

| | Kingdom of Saudi Arabia | Kingdom of Bahrain | Elimination | Total |
|---|---|---|---|---|
| ***For the nine months period ended September 30, 2025 (Un-audited)*** | | | | |
| External revenue | 1,171,617 | 42,096 | - | 1,213,713 |
| Inter-segment revenue | 23,501 | - | (23,501) | - |
| Total revenue | 1,195,118 | 42,096 | (23,501) | 1,213,713 |
| Cost of revenue | (759,462) | (42,280) | 23,501 | (778,241) |
| Finance cost | (13,984) | (109) | - | (14,093) |
| Depreciation - property, plant and equipment | (154,188) | (1,647) | - | (155,835) |
| Depreciation - right of use assets | (5,321) | (31) | - | (5,352) |
| Amortization - intangible assets | (819) | - | - | (819) |
| Share in results from an associate | 1,042 | - | - | 1,042 |
| Zakat expense | (16,200) | - | - | (16,200) |
| Profit / (loss) before Zakat | 273,378 | (4,562) | 4,562 | 273,378 |

| | Kingdom of Saudi Arabia | Kingdom of Bahrain | Elimination | Total |
|---|---|---|---|---|
| ***As at September 30, 2026 (Un-audited)*** | | | | |
| **Total assets** | **3,139,462** | **127,130** | **(34,022)** | **3,232,570** |
| **Total liabilities** | **921,529** | **117,330** | **(24,220)** | **1,014,639** |
| ***As at December 31, 2025 (Audited)*** | | | | |
| Total assets | 3,072,622 | 42,799 | (33,291) | 3,082,130 |
| Total liabilities | 852,767 | 25,988 | (16,480) | 862,275 |

## 15. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

As at September 30, 2026 and December 31, 2025, all of the Group's financial instruments have been carried at amortized cost and the Group does not hold any financial instruments measured at fair value. The carrying value of the other financial assets and liabilities in the condensed consolidated interim statement of financial position approximates to their fair values due to their short-term maturity.

## 16. DIVIDENDS

On Dhul Al-Qadah 12, 1447H (corresponding to April 29, 2026), the General Assembly authorised the Board of Directors to distribute interim cash dividend for the year 2026. Accordingly, on Dhul Hijja 28, 1447H (corresponding to June 14, 2026), the Board of Directors has resolved to distribute cash dividend amounting to ﷼ 1 per share (﷼ 153 million in total) for the first half of 2026. Payment of this dividend distribution was commenced on Muharram 10, 1448H (corresponding to June 25, 2026)

On Dhul Al-Qadah 12, 1447H (corresponding to April 29, 2026), the General Assembly approved the Board of Directors proposal (on February 15, 2026) to distribute cash dividends to the shareholders amounted to﷼ 0.8 per share (﷼ 122.40 million) for the second half of 2025.

## 16. DIVIDENDS (CONTINUED)

On Dhul Al-Qadah 02, 1446H (corresponding to April 30, 2025), the General Assembly authorized the Board of Directors to distribute interim cash dividend for the year 2025. Accordingly, on Dhul Hijjah 28, 1446H (corresponding to June 24, 2025), the Board of Directors has resolved to distribute interim cash dividend amounting to ﷼ 1 per share (﷼ 153 million in total) for the first half of 2025. Payment of this dividend distribution was commenced on Muharram 13, 1447H (corresponding to July 08, 2025).

On Dhul Al-Qadah 02, 1446H (corresponding to April 30, 2025), the General Assembly approved the Board of Directors' proposal to distribute cash dividend amounting to ﷼ 1.50 per share (﷼ 229.50 million in total) for the second half of 2024.

Dividend payable as at September 30, 2026 amounted to ﷼ 219.50 million (December 31, 2025: ﷼ 222.76 million) includes ﷼ 217.44 million (December 31, 2025: ﷼ 217.19 million) related to unclaimed dividends for the prior years.

## 17. EARNINGS PER SHARE

Basic earnings per share amounts are calculated by dividing net profit for the period attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

The following reflects the profit and share capital data used in the basic and diluted earnings per share computations:

| | **Three months period ended September 30,** | | **Nine months period ended September 30,** | |
|---|---|---|---|---|
| | **2026 (Unaudited)** | 2025 (Unaudited) | **2026 (Unaudited)** | 2025 (Unaudited) |
| Net profit attributable to shareholders | **71,266** | 53,226 | **273,476** | 257,178 |
| Number of shares outstanding in '000 | **153,000** | 153,000 | **153,000** | 153,000 |
| Earnings per share in (﷼) | **0.47** | 0.35 | **1.79** | 1.68 |

There has been no item of dilution affecting the weighted average number of ordinary shares.

## 18. GEOPOLITICAL DEVELOPMENTS

The Group continues to monitor the regional geopolitical developments and their potential impact on Saudi Arabia and the broader GCC environment given that the majority of the Group's operations are conducted within GCC region including Saudi Arabia. During the nine-months period ended September 30, 2026, these developments have resulted in a decrease in the Group's export sales due to disruptions in regional trade and logistics, which was partially offset by an increase in local sales, using alternate logistics routes and increase in export sale price. Apart from it, these developments have not had a material impact on Group's condensed consolidated interim financial statements for the nine-months period ended September 30, 2026; however, given the evolving nature of the developments, the potential long-term impact on the Group's business will continue to be assessed on future reporting dates.

## 19. APPROVAL OF CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

These condensed consolidated interim financial statements were authorized for issue and approved by the Board of Directors of the Company on 24/05/1448 AH (corresponding to 04/11/2026 AD).