

شركة اسمنت الكويت
KUWAIT CEMENT COMPANY

Kuwait Cement Company
Kuwait Public Shareholding Company
and its subsidiaries
State of Kuwait

Interim Condensed Consolidated Financial Information (Unaudited)
And Review Report for the Nine Months Ended 30 September 2024

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To the Board of Directors
Kuwait Cement Company
Kuwait Public Shareholding Company
State of Kuwait

Report on review of interim condensed consolidated financial information

Introduction
We have reviewed the accompanying interim condensed consolidated statement of financial position of Kuwait Cement Company - K.P.S.C. ("The Parent Company") and its subsidiaries (together referred to as "the Group") as at 30 September 2024, and the interim condensed consolidated statements of income, income and other comprehensive income, changes in equity and cash flows for the nine month period then ended. Management of the Parent Company is responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with International Accounting Standard No (34) "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review
We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim condensed consolidated 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 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 information is not prepared, in all material respects, in accordance with International Accounting Standard 34 (Interim Financial Reporting).

Report on other Legal and Regulatory Requirements
Furthermore, based on our review, the interim condensed consolidated financial information is in agreement with the books of accounts of the Parent Company. We further report that nothing has come to our attention indicating any violations during the nine month period ended 30 September 2024, of the Companies' Law No. 1 of 2016 and its executive regulations, as amended or the Parent Company's memorandum of incorporation and articles of association, as amended, which might have materially affected the Group's activities or its interim condensed consolidated financial position.

We further report that, to the best of our knowledge and belief, no material violations of provisions of the Law No. 7 of 2010, as amended regarding the Capital Markets Authority and the Regulation of Securities Activities and its Executive Regulations and the relevant instructions, as amended, during the nine month period ended 30 September 2024, which might have materially affected the Group's activities or its interim condensed consolidated financial position.

Qais M. Al Nisf
License No. 38 "A"
BDO Al Nisf & Partners

Kuwait: 6 November 2024

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Kuwait Cement Company - K.S.C. (Public)
and its subsidiaries
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شركة اسمنت الكويت
KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Financial Position as at 30 September 2024 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	30 September 2024	31 December 2023 (Audited)	30 September 2023
Assets				
Non-current assets				
Property, plant and equipment	4	124,676,517	126,205,648	126,796,302
Intangible assets		10	10	10
Investment properties		770,641	770,641	770,641
Investment in associates	5	18,214,606	17,800,835	17,783,627
Financial assets at fair value through other comprehensive income	6	106,136,302	98,003,213	95,935,162
Right-of-use assets		2,119,582	2,493,627	2,618,307
Total non-current assets		251,917,658	245,273,974	243,904,049
Currents assets				
Inventory	7	19,662,103	17,423,371	20,359,590
Accounts receivable and other debit balances	8	15,145,911	15,654,450	13,913,209
Financial assets at fair value through profit or loss	3	1,381,708	-	-
Cash and cash equivalents	9	10,978,847	13,015,501	14,381,293
Total current assets		47,168,569	46,093,322	48,654,092
Total assets		299,086,227	291,367,296	292,558,141
Equity and liabilities				
Equity				
Capital		73,330,387	73,330,387	73,330,387
Share premium		26,675,810	26,675,810	26,675,810
Treasury shares	10	(13,546,935)	(13,546,935)	(13,546,935)
Profits on sale of treasury shares		441,409	441,409	441,409
Statutory reserve		48,270,703	48,270,703	48,270,703
Voluntary reserve		42,048,346	42,048,346	42,048,346
General reserve		18,930,128	18,930,128	18,930,128
Investments revaluation reserve		2,026,044	(8,871,062)	(10,895,044)
Group's share in associates' reserves		(39,532)	(118,010)	(113,283)
Foreign currency translation reserve		107,854	107,854	107,854
Retained earnings		6,087,546	3,497,258	2,340,677
Equity attributable to Shareholders of the Parent Company		204,331,760	190,765,888	187,590,052
Non-controlling interests		187,488	170,155	165,895
Total equity		204,519,248	190,936,043	187,755,947
Liabilities				
Non-current liabilities				
Loans, bank facilities and Murabaha	11	49,818,649	61,018,233	60,214,338
Provision for employees' end of service indemnity		4,158,915	3,828,422	3,787,882
Lease liabilities		1,032,669	1,693,507	1,700,044
Total non-current liabilities		55,010,233	66,540,162	65,702,264
Current liabilities				
Loans, bank facilities and Murabaha	11	13,867,000	11,233,500	14,567,000
Accounts payable and other credit balances	12	25,168,259	22,152,657	24,027,996
Lease liabilities		521,487	504,934	504,934
Total current liabilities		39,556,746	33,891,091	39,099,930
Total liabilities		94,566,979	100,431,253	104,802,194
Total equity and liabilities		299,086,227	291,367,296	292,558,141

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Rashed Abdulaziz Al-Rashed
Chairman

Dr. Abdulaziz Rashed Al-Rashed
Vice Chairman

Kuwait Cement Company - K.S.C. (Public)
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KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Income for the Nine Months Ended 30 September 2024 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2024	2023	2024	2023
Sales		15,598,642	14,248,703	49,024,687	47,125,077
Cost of sales	13	(14,427,995)	(13,619,194)	(44,733,616)	(44,881,331)
Gross profit		1,170,647	629,509	4,291,071	2,243,746
Selling, general and administrative expenses		(813,603)	(763,102)	(2,585,337)	(2,540,133)
Net income from other activities	14	74,589	105,083	266,984	383,103
Operating profit / (loss)		431,633	(28,510)	1,972,718	86,716
Provision for expected credit loss	8	(13,896)	(22,460)	(19,967)	(85,442)
Finance charges		(807,289)	(944,405)	(2,633,877)	(2,779,325)
Interest income		3,113	22,413	44,333	60,738
Net investment income	15	308,344	255,754	2,510,350	2,394,484
Group's share in associates' business results	5	99,800	581,609	701,990	999,895
Net profit / (loss) for the period before deductions		21,705	(135,599)	2,575,547	677,066
Kuwait Foundation for the Advancement of Science		3,585	-	(17,665)	-
National Labour Support Tax		(659)	-	(19,779)	-
Zakat		2,540	-	-	-
Net profit / (loss) for the period		27,171	(135,599)	2,538,103	677,066
Attributable to:					
The Parent Company's Shareholders		25,062	(134,534)	2,535,270	678,452
Non-controlling interests		2,109	(1,065)	2,833	(1,386)
Net profit / (loss) for the period		27,171	(135,599)	2,538,103	677,066
Basic and diluted earnings / (loss) per share (fils)	16	0.04	(0.19)	3.56	0.95

The accompanying notes are an integral part of the interim condensed consolidated financial information.

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Interim Condensed Consolidated Statement of Income and Other Comprehensive Income for the Nine Months Ended 30 September 2024 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 30 September		Nine months ended 30 September	
		2024	2023	2024	2023
Net profit / (loss) for the period		27,171	(135,599)	2,538,103	677,066
Other comprehensive income / (loss) items:					
Items that may be reclassified subsequently to the interim condensed consolidated statement of income:					
Group's share of associates' reserves	5	22,258	33,693	78,478	(102,063)
Items that will not be reclassified subsequently in the interim condensed consolidated statement of income:					
Changes in fair value of financial assets at fair value through other comprehensive income		3,285,205	(1,672,607)	10,951,532	(3,597,138)
Total other comprehensive income / (loss) for the period		3,307,463	(1,638,914)	11,030,010	(3,699,201)
Total comprehensive income / (loss) for the period		3,334,634	(1,774,513)	13,568,113	(3,022,135)
Attributable to:					
The Parent Company's Shareholders		3,326,208	(1,772,812)	13,554,799	(3,016,865)
Non-controlling interests		8,426	(1,701)	13,314	(5,270)
Total comprehensive income / (loss) for the period		3,334,634	(1,774,513)	13,568,113	(3,022,135)

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Kuwait Cement Company - K.S.C. (Public)
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Interim Condensed Consolidated Statement of Changes in Equity for the Nine Months Ended 30 September 2024 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Equity attributable to shareholders of the Parent Company													
	Capital	Share premium	Treasury shares	Profits on sale of treasury shares	Statutory reserve	Voluntary reserve	General reserve	Investments revaluation reserve	Group's share in associates' reserves	Foreign currency translation reserve	Retained earnings	Sub-total	Non-controlling interests	Total equity
Balance as at 1 January 2023	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	(7,252,092)	(11,220)	107,854	5,165,534	194,159,924	168,041	194,327,965
Net profit / (loss) for the period	-	-	-	-	-	-	-	-	-	-	678,452	678,452	(1,386)	677,066
Other comprehensive loss for the period	-	-	-	-	-	-	-	(3,593,254)	(102,063)	-	-	(3,695,317)	(3,884)	(3,699,201)
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-	(3,593,254)	(102,063)	-	678,452	(3,016,865)	(5,270)	(3,022,135)
Transferred from investments revaluation reserve	-	-	-	-	-	-	-	(49,698)	-	-	46,478	(3,220)	3,220	-
The Group's share from the transferred to retained earnings in associates	-	-	-	-	-	-	-	-	-	-	15,081	15,081	-	15,081
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(96)	(96)
Dividends (Note 20)	-	-	-	-	-	-	-	-	-	-	(3,564,868)	(3,564,868)	-	(3,564,868)
Balance as at 30 September 2023	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	(10,895,044)	(113,283)	107,854	2,340,677	187,590,052	165,895	187,755,947
Balance as at 1 January 2024	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	(8,871,062)	(118,010)	107,854	3,497,258	190,765,888	170,155	190,936,043
Net profit for the period	-	-	-	-	-	-	-	-	-	-	2,535,270	2,535,270	2,833	2,538,103
Other comprehensive income for the period	-	-	-	-	-	-	-	10,941,051	78,478	-	-	11,019,529	10,481	11,030,010
Total comprehensive income for the period	-	-	-	-	-	-	-	10,941,051	78,478	-	2,535,270	13,554,799	13,314	13,568,113
Transferred from investments revaluation reserve	-	-	-	-	-	-	-	(43,945)	-	-	39,937	(4,008)	4,008	-
The Group's share from the transferred to retained earnings in associates	-	-	-	-	-	-	-	-	-	-	15,081	15,081	-	15,081
Change in non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	11	11
Balance as at 30 September 2024	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	2,026,044	(39,532)	107,854	6,087,546	204,331,760	187,488	204,519,248

The accompanying notes are an integral part of the interim condensed consolidated financial information.

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Interim Condensed Consolidated Statement of Cash Flows for the Nine Months Ended 30 September 2024 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Nine months ended 30 September	
	2024	**2023**
Cash flows from operating activities:		
Net profit for the period before deductions	2,575,547	677,066
Adjustments:		
Depreciation and amortization	2,891,990	2,766,070
Provision for expected credit losses	19,967	85,442
Gains from sale of property, plant and equipment	(1,427)	(75,530)
Net investment income	(2,603,071)	(2,489,983)
Finance charges	2,633,877	2,779,325
Interest income	(44,333)	(60,738)
Group's share in associates' business results	(701,990)	(999,895)
Provision for employees' end of service indemnity	330,493	140,417
Net operating profit before working capital changes	5,101,053	2,822,174
Inventory	(2,238,732)	(90,595)
Accounts receivable and other debit balances	488,572	3,689,988
Accounts payable and other credit balances	2,989,257	2,780,182
Net cash generated from operating activities	6,340,150	9,201,749
Cash flows from investing activities:		
Paid for purchase of property, plant and equipment	(1,010,799)	(252,385)
Proceeds from sale of property, plant and equipment	23,412	76,801
Paid for purchase of financial assets at fair value through other comprehensive income	(594,164)	(4,575,066)
Proceeds from sale of financial assets at fair value through other comprehensive income	3,412,607	4,793,783
Paid for purchase of financial assets at fair value through profit or loss	(1,633,765)	-
Proceeds from sale of financial assets at fair value through profit or loss	233,354	-
Dividend income received	3,003,552	2,871,761
Term deposits	2,000,000	-
Interest income received	44,333	60,738
Net cash generated from investing activities	5,478,530	2,975,632
Cash flows from financing activities:		
Withdrawn from loans, bank facilities and Murabaha	-	7,000,000
Paid for loans, bank facilities and Murabaha	(8,566,084)	(6,538,360)
Finance charges paid	(2,626,283)	(2,705,079)
Lease liabilities paid	(651,879)	(715,010)
Dividends payments	(11,099)	(3,561,445)
Net change in non-controlling interest	11	(96)
Net cash used in financing activities	(11,855,334)	(6,519,990)
Net (decrease) / increase in cash and cash equivalents	(36,654)	5,657,391
Cash and cash equivalents at the beginning of the period	11,015,501	8,723,902
Cash and cash equivalents at end of the period (Note 9)	10,978,847	14,381,293

The accompanying notes are an integral part of the interim condensed consolidated financial information.

Notes to the Interim Condensed Consolidated Financial Information for the Nine Months Ended 30 September 2024 (Unaudited)
(All amounts are in Kuwaiti Dinar unless otherwise mentioned)

1. Incorporation and activity

Kuwait Cement Company - Kuwait Public Shareholding Company - "the Parent Company" incorporated as per the Amiri Decree issued on 5 November 1968. The Parent Company's shares were listed on Kuwait Stock Exchange on 29 September 1984. Pursuant to the Extraordinary General Assembly held on 22 October 2023, some articles of the Articles of Association were amended, the latest of which was noted in the Commercial Register under No. 1532 dated 26 November 2023.

The Parent Company's objectives are as follows:

1- Production of cement of all kinds.
2- Production of refractory bricks, blocks and tiles (including refractory cement).
3- Production of bulk, hollow cement blocks and bricks.
4- Production of cement block.
5- Production of kinds of concrete or cement.
6- Production of asbestos cement or cellulosic fiber cement.
7- Production of building materials produced from plant materials and agglomerated with cement.
8- Aggregate crusher.
9- Chemical stores.
10- Extract sand and refilling (quarries).
11- Transportation of solid and liquid waste.
12- Collection of non-hazardous waste.
13- Collection of hazardous waste.
14- Treating and disposing of non-hazardous waste.
15- Treating and disposing of hazardous waste.
16- Recycling used tires.
17- Import of aggregate.
18- Wholesale of cement, gypsum and the like.
19- Wholesale of sand and aggregate.
20- Retail sale of building materials and scrap.
21- Storage in warehouses.
22- Investing the financial surplus in portfolios managed by specialized companies and entities.
23- Sale and purchase of shares and bonds for the interest of the Company.
24- Owning the real estate and movables necessary to carry out its work within the limits permitted by law.
25- Managing its subsidiaries or participating in the management of other companies in which it contributes and providing the necessary support to them.
26- Production of agglomerated cement (clinker).
27- Importing chemicals.

The Company may have interests or participate in any suitable way with entities and companies conducting similar activities or which may assist it in achieving its objectives in Kuwait or abroad. It may as well acquire such entities or affiliate them, and participate in incorporation of real estate companies. The Company may practice the above activities inside the State of Kuwait and abroad either in its own name or by proxy. The Company may practice similar, supplementary, necessary or related business to the mentioned objectives.

The Parent Company's headquarters is located at Sharq, Al Sawaber area, Shuhada Street, Cement House, P.O. Box 20581, Safat 13066, State of Kuwait.

The accompanying interim condensed consolidated financial information was authorized for issue by Parent Company's board of directors on 6 November 2024.

2. Basis of presentation and material accounting policies

2.1 Basis of preparation

The interim condensed consolidated financial information is prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim condensed consolidated financial information does not include all of the information and notes required for complete financial statements prepared in accordance with International Financial Reporting Standards (IFRSs). It should be read in conjunction with the Group's annual consolidated financial statements as at 31 December 2023.

In the opinion of the management, all adjustments (including recurring accruals) have been included in the interim condensed consolidated financial information. The operating results for the period ended 30 September 2024 are not necessarily indicative of the results that may be expected for the year ending 31 December 2024. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2023.

Standards, interpretations and amendments issued and applied by the Group
The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Other new standards and amendments, effective for annual periods beginning on or after 1 January 2024, did not have any material impact on the consolidated financial position or performance of the Group.

3. Fair value estimation

The fair values of financial assets are estimated as follows:

- Level 1: Quoted prices in active markets for quoted financial instruments.
- Level 2: Quoted prices in active markets for similar instruments. Quoted prices in inactive markets for similar assets or liabilities. Observable inputs other than quoted prices of financial instruments.
- Level 3: Inputs for the asset or liabilities that are not based on observable market data.

The table below gives information about how the fair values of the significant financial assets are determined:

	Fair value as of				
	30 September 2024	31 December 2023 (Audited)	30 September 2023	Fair value level	Valuation techniques and principal inputs
Financial assets at fair value through other comprehensive income:					
Quoted securities	86,866,073	77,519,267	76,138,692	First	Last bid price
Funds and portfolios	12,334,266	12,318,749	11,570,217	Second	Net asset value
Unquoted securities	6,935,963	8,165,197	8,226,253	Three	Based on the revised NBV or on the basis of the last transactions
Financial assets at fair value through profit or loss:					
Quoted securities	1,381,708	-	-	First	Last bid price

The fair value of the other financial assets and liabilities approximate their carrying amounts as at the date of interim condensed consolidated financial information.

4. Property, plant and equipment

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Net carrying amount at beginning of the period / year	126,205,648	128,937,213	128,937,213
Additions	1,010,799	306,621	252,385
Disposals	(21,985)	(12,147)	(1,271)
Depreciation during the period / year	(2,517,945)	(3,026,039)	(2,392,025)
Net carrying amount at end of the period / year	124,676,517	126,205,648	126,796,302

Certain property, plant and equipment located on a land leased from the State Properties under leases for a term of five years ending 2025 and 2029.

5. Investment in Associates

Movement on investment in associates was as follows:

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Balance at beginning of the period / year	17,800,835	17,252,492	17,252,492
Group's share in associates' business results	701,990	1,016,803	999,895
Group's share of associates' reserves	78,478	(106,790)	(102,063)
Group's share from the transfer to the retained earnings	15,081	20,108	15,081
Cash dividends received	(381,778)	(381,778)	(381,778)
	18,214,606	17,800,835	17,783,627

6. Financial assets at fair value through other comprehensive income

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Quoted securities	86,866,073	77,519,267	76,138,692
Unquoted securities	6,935,963	8,165,197	8,226,253
Funds and portfolios	12,334,266	12,318,749	11,570,217
	106,136,302	98,003,213	95,935,162

The quoted securities include investments amounting to KD 53,619,935 as at 30 September 2024 in the shares of National Industries Group Holding - K.P.S.C., one of the major shareholders of the Group (KD 46,696,040 as at 31 December 2023, KD 46,005,951 as at 30 September 2023).

7. Inventory

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Raw materials	17,262,895	14,906,349	17,733,809
Finished production	647,311	643,521	666,896
Spare parts	1,751,897	1,873,501	1,958,885
	19,662,103	17,423,371	20,359,590

8. Accounts receivable and other debit balances

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Receivables against unconditional bank guarantees	874,844	1,155,191	1,531,208
Ministry of Commerce – difference from subsidizing cement and ready made concrete to the public	684,168	1,626,158	549,015
Related parties (Note 17)	389,564	467,591	376,245
Other trade receivables	16,176,337	15,727,043	15,260,686
Total trade receivables	18,124,913	18,975,983	17,717,154
Other receivables	1,843,060	1,911,276	2,171,312
Advance payments to suppliers	558,067	827,833	130,868
	20,526,040	21,715,092	20,019,334
Provision for expected credit loss	(6,762,665)	(6,742,698)	(6,701,186)
	13,763,375	14,972,394	13,318,148
Prepaid expenses	543,828	251,645	287,196
Notes receivables	838,708	430,411	307,865
	15,145,911	15,654,450	13,913,209

Movement in provision for expected credit loss is as follows:

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Balance at beginning of the period / year	6,742,698	6,615,744	6,615,744
Provision during the period / year	19,967	126,954	85,442
Balance at end of the period / year	6,762,665	6,742,698	6,701,186

9. Cash and cash equivalents

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Cash on hand and at banks	6,241,756	10,368,871	11,100,244
Cash at investment portfolios	3,537,091	646,630	2,281,049
Short term deposits (a)	1,200,000	-	1,000,000
Long-term deposits	-	2,000,000	-
Cash and cash equivalents as at interim condensed consolidated statement of financial position	10,978,847	13,015,501	14,381,293
Less: term deposits with a maturity period exceeding 3 months	-	(2,000,000)	-
Cash and cash equivalents as at interim condensed consolidated statement of cash flows	10,978,847	11,015,501	14,381,293

a- The effective interest rate on short-term deposits ranges from 4% to 4.5% (31 December 2023: Nil, 30 September 2023: 4.5%) per annum, and these deposits mature contractually at a rate of 90 days (31 December 2023: Nil, 30 September 2023: 90 days).

10. Treasury shares

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Number of shares (share)	20,330,200	20,330,200	20,330,200
Percentage of issued shares (%)	2.77	2.77	2.77
Cost (KD)	13,546,935	13,546,935	13,546,935
Market value (KD)	3,883,068	2,683,586	3,232,502

The Parent Company is committed to keeping reserves, retained earnings and share premium equal to the purchased treasury shares along acquisition period according to the instructions of the concerned regulatory authorities.

11. Loans, bank facilities and Murabaha

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Non-current portion			
Loans	19,712,000	22,176,000	19,412,000
Murabaha	30,106,649	38,842,233	40,802,338
	49,818,649	61,018,233	60,214,338
Current portion			
Loans	4,928,000	2,464,000	5,228,000
Murabaha	8,939,000	8,769,500	9,339,000
	13,867,000	11,233,500	14,567,000
Total loans, bank facilities and Murabaha	63,685,649	72,251,733	74,781,338

The average effective interest rate on loans, bank facilities and Murabaha was 5% per annum as at 30 September 2024 (31 December 2023: 4.5% per annum and 30 September 2023: 4.5% per annum).

12. Accounts payable and other credit balances

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Trade payables	15,439,037	12,415,833	14,487,555
Accrued interest and expenses	1,893,642	2,236,863	2,113,423
Notes payable	572,872	652,488	828,547
Advance payments from customers	6,268,192	5,883,119	5,612,001
Dividends payable	921,291	932,390	933,968
Accrued KFAS	17,665	5,433	30,150
Accrued NLST	19,779	-	-
Accrued zakat	-	-	913
Retention	-	3,500	3,500
Others	35,781	23,031	17,939
	25,168,259	22,152,657	24,027,996

13. Cost of sales

	Three months ended 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
Cost of raw materials	11,699,969	10,779,117	36,577,853	36,238,083
Salaries and benefits	1,004,311	1,050,554	2,956,901	3,769,215
Maintenance and spare parts	1,152,678	1,205,260	3,483,157	2,863,554
Depreciations and amortizations	261,940	357,449	788,880	1,078,508
Rents	189,761	79,955	361,260	236,721
Others	119,336	146,859	565,565	695,250
	14,427,995	13,619,194	44,733,616	44,881,331

14. Net income from other activities

	Three months ended 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
Net income from investment properties	23,330	26,857	61,533	82,859
Net gain / (loss) from exchange differences	50,851	(7,591)	84,902	32,612
Other income	408	85,817	120,549	267,632
	74,589	105,083	266,984	383,103

15. Net investment income

	Three months ended 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
Financial assets at fair value through other comprehensive income:				
Cash dividends	377,627	286,568	2,621,774	2,489,983
Portfolio management expenses	(31,233)	(30,814)	(92,721)	(95,499)
	346,394	255,754	2,529,053	2,394,484
Financial assets at fair value through profit or loss:				
Unrealized loss from change in the fair value	(48,204)	-	(28,857)	-
Realized gain from sale	10,154	-	10,154	-
	(38,050)	-	(18,703)	-
	308,344	255,754	2,510,350	2,394,484

16. Basic and diluted earnings / (loss) per share

Basic and diluted earnings / (loss) per share are calculated by dividing the net earning / (loss) attributable to Shareholders of the Parent Company for the period by the weighted average of the number of the existing ordinary shares determined based on number of existing shares of issued capital during the period, taking into account treasury shares. The calculation of basic and diluted earnings / (loss) per share is as follows:

	Three months ended 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
Net profit / (loss) for the period attributable to shareholders of the Parent Company	25,062	(134,534)	2,535,270	678,452
Weighted average number of outstanding shares during the period (shares)	712,973,670	712,973,670	712,973,670	712,973,670
Basic and diluted earnings / (loss) per share (fils)	0.04	(0.19)	3.56	0.95

17. Related party transactions

Related parties comprise of the Group's shareholders who are members in the board of directors, board of directors, key management personnel, associates, and subsidiaries in which the Company has representatives in their board. In the normal course of business and subject to the approval of the Group's management, transactions were made with such parties during the period ended 30 September 2024. Balances and transactions between the Parent Company and its subsidiaries, which are related parties of the Group, have been eliminated on consolidation and are not disclosed in this note.

Following is a summary of significant related party transactions:

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Balances included in the interim condensed consolidated statement of financial position:			
Receivables and other debit balances (Note 8)	389,564	467,591	376,245
Provision for employees' end of service indemnity	730,529	601,279	718,239

	Three months ended 30 September		Nine months ended 30 September	
	2024	2023	2024	2023
Transactions included in the interim condensed consolidated statement of income:				
Sales	228,314	197,373	688,852	507,828
Committees' fees	46,000	46,000	138,000	138,000
Executive management salaries and benefits	132,286	129,780	362,826	340,110

All transactions with related parties are subject to the approval of the Shareholders' General Assembly.

18. Contingent liabilities and capital commitments

	30 September 2024	31 December 2023 (Audited)	30 September 2023
Contingent liabilities			
Letters of guarantee	1,270,290	1,270,290	1,004,544
Capital commitments			
Letters of Credit	31,363	332,215	268,087
Uncalled subscription relating to investments in funds	321,972	321,972	321,972
Contracts for importing raw materials	4,517,374	2,491,641	583,575
Property, plant and equipment	579,867	736,041	711,560

There is a dispute between the Parent Company and a supplier about the financial obligations resulting from the termination of the raw materials supply contract between both parties where that party submitted a financial claim, while Parent Company's management has applied with the Court's judicial arbitration for discharging it from any financial obligations resulting from termination of that contract. During the previous period, a judgment was issued for the release of all the Parent Company's financial obligations towards the supplier. The dispute with the supplier has not been resolved yet and the Parent Company's management believes that the provisions provided are sufficient against all the obligations that might result from this dispute.

19. Segment financial information

The management has grouped the Group's significant operating segments and services into the following operating segments under IFRS 8 as follows:

The primary segments information as follows:

Operating Segments

The Group has determined the following two major business segments for internal reporting purposes:

- Manufacturing sector which includes production and sale cement & ready – mix cement.
- Investments segment

Financial information about business segments for the nine month period ended 30 September is as follows:

	30 September 2024			30 September 2023		
	Manufacturing sector	Investment Sector	Total	Manufacturing sector	Investment Sector	Total
Segments revenues	49,145,236	3,273,873	52,419,109	47,392,709	3,477,238	50,869,947
Gross profit / (loss) of segments	1,891,218	3,273,873	5,165,091	(81,585)	3,477,238	3,395,653
Segments assets	169,045,879	130,040,348	299,086,227	175,787,662	116,770,479	292,558,141
Adjustments:						
Gross segments profit			5,165,091			3,395,653
Finance charges			(2,633,877)			(2,779,325)
Interest income			44,333			60,738
Net segments profit before deductions			2,575,547			677,066

20. General Assembly of the Parent Company's Shareholders

The Parent Company's Shareholders General Assembly held on 24 April 2024, approved the consolidated financial statements for the year ended 31 December 2023. It also approved not to distribute the cash dividends and the remuneration of directors for the year ended 31 December 2023.

The Parent Company's Shareholders General Assembly held on 3 May 2023 approved the consolidated financial statements for the year ended 31 December 2022. It also approved cash dividends of 5 fils per share of the paid capital after deducting treasury shares to the concerned shareholders as set out in the schedule approved by the Shareholders' General Assembly.