

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

Interim Condensed Consolidated Financial Information (Unaudited)
And review report for the three months ended 31 March 2026

شركة اسمنت الكويت
KUWAIT CEMENT COMPANY

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And its Subsidiaries
State of Kuwait

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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 31 March 2026, and the interim condensed consolidated statements of income, income and other comprehensive income, changes in equity and cash flows for the three 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 three month period ended 31 March 2026, 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 during our review nothing has come to our attention indicating any material violations of the provisions of law No. 7 of 2010, as amended, regarding the Capital Markets Authority and the regulation of securities activity, its executive regulations and related instructions, as amended, during the three month period ended 31 March 2026 in a way that might have materially affected the Group's activities or its interim condensed consolidated financial position.

Faisal Saqer Al Saqer
License No. 172 – "A"
BDO Al Nisf & Partners

Kuwait: 29 April 2026

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Kuwait Cement Company - K.S.C. (Public)
and its Subsidiaries
State of Kuwait

شركة اسمنت الكويت
KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Financial Position as at 31 March 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	31 March 2026	31 December 2025 (Audited)	31 March 2025
Assets				
Non-current assets				
Property, plant and equipment	4	132,521,146	130,257,489	125,177,143
Intangible assets		10	10	10
Investment properties		770,641	770,641	770,641
Investment in associates	5	19,524,046	19,202,739	18,104,792
Financial assets at fair value through other comprehensive income	6	117,221,588	138,155,562	117,529,213
Right-of-use assets		6,861,738	6,986,421	1,870,219
Total non-current assets		276,899,169	295,372,862	263,452,018
Current assets				
Inventory	7	17,697,383	19,286,894	22,854,691
Accounts receivable and other debit balances	8	19,593,117	16,373,404	16,440,388
Financial assets at fair value through profit or loss	3	6,048,159	6,069,442	2,078,854
Cash and cash equivalents	9	9,220,339	6,704,724	7,526,803
Total current assets		52,558,998	48,434,464	48,900,736
Total assets		329,458,167	343,807,326	312,352,754
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		14,970,410	35,291,814	14,735,085
Group's share in associates' reserves		282,757	219,858	68,904
Foreign currency translation reserve		107,854	107,854	107,854
Retained earnings		12,523,870	10,243,732	7,029,700
Equity attributable to shareholders of the Parent Company		224,034,739	242,013,106	218,091,391
Non-controlling interests		203,916	221,077	199,558
Total equity		224,238,655	242,234,183	218,290,949
Liabilities				
Non-current liabilities				
Loans, bank facilities and Murabaha	11	58,749,800	53,995,360	48,493,648
Provision for employees' end of service indemnity		4,386,347	4,367,758	4,314,303
Lease liabilities		5,025,715	5,649,660	845,965
Total non-current liabilities		68,161,862	64,012,778	53,653,916
Current liabilities				
Loans, bank facilities and Murabaha	11	14,744,471	14,307,200	14,328,000
Accounts payable and other credit balances	12	21,772,249	22,712,235	25,557,267
Lease liabilities		540,930	540,930	522,622
Total current liabilities		37,057,650	37,560,365	40,407,889
Total liabilities		105,219,512	101,573,143	94,061,805
Total equity and liabilities		329,458,167	343,807,326	312,352,754

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

Dr. Abdulaziz Rashed Al-Rashed
Chairman

Mishaal Abdulmohsen Al-Rashed
Vice Chairman and CEO

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

Interim Condensed Consolidated Statement of Income for the three months ended 31 March 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 31 March	
		2026	**2025**
Sales		20,280,148	15,539,109
Cost of sales	13	(16,746,131)	(13,748,718)
Gross profit		3,534,017	1,790,391
Selling, general and administrative expenses		(896,574)	(890,342)
Net income from other activities	14	315,774	62,173
Operating profit		2,953,217	962,222
Provision for expected credit losses no longer required	8	14,468	-
Finance charges		(741,848)	(759,093)
Interest income		3,393	9,293
Net investments (loss) / income	15	(232,957)	56,050
Group's share in associates' business results	5	253,381	(201,087)
Net profit for the period before deductions		2,249,654	67,385
Kuwait Foundation for the Advancement of Science		(15,301)	(292)
National Labour Support Tax		(56,176)	(3,080)
Zakat		(22,471)	(2,219)
Net profit for the period		2,155,706	61,794
Attributable to:			
The Parent Company's Shareholders		2,153,112	60,006
Non-controlling interests		2,594	1,788
Net profit for the period		2,155,706	61,794
Basic and diluted earnings per share (fils)	16	3.02	0.08

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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KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Income and Other Comprehensive Income for the three months ended 31 March 2026
(Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 31 March	
		2026	2025
Net profit for the period		2,155,706	61,794
Items of other comprehensive (loss) / income:			
Items that may be reclassified subsequently to the interim condensed consolidated statement of income:			
Group's share of associates' reserves	5	62,899	94,787
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		(20,220,177)	6,440,065
Total other comprehensive (loss) / income for the period		(20,157,278)	6,534,852
Total comprehensive (loss) / income for the period		(18,001,572)	6,596,646
Attributable to:			
The Parent Company's Shareholders		(17,983,394)	6,589,963
Non-controlling interests		(18,178)	6,683
Total comprehensive (loss) / income for the period		(18,001,572)	6,596,646

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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شركة اسمنت الكويت
KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Changes in Equity for the three months ended 31 March 2026 (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	Subtotal	Non-controlling interests	Total equity
Balance as at 1 January 2025	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	8,483,375	(25,883)	107,854	6,781,207	211,496,401	192,487	211,688,888
Net profit for the period	-	-	-	-	-	-	-	-	-	-	60,006	60,006	1,788	61,794
Other comprehensive income for the period	-	-	-	-	-	-	-	6,435,170	94,787	-	-	6,529,957	4,895	6,534,852
Total comprehensive income for the period	-	-	-	-	-	-	-	6,435,170	94,787	-	60,006	6,589,963	6,683	6,596,646
Transferred from disposal of investments	-	-	-	-	-	-	-	(183,460)	-	-	183,460	-	388	388
The Group's share from the transferred to retained earnings in associates	-	-	-	-	-	-	-	-	-	-	5,027	5,027	-	5,027
Balance as at 31 March 2025	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	14,735,085	68,904	107,854	7,029,700	218,091,391	199,558	218,290,949
Balance as at 1 January 2026	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	35,291,814	219,858	107,854	10,243,732	242,013,106	221,077	242,234,183
Net profit for the period	-	-	-	-	-	-	-	-	-	-	2,153,112	2,153,112	2,594	2,155,706
Other comprehensive (loss) / income for the period	-	-	-	-	-	-	-	(20,199,405)	62,899	-	-	(20,136,506)	(20,772)	(20,157,278)
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-	(20,199,405)	62,899	-	2,153,112	(17,983,394)	(18,178)	(18,001,572)
Transferred from disposal of investments	-	-	-	-	-	-	-	(121,999)	-	-	121,999	-	1,017	1,017
The Group's share from the transferred to retained earnings in associates	-	-	-	-	-	-	-	-	-	-	5,027	5,027	-	5,027
Balance as at 31 March 2026	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	14,970,410	282,757	107,854	12,523,870	224,034,739	203,916	224,238,655

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

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 Cash Flows for the three months ended 31 March 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Three months ended 31 March	
	2026	**2025**
Cash flows from operating activities:		
Net profit for the period before deductions	2,249,654	67,385
Adjustments:		
Depreciation and amortization	571,236	669,615
Provision for expected credit losses no longer required	(14,468)	-
Gains on sale of property, plant and equipment	(146,921)	(876)
Net investments loss / (income)	161,274	(90,697)
Finance charges	741,848	759,093
Interest income	(3,393)	(9,293)
Group's share in associates' business results	(253,381)	201,087
Provision for employees' end of service indemnity	18,589	69,900
Net operating profit before working capital changes	3,324,438	1,666,214
Inventory	1,602,422	(2,981,082)
Accounts receivable and other debit balances	(3,205,245)	609,760
Accounts payable and other credit balances	(1,033,537)	1,045,909
Net cash generated from operating activities	688,078	340,801
Cash flows from investing activities:		
Paid for the acquisition of property, plant and equipment	(2,712,339)	(235,525)
Proceeds from sale of property, plant and equipment	149,050	6,405
Paid for purchase of financial assets at fair value through other comprehensive income	(20,321)	(401,824)
Proceeds from sale of financial assets at fair value through other comprehensive income	735,135	1,819,637
Paid for purchase of financial assets at fair value through profit or loss	(1,839,906)	(1,914,298)
Proceeds from sale of financial assets at fair value through profit or loss	1,614,337	474,692
Dividend income received	85,578	45,341
Interest income received	3,393	9,293
Net cash used in investing activities	(1,985,073)	(196,279)
Cash flows from financing activities:		
Loans, bank facilities and Murabaha	5,191,711	-
Finance charges paid	(740,766)	(756,288)
Lease liabilities paid	(637,938)	(114,879)
Dividends paid	(397)	(5,888)
Net cash generated from / (used in) financing activities	3,812,610	(877,055)
Net increase / (decrease) in cash and cash equivalents	2,515,615	(732,533)
Cash and cash equivalents at beginning of the period	6,704,724	8,259,336
Cash and cash equivalents at end of the period (Note 9)	9,220,339	7,526,803

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

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 29 April 2026.

2. Basis of presentation and significant 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 footnotes 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 2025.

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 period ended 31 March 2026 are not necessarily indicative of the results that may be expected for the year ending 31 December 2026. For further information, refer to the consolidated financial statements and notes thereto for the year ended 31 December 2025.

Standards, interpretations and amendments issued and adopted by the Group
The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective from 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. Fair value estimation

The fair values of financial assets and liabilities 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: Valuation methods whose inputs are not based on observable market data.

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

	Fair value as of				
	31 March 2026	31 December 2025 (Audited)	31 March 2025	Fair value level	Valuation techniques and principal inputs
Financial assets at fair value through other comprehensive income:					
Quoted securities	96,968,738	117,293,492	100,476,006	First	Last bid price
Funds and portfolios	13,736,832	14,318,025	10,933,167	Second	Net assets value
Unquoted equity securities	6,516,018	6,544,045	6,120,040	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	4,779,559	4,795,942	1,295,354	First	Last bid price
Unquoted equity securities	1,268,600	1,273,500	783,500	Three	Based on the revised NBV or on the basis of the last transactions

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

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Net carrying amount at beginning of the period / year	130,257,489	125,492,079	125,492,079
Additions	2,712,339	7,304,211	235,525
Disposals	(2,129)	(132,015)	(5,529)
Depreciation during the period / year	(446,553)	(2,406,786)	(544,932)
Net carrying amount at end of the period / year	132,521,146	130,257,489	125,177,143

Certain property, plant and equipment are located on a land leased from the State Properties under leases for a term of five years ending 2029 and 2030.

5. Investment in associates

Movement on investment in associates was as follows:

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Balance at the beginning of the period / year	19,202,739	18,206,065	18,206,065
Group's share in associates' business results	253,381	1,112,603	(201,087)
Group's share of associates' reserves	62,899	245,741	94,787
Group's share from the transfer to the retained earnings	5,027	20,108	5,027
Dividends received	-	(381,778)	-
	19,524,046	19,202,739	18,104,792

6. Financial assets at fair value through other comprehensive income

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Quoted securities	96,968,738	117,293,492	100,476,006
Unquoted equity securities	6,516,018	6,544,045	6,120,040
Funds and portfolios	13,736,832	14,318,025	10,933,167
	117,221,588	138,155,562	117,529,213

The quoted securities include investments amounting to KD 58,076,186 as at 31 March 2026 in the shares of National Industries Group Holding - K.P.S.C., one of the major shareholders of the Group (KD 75,828,732 as at 31 December 2025, KD 62,556,591 as at 31 March 2025).

7. Inventory

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Raw materials	14,061,952	15,776,934	20,091,709
Finished goods	865,734	712,935	534,183
Spare parts	2,769,697	2,797,025	2,228,799
	17,697,383	19,286,894	22,854,691

8. Accounts receivable and other debit balances

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Receivables against unconditional bank guarantees	1,320,285	1,384,761	469,897
Ministry of Commerce – difference from subsidizing cement and ready made concrete to the public	337,796	557,492	906,295
Related parties (Note 17)	702,876	798,066	283,286
Other trade receivables	16,663,066	15,704,741	16,520,902
Total trade receivables	19,024,023	18,445,060	18,180,380
Other receivables	1,844,521	1,792,208	1,931,419
Advance payments to suppliers	3,713,187	1,367,939	1,063,943
	24,581,731	21,605,207	21,175,742
Provision for expected credit losses	(6,782,683)	(6,797,151)	(6,922,950)
	17,799,048	14,808,056	14,252,792
Prepaid expenses	996,359	593,394	994,790
Notes receivables	797,710	971,954	1,192,806
	19,593,117	16,373,404	16,440,388

Movement in allowance for expected credit losses is as follows:

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Balance at the beginning of the period / year	6,797,151	6,922,950	6,922,950
Provision no longer required during the period / year	(14,468)	(125,799)	-
Balance at the end of the period / year	6,782,683	6,797,151	6,922,950

9. Cash and cash equivalents

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Cash on hand and at banks	2,695,880	4,351,297	4,705,721
Cash at investment portfolios	2,124,459	2,353,427	2,821,082
Short - term deposits	4,400,000	-	-
	9,220,339	6,704,724	7,526,803

The effective interest rate on short-term deposits is 3.625% per annum, and these deposits mature contractually at a rate of 30 days.

10. Treasury shares

	31 March 2026	31 December 2025 (Audited)	31 March 2025
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)	7,847,457	8,640,335	5,041,890

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

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Non-current portion			
Loans	29,314,800	27,064,800	20,848,000
Murabaha	29,435,000	26,930,560	27,645,648
	58,749,800	53,995,360	48,493,648
Current portion			
Bank facilities	187,271	-	-
Loans	3,257,200	3,007,200	5,328,000
Murabaha	11,300,000	11,300,000	9,000,000
	14,744,471	14,307,200	14,328,000
Total loans, bank facilities and Murabaha	73,494,271	68,302,560	62,821,648

The average effective interest rate on loans, bank facilities and Murabaha was 4.25% per annum as at 31 March 2026 (31 December 2025: 4.5% per annum and 31 March 2025: 4.75% per annum).

12. Accounts payable and other credit balances

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Trade payables	12,322,827	14,895,112	15,615,314
Accrued interest and expenses	2,664,860	2,287,271	2,424,213
Notes payables	256,887	408,230	596,710
Advance payments from customers	4,583,842	3,505,824	5,863,702
Dividends payable	938,827	939,224	914,617
Accrued KFAS	71,879	79,961	23,675
Accrued NLST	147,735	91,559	39,339
Accrued Zakat	36,647	14,176	7,640
Retention	727,004	478,095	28,000
Other	21,741	12,783	44,057
	21,772,249	22,712,235	25,557,267

13. Cost of sales

	Three months ended 31 March	
	2026	**2025**
Cost of raw materials	13,919,354	11,376,535
Salaries and benefits	1,120,254	1,054,412
Maintenance and spare parts	1,111,745	844,219
Depreciations and amortizations	121,327	234,526
Rents	307,968	97,703
Other	165,483	141,323
	16,746,131	13,748,718

14. Net income from other activities

	Three months ended 31 March	
	2026	**2025**
Net income from investment properties	29,697	21,797
Net gain / (loss) from exchange differences	67,881	(11,326)
Other income	218,196	51,702
	315,774	62,173

15. Net investment (loss) / income

	Three months ended 31 March	
	2026	**2025**
Financial assets at fair value through statement of other comprehensive income		
Cash dividends	80,144	40,544
Portfolio management expenses	(71,683)	(34,647)
	8,461	5,897
Financial assets at fair value through profit or loss		
Unrealized (loss) / gain from change in the fair value	(253,645)	28,875
Realized gain from sale	6,793	16,481
Cash dividends	5,434	4,797
	(241,418)	50,153
	(232,957)	56,050

16. Basic and diluted earnings per share

Basic and diluted earnings per share are calculated by dividing the net profit 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 per share is as follows:

16. Basic and diluted earnings per share (Continued)

	Three months ended 31 March	
	2026	**2025**
Net profit for the period attributable to shareholders of the Parent Company (KD)	2,153,112	60,006
Weighted average number of outstanding shares during the period (shares)	712,973,670	712,973,670
Basic and diluted earnings per share (fils)	3.02	0.08

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 31 March 2026. 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:

	31 March 2026	**31 December 2025 (Audited)**	**31 March 2025**
Balances included in the interim condensed consolidated statement of financial position:			
Receivables and other debit balances (Note 8)	702,876	798,066	283,286
Provision for employees' end of service indemnity	723,224	723,307	755,761

	Three months ended 31 March	
	2026	**2025**
Transactions included in the interim condensed consolidated statement of income:		
Sales	356,380	160,827
Committees' fees	46,000	46,000
Executive management salaries and benefits	128,830	142,515

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

18. Contingent liabilities and capital commitments

	31 March 2026	31 December 2025 (Audited)	31 March 2025
Contingent liabilities			
Letters of guarantee	2,674,516	2,674,516	2,707,511
Capital commitments			
Letters of Credit	1,812,655	1,905,261	225,888
Uncalled subscription relating to investments in funds	321,972	321,972	321,972
Contracts for importing raw materials	5,551,992	3,395,737	4,523,675
Property, plant and equipment	-	129,517	532,283

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 sector

Financial information on business segments for the three month period ended 31 March is as follows:

	31 March 2026			31 March 2025		
	Manufacturing sector	Investment Sector	Total	Manufacturing sector	Investment Sector	Total
Segments revenues	20,498,344	50,121	20,548,465	15,590,811	77,847	15,668,658
Gross profit / (loss) of segments	2,937,988	50,121	2,988,109	940,425	(123,240)	817,185
Segments assets	183,769,274	145,688,893	329,458,167	171,048,172	141,304,582	312,352,754
Adjustments:						
Gross segments profit			2,988,109			817,185
Finance charges			(741,848)			(759,093)
Interest income			3,393			9,293
Net segments profit before deductions			2,249,654			67,385

20. General Assembly of the Parent Company's Shareholders

The General Assembly of Parent Company's Shareholders, held on 22 April 2026 approved the consolidated financial statements for the year ended 31 December 2025. It also approved cash dividends of 7 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. It also approved not to distribute any remuneration to the members of the Board of Directors for the year ended 31 December 2025.

The General Assembly of Parent Company's Shareholders, held on 8 May 2025, approved the consolidated financial statements for the year ended 31 December 2024. It also approved to distribute the cash dividends of 6 fils per share of the paid-up capital after deducting treasury shares to the concerned shareholders as set out in the schedule approved by the Shareholders' General Assembly, and not to distribute remuneration directors for the year ended 31 December 2024.