

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 the review report for the six months ended 30 June 2026

Kuwait Cement Company
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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 June 2026, and the interim condensed consolidated statement of income, interim condensed consolidated statement of income and other comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flows for the six-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 to the extent of the information available to us, nothing has come to our attention indicating any violations during the six month period ended 30 June 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 the course of our review and to the best of our knowledge, no material violations of provisions of the Law No. 7 of 2010, as amended regarding the Capital Markets Authority and Regulation of Securities Activities and its Executive Regulations and the relevant instructions, as amended, have occurred during the six month period ended 30 June 2026, which might have materially affected the Group's activities or its interim condensed consolidated financial position.

Faisal Saqer Al Saqer
License No. 172
BDO Al Nisf & Partners

Kuwait: 5 August 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 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	30 June 2026	31 December 2025 (Audited)	30 June 2025
Assets				
Non-current assets				
Property, plant and equipment	4	133,567,679	130,257,489	125,652,369
Intangible assets		10	10	10
Investment properties		770,641	770,641	770,641
Investment in associates	5	19,117,239	19,202,739	18,086,828
Financial assets at fair value through other comprehensive income	6	123,737,650	138,155,562	119,973,190
Right-of-use assets		6,737,057	6,986,421	1,745,538
Total non-current assets		283,930,276	295,372,862	266,228,576
Current assets				
Inventories	7	21,467,074	19,286,894	21,588,408
Accounts receivable and other debit balances	8	13,986,419	16,373,404	16,496,511
Financial assets at fair value through profit or loss	3	7,377,335	6,069,442	4,279,699
Cash and cash equivalents	9	5,096,108	6,704,724	13,027,504
Total current assets		47,926,936	48,434,464	55,392,122
Total assets		331,857,212	343,807,326	321,620,698
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		19,138,867	35,291,814	18,964,107
Group's share in associates' reserves		54,275	219,858	109,568
Foreign currency translation reserve		107,854	107,854	107,854
Retained earnings		10,961,276	10,243,732	6,115,833
Equity attributable to shareholders of the Parent Company		226,412,120	242,013,106	221,447,210
Non-controlling interests		214,289	221,077	203,448
Total equity		226,626,409	242,234,183	221,650,658
Liabilities				
Non-current liabilities				
Loans, bank facilities and Murabaha	11	54,392,600	53,995,360	55,067,648
Provision for employees' end of service indemnity		4,307,384	4,367,758	4,333,154
Lease liabilities		4,893,062	5,649,660	241,645
Total non-current liabilities		63,593,046	64,012,778	59,642,447
Current liabilities				
Loans, bank facilities and Murabaha	11	19,314,052	14,307,200	17,750,000
Accounts payable and other credit balances	12	21,782,775	22,712,235	22,054,971
Lease liabilities		540,930	540,930	522,622
Total current liabilities		41,637,757	37,560,365	40,327,593
Total liabilities		105,230,803	101,573,143	99,970,040
Total equity and liabilities		331,857,212	343,807,326	321,620,698

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)
and its Subsidiaries
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شركة اسمنت الكويت
KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Income for the six months ended 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 30 June		Six months ended 30 June	
		2026	2025	2026	2025
Sales		22,403,743	17,936,507	42,683,891	33,475,616
Cost of sales	13	(19,384,751)	(17,746,609)	(36,130,882)	(31,495,327)
Gross profit		3,018,992	189,898	6,553,009	1,980,289
Selling, general and administrative expenses		(861,843)	(1,029,575)	(1,758,417)	(1,919,917)
Net income from other activities	14	48,964	124,756	364,738	186,929
Profit / (loss) from operations		2,206,113	(714,921)	5,159,330	247,301
Provision for expected credit losses	8	(2,861,690)	(30,763)	(2,847,222)	(30,763)
Finance charges		(815,409)	(852,814)	(1,557,257)	(1,611,907)
Interest income		15,288	4,680	18,681	13,973
Net investment income	15	4,850,319	4,300,978	4,617,362	4,357,028
Group's share in associates' business results	5	351,137	318,123	604,518	117,036
Net profit for the period before deductions		3,745,758	3,025,283	5,995,412	3,092,668
Kuwait Foundation for the Advancement of Science		(32,642)	(27,404)	(47,943)	(27,696)
National Labour Support Tax		(47,649)	3,080	(103,825)	-
Zakat		(4,822)	2,219	(27,293)	-
Net profit for the period		3,660,645	3,003,178	5,816,351	3,064,972
Attributable to:					
The Parent Company's Shareholders		3,653,872	3,001,297	5,806,984	3,061,303
Non-controlling interests		6,773	1,881	9,367	3,669
Net profit for the period		3,660,645	3,003,178	5,816,351	3,064,972
Basic and diluted earnings per share (fils)	16	5.12	4.21	8.14	4.29

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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KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Income and Other Comprehensive Income for the six months ended 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Note	Three months ended 30 June		Six months ended 30 June	
		2026	2025	2026	2025
Net profit for the period		3,660,645	3,003,178	5,816,351	3,064,972
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	(228,482)	40,664	(165,583)	135,451
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		3,941,380	4,587,956	(16,278,797)	11,028,021
Total other comprehensive income / (loss) for the period		3,712,898	4,628,620	(16,444,380)	11,163,472
Total comprehensive income / (loss) for the period		7,373,543	7,631,798	(10,628,029)	14,228,444
Attributable to:					
The Parent Company's Shareholders		7,363,170	7,628,634	(10,620,224)	14,218,597
Non-controlling interests		10,373	3,164	(7,805)	9,847
Total comprehensive income / (loss) for the period		7,373,543	7,631,798	(10,628,029)	14,228,444

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 six months ended 30 June 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	Sub-total	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	-	-	-	-	-	-	-	-	-	-	3,061,303	3,061,303	3,669	3,064,972
Other comprehensive income for the period	-	-	-	-	-	-	-	11,021,843	135,451	-	-	11,157,294	6,178	11,163,472
Total comprehensive income for the period	-	-	-	-	-	-	-	11,021,843	135,451	-	3,061,303	14,218,597	9,847	14,228,444
Transferred on disposal of investments	-	-	-	-	-	-	-	(541,111)	-	-	541,111	-	1,114	1,114
Group's share of transfer to retained earnings in associates	-	-	-	-	-	-	-	-	-	-	10,054	10,054	-	10,054
Cash dividends (Note 20)	-	-	-	-	-	-	-	-	-	-	(4,277,842)	(4,277,842)	-	(4,277,842)
Balance as at 30 June 2025	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	18,964,107	109,568	107,854	6,115,833	221,447,210	203,448	221,650,658
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	-	-	-	-	-	-	-	-	-	-	5,806,984	5,806,984	9,367	5,816,351
Other comprehensive loss for the period	-	-	-	-	-	-	-	(16,261,625)	(165,583)	-	-	(16,427,208)	(17,172)	(16,444,380)
Total comprehensive (loss) / income for the period	-	-	-	-	-	-	-	(16,261,625)	(165,583)	-	5,806,984	(10,620,224)	(7,805)	(10,628,029)
Transferred on disposal of investments	-	-	-	-	-	-	-	108,678	-	-	(108,678)	-	1,017	1,017
Group's share of transfer to retained earnings in associates	-	-	-	-	-	-	-	-	-	-	10,054	10,054	-	10,054
Cash dividends (Note 20)	-	-	-	-	-	-	-	-	-	-	(4,990,816)	(4,990,816)	-	(4,990,816)
Balance as at 30 June 2026	73,330,387	26,675,810	(13,546,935)	441,409	48,270,703	42,048,346	18,930,128	19,138,867	54,275	107,854	10,961,276	226,412,120	214,289	226,626,409

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

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KUWAIT CEMENT COMPANY

Interim Condensed Consolidated Statement of Cash Flows for the six months ended 30 June 2026 (Unaudited)

(All amounts are in Kuwaiti Dinars)

	Six months ended 30 June	
	2026	2025
Cash flows from operating activities:		
Net profit for the period before deductions	5,995,412	3,092,668
Adjustments:		
Depreciation and amortization	1,485,705	1,506,261
Provision for expected credit losses	2,847,222	30,763
Gains on sale of property, plant and equipment	(115,652)	(876)
Finance charges	1,557,257	1,611,907
Interest income	(18,681)	(13,973)
Net investment income	(4,740,592)	(4,416,331)
Group's share in associates' business results	(604,518)	(117,036)
Provision for employees' end of service indemnity	(60,374)	88,751
Net operating profit before working capital changes	6,345,779	1,782,134
Inventory	(2,151,891)	(1,703,357)
Accounts receivable and other debit balances	(460,237)	522,874
Accounts payable and other credit balances	(1,128,287)	(2,542,923)
Net cash generated from / (used in) operating activities	2,605,364	(1,941,272)
Cash flows from investing activities:		
Paid for purchase of property, plant and equipment	(4,585,484)	(1,422,716)
Proceeds from sale of property, plant and equipment	154,605	6,405
Paid for purchase of financial assets at fair value through other comprehensive income	(326,795)	(1,159,412)
Proceeds from sale of financial assets at fair value through other comprehensive income	769,685	4,721,930
Paid for purchase of financial assets at fair value through profit or loss	(4,995,939)	(7,844,708)
Proceeds from sale of financial assets at fair value through profit or loss	3,325,475	4,703,816
Dividend income received	3,334,894	4,253,194
Interest income received	18,681	13,973
Net cash (used in)/generated from investing activities	(2,304,878)	3,272,482
Cash flows from financing activities:		
Withdrawn from loans, bank facilities and Murabaha	11,054,092	16,860,000
Paid for loans, bank facilities and Murabaha	(5,650,000)	(6,864,000)
Finance charges paid	(1,552,987)	(1,567,005)
Lease liabilities paid	(789,157)	(737,766)
Dividends paid	(4,971,050)	(4,254,271)
Net cash (used in) / generated from financing activities	(1,909,102)	3,436,958
Net (decrease) / increase in cash and cash equivalents	(1,608,616)	4,768,168
Cash and cash equivalents at the beginning of the period	6,704,724	8,259,336
Cash and cash equivalents at end of the period (Note 9)	5,096,108	13,027,504

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") was 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 5 August 2026.

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 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 the period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the year ended 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 information 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 the new standards effective as of 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that was issued but 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: 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 June 2026	31 December 2025 (Audited)	30 June 2025	Fair value level	Valuation techniques and principal inputs
Financial assets at fair value through other comprehensive income:					
Quoted securities	102,966,792	117,293,492	102,020,176	First	Last bid price
Funds and portfolios	14,635,997	14,318,025	12,024,237	Second	Net asset value
Unquoted securities	6,134,861	6,544,045	5,928,777	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	6,108,735	4,795,942	3,469,199	First	Last bid price
Unquoted securities	1,268,600	1,273,500	810,500	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

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Net carrying amount at beginning of the period / year	130,257,489	125,492,079	125,492,079
Additions	4,585,484	7,304,211	1,422,716
Disposals	(38,953)	(132,015)	(5,529)
Depreciation during the period / year	(1,236,341)	(2,406,786)	(1,256,897)
Net carrying amount at end of the period / year	133,567,679	130,257,489	125,652,369

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:

	30 June 2026	31 December 2025 (Audited)	30 June 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	604,518	1,112,603	117,036
Group's share of associates' reserves	(165,583)	245,741	135,451
Group's share from the transfer to the retained earnings	10,054	20,108	10,054
Dividends received	(534,489)	(381,778)	(381,778)
	19,117,239	19,202,739	18,086,828

6. Financial assets at fair value through other comprehensive income

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Quoted securities	102,966,792	117,293,492	102,020,176
Unquoted securities	6,134,861	6,544,045	5,928,777
Funds and portfolios	14,635,997	14,318,025	12,024,237
	123,737,650	138,155,562	119,973,190

Quoted securities include investments amounting to KD 60,105,049 as at 30 June 2026 in the shares of National Industries Group Holding Company - K.P.S.C., one of the major shareholders of the Group (KD 75,828,732 as at 31 December 2025, KD 64,162,774 as at 30 June 2025).

7. Inventory

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Raw materials	17,691,321	15,776,934	18,345,057
Finished production	1,145,134	712,935	720,731
Spare parts	2,630,619	2,797,025	2,522,620
	21,467,074	19,286,894	21,588,408

8. Accounts receivable and other debit balances

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Receivables against unconditional bank guarantees	1,519,624	1,384,761	581,435
Ministry of Commerce – difference from subsidizing cement and ready made concrete to the public	163,643	557,492	627,153
Related parties (Note 17)	430,542	798,066	307,003
Other trade receivables	17,256,554	15,704,741	17,354,430
Total trade receivables	19,370,363	18,445,060	18,870,021
Other receivables	1,836,224	1,792,208	2,024,639
Advance payments to suppliers	958,092	1,367,939	869,121
	22,164,679	21,605,207	21,763,781
Provision for expected credit losses	(9,644,373)	(6,797,151)	(6,953,713)
	12,520,306	14,808,056	14,810,068
Prepaid expenses	719,163	593,394	585,077
Notes receivables	746,950	971,954	1,101,366
	13,986,419	16,373,404	16,496,511

Movement in provision for expected credit losses is as follows:

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Balance at the beginning of the period / year	6,797,151	6,922,950	6,922,950
Provision charged / (no longer required) during the period / year	2,847,222	(125,799)	30,763
Balance at the end of the period / year	9,644,373	6,797,151	6,953,713

9. Cash and cash equivalents

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Cash on hand and at banks	2,176,541	4,351,297	8,988,304
Cash at investment portfolios	2,919,567	2,353,427	4,039,200
	5,096,108	6,704,724	13,027,504

10. Treasury shares

	30 June 2026	31 December 2025 (Audited)	30 June 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)	8,843,637	8,640,335	7,318,872

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 June 2026	31 December 2025 (Audited)	30 June 2025
Non-current portion			
Loans	30,857,600	27,064,800	23,072,000
Murabaha	23,535,000	26,930,560	31,995,648
	54,392,600	53,995,360	55,067,648
Current portion			
Bank facilities	49,652	-	-
Loans	7,714,400	3,007,200	7,000,000
Murabaha	11,550,000	11,300,000	10,750,000
	19,314,052	14,307,200	17,750,000
Total loans, bank facilities and Murabaha	73,706,652	68,302,560	72,817,648

The average effective interest rate on loans, bank facilities and Murabaha was 4.25% per annum as at 30 June 2026 (4.5% per annum as at 31 December 2025, 4.75% per annum as at 30 June 2025).

12. Accounts payable and other credit balances

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Trade payables	12,720,698	14,895,112	11,926,692
Accrued interest and expenses	2,649,293	2,287,271	2,701,759
Notes payable	354,126	408,230	607,563
Advance payments from customers	3,989,927	3,505,824	5,487,860
Dividends payable	958,990	939,224	944,076
Accrued KFAS	104,521	79,961	51,079
Accrued NLST	107,033	91,559	-
Accrued Zakat	28,384	14,176	-
Retention	823,077	478,095	287,881
Other	46,726	12,783	48,061
	21,782,775	22,712,235	22,054,971

13. Cost of sales

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
Cost of raw materials	16,113,385	13,516,589	30,032,739	24,893,124
Salaries and benefits	1,094,603	1,363,556	2,214,857	2,417,968
Maintenance and spare parts	1,376,452	2,014,416	2,488,197	2,858,635
Depreciations and amortizations	121,516	230,962	242,843	465,488
Rents	348,829	473,992	656,797	571,695
Other	329,966	147,094	495,449	288,417
	19,384,751	17,746,609	36,130,882	31,495,327

14. Net income from other activities

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
Net income from investment properties	25,439	25,162	55,136	46,959
Net gains from exchange differences	5,934	67,005	73,815	55,679
Other income	17,591	32,589	235,787	84,291
	48,964	124,756	364,738	186,929

15. Net investment income

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
Financial assets at fair value through other comprehensive income:				
Dividends	4,891,900	3,770,040	4,972,044	3,810,584
Portfolio management expenses	(51,547)	(24,656)	(123,230)	(59,303)
	4,840,353	3,745,384	4,848,814	3,751,281
Financial assets at fair value through profit or loss:				
Unrealised (loss) / gain from change in fair value	(187,398)	91,565	(441,043)	120,440
Realised gain from sale	71,679	407,994	78,472	424,475
Dividends	125,685	56,035	131,119	60,832
	9,966	555,594	(231,452)	605,747
	4,850,319	4,300,978	4,617,362	4,357,028

16. Basic and diluted earnings per share

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

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
Net profit for the period attributable to shareholders of the Parent Company	3,653,872	3,001,297	5,806,984	3,061,303
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 per share (fils)	5.12	4.21	8.14	4.29

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 June 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.

Significant related party balances and transactions are as follows:

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Balances included in the interim condensed consolidated statement of financial position:			
Accounts receivables and other debit balances (Note 8)	430,542	798,066	307,003
Provision for employees' end of service indemnity	724,348	723,307	779,439

	Three months ended 30 June		Six months ended 30 June	
	2026	2025	2026	2025
Transactions included in the interim condensed consolidated statement of income:				
Sales	207,676	268,828	564,056	429,655
Committees' fees	46,000	46,000	92,000	92,000
Executive management salaries and benefits	130,835	156,927	259,665	299,442

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

18. Contingent liabilities and capital commitments

	30 June 2026	31 December 2025 (Audited)	30 June 2025
Contingent liabilities			
Letters of guarantee	2,674,516	2,674,516	2,707,511
Capital commitments			
Letters of Credit	1,287,888	1,905,261	2,751,671
Uncalled subscription relating to investments in funds	321,972	321,972	321,972
Contracts for importing raw materials	5,968,547	3,395,737	8,056,246
Property, plant and equipment	609,243	129,517	456,292

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 classified 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 six month period ended 30 June is as follows:

	30 June 2026			30 June 2025		
	Manufacturing sector	Investment Sector	Total	Manufacturing sector	Investment Sector	Total
Segments revenues	42,919,678	5,277,016	48,196,694	33,559,907	4,521,023	38,080,930
Gross profit of segments	2,256,972	5,277,016	7,533,988	169,579	4,521,023	4,690,602
Segments assets	177,934,780	153,922,432	331,857,212	174,471,140	147,149,558	321,620,698
Adjustments:						
Gross segments profit			7,533,988			4,690,602
Finance charges			(1,557,257)			(1,611,907)
Interest income			18,681			13,973
Net segment profit before deductions			5,995,412			3,092,668

20. General Assembly of the Parent Company's Shareholders

The General Assembly of the Parent Company's shareholders, held on 22 April 2026, approved the consolidated financial statements for the year ended 31 December 2025. It also approved the distribution of cash dividends of 7 fils per share on the paid-up capital, after deducting treasury shares, to the eligible shareholders in accordance with the schedule approved by the General Assembly. Furthermore, it approved that no directors' remuneration be paid for the year ended 31 December 2025.

The General Assembly of the Parent Company's shareholders, held on 8 May 2025, approved the consolidated financial statements for the year ended 31 December 2024. It also approved the distribution of cash dividends of 6 fils per share on the paid-up capital, after deducting treasury shares, to the eligible shareholders in accordance with the schedule approved by the General Assembly. Furthermore, it approved that no directors' remuneration be paid for the year ended 31 December 2024.

21. Geopolitical escalation risks

The Group operates in a global and regional economic environment that continues to be affected by the escalating geopolitical tensions in the Middle East. Recent developments in the region have resulted in a heightened uncertainty in global markets and increased risks associated with supply chains, transportation, shipping and insurance costs, as well as the potential impact on regional and international trade routes. Management has assessed the potential impacts of these developments on the Group's operations and its consolidated financial position, taking into consideration the following:

21. Geopolitical escalation risks (Continued)

- Macroeconomic conditions and economic growth trends.
- The availability of raw materials, fuel and spare parts required for production, the extent to which global and regional supply chains may be affected, as well as the risks associated with increases in shipping, insurance and energy costs, and potential delays in procurement activities resulting from geopolitical developments.
- The continuity of the Group's operating and production activities, including its ability to maintain production levels and meet customer demand in the event of any potential disruptions to supply chains or logistics services.
- Credit risk relating to customers, particularly in sectors that may be indirectly affected by an economic slowdown or market disruptions.
- Market risk, including the Group's ability to realise its investments at fair values during periods of heightened market volatility.

Management has assessed the extent to which the Group's operations have been affected by the current geopolitical developments and evaluated their impact on the Group's overall business activities. Based on this assessment, the Group evaluated the credit risk associated with its customers, which resulted in the recognition of expected credit losses during the period ended 30 June 2026.

Management continues to monitor the impact of these developments on the Group's operating and production activities. The continuation of these conditions may result in increased operating costs or delays in procurement activities during future periods. Accordingly, Management will continue to monitor these developments on an ongoing basis and take appropriate measures to mitigate any potential adverse effects, including diversifying sources of supply and strengthening its operational risk management plans.