



شركة أسمنت تبوك
Tabuk Cement Company



2024

Annual Report

tcc-sa.com



“Tabuk Cement Company achieved high levels of growth during the year 2024G, based on its many competitive advantages, from high efficiency in its operational practices, and superior quality of its multi-use cement products; in light of the major boom in infrastructure, construction and building projects in the Kingdom of Saudi Arabia, especially the mega projects emanating from the paths to achieving the Kingdom’s Vision 2030.”



Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

————— God save him —————

“You are partners in development, and the Kingdom is working to support the private sector opportunities to contribute to the development of the national economy.”



His Royal Highness

Prince Mohammed bin Salman bin Abdulaziz Al Saud

Crown Prince, Prime Minister

————— God save him —————

“Our country has huge investment capabilities, and we will seek to make it a driver for our economy and an additional resource for our country.”

Table of Contents

08

Chairman's
Statement

10

Development
and Sustainable
Growth Journey

16

Strategic
Direction

30

Operational
Performance

40

Sustainability
and Social
Responsibility

52

Risk Management
and Business Conti-
nuity

60

Capital and
Equity

68

Dividends and
Remuneration

84

Corporate
Governance



Chairman's Statement

**Dear Honorable Shareholders,
May the peace, mercy, and blessings of Allah be upon you.**



On my own behalf and on behalf of my fellow Board members, I am pleased to share with you the annual report of "Tabuk Cement" Company for the year 2024G, during which the company continued its promising development rally with more fruitful successes. The report sheds light on a set of facts and figures that reflect the most prominent features of the company's financial and operational performance, paving the way for more achievements in its journey of promising sustainable growth and excellence.

Tabuk Cement Company has succeeded in establishing a growing leadership position as a premier national company that has achieved high levels of growth in its performance, through its commitment to implementing its ambitious strategy, through which it works to increase its project portfolio and expand its customer base continuously, enabling it to maximize revenues and profitable returns for all shareholders and partners, supported by its excellence in meeting the growing demand of customers, for the finest types of various uses of cement, investing in its strategic geographical location that gives it an added distinctive competitive advantage, next to the largest mega projects in the Kingdom and the world such as NEOM, The Line, Amaala, and other huge strategic projects.

Tabuk Cement Company is also distinguished by its sustainable investment in developing production and manufacturing lines in its advanced factory facilities, which enables it to meet the growing market demand for building materials, especially various types of cement, with high efficiency, in light of the major boom that the Kingdom is experiencing in the field of infrastructure, construction and urban

development projects, which cover the major global commitments undertaken by the Kingdom that will change the face of the region and the world on a large scale, such as hosting the 2034 World Cup, the Riyadh Saudi Expo 2030 World Exhibition, in addition to the giant projects in tandem with the Kingdom's Vision 2030 such as Al-Ula, Qiddiya, NEOM, The Line, Amaala, the Red Sea, Trogina and others.

Finally, I am pleased to extend my highest gratitude and appreciation to our wise leadership represented by the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, may Allah preserve him, and his loyal Crown Prince, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Prime Minister, may Allah protect him, for the great and unlimited support to enable the private sector to participate effectively in the comprehensive construction and development process in the Kingdom. I am also pleased to extend my thanks and gratitude to our esteemed shareholders for their precious trust in us, and thanks to all members of the Board of Directors for their great efforts in managing and following up on the company's work and supporting it in coordination with members of the executive management and all employees of the company in their various job roles, who work hard to achieve the company's strategic goals of sustainable growth and excellence.

May the Almighty bless you all,

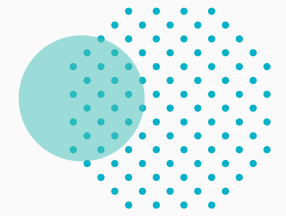
Yazeed bin Khaled Al-Shethri
Chairman



01

The Journey of Development & Sustainable Growth





Incorporation

With an ambitious strategic vision, “Tabuk Cement” Company launched its operations in 1994G, to begin its successful journey as a public joint stock company listed on the Saudi Stock Exchange (Tadawul) in 1998G, with a capital of (900) million Saudi Riyals, located 225 km from Tabuk city and 30 km from Doha Port and Governorate in the Kingdom of Saudi Arabia. “Tabuk Cement” operates through its advanced factory with facilities equipped with the latest technologies, operational facilities, production, storage and distribution lines, used globally in this field; with the expertise and supervision of a group of prestigious international companies in this field, such as the Japanese Mitsubishi/Kawasaki/UBE consortium as the implementing body, and the Austrian Australian company as the main consultant for the project.

The main activity of “Tabuk Cement” is the manufacture of ordinary Portland cement, sulphate-resistant cement, pozzolanic cement and its derivatives and accessories for industrial purposes, trading in these products and carrying out all related and complementary works for this purpose, in addition to exporting cement and related products.

Due to its products being distinguished by the highest levels of quality and efficiency, and its ability to develop its production lines and increase its capacity, Tabuk Cement Company has succeeded in developing a network of sustainable strategic relationships, to become one of the most prominent suppliers of distinguished cement products and derivatives to a large number of major projects in both the public and private sectors, such as the Ministry of Transport, Tabuk University, and others, in addition to the projects of the Kingdom’s Vision 2030, such as the NEOM Project, the Red Sea Project, and the Amaala Project.



900

million Saudi Riyals

Authorized and paid-up
capital of the company



Vision

Our aim is to lead the local and regional cement industry through being the idol of quality and efficiency, committing to be the perfect choice for our clients, employees, shareholders and investors.



Mission

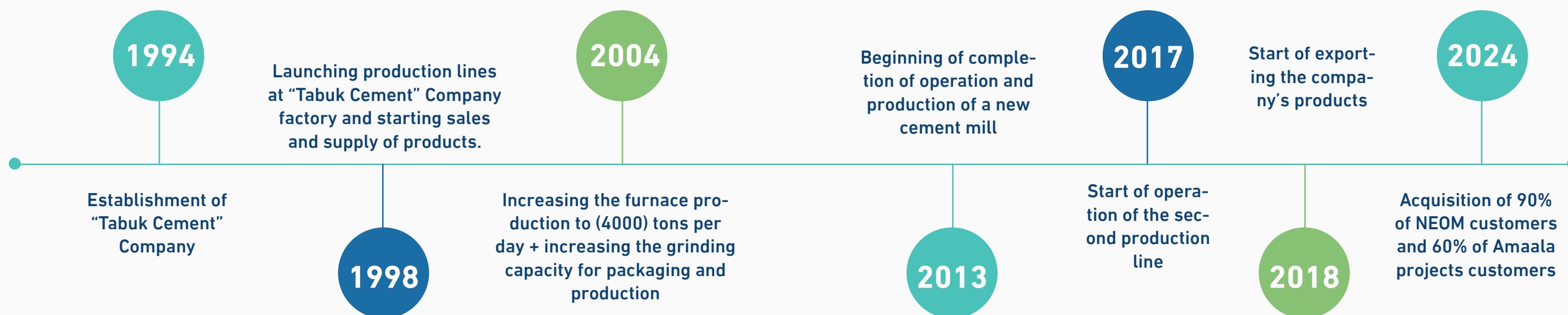
We endeavor to support the local and regional market with cement products in accordance with international standards and reinforce sustainable development by activating the urban movement, construction environment, and developing infrastructure in the region. .



Main Objectives

- 01 To promote sustainable development and to revitalize the national economy.
- 02 To meet the demands of the local and regional market of high-quality cement at competitive prices.
- 03 Optimum investment in the natural resources available in the region and maintaining a dynamic work environment.
- 04 Maintaining a level of excellence through continuous training and development of competencies, projects and services.

The Journey of Giving and Development



Tabuk Cement Company,
Annual Report 2024



02

Strategic direction





Company Strategy

“Tabuk Cement” Company is committed to developing an ambitious strategy, based on its distinctive characteristics, by creating a competitive advantage in all the company’s main sectors, to create sustainable value through which it aims to enhance its leading position as a main player in producing and manufacturing cement with high quality and efficiency. In a way that enables it to increase its market share, by increasing its project portfolio and expanding its customer base, and in a way that ensures achieving the highest revenues and profits for the company as well as to its shareholders and partners, alike, in addition to raising awareness of the mental image of the company’s brand, and enhancing its distinguished competitive position in the Saudi market.



Pillars of strategy implementation

“Tabuk Cement” Company relies on implementing its strategy on the following main pillars:



Maintaining the highest safety standards and enhancing environmental conservation.



Continuously developing human resources technically and administratively, by focusing on training and developing national competencies in various fields and creating a work environment with a high level of professionalism and productive capacity.



Keenness to increase the percentage of localization.



Continuous development of the information technology sector, devices, equipment and its systems.



Creating a high-level monitoring and control system to maintain the quality of work and product and achieve the desired growth.



Constantly keen to meet all customer needs and maintain a stable level of growth to cover their requirements continuously.



Keenness to enhance product quality and continuous development.



Providing facilities to customers at competitive prices.



Keenness to reduce production costs while maximizing financial returns.



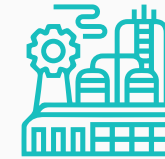
Maximizing the use of assets.

Competitive Advantages

“Tabuk Cement” Company has a set of strengths and competitive advantages that give it more distinction and enable it to establish a leading position in the high-quality cement industry in the Kingdom of Saudi Arabia. Following are the salient competitive advantages:



A capable and inspiring senior leadership and executive management, consisting of an elite team of highly qualified and experienced national professionals.



Advanced manufacturing, production and operational facilities, equipped with the latest globally advanced technologies.



A stable competitive work environment that motivates giving and a passion for innovation.



A network of successful strategic relationships, giving the company the flexibility and ability to attract many clients, to increase its portfolio of projects that return to the company and shareholders with more revenues and profits.



Diverse products that cover the various needs of clients' projects, of cement and its derivatives with high quality and efficiency.



Its geographical location is in the middle of one of the largest business environments and giant projects in the region and the world, such as NEOM and the Red Sea, and its proximity to Duba Port and Tabuk Local Airport.



Linking the Company's Strategy to the Goals of the Kingdom's Vision 2030

"Tabuk Cement" Company is distinguished by its adoption of a research and market studies methodology, in addition to its direct and continuous knowledge of the latest global developments in the cement and building materials industry, in an effort to develop a proactive plan that ensures keeping pace with the growing demand of the market and customers, which earned it a competitive added value, represented by its ability to align the paths of implementing its strategy in a way that contributes to achieving the goals of the Kingdom's Vision 2030, through the following pillars:

01

Applying the concept of sustainability by developing the internal work environment and preserving the natural environment surrounding the company and its projects in which it operates.

Applying comprehensive governance for the organizational work environment and integrating the concept of quality into all lines and facilities of the company's manufacturing and production, ensuring the prevention of risks and the continuity of business in a sustainable manner.

02

03

Constantly reviewing the latest developments in global engineering and industrial technologies as well as information technology and transferring them to the company with all its main facilities, which enriches and fosters local content, one of the main goals of the Kingdom's Vision 2030.

Developing a localization strategy for employing more elite competencies and skills and new university graduates from Saudi talents from both genders, raising their capabilities and enabling them to work and innovate, which contributes to reducing unemployment rate in Saudi society.

04

Prospects

In line with its success in developing its ambitious strategy and considering the major developments and tremendous changes in the infrastructure, construction and urban projects business sector, and the great need for building materials, especially high-quality cement, resulting from launching the implementation of mega projects that align with the Kingdom's Vision 2030, "Tabuk Cement" Company has a great opportunity to win and being awarded many business contracts to supply its distinguished products, which ensures strengthening its financial strength and increasing its market share in a promising manner, in addition to steadily consolidating its leading position, due to its strong competitive advantages, which make it one of the most prominent national companies leading the cement industry, and among the most financially and operationally growing ones.



03

Operational Performance





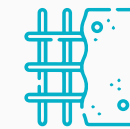
World Class Quality Products

“Tabuk Cement” Company produces a range of high-quality and efficient cement products, according to the highest international and Saudi specifications in this field. The most prominent of these products are:

Ordinary Portland Cement

This product is one of the most common types of cement and is used in concrete, construction and foundations in general when there are no sulfates in the soil or groundwater. This product is used in the following works:

Areas of use



Reinforced concrete.



Plastering and flooring.



General construction.



Concrete structures.



Block and brick manufacturing.

Sulphate and Salt-Resistant Cement (SRC)

It is a product that differs from other types of cement because it is characterized by a low content of tricalcium aluminate which is responsible for reacting with sulfate ions in the soil or water, which prevents the expansion of concrete and the occurrence of cracks in areas where the soil contains a high percentage of sulfates. This product is used in the following:

Areas of use



Foundations and footings.



Basement infrastructure works.



Chemical plants.



Underground infrastructure works, wherever sulphates are present in soil or groundwater

Portland Pozzolan Cement (PPC)

One of the well-known types of Portland cement compositions, which is produced by grinding clinker and gypsum with a certain proportion of volcanic stone (pozzolana), which is similar in its properties to cement. It is used in the following:

Areas of use

Giant construction works.

Low-cost housing projects.

Hydraulic buildings and dams.

Marine buildings.

Hot climate projects.

Massive concrete works such as bridges.

Works exposed to harsh natural conditions.



Clinker

Clinker is the primary product in the cement industry and is produced through the process of burning limestone raw materials with some corrected materials in the kiln. The clinker stock is then used to produce cement after grinding it and adding gypsum with other materials to control the type of cement produced. In 2024G, (14,15346) tons of clinker were produced, including (1,098,746) Ordinary Portland, and (316,600) tons of Sulphate-Resistant clinker.

Quality and efficiency are the salient advantages of the company's competitive products.



The company maintains the quality mark issued by the Saudi Standards, Metrology and Quality Organization, based on its continued commitment to the highest levels of quality in all its manufacturing and production processes.



"Tabuk Cement" Company is committed to

Marketing and Sales Highlights

Below we summarize the company's most prominent achievements in the field of marketing and sales during the year 2024G:

01

The 2024 sales plan was successfully achieved with an increase in quantities by (249) thousand tons at (114.61%), an increase in revenues by (31) million riyals at (110.03%), and an increase in financial collections by (59) million riyals over the previously defined plan.

02

"Tabuk Cement" was approved as the main and sole supplier of Portland Pozzolanic Cement for (The Line) projects due to the distinction of the company's products in the required quality.

03

Winning the highest percentage of clients for both NEOM projects by (90%) and Amaala clients by (60%).

04

The company products obtained the Environmental Disclosure Certificate (EPD) for our cement products in April 2024G, making "Tabuk Cement" the second company in the Kingdom to obtain this certificate.

05

Collecting the highest financial amount in the company's history in one month, amounting to (60,955,406) million riyals, during the month of December, to close and pay off customer debts for the fiscal year 2024G.

06

In 2024, all sales were local and without exports, yet the company was able to raise our growth indicators compared to previous years.

07

The following sales were achieved:

- To markets outside the region, it was (7%) and a quantity of (135,975) tons.
- Tabuk region projects (33%) and (645,005) tons.
- The largest share of our sales was for the Neom and Amaala projects, at (60%) and a quantity of (1,172,035) ton.

Tabuk Cement Company,
Annual Report 2024



04

Sustainability and Social Responsibility





Occupational Health and Safety

"Tabuk Cement" Company is committed to implementing an integrated strategy to develop a safe and healthy work environment, according to the highest standards of health, safety and security, through which it maintains all its employees and workforce in its administrative, operational, industrial and production facilities, to be safe in their various jobs, and ensures their safe return to their families in a sustainable manner. This is done through the following:

Occupational health field

01

Providing a health emergency center with a doctor on a daily basis who receives employees suffering from any diseases and follows up on their condition and provides medications in a way that gives a sense of interest to the company's employees. We also provide workshops to educate employees on how to work and do it in the right way.

02

Providing first aid boxes in all departments and sections of the company under the supervision of trained personnel.

03

Making safety policies and procedures available to everyone and translating them into the official languages of the company, Arabic and English.

04

Providing the necessary safety tools for each department according to the work needs as per the risk identification schedule.

05

Submitting reports on injuries, analyzing them, and working to find appropriate solutions to prevent their recurrence.

06

Following up on facilities and buildings, inspecting them, and developing a plan to implement procedures, providing means of protection and comfort, and providing playgrounds and sports equipment for the entertainment of employees during rest periods and the residential city.

Occupational Safety Field

01

Contracting with accredited companies to add early warning system devices and fire-fighting tools according to the requirements and conditions inside factories (fire boxes and extinguishers and providing emergency exits with their complete fire-fighting equipment).

02

Adding early warning systems and automatic fire extinguishing devices in transformer rooms and main electrical panels.

03

Providing an automatic sprinkler system for the entire factory and ensuring that all production areas are covered by 100%.

04

Providing a foam fire extinguishing system for chemical storage areas.



Environmental field

Despite the importance of cement for the prosperity of urban civilization, this industry has harmful side effects on the environment if healthy environmental standards are not applied accurately and sustainably.

Hence, it is important to consider the design of sustainable development plans, according to the environmental dimension with its various elements. Therefore, Tabuk Cement Company, in accordance with its environmental strategy, applies all local and international standards and criteria in its factories, and adopts several initiatives to preserve the environment, which enables it to obtain the Environmental Safety Certificate, through its commitment to all of the following:

through its commitment to all of the following:



Applying the highest standards of environmental protection.



Reducing harmful emissions from production lines.



Using the latest technology in the factory and all production and operational facilities.



Sustainability

Committed to implementing the best operational practices applied globally, Tabuk Cement Company is keen to integrate the concept of sustainability into the core of its business and various activities and to monitor it on an ongoing basis. In an effort to achieve the highest levels of quality and efficiency, contribute to achieving community development, and preserve the environment. Tabuk Cement Company believes that leadership in the field of sustainability at the regional and global levels requires optimal guidance of the company's resources, by setting sustainability as a primary goal in the company's higher strategy.

Social Responsibility

Tabuk Cement Company is committed to engaging with all internal stakeholders, including employees and affiliates, external contractors and suppliers, and the local community in which it operates, and working to develop them in a way that contributes to improving their conditions, with the aim of achieving community development in general, through supporting and sponsoring social responsibility initiatives and programs, specifically continuous development programs, to support the company's employees, raise their efficiency and achieve their satisfaction. The company is undertaking a set of initiatives in this field, which are:

The company is undertaking a set of initiatives in this field, which are:



Supporting knowledge and culture

- 01** Cooperative training program for students of various universities and colleges and help them in their practical achievement and develop their competencies.
- 02** Student visits program by visiting various universities and colleges.



Charitable work

Supporting charitable societies in the region financially and morally. These societies include:

- 01** Prince Fahd bin Sultan Social Program Association.
- 02** King Abdulaziz Charitable Society in Tabuk.
- 03** Charitable Society in Duba.



The company's participation in the activities of the cement industry sector in the Kingdom:

The company's contribution with the rest of the companies to the National Committee for Cement Companies in the Cement Alliance at King Abdullah University of Science and Technology, the Ministry of Industry and Mineral Resources, and the Public Investment Fund.

01

02

The company's contribution with the rest of the companies to the National Committee for Cement Companies in the International Mining Conference held in Riyadh in January 2025G.



Human Resources

In line with its firm belief that its human resources are its most important assets, “Tabuk Cement” Company endeavors to develop a competitive, attractive and stimulating work environment, through which it attracts an elite group of the most prominent competencies, skills and scientific and professional experiences, especially from young Saudi talents of both genders and fresh university graduates, and works to support them with more development and qualification courses through which it seeks to enable them to exert all their energies to carry out their work with passion. In addition, the company works constantly to involve and integrate them in all the company’s events and activities, which enhances their sense of belonging and loyalty and develops their passion for giving.

“Tabuk Cement” Company always seeks to activate internal communication initiatives through which it aims to involve management, male and female employees in decision-making, and participate in setting their objectives, to be consistent with the general objectives of the company, and provide the appropriate environment for them, and motivate the employee for any distinguished work he/she does, and help them highlight their achievements as an important part of the team.



05

Risk Management and Business Continuity





Risk management is the process of measuring and evaluating potential risks and developing management strategies to ensure preventive handling of these risks and facilitate early detection of actual problems with the aim of reducing their negative impacts on the company.

Risk Framework and Mitigation

Tabuk Cement Company applies a comprehensive strategy to manage potential risks and work to reduce their impacts, according to the following pillars:



Tightening control over the risks surrounding the company's activities and business.



Determining the specific treatment for each type of risk.



Working to reduce losses and accept them to the lowest possible level. Providing appropriate confidence to all stakeholders in the company, especially shareholders, creditors, customers and suppliers, in order to protect the ability to generate profits despite any incidental losses that may lead to a reduction in profits or not achieving them.



Major Risks Facing the Company

The risks described below do not include all the risks that the company may face, but it is possible that there are additional risks, but they are either unknown to the company at the present time or the company may consider them immaterial and do not hinder its work. These risks can be summarized as follows:



Market Risk

Market risk is the risk that the fair value or cash flows of financial instruments may fluctuate due to changes in market prices. Market risk consists of three types of risks: interest rate risk, currency risk, and other price risk.

Interest rate risk

Currency Risk

Other price risks



Foreign Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to fluctuations in foreign exchange rates. The Company is not significantly exposed to fluctuations in foreign exchange rates during its normal business cycle, as the Company's significant transactions during the year were in Saudi Riyals and US Dollars, and since the Saudi Riyal exchange rate is fixed against the US Dollar, there are no significant risks associated with transactions and balances denominated in US Dollars.



Credit Risk

Credit risk is the inability of one party to a financial instrument to meet its obligations, which leads to the other party incurring a financial loss. Concentration risk arises when there are several parties with similar activities operating in the same geographical areas or having similar economic characteristics that prevent them from meeting their contractual obligations. To reduce credit risk, the company has implemented systematic approval procedures for credit limits granted to its customers, which are based on a comprehensive assessment of customers and previous repayment rates. The management also continues to monitor the credit risks related to its customers and establishes a provision for doubtful balances. Customer balances are monitored continuously. Cash and cash equivalents are deposited with local banks with high credit ratings. Trade and other receivables are mainly due from customers in the local market and some customer balances are secured by valid bank guarantees with local banks with high credit ratings. Trade receivables and other receivables are shown at their estimated recoverable value.

Management takes into account available and supportive forward-looking information such as:

- A.** Significant actual or expected changes in business.
- B.** Significant actual or expected changes in the operating results of the counterparty.
- C.** Financial or economic conditions that are expected to cause a change in the ability of the counterparty to meet its obligations.
- D.** Significant increase in credit risk on other financial instruments of the same counterparty.
- E.** Significant changes in the value of collateral supporting the obligations, and in the quality of the counterparty's collateral or credit improvements.



Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in raising funds to meet obligations associated with financial instruments. Liquidity risk can result from an inability to sell a financial asset quickly and at an amount close to its fair value. Liquidity risk is managed by continuously monitoring liquidity and ensuring that adequate financial resources are available. Concentrations of liquidity risk may arise from the terms of payment of financial obligations, sources of financing and loans, or reliance on a specific market for liquid assets.

03

Capital and Equity





First: Capital

Below are the company's capital data and the number of its shares as of 31/12/2024G

Statement	Value
Authorized capital (SAR)	900,000,000
Paid up capital (SAR)	900,000,000
No. of shares	90,000,000
Nominal value of the share (SAR)	10
Value paid for the share (SAR)	10
Stock Exchange in which the stock is traded	Saudi Stock Exchange (Tadawul)
Market type	Main Market
The main sector	Basic Materials
Company code	3090
International code	SA0007879535



Second: Investment Restrictions

There are no restrictions on the company's shares according to what is stated in both the rules regulating the investment of qualified foreign financial institutions in listed securities and the instructions regulating the ownership of strategic shares by foreign strategic investors in listed companies, in accordance with the company's Articles of Association and the instructions issued by the supervisory and regulatory authorities to which the company is subject.

Ownership of the Board of Directors and Senior Executives of the Company's Shares

The Board of Directors of Tabuk Cement Company consists of natural members representing themselves, and legal members. The following is a statement of the total shares owned by the Chairman of the Board, natural members, and senior executives:

Ownership of the Board of Directors

Member	Position	Notes	Beginning of the year	End of the year	Net shares	Change %
			Number of Shares	Number of Shares		
Mr. Yazeed bin Khaled Al-She-thri	Chairman	His shares	0	100,230	0	0
Mr. Tariq bin Khaled Al-An-gari	Deputy Chairman	His shares	1,001	1,001	0	0
Eng. Ali bin Mo-hammed Al-Qa-htani	Member	His shares	0	0	0	0
Mr. Abdulmohsen bin Sultan Al-Otaibi	Member	His shares	3500	0	0	0
Mr. Abdulaziz bin Abdulrahman Al-Khamis	Member	His shares	0	0	0	0
Mr. Muhsin bin Hassan Al-Fahadi	Member	His shares	0	2,000	0	0
Mr. Musaed bin Khaled bin Saleh Al-Shethri	Member	His shares	2,000	260,000	0	0

Ownership of Relatives of Board Members (their Spouses and Minor Children)

Name of the Per-son to whom the Interest Belongs	Relationship	Beginning of the Year	End of the Year	Net Change	Change (%)
		Number of Shares	Number of Shares		
Mr. Khaled bin Saleh Al She-thri	Father of Mr. Yazid Al Shethri	12,920,138	13,553,933	633,795	
	Father of Mr. Musaed Al Shethri				

Ownership of Senior Executives and their Relatives (Spouses and Minor Children)

There are no shares for senior executives or their relatives.



07

Dividends and Remuneration





Dividend Policy

The company's annual net profits are distributed as follows:

01

The General Assembly determines the percentage of net profits to be distributed to shareholders, after deducting any reserves, if applicable.

02

The General Assembly, when determining the share of profits for the shareholders, may decide to create other reserves, as necessary, for the benefit of the company or to ensure a consistent profit distribution to shareholders. The General Assembly may also allocate amounts from the net profits for social purposes for the company's employees or use them to grant shares of the company to employees as rewards.

03

The company may distribute interim profits from the distributable profits to its shareholders on an annual, semi-annual, or quarterly basis, in accordance with relevant regulations and laws.

Remuneration Policy for Members of the Board, Board Committees and Executive Management

Policy Objective

This policy aims to establish clear provisions for the remuneration of members of the Board of Directors, its committees, and members of the Executive Management, in accordance with relevant laws and regulations and the company's strategy. This supports governance and transparency, and attracts and retains professional competencies to enable them to perform their duties efficiently and commensurate with the company's performance and activities.

Remuneration Policy

Without prejudice to the provisions of the Companies Law, the Capital Market Law, and their implementing regulations, this policy must consider the following:

- A.** Consistency with the company's strategy and objectives.
- B.** Remuneration should be provided to encourage members of the Board of Directors and Executive Management to contribute to the company's success and long-term development, such as linking the variable portion of remuneration to long-term performance.
- C.** Remuneration should be determined based on the position level, the duties and responsibilities assigned to the incumbent, academic qualifications, practical experience, skills, and performance level.
- D.** Consistency with the size, nature, and degree of risk to the company.

Regulations for Determining and Disbursing Board of Directors Remuneration

With due consideration to the Companies Law and relevant regulations, the Committee shall take into account the following criteria in its recommendation to the Board of Directors regarding the remuneration of the members of the Board of Directors, and the Board shall take into account the following criteria in determining and disbursing the remuneration received by each of its members:

- 01** The remuneration shall be fair and proportionate to the member's competencies, the work and responsibilities carried out and borne by the Board of Directors members, in addition to the objectives set by the Board of Directors to be achieved during the fiscal year.
- 02** Remunerations shall be based on the recommendation of the Committee.
- 03** Remunerations shall be commensurate with the company's activity and the skill required to manage it.
- 04** Taking into account the size of the company, the sector in which it operates and the experience of the Board members.
- 05** Remunerations shall be reasonably sufficient to attract, motivate and retain Board members with appropriate competence and experience.



Remuneration of the Board of Directors

1.

The General Assembly shall determine the amount of remuneration for Board Members, and the remuneration shall be as follows:

- a. An annual amount not exceeding two hundred thousand (200,000) Saudi riyals for each member, provided that the entitlement to this remuneration shall be proportional to the number of sessions attended by the member.
- b. An attendance allowance for each meeting of the Board, amounting to three thousand (3,000) Saudi Riyals.

2.

A Board Member may receive, in addition to the remuneration that he may receive the following in his capacity as a member of the Board of Directors:

- a. Remuneration for his membership in the committees formed by the Board of Directors, in accordance with the regulations and policies approved by the Company.
- b. Remuneration for any additional executive, technical, managerial, or advisory work or positions - pursuant to a professional license - that he is assigned to in the Company.

3.

A member of the Board of Directors may receive compensation for travel costs for attending Board of Directors meetings from his place of residence to the meeting place, in addition to any other costs related to accommodation and transportation, according to the company's policies and regulations.

4.

The remuneration of the members of the Board of Directors may vary in amount to reflect the member's experience, specializations, tasks assigned to him, his independence, the number of sessions he attends, and other considerations in light of this policy.

5.

The remuneration of independent members of the Board of Directors shall not be a percentage of the profits achieved by the company or be based directly or indirectly on the profitability of the company.

6.

Members of the Board of Directors may not vote on the item of remuneration of members of the Board of Directors in the General Assembly meeting.

7.

Subject to the provisions of disclosure of remunerations stipulated in the relevant regulations and bylaws and the company's Articles of Association, the Board of Directors must disclose in its annual report the details of the policies related to the remunerations and the mechanisms for determining them and the amounts as well as the financial and in-kind benefits paid to each member of the Board of Directors in exchange for any executive, technical, managerial or advisory work or positions he held.

8.

If the General Assembly decides - based on a recommendation from the Board of Directors - to terminate the membership of a Board member who has been absent from three (3) consecutive Board of Directors meetings or five (5) separate meetings during his membership term without an excuse acceptable to the Board of Directors, such a member shall not be entitled to any remuneration for the period following the last meeting he attended, and he must return all remuneration paid to him for that period.

9.

If it becomes clear that the remuneration paid to any of the Board of Directors members was based on incorrect or misleading information presented to the General Assembly or included in the Board of Directors' annual report, the person to whom they were paid must return them to the company, and the company shall have the right to demand the returning of such remuneration.



Remuneration of Board Committees

1. Based on the recommendation of the Nominations and Remuneration Committee and after the approval of the Board of Directors, a member of the Board of Directors participating in Board committees is entitled to an annual remuneration not exceeding (100,000) Saudi Riyals in exchange for his membership in the Board's committees, whether the member is participating in one or more committees, including the remuneration granted for membership in the Audit Committee
2. An attendance allowance for sessions for each meeting, amounting to three thousand (3000) Saudi riyals.
3. A member of the committee from outside the Board is entitled to an annual remuneration of (100,000) Saudi riyals for his membership in the committee and an attendance allowance for sessions of 3000 thousand riyals, with the exception of members of the Audit Committee, according to Article Nineteen, which regulates the committee's remuneration based on the Audit Committee's charter.
4. If the bylaws of the Board committees do not specify the amount of their members' remuneration, they shall be determined based on the recommendation of the committee to the Board of Directors regarding the remuneration of the members of the Board committees emanating in accordance with the Companies Law and relevant regulations. The committee and the Board of Directors shall abide by the provisions of this policy and the regulations and policies adopted by the company, and the committee and the Board shall abide by the standards stipulated in Article Four (4) of this policy.'
5. A member of the Board committees shall receive compensation for travel expenses in exchange for attending the meetings of the relevant committee from his place of residence to the place of the meeting, in addition to any other costs related to accommodation and transportation, in accordance with the company's policies and regulations.
6. If it becomes clear that the remunerations paid to any member of the Board committees are based on incorrect or misleading information, the person to whom they were paid must return them to the company, and the company shall have the right to demand their return.

Remuneration and rewards for the company employees and executive management

1.
- The Committee shall review the salary scale determined for all company employees and their bonuses, if any.
2.
- The Committee shall review the salary scale determined for executive management.
3.
- Executive Management bonuses shall be determined based on the Committee's recommendation to the Board of Directors regarding the bonuses of Executive Management members, in accordance with the Companies Law and relevant regulations. In doing so, the Committee and the Board of Directors shall abide by the provisions of the company's policy and the Company's approved regulations and policies. The Committee and the Board shall also abide by the standards stipulated in Article Four (4) of this policy.
3.
- If it becomes apparent that bonuses paid to any of the Company's employees or members of the Executive Management were based on incorrect or misleading information, the recipient(s) must return them to the Company, and the Company has the right to demand their refund.

Profit Distribution Calculation for the year 2024G

Dividend Distribution Statement for the Year 2024

SAR	Statement
85,380,460	Net profit before Zakat
-	Add: Zakat provision reversal
(5,817,932)	Deduct: Zakat
79,562,528	Net profit after Zakat
-	Deduct: Statutory reserve of 10% of net profit after Zakat
2,144,375	Deduct: Actuarial difference - Recalculation of end-of-service benefits in accordance with IFRS
77,418,153	Total comprehensive income
-	Deduct: Initial shareholders' dividend at 5% of paid-up capital
77,418,153	
-	Deduct Board of Directors' remuneration
77,418,153	
32,911,003	Add: Balance of profits carried forward from the previous year
(117,150,819)	Add: Gains from investments in equity instruments at fair value through other comprehensive income (effect of applying International Financial Reporting Standard No. (9))
117,150,819	Deduct: Reclassification
-	Deduct: Actuarial difference in the provision for end-of-service benefits due to the transition to IFRS on January 1, 2017
110,329,156	
45,000,000	Deduct distributed dividends
-	Deduct an additional share for shareholders at (5%) of capital
65,329,156	Retained earnings - carried forward to the next year

Statement of Remuneration Paid to the Members of the Board of Directors during the Year 2024G.

The company pays the members of the Board of Directors expenses, allowances for attending meetings, and financial remuneration within the framework of the above regulation and policy. The following is a statement of the company's total payments to the members of the Board of Directors.

Board Members	Fixed Remuneration							Variable Remuneration					
	Specific amount	Allowance for attending Board sessions	Total allowance for attending committee sessions	In-kind benefits	Remuneration against technical, managerial and consulting work	Remuneration of the Chairman of the Board, the Managing Director or the Secretary if he is a member	Total	Percentage of profits	Rewarding	Short term incentive plan	Long term incentive plan	Shares granted (enter value)	Total
First: Independent members													
Mr. Abdulaziz bin Abdulrahman Al-Khamis	300,000	18,000	15,000	-	-	-	333000	-	-	-	-	-	-
Mr. Tariq bin Khaled Al-Angari	300,000	18,000	30,000	-	-	-	348000	-	-	-	-	-	-
Mr. Muhsin bin Hassan Al-Fahadi	300,000	18,000	27,000	-	-	-	345000	-	-	-	-	-	-
Mr. Abdulmohsen bin Sultan Al-Otaibi	300,000	18,000	6,000	-	-	-	324000	-	-	-	-	-	-
Total	1200.000	48.000	-	-	-		1350000	-		-	-	-	
Second: Non-executive members													
Mr. Yazeed bin Khaled Al-Shethri	300,000	18,000	18,000	-	-	-	336000	-	-	-	-	-	-
Mr. Musaed bin Khaled bin Saleh Al-Shethri	300,000	18,000	6,000	-	-	-	324000	-	-	-	-	-	-
Total	600.000	36.000	-	-	-		660000	-		-	-	-	
Third: Executive members													
Eng. Ali bin Mohammed Al-Qahtani	300,000	18,000	15,000	-	-	-	333000	-	-	-	-	-	-
Total	300,000	18,000					333,000						

Senior Executives Remuneration

Senior Executive Positions	Fixed Remuneration				Variable Remuneration						Severance Pay	Total Executive Remuneration for the Board, if any	Grand Total
	Salaries	Allowances	In-kind Benefits	Total	Periodic remuneration	Profits	Long-term incentive plans	Short-term incentive plans	Granted Shares	Total			
Total	-	-	-	-	-	-	-	-	-	333,000	-	-	333,000

Board Committee Remuneration

Member	Fixed Remuneration (Except Session Attendance Allowance)	Sessions Attendance Allowance	Total
Members of the Audit Committee			
Mr. Tariq bin Khaled Al-Angari		24,000	24,000
Mr. Ali bin Suleiman Al-Ayed (a member from outside the Board)		24,000	124,000
Mr. Turki bin Abdul Mohsen Alluhaid (a member from outside the Board)		24,000	124,000
Mr. Ahmed bin Ibrahim Hijan (member from outside the Board)		24,000	124,000
Total		96,000	496,000
Executive Committee Members			
Mr. Yazeed bin Khaled Al-Shethri		12,000	12,000
Mr. Abdulaziz bin Abdulrahman Al-Khamis		15,000	15,000
Eng. Ali bin Mohammed Al-Qahtani		15,000	15,000
Mr. Muhsin bin Hassan Al-Fahadi		15,000	15,000
Total		57,000	57,000

Nominations and Remuneration Committee Members			
Mr. Muhsin bin Hassan Al-Fahadi		6,000	6,000
Mr. Abdulmohsen bin Sultan Al-Otaibi		6,000	6,000
Mr. Musaed bin Khaled bin Saleh Al-Shethri		6,000	6,000
Total		18,000	18,000
Governance Committee Members			
Mr. Tariq bin Khaled Al-An-gari		6,000	6,000
Mr. Yazeed bin Khaled Al-Shethri		6,000	6,000
Mr. Muhsin bin Hassan Al-Fahadi		6,000	6,000
Total		18,000	18,000

Given the above policies and the subsequent details of the paid remuneration, the company confirms the following:

1. There are no arrangements or agreements under which a member of the Board of Directors or a senior executive has waived any remuneration, salaries, or compensation during the fiscal year 2024G..
2. There are no arrangements or agreements under which a shareholder of the company has waived any rights to profits during the fiscal year 2024G.
3. There are no other investments or reserves created for the benefit of the company's employees during the year 2024G, except for the end-of-service gratuity according to the regulations issued by the competent authorities.

08

Corporate Governance





Governance aims to establish rules and standards to ensure compliance with the best governance practices that guarantee the protection of the rights of shareholders and stakeholders. Accordingly, Tabuk Cement Company is committed to adopting the highest standards of governance, believing that a sound governance system is an important tool in developing shareholders' wealth in the long term. This regulation is consistent with the company's commitment to quality in all its operations, activities and products. The rules, policies and procedures contained in this regulation are binding on all members of the Board of Directors, the Executive Management, managers and employees of the company, and this regulation may not be amended except by a decision of the company's Board of Directors.

Tabuk Cement Company's governance regulation is based on the following important foundations:

With regard to executive management, the Remuneration and Nominations Committee reviews the salary scale set for all employees and senior executives, and incentive programs and plans on an ongoing basis and approves them based on the recommendation of the executive management. Executive management remuneration includes the following:

- 01** The optimal regulation through which the company is directed and controlled and clarifies the governance structure and distribution of powers and responsibilities between the various participants in the company, such as the Board of Directors, managers, shareholders and other stakeholders.
- 02** It clarifies the rules and procedures related to decision-making in the company's affairs and provides the structure that clarifies the company's objectives and the means of achieving them and monitoring performance. The Board of Directors is responsible for the governance regulation of Tabuk Cement Company.

The governance Regulation of Tabuk Cement Company was prepared in a manner that does not conflict with the provisions of the Corporate Governance Regulations issued by the Board of the Capital Market Authority and in accordance with the internationally recognized standards of corporate governance. It should be viewed as the basis of the governance regulation in the company and not as an alternative to sound management policies for all administrative levels in the company.

It must be taken into account in consideration of:

- 01** The Capital Market Law issued by Royal Decree No. M/30 dated 02/06/1424H and its Implementing Regulations.
- 02** The Companies Law issued by Royal Decree No. M/3 dated 28/01/1437H.
- 03** The Companies Law issued by Royal Decree No. M/132 dated 01/12/1443H and its amendments and the decisions and circulars issued by the Ministry of Commerce.
- 04** The Articles of Association of Tabuk Cement Company.

The Board of Directors or the Assembly may amend these regulations from time to time, when necessary, in accordance with the instructions and requirements of the Capital Market Authority, business needs and the requirements of sound management, and in a manner that does not conflict with the provisions of the Corporate Governance Regulations issued by the Board of the Capital Market Authority.

The General Assembly shall appoint seven members to the Board of Directors through cumulative voting and remote voting from among the applicants for membership in the Board, in accordance with the controls and procedures specified by the Ministry of Commerce, the Capital Market Authority and the Company's Articles of Association for a period not exceeding three years. They may be re-elected, noting that the governance regulation of Tabuk Cement Company stipulates that the majority of the Board members be non-executive.

Definition of the Board of Directors

The Board of Directors is the highest managerial entity in the company, which represents it and protects its interests. The Board has several main tasks, which are:

- 01** Leading and controlling the company's business and activities and continuously monitoring its performance.
- 02** Exercising this responsibility by adopting and implementing its policies and objectives and supporting its departments in performing their tasks according to specific standards.
- 03** Directing and controlling the executive management, and setting appropriate controls for its work, including defining a clear vision and strategy for the company and defining the bases for delegating powers to management, policies and limits within which it is permitted to work.

Responsibilities of the Board of Directors

- 01** Setting the strategic objectives of the company and providing the leadership to implement them, supervising the management of the company and preparing reports for shareholders on their management of the company.
- 02** The work of the Board of Directors is subject to the regulations, bylaws and Articles of Association of the company and to the oversight of shareholders in the company's general assembly.

Board of Directors

The responsibilities of the Board of Directors include approving the strategic directions and main objectives of the company and supervising their implementation, including the following:

- 01** Developing the company's comprehensive strategy, main business plans and risk management policy, and reviewing and directing them.
- 02** Determining the optimal capital structure of the company, its strategy, and financial objectives, and approving annual budgets.
- 03** Supervising the company's main capital expenditures, acquiring, and disposing of assets.
- 04** Setting performance objectives and monitoring implementation and overall performance in the company.
- 05** Periodically reviewing and approving the company's organizational and functional structures.
- 06** Developing systems and controls for internal control and general supervision thereof, including:
 - Developing a written policy that regulates conflicts of interest and addresses potential conflicts for each of the members of the Board of Directors, executive management and shareholders, including misuse of the company's assets and facilities, and misconduct resulting from dealings with related persons.
 - Ensuring the integrity of financial accounting systems, including systems related to preparing financial reports.
 - Ensuring the implementation of appropriate control systems for risk management, by identifying the general perception of the risks that the company may face and presenting them transparently.
 - Annually reviewing the effectiveness of the company's internal control procedures.

Also, the regulations assigned to the Board of Directors, in line with the relevant laws and regulations, including:

- 01** Formulating the regulations and rules of governance in the company in a manner that does not conflict with the provisions and texts of the laws and regulations in force and monitoring the effectiveness of these rules in general and amending them when necessary.
- 02** Developing policies, standards and procedures for membership of the Board of Directors and putting them into effect after their approval by the General Assembly.
- 03** Developing a written policy regulating the relationship with related parties in order to protect the rights of all parties.
- 04** Developing rules of professional conduct for the company's managers and employees in accordance with sound professional and ethical standards.
- 05** Establishing policies and procedures that ensure the company's compliance with regulations and bylaws and the company's commitment to disclosing material information to shareholders, creditors and other parties.
- 06** Preparing the financial statements and the annual report on the company's activities and financial position for the past fiscal year, including the proposed method of paying dividends.
- 07** Recommending to the General Assembly of Shareholders the appointment and dismissal of auditors and determining their fees



Composition of the Board of Directors

Tabuk Cement Company's Governance regulation stipulates that the majority of the Board of Directors members shall be non-executive members and that the number of independent Board members shall not be less than two or one-third of the Board members, whichever is greater.

The Board of Directors members are classified as follows:

Member Name	Capacity
Mr. Yazeed bin Khaled Al-Shethri	Non-Executive
Mr. Tariq bin Khaled Al-Angari	Independent
Eng. Ali bin Mohammed Al-Qahtani	Executive
Mr. Abdulaziz bin Abdulrahman Al-Khamis	Independent
Mr. Abdulmohsen bin Sultan Al-Otaibi	Independent
Mr. Muhsin bin Hassan Muhsin Al-Fahadi	Independent
Mr. Musaed bin Khaled Al-Shethri	Non-Executive

Current and Previous Experiences of the Members of the Board and its Committees



Mr. Yazeed bin Khaled Al-Shethri

Current Position

- Chairman of the Board of Directors of Tabuk Cement Company.
- Deputy Chairman of the Board of Directors of Obeikan Glass Company

Previous Positions

- Deputy Chairman of the Board of Directors of Deutsche Gulf Finance.
- Chairman of the Board of Directors of the Saudi Advanced Industries Company.

Qualifications and Experience

Bachelor of Human Resources Management, Dar Al Uloom University

Names of companies inside or outside the Kingdom in which a member of the company's Board of Directors is a member of their current or previous boards of directors or one of their managers

Names of companies in which he is currently a board member or manager	Inside/ Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability	Names of companies in which he is a previous member of its Board of Directors or one of its managers	Inside/ Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability
Deputy Chairman of the Board of Directors of Obeikan Glass Company	inside the Kingdom	Listed joint stock company	Deputy Chairman of the Board of Directors and Head of credit committee at Deutsche Gulf Finance. Chairman of the Board of Directors, Chairman of the Investment Committee, and Chairman of the Nominations and Remuneration Committee of the Saudi Advanced Industries Company.	inside the Kingdom	Unlisted joint stock company



Mr. Tariq bin Khaled Al-Angari

Current Position

- Deputy Chairman of the Board of Directors of Tabuk Cement Company and Chairman of the Audit Committee.
- Member of the Board of Directors of Leejam Sports Company (Fitness Time) and Member of the Executive Committee
- CEO of Etisalat E& Enterprise (a subsidiary of Emirates Telecommunications Group) from April 2020G to date.

Previous Positions

- Executive General Manager of Investor Relations, Secretary of the Board of Directors of Mobily Company from January 2016G to March 2020G.
- Chairman of the Board of Directors of Mobily Venture Company - a subsidiary of Mobily.
- Advisor to the Board of the Capital Market Authority.

Qualifications and Experience

- MBA from IeBusiess School
- Diploma in Corporate Finance and Credit.
- Bachelor of Marketing from King Fahd University of Petroleum and Minerals.
- Executive Master in Change Management - INSEAD Business School.
- Board Membership License from the Board of Directors Institute.

Names of companies inside or outside the Kingdom in which a member of the company's Board of Directors is a member of their current or previous boards of directors or one of their managers

Names of companies in which he is currently a board member or manager	Inside/ Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability	Names of companies in which he is a previous member of its Board of Directors or one of its managers	Inside/ Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability
Board member of Leejam Sports Company (Fitness Time).	inside the Kingdom	Listed joint stock company	Member of the Nominations Committee of the Packaging Materials Manufacturing Company (FIPCO).	inside the Kingdom	Listed joint stock company



Eng. Ali bin Mohammed Al-Qahtani

Current Position

- Member of the Board of Directors of Tabuk Cement Company.
- CEO of Tabuk Cement Company.
- Member of the Executive Committee of Tabuk Cement Company.

Previous Positions

- CEO of Al Jeri Transport Company.

Qualifications and Experience

- Bachelor of Chemical Engineering - King Saud University
- Planning Consultant delegated by Saudi Aramco to the Saudi Electricity Company - Member of the Saudi GS1 - Member of the Arab Union for Cement and Building Materials and Member of the National Committee for Cement Companies - Member of the Oxygen Markets Club Board - First Deputy Chairman of the Board of Directors of Tabuk Chamber.

Names of companies inside or outside the Kingdom in which a member of the company's Board of Directors is a member of their current or previous boards of directors or one of their managers

Names of companies in which he is currently a board member or manager	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability	Names of companies in which he is a member of the previous Board of Directors or one of its managers	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability
CEO of Tabuk Cement Company. Member of the Executive Committee	inside the Kingdom	Listed joint stock company	CEO of Al-Jeri Transport Company Legal entity: Closed	-	Closed



Mr. Abdulaziz bin Abdulrahman Al Khamis

Current Position

- Member of the Board of Directors of Tabuk Cement Company

Previous Positions

- Advisor – Pioneer Investment Company.
- Deputy Governor for Investment Affairs – General Pension Agency.
- General Manager of Financial Investment –General Pension Agency.
- Senior Fixed Income Dealer, Investment Department –Saudi Arabian Monetary Agency.
- Assistant Chief Dealer, Investment Department –Saudi Arabian Monetary Agency.
- Senior Fixed Income Dealer, Investment Department –Saudi Arabian Monetary Agency.

Qualifications and Experience

- Bachelor of Economics, Northeastern University, Boston, USA.

Names of companies inside or outside the Kingdom in which a member of the company's Board of Directors is a member of their current or previous boards of directors or one of their managers

Names of companies in which he is a member of the current Board of Directors or one of its managers	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability	Names of companies in which he is a member of the previous Board of Directors or one of its managers	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability
Saudi Investment Bank	Inside the Kingdom	Listed joint stock company	Sipchem	Inside the Kingdom	Listed joint stock company
Cooperative Insurance Company			Petrochem Company		
United Insurance Company	Bahrain	Closed joint stock company	Saudi Polymers Company	Inside the Kingdom	Closed joint stock company
			Gulf Polymers Distribution Company	UAE	Closed joint stock company



Mr. Abdulmohsen bin Sultan Al-Otaibi

Current Position

- General Manager of Abdulmohsen Sultan Al Otaibi Trading Establishment.
- General Manager of Modern Preparation Catering Services Establishment.
- Investment Manager at "Inalah Investment Holding" Company Member of the Board of Directors of "Tabuk Cement" Company.

Previous Positions

- Secretary of the Board of Directors and Committees of Tabuk Cement Company.

Qualifications and Experience

- High School
- Secretary of the Board of Directors of the Saudi Advanced Company
- Secretary of the Board of Directors of Jazan Development Company
- Head of the Shareholders Department of the Food Products Company

Names of companies inside or outside the Kingdom in which a member of the company's Board of Directors is a member of their current or previous boards of directors or one of their managers

Names of companies in which he is currently a board member or manager	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability	Names of companies in which he is a member of the previous Board of Directors or one of its managers	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability
Member of the Audit Committee of Rawasi Al-Binaa Investment Company	inside the Kingdom	Listed joint stock company	Secretary of the Board of Directors of Jazan Development	inside the Kingdom	Listed joint stock company
Secretary of the Board of Directors of Rawasi Al-Binaa Investment Company	inside the Kingdom	Listed joint stock company	Secretary of the Board of Directors of the Saudi Advanced Company	inside the Kingdom	Listed joint stock company



Mr. Muhsin bin Hassan Al-Fahadi

Current Position

- Board Member of Tabuk Cement Company
- Chief Human Capital Officer - King Abdullah Financial District

Previous Positions

- Deputy Chairman of the Board of Directors and Chairman of the Remuneration and Nomination Committee
- Member of the Investment Committee of the Saudi Advanced Industries Company
- Member of the Board of Directors and Remuneration and Nomination Committee of Al Salam Aircraft Manufacturing Company
- Secretary of the Remuneration and Nomination Committee of the National Transformation Program
- Secretary of the Remuneration and Nomination Committee of the National Center for Performance Measurement of Public Agencies - Adaa

Qualifications and Experience

- Bachelor's degree in human resources and management from King Abdulaziz University.
- Master's degree in public administration, specializing in Human Resources Management from "Long Island" University
- Graduate of the Public Administration Program at Harvard University, USA

Names of companies inside or outside the Kingdom in which a member of the company's Board of Directors is a member of their current or previous boards of directors or one of their managers

Names of companies in which he is currently a board member or manager	Inside/Outside the Kingdom	Legal entity Li ted shareholding Unlisted share- holding Limited liability	Names of companies in which he is a member of the previous Board of Directors or one of its managers	Inside/ Outside the Kingdom	Legal entity Listed share- holding Unlisted shareholding Limited liability
Saudi Company for Development and Technology Investment	inside the Kingdom	Not listed	Al Salam Aircraft Manufacturing Company	inside the Kingdom	Not listed
Tabuk Cement Co.		Listed joint stock company	Saudi Advanced Industries Company		Listed joint stock company
Secretary of the Rewards and Nominations Committee at the King Abdullah Financial Center for Development and Work Company		Not listed			



Current Position

- Member of the Board of Directors of Tabuk Cement Company

Previous Positions

- None

Qualifications and Experience

- Bachelor of Operations and Project Management

Mr. Musaed bin Khaled Al-Shethri

Abdullah Mohammed Bin Saidan & Sons Real Estate Company Legal Entity (as per the website): A Closed Joint Stock Company	Inside/Outside the Kingdom	Abdullah Mohammed Bin Saidan & Sons Real Estate Company Legal Entity (as per the website): A Closed Joint Stock Company	Names of companies in which he is a member of the previous Board of Directors or one of its managers	Inside/Outside the Kingdom	Legal entity Listed shareholding Unlisted shareholding Limited liability
Abdullah Mohammed Bin Saidan & Sons Real Estate Company	inside the Kingdom	A Closed Joint Stock Company	N/A	N/A	N/A

Current and previous positions, qualifications, and experience of non-Board committee members

Member	Current job	Previous job	Qualifications and Experience
Mr. Ali Bin Sulaiman Al-Ayed Member of the Audit Committee from outside the Board	Retired Member of the Audit Committee of Tabuk Cement Company	Director General of Insurance Companies Supervision	Bachelor of Accounting, King Saud University
Mr. Turki bin Abdulmohsen Al-Lahid, Member of the Audit Committee from outside the Board	Partner at Al-Lahid & Al-Yahya Legal Accountants Member of the Audit Committee of Tabuk Cement Company	Audit Director and Partner at EY	Bachelor of Accounting, King Saud University Certified Public Accountant and Fellow of the American Institute of Certified Public Accountants
Ahmed bin Ibrahim Hijan Member of the Audit Committee from outside the Board	Board Member Member of the Audit Committee of Al-Jouf Agricultural Company Member of the Audit Committee of Tabuk Cement Company	Director of the Internal Audit Department of the National Industrial Company	Bachelor of Accounting, King Khalid University

Senior executives of the company, their positions, qualifications and previous experience

Name	Current Position	Previous Positions	Qualifications and Experience	Previous experience
Eng. Ali bin Mohammed Al-Qahtani	<ul style="list-style-type: none"> • CEO of Tabuk Cement Company 	<ul style="list-style-type: none"> • CEO - Al Jeri Transport Company • Project Support Manager - Saudi Aramco 	<ul style="list-style-type: none"> • Bachelor of Chemical Engineering - King Saud University 	<ul style="list-style-type: none"> • CEO - Al Jeri Transport Company. • Project Support Manager - Saudi Aramco. • Planning Consultant seconded by Saudi Aramco to the Electricity Company. • Head of the Internal Strategic Planning Team - Saudi Aramco. • Senior Operations Engineer - Saudi Aramco. • Engineering Supervisor - Saudi Aramco Senior Operations Representative - Saudi Aramco. • New Business Development Supervisor - Saudi Aramco
Abdullah Manea Al-Mutairi	<ul style="list-style-type: none"> • Chief Financial Officer - Tabuk Cement Company 	<ul style="list-style-type: none"> • Financial Advisor and Partner at Al Rowad Professionals Financial Consulting Company. 	<ul style="list-style-type: none"> • Bachelor of Accounting - King Saud University • Master of Accounting - Curtin University, Western Australia 	<ul style="list-style-type: none"> • General Accounts Manager at Saudi Chemical Holding Company • Treasury Department Manager at Saudi Chemical Holding Company



Board of Directors Meeting Attendance Table for the Year 2024G

Member	Meeting No. and Date					
	160	161	162	163	164	165
	07/01/2024	29/03/2024	08/05/2024	21/05/2024	16/09/2024	12/12/2024
Mr. Yazeed bin Khaled Al-Shethri	✓	✓	✓	✓	✓	✓
Mr. Abdulaziz bin Abdulrahman Al-Khamis	✓	✓	✓	✓	✓	✓
Eng. Ali bin Mohammed Al-Qahtani	✓	✓	✓	✓	✓	✓
Mr. Abdulmohsen bin Sultan Al-Otaibi	✓	✓	✓	✓	✓	✓
Mr. Tariq bin Khaled Al-Angari	✓	✓	✓	✓	✓	✓
Mr. Muhsin bin Hassan Al-Fahadi	✓	✓	✓	✓	✓	✓
Mr. Musaed bin Khaled bin Saleh Al-Shethri	✓	✓	✓	✓	✓	✓

The measures taken by the Board of Directors to inform its members - especially non-executives - of shareholders' proposals and comments regarding the company and its performance.

The company's Articles of Association and Corporate Governance Regulations guarantee to shareholders all rights related to the share. Accordingly, the company has taken several measures to inform the members of the Board of Directors, especially non-executives, of shareholders' proposals regarding the company and its performance as follows:

- 01** The company has allocated a department for investor relations in the company that responds to shareholders' inquiries and receives their comments or complaints through the communication channels available on the company's website, telephone, or email.
- 02** These inquiries, if any, are examined and classified, and the essential ones are submitted to the Board of Directors during its periodic meetings.
- 03** The company is always keen to urge all members of its Board of Directors to attend general assemblies to answer shareholders' questions and to receive their views and observations on the company and its performance. The Board Committees' work regulations also oblige the chairmen of the Board committees or their delegates from its members to attend general assemblies to answer shareholders' inquiries.
- 04** Shareholders' questions and inquiries are recorded in the minutes of general assembly meetings and kept at the company's headquarters. Any shareholder may view them upon request.

The means relied upon by the Board of Directors to evaluate its performance and the performance of its committees and members, the external party that conducted the evaluation and its relationship with the company

Based on the keenness of the Board of Directors of Tabuk Cement Company to achieve all corporate governance articles issued by the Capital Market Authority, including the guiding articles and the leading practices applied globally, especially with regard to the role of the Chairman of the Board in listening to the views of non-executive Board members regarding their observations and views regarding the company's performance and evaluating its executive management on a periodic basis. To this end, Tabuk Cement Company has conducted a periodic assessment of the performance of its Board of Directors and its committees since the year 2018G with the aim of identifying strengths and weaknesses and proposing solutions to suit the company's interests, noting that the assessment process is carried out under the supervision of the Nominations and Remuneration Committee. The assessment mechanisms and their pillars were also presented to the Board of Directors, which included filling out a comprehensive questionnaire that covers all areas of the tasks and responsibilities of the Board and its committees, as well as the effectiveness of the meetings of these bodies, including evaluating the effectiveness of participation and discussions during these meetings, leading to thoughtful decisions that enhance the company performance. and achieve its goals.




Board Committees

The Board of Directors has formed specialized committees in line with the Corporate Governance Regulations issued by the Board of the Capital Market Authority, with the aim of assisting the Board in performing its duties effectively and in accordance with the needs of the company and the nature of its business.

These committees were formed in accordance with general procedures established by the Board, which include defining the tasks of each committee, the duration of its work, the powers granted to it, and how the Board will supervise it. Their work and the recommendations they provide are monitored by the Board of Directors on a regular basis to verify that they are carrying out the tasks assigned to them.

It was also taken into consideration to appoint a sufficient number of non-executive Board members to committees concerned with tasks that may result in conflict of interest, such as ensuring the integrity of financial and non-financial reports, reviewing related party transactions - if any - and nomination for membership in the Board of Directors, appointing senior executives, determining remuneration, etc.

The chairmen and members of these committees are committed to the principles of honesty, integrity, loyalty, care and attention to the interests of the company and its shareholders and putting them before their personal interests.

Taking into consideration that all current and previous positions, qualifications and experiences of committee members, whether from the Board of Directors or from outside the Board, have been discussed previously.



Executive Committee

- 01** The committee is formed by a decision from the Board of Directors and consists of no less than three (3) and no more than five (5) members of the Board of Directors, in addition to the CEO.
- 02** It is preferred, whenever possible, that at least one independent member be included among the committee members.
- 03** The term of the committee is four (4) years, and the committee's term ends either when its duration expires or when the Board of Directors' term ends, whichever comes first. A member may be reappointed for a second term or multiple terms.
- 04** The member must meet the following conditions:

The member must not have a direct or indirect interest in the business or contracts conducted on behalf of the company.

The member must not be related to any senior executives.

The member must not have any connection to any activity that competes with the company or engage in any trade related to the company's field of activity.

The member must be familiar with the nature of the company's work, activities, and operations.

05 The membership of a member ends in any of the following cases:

- Death.
- Resignation from continuing membership in the committee.
- End of the member’s membership in the Board of Directors.
- The member’s absence from two consecutive meetings or four separate meetings during their membership without a valid excuse accepted by the Board of Directors.
- Inability to perform the duties and responsibilities of the membership for any reason.
- Committing a serious violation of any related regulations, rules, or instructions, or abusing the member’s authority by virtue of their position on the committee.
- Loss of one or more of the membership conditions.

06 Membership ends by a decision from the Board of Directors in the cases mentioned in paragraphs (B), (C), (D), (E), (F), and (G) of section (5) of this article.

07 If a member’s position becomes vacant for any reason, the Board of Directors will appoint a replacement member, who will complete the remaining term of the previous member.

08 The Board of Directors appoints one of the members as the Chairman of the Executive Committee in the formation decision, and the CEO cannot be the Chairman of the committee.

09 The Chairman represents the committee before the Board of Directors and other entities, invites the committee to meetings, presides over and manages the meetings, approves the agenda, supervises the committee’s work, meets with company staff or others when necessary, and submits the committee’s results, decisions, recommendations, and reports to the Board of Directors. The Chairman also performs any other duties as specified in this regulation or any related laws, regulations, and decisions. The Chairman may delegate one of the members to carry out some of the tasks outlined in this paragraph.

10 The Chairman may appoint a deputy to lead committee meetings in their absence. If no one is appointed, the attending members will select a Chairman for the meeting.

11 The committee appoints a secretary, who handles the duties of the committee’s secretariat. The secretary does not have the right to vote on the committee’s decisions. The secretary’s term is the same as the committee’s term, and they may be reappointed.

Executive Committee Members

Member	Membership Status
Mr. Yazeed bin Khaled Al-Shethri Chairman of the Committee	Non-Executive Member
Mr. Abdulaziz bin Abdulrahman Al-Khamis Committee Member	independent member
Eng. Ali bin Mohammed Al-Qahtani Committee Member	Executive Member
Mr. Muhsin bin Hassan Al-Fahadi Committee Member	Independent Member

Tasks and Responsibilities of the Executive Committee

The committee undertakes the following duties and responsibilities:

- 01
- Supervising the preparation of the company's strategic plan and policies, evaluating proposals submitted by the relevant executive management regarding the company's strategic and financial goals and initiatives, and submitting recommendations to the Board of Directors regarding these proposals. The committee ensures the implementation of the company's strategy and policies and evaluates their effectiveness in achieving the company's goals.
- 02
- Supervising the work of the executive management, managing and directing the company's affairs, regularly reviewing and monitoring its operations and projects, ensuring that the executive management is performing its duties as assigned, in compliance with approved regulations, policies, and Board of Directors' decisions.
- 03
- Discussing matters within the jurisdiction of the Board of Directors without exception, making appropriate recommendations on these matters, and submitting the recommendations to the Board of Directors.
- 04
- Making appropriate decisions on matters delegated to the committee by the Board of Directors.
- 05
- Approving contracts with experts, companies, and consulting entities in cases that exceed the executive management's authority, within the committee's own authority, and submitting any matters requiring the Board's approval.
- 06
- Following up on the implementation of the company's financial, administrative, and regulatory policies and regulations, and providing necessary recommendations and suggestions to the Board of Directors regarding these policies.
- 07
- Following up on the implementation of the Board of Directors' decisions and recommendations, as well as the decisions and recommendations of the committee that have been approved by the Board.

- 08
- Discussing and reviewing key decisions made by the company's executive management, ensuring that these decisions align with the company's plans and objectives.
- 09
- Reviewing the company's budgets and annual plans before presenting them to the Board of Directors, and submitting recommendations regarding these to the Board.

Statement on Attendance at Executive Committee Meetings for 2024G

Member's Name	Meeting No. and Date				
	85	86	87	88	89
	29/04/2024	04/06/2024	09/09/2024	06/11/2024	10/12/2024
Yazeed bin Khaled Al-Shethri	✓	X	✓	✓	✓
Mr. Abdulaziz bin Abdulrahman Al-Khamis	✓	✓	✓	✓	✓
Mr. Muhsin bin Hassan Al-Fahadi	✓	✓	✓	✓	✓
Eng. Ali bin Mohammed Al-Qahtani	✓	✓	✓	✓	✓



2

Audit Committee

The Audit Committee of Tabuk Cement Company is pleased to present to the honorable company shareholders its annual report for the fiscal year ended on 31/12/2024G, which includes details of its performance of its competencies, tasks, recommendations, opinion, and the adequacy of the internal and financial control system and risk management in the company, in compliance with the provisions of Paragraph (a) of Article (88) of the Corporate Governance Regulations issued by the Capital Market Authority on 18/01/2023G.

Audit Committee Members

The Audit Committee, which was formed by a decision of the Thirty-Sixth Ordinary General Assembly dated 29/12/2022G, carried out its work in accordance with the Audit Committee's charter approved by those with experience and expertise in financial, administrative and internal control affairs, from the following members:

Member	Membership status
Mr. Tariq bin Khaled Al-Angari	Chairman of the Committee
Mr. Ali bin Suleiman Al-Ayed	Committee Member
Mr. Turki bin Abdulmohsen Al-Lahid	Committee Member
Mr. Ahmed bin Ibrahim Hijan	Committee Member

Objective of the Regulation:

The purpose of this regulation is to organize the work of the committee, define the provisions for its formation and membership, and specify its duties, powers, and governance in accordance with the requirements of the Capital Market Authority and best practices. This aims to assist the Board of Directors in fulfilling its responsibilities related to financial reporting, internal control systems, and audit operations, as well as ensuring compliance with relevant laws, regulations, and instructions.

A. Tasks and Responsibilities of the Committee

Financial Reports

- 01 Reviewing the company's interim and annual financial statements before presenting them to the Board of Directors and providing an opinion and recommendations thereon to ensure their integrity, fairness, and transparency.
- 02 Providing a technical opinion—upon the Board of Directors' request—on whether the Board of Directors' report and the company's financial statements are fair, consistent, and understandable, and contain information that enables shareholders and investors to assess the company's financial position, performance, business model, and strategy.
- 03 Reviewing the company's accounting policies and providing an opinion and recommendations thereon to the Board of Directors.
- 04 Studying any significant or unusual issues contained in the financial reports.
- 05 Studying issues raised by the company's Chief Financial Officer or his/her designee, the company's compliance officer, or the auditor.
- 06 Verifying accounting estimates on material matters contained in the financial reports.
- 07 Reviewing and discussing statements issued by the company related to the committee's scope and duties.

B External Auditor

- 01 Providing recommendations to the Board of Directors regarding the appointment and dismissal of external auditors, determining their fees, and evaluating their performance.
- 02 Reviewing and evaluating the qualifications and performance of the external auditors, ensuring their independence, objectivity, and fairness, including the lead partner and senior members of the independent auditor's team, on an annual basis, and obtaining an annual certification of such independence.
- 03 Reviewing the external auditor's plan and scope of work, reviewing their work, ensuring that they do not provide technical, administrative, or consulting services that fall outside the scope of the audit, and providing its views thereon.
- 04 Supervising the activities and work of the external auditor.

C. Internal Audit

- 01 Studying and reviewing the effectiveness of the company's internal and financial control systems and risk management system, reviewing programs for compliance with laws, regulations, standards, and professional ethics, and reviewing the company's policies related to risk assessment and management, including examining legal and regulatory requirements and periodically evaluating the effectiveness of these programs.
- 02 Recommending to the Board of Directors the appointment of the Manager of the Internal Audit Department and proposing his/her remuneration.
- 03 Approving the annual plan of the Internal Audit Department, reviewing and approving any changes that may occur, and linking the plan with the annual performance evaluation.
- 04 Approving the organizational structure of the Internal Audit Department

D. Ensuring Compliance

- 01
- Reviewing the results of regulatory reports and ensuring that the company has taken the necessary action in this regard.
- 02
- Verifying the company's compliance with relevant laws, regulations, policies, and instructions.
- 03
- Reviewing contracts and transactions proposed for the company with related parties and submitting its opinion thereon to the Board of Directors.
- 04
- Referring any matters it deems necessary to take action to the Board of Directors and making recommendations on the necessary actions.

Statement of Audit Committee Meetings for 2024G

Member's Name	Meeting No. and Date							
	114	115	116	117	118	119	120	121
	03/01/2024	20/03/2024	25/03/2024	13/05/2024	14/05/2024	18/05/2024	08/07/2024	11/04/2024
Mr. Tariq bin Khaled Al-Angari	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ali bin Sulaiman Al-Ayed	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Turki bin Abdulmohsen	✓	✓	✓	✓	✓	✓	✓	✓
Mr. Ahmed bin Ibrahim Hijan	✓	✓	✓	✓	✓	✓	✓	✓

Results of the annual review of the effectiveness of internal control procedures in the company

The company's internal audit department carries out continuous review operations to verify the effectiveness of the internal control system and procedures in protecting the company's assets, assessing business risks and measuring the efficiency of performance. The aforementioned review operations did not reveal any material weakness in the company's internal control system. On the other hand, the external auditor carries out an evaluation of this system as part of his review of the company's final financial statements, where the company enables him to review all minutes of the Audit Committee meetings, reports of the Internal Audit Department for the financial period/year and all required documents.

Audit Committee's opinion on the adequacy of the internal control system

The Audit Committee's assessment of the company's internal and financial control systems and controls did not show any material weakness, except for some non-material observations that were reported in the various audit reports, and the Internal Audit Department agreed with the concerned departments to implement the corrective actions.

On the other hand, the external auditor usually evaluates this system as part of his review of the company's annual financial statements, where the company enables him to review all systems, policies, procedures, minutes of the audit committee meetings, and reports of the internal audit department for the period/fiscal year under examination.

3.

Nominations and Remuneration Committee

It is a committee emanating from the Board of Directors of the company and consists of (3) members appointed by the Board of Directors, and their membership term is determined so that this term does not exceed the membership term in the Board of Directors.

Members of the Nominations and Remuneration Committee

Member	Membership Status
Mr. Mohsen bin Hassan Al-Fahadi	Chairman of the Committee
Mr. Musaed bin Khaled Al-Shethri	Member of the Committee
Mr. Abdulmohsen bin Sultan Al-Otaibi	Member of the Committee

Tasks and Responsibilities of the Committee

Nominations

- 01
- Proposing clear policies and standards for membership in the Board of Directors and Executive Management.
- 02
- Recommending to the Board of Directors the nomination of directors and members of committees and senior executives in the company in accordance with the approved policies and standards.
- 03
- Annual review of the skills required for membership of the Board of Directors and its committees and filling executive management positions, and preparing a description of the capabilities and qualifications required for membership of the Board of Directors and its committees and executive management positions, including determining the time required by the member to be dedicated for the work of the Board of Directors or its committees.

- 04
- Developing a job description for executive and non-executive members, independents, and senior executives.
- 05
- Reviewing the structure of the Board of Directors and executive management and making recommendations regarding the changes that can be made.
- 06
- Ensuring the independence of independent members annually and ensuring that there is no conflict of interest if the member is a member of the Board of Directors of another company.
- 07
- Developing special procedures in the event that the position of a member of the Board of Directors or its committees or senior executives becomes vacant and developing a succession plan for the positions of senior executives in the company and ensuring its implementation and follow-up.
- 08
- Identifying the weaknesses and strengths of the Board of Directors and proposing solutions to address them in line with the interests of the company.
- 09
- Determining the criteria necessary for the annual evaluation of the company's senior executives and conducting an annual review and evaluation of the performance of the company's senior executives.

Remuneration

- 01
- Preparing clear policies for the remuneration of the members of the Board of Directors, Board committees and the executive management, and submitting them to the Board of Directors for consideration in preparation for their approval by the General Assembly, taking into account that these policies are developed in accordance with the applicable laws and regulations and what serves the interests of the company, and following up on the implementation of the provisions of these policies after their approval by the General Assembly.
- 02
- Recommending to the Board of Directors the remuneration of the Board of Directors members, its committees and the company's senior executives in accordance with the approved policy.
- 03
- Clarifying the relationship between the granted remunerations and the applicable remuneration policy and stating any material deviation from this policy.
- 04
- Periodically reviewing the provisions of the remuneration policies, evaluating their effectiveness in achieving their objectives, and submitting the necessary recommendations regarding them to the Board of Directors.



Other responsibilities

- 01
- Reviewing the Committee’s charter periodically (at least once a year) and submitting recommendations to the Board of Directors for any necessary amendments for approval by the General Assembly.
- 02
- Develop an annual plan and schedule, at least three months before the end of each year, for the Committee’s activities for the coming year, including periodic meetings of the Committee, meetings with management, and other activities in light of the Committee’s roles, tasks, and responsibilities specified in its charter.
- 03
- Submit comments or recommendations – whenever necessary – to the Board of Directors on topics related to the Committee’s tasks.
- 04
- Carrying out the tasks and responsibilities determined by its charter or the Company’s Articles of Association or any of the relevant laws, regulations, and instructions, or assigned to the Committee by the Board of Directors in accordance with the nature of the Committee’s tasks and responsibilities.

Statement of attendance at the Nominations and Remuneration Committee meetings for the year 2024G

Member Name	Meeting No. and Date	
	37	38
	15/05/2024	27/07/2024
Mr. Muhsin bin Hassan Al-Fahadi	✓	✓
Mr. Musaed bin Khaled Al-Shethri	✓	✓
Mr. Abdulmohsen bin Sultan Al-Otaibi	✓	✓

4.

Governance Committee

- 01** The committee shall be formed by a decision of the Board of Directors and shall consist of no less than three (3) and no more than five (5) members of the Board of Directors in addition to the CEO.
- 02** It shall be taken into account - whenever possible - that at least one independent Board member shall be among the members of the committee.
- 03** The term of the committee shall be four (4) years, and the term of the committee shall end upon the expiry of its term or upon the expiry of the term of the Board of Directors, whichever occurs first, and the member may be reappointed for a second term or several terms.
- 04** A member must meet the following conditions:
- The member must not be an executive member of the Board of Directors.
 - The member must not have a direct or indirect interest in the business or contracts conducted on behalf of the company.
 - The member must not be related to any senior executives.
 - The member must not be involved in any business that competes with the company, nor engage in any trade related to the company's field of activity.
 - The member must have knowledge, competence, and experience in the rules and policies related to corporate governance, including the Corporate Governance Regulation issued by the Capital Market Authority, as well as familiarity with the best practices related to governance.
- 05** A member's membership terminates in any of the following cases:
- Death.
 - Resignation from continuing membership in the committee.
 - End of the member's membership in the Board of Directors, unless the Board of Directors decides to allow the member to continue in the committee.
 - The member's absence from two consecutive meetings or four separate meetings during their membership term without a valid excuse accepted by the Board of Directors.
 - Inability to perform the duties and responsibilities of membership for any reason.

- Committing a serious violation of any relevant laws, regulations, or instructions, or abusing the member's authority due to their position in the committee.
 - Loss of one or more of the membership conditions.
- 06** Membership termination occurs by a decision from the Board of Directors in the cases mentioned in paragraphs (B), (C), (D), (E), (F), and (G) of section (5) of this article.
- 07** If a member's position becomes vacant for any reason, the committee proposes a nominee for membership to the Board of Directors, ensuring that all conditions and requirements for forming the committee and membership are met. The replacement member will complete the remaining term of the previous member.
- 08** The Board of Directors appoints one of the members as the Chairman of the committee in the formation decision.
- 09** The Chairman represents the committee before the Board of Directors and other entities. The Chairman invites the committee to meetings, presides over and manages the meetings, approves the agenda, supervises the committee's work, meets with company staff or others when necessary, and submits the committee's results, decisions, recommendations, and reports to the Board. The Chairman also carries out any other duties determined by this regulation or any relevant laws, regulations, or decisions. The Chairman may delegate one of the members to carry out some of the tasks outlined in this paragraph.
- 10** The Chairman may appoint any member as a deputy to preside over meetings in their absence. If no one is appointed, the attending members will select a Chairman for the meeting.
- 11** The committee appoints a secretary who handles the secretariat duties for the committee. The secretary does not have the right to vote on the committee's decisions. The term of the secretary is the same as the committee's term, and they may be reappointed.

Members of the Governance Committee

Member Name	Membership status
Mr. Tariq bin Khaled Al-Angari	Chairman of the Committee
Mr. Yazeed bin Khaled Al-Shethri	Member of the Committee
Mr. Muhsin bin Hassan Al-Fahadi	Member of the Committee

Tasks and Responsibilities of the Committee

- 01
- Preparing the company's governance rules and submitting them to the Board of Directors for approval, verifying the company's compliance with these rules, and verifying their effectiveness.
- 02
- Reviewing and updating the company's governance rules in accordance with regulatory requirements and best practices.
- 03
- Ensuring that the company's bylaws, policies, and procedures are consistent with the company's governance rules, the governance regulations and policies issued by the Capital Market Authority, and other relevant laws, regulations, and policies.
- 04
- Reviewing and developing the code of professional conduct that represents the company's values, and other internal policies and procedures to meet the company's needs and align with best practices.
- 05
- Continuously informing the Board of Directors of developments in corporate governance and best practices and providing the Board of Directors with reports and recommendations it reaches in this regard at least annually.
- 06
- Following up on the preparation of the Board of Directors' report in accordance with the rules governing the Capital Market Authority.
- 07
- Identifying and assessing the main risks facing the company.
- 08
- Ensuring the company's receipt and follow-up of all regulations, rules, and circulars issued by the competent authorities, and verifying the company's compliance with and implementation thereof.
- 09
- Reviewing reports sent by the company's departments to regulatory authorities.

- 10
- Updating compliance policies and procedures.
- 11
- Identifying and addressing all compliance risks and monitoring their development.
- 12
- Submitting any matters it deems necessary to take action to the Board of Directors, providing recommendations on the necessary actions, and submitting comments or recommendations—when necessary—to the Board of Directors.
- 13
- Reviewing the bylaws periodically (at least once annually) and submitting recommendations to the Board of Directors regarding any necessary amendments for approval,

Statement of Governance Committee Meetings for 2024G

Member Name	Meeting date	
	7	8
	15/05/2024	23/10/2024
Mr. Yazeed bin Khaled Al-Shethri	✓	✓
Mr. Tariq bin Khaled Al-Angari	✓	✓
Mr. Muhsin bin Hassan Al-Fahadi	✓	✓

Related Party Transactions

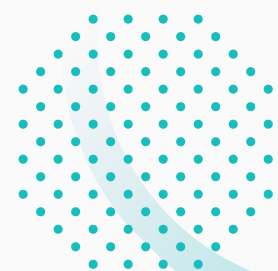
The company confirms that during the fiscal year 2024G, no contracts, deals, or transactions were concluded in which Tabuk Cement Company was a party and in which there was an interest for any of the members of the Board of Directors or any of the members of the committees outside the Board of Directors, the CEO, the CFO or any of the company's senior executives or with any person related to any of them.

Results of Governance Practices in 2024G

The Board of Directors is keen to establish an effective governance regulation and consider it an integral part of the company's administrative and financial regulation, as the governance regulation regulates internal business by clarifying the relationship between the Board of Directors and the shareholders' assemblies on the one hand, and the Board of Directors and Executive Management on the other hand. The governance regulation also regulates external business by managing its relations with government sectors, legislative bodies, suppliers, and contractors in order to achieve high efficiency and effectiveness that ensures the achievement of objectives of the company's strategy and operations. The company is keen on the comprehensiveness of the regulations and work rules related to transparency, responsibility, justice, and independence, in order to comply with the provisions of the Companies Law issued by the Ministry of Commerce and the Corporate Governance Regulations issued by the Board of Directors of the Capital Market Authority and other relevant regulations and legislations in force in the Kingdom of Saudi Arabia, while ensuring to benefit from the best local and international practices applied in this field..

The table below shows the latest developments in the company's application of the Articles that are for guidance.

Reasons and Details	Text of the Article/Paragraph	Article Number
Article 67 Risk Management Committee (Guiding Article)	A committee called the "Risk Management Committee" shall be formed by a decision of the Board of Directors. The Chairman and the majority of its members should be non-executive members of the Board, and it is required that its members possess an adequate level of knowledge in risk management and financial management.	The Governance Committee has been formed, and it carries out the duties of the Risk Management Committee
Article 85 Employee Motivation (Guiding Article)	1. Forming committees or holding specialized workshops to listen to the opinions of employees and discuss important decisions.	Although this article is guiding, the company is keen on providing a safe and healthy work environment for all its employees. It continuously studies ways to increase employee loyalty by intensifying motivational programs in the coming years. The company management met with the employees and created a dedicated email for employees to communicate with the Board of Directors.
	2. Employee stock programs or profit-sharing schemes, retirement programs, and the establishment of an independent fund to finance these programs.	
	3. Establishing social institutions for the company's employees.	
Article 87 Social Responsibility (Guiding Article)	The Ordinary General Assembly, based on a proposal from the Board of Directors, shall establish a policy that ensures a balance between its objectives and the goals that society seeks to achieve, aiming to develop the social and economic conditions of the community.	A special policy for social responsibility was approved at the Extraordinary General Assembly meeting held on 26-06-2024.
Article 88 Social Initiatives (Guiding Article)	1. Setting measurement indicators that link the company's performance to its social initiatives and comparing it with other companies with similar activities.	Guiding Article
	2. Establishing awareness programs for the community to educate them about the company's social responsibility.	



Shareholders' Rights and the General Assembly

The Articles of Association of Tabuk Cement Company and its governance regulations guarantee several points to shareholders, provided that all rights related to the share are ensured to shareholders, namely:

- 01** The right to obtain a share of the profits that are decided to be distributed.
- 02** The right to obtain a share of the company's assets upon liquidation.
- 03** The right to attend shareholders' meetings, participate in their deliberations, and vote on their decisions.
- 04** The right to dispose of shares, monitor the work of the Board of Directors, and file a liability lawsuit against the members of the Board.
- 05** The right to inquire and request information that does not harm the interests of the company and does not conflict with the Capital Market Law and its Implementing Regulations.
- 06** The company allows the participation of the largest number of its shareholders in the General Assembly meeting and is keen to choose the appropriate time and place to hold it. In addition, it adopts the remote voting system to facilitate the exercise of the right to vote for its shareholders

The Articles of Association of Tabuk Cement Company and its governance regulations also stipulate the provisions related to the General Assembly of Shareholders, which include the following procedures and precautions:

- 01** Ensuring that all shareholders exercise their statutory rights, and the General Assembly is considered the highest authority in the company.
- 02** Exclusive powers including the appointment and dismissal of the Board members.
- 03** Monitoring the work of the Board of Directors and the right to inquire and request information in a manner that does not harm the interests of the company and does not conflict with the Capital Market Law and its Implementing Regulations, approving the consolidated financial statements, appointing the auditor and determining his fees, approving the distribution of profits recommended by the Board of Directors, increasing or decreasing the company's capital, and amending the company's Articles of Association.





Statement of attendance at the General Assembly meetings

Member	The Extraordinary General Assembly held on 26-06-2024.
Mr. Yazeed bin Khaled Al-Shethri	
Mr. Tariq bin Khaled Al-Angari	
Mr. Abdulaziz bin Abdulrahman Al-Khamis	
Eng. Ali bin Mohammed Al-Qahtani	
Mr. Abdulmohsen bin Sultan Al-Otaibi	
Mr. Muhsin bin Hassan Al-Fahadi	
Mr. Musaed bin Khaled Al-Shethri	

Company Applications for Shareholders' Register

Reasons of Application	Application Date
Company procedures	10-1-2024
Company procedures	20-05-2024
General Assembly	22-05-2024
General Assembly	24-06-2024
General Assembly	26-06-2024
Profit file	27-06-2024
Profit file	27-06-2024
Profit file	30-06-2024
Other	2-10-2024
Profit file	13-11-2024



Disclosure and Transparency Policies

Recognizing the rights of shareholders and investor relations, strengthening its relationship with its shareholders, its investors, and stakeholders, preserving their rights, and believing in the importance of corporate governance that aims to protect shareholders' rights and enhance internal control by activating the role of the Board of Directors and its committees and adhering to the principle of disclosure and transparency, Tabuk Cement Company continued during the year 2024G its commitment to the Corporate Governance Regulations issued by the Saudi Capital Market Authority and other relevant regulations.

Accordingly, Tabuk Cement Company shall proceed as follows:

- 01** Its regulatory disclosures are not limited to the company's performance and financial results, but rather the disclosure extends to all information that may be of interest to the company's shareholders, investors, and stakeholders, and the requirements of the relevant regulations and sound international practices adopted by the company in the field of governance and transparency.
- 02** Incorporating shareholders' rights in the company's Articles of Association and governance manual.
- 03** Enabling shareholders and investors to obtain information, as the company publishes financial reports, announcements, and important news through the website of the Exchange "Tadawul", daily newspapers, and the annual report of its Board of Directors.
- 04** Establishing a special department in the company to follow up on shareholders' affairs and respond to their inquiries related to unclaimed profits or other matters.



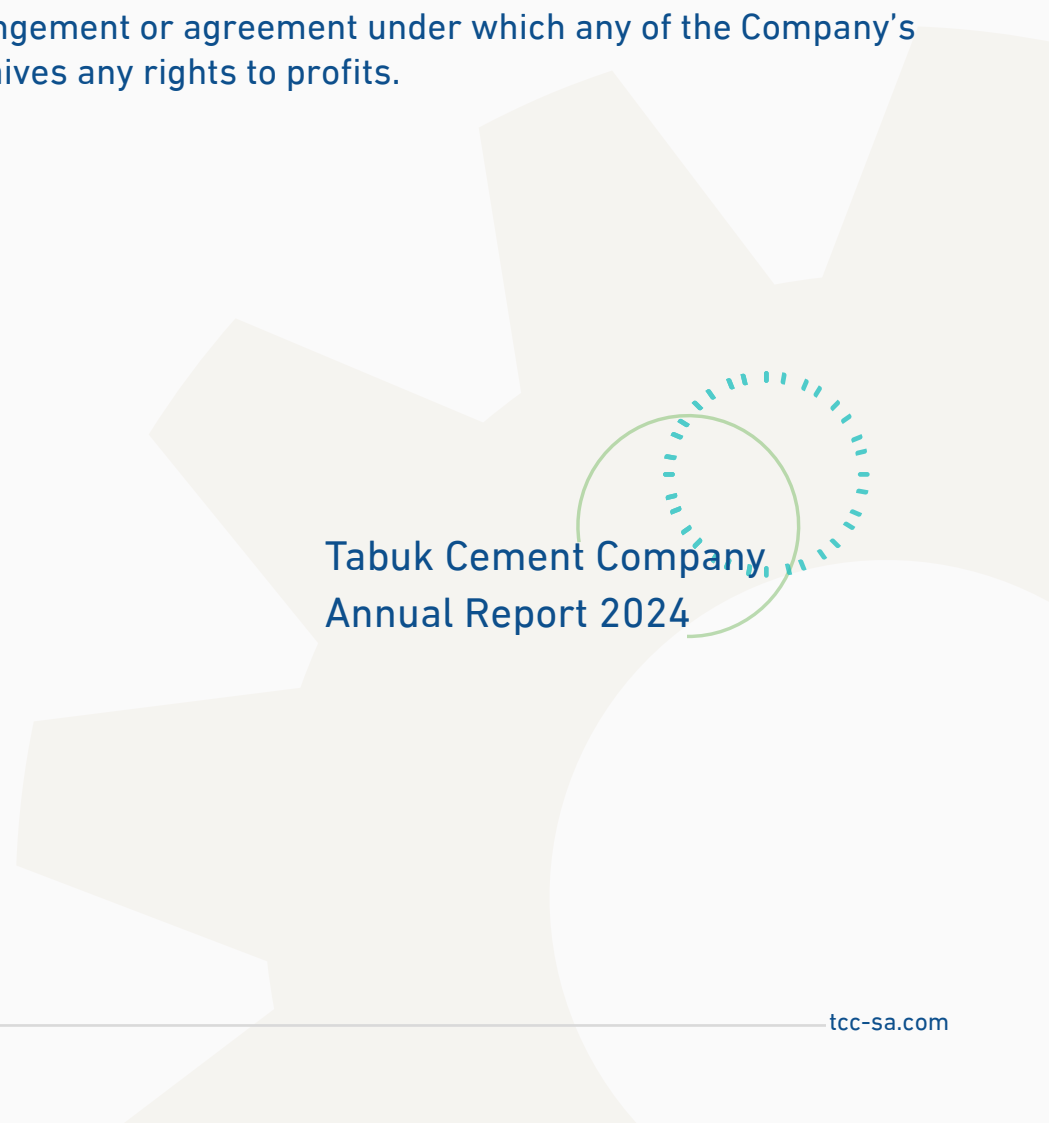
Board of Directors Declarations

The Board of Directors of Tabuk Cement Company declares that:

- 01 The accounting records were prepared correctly.
- 02 The internal control system was prepared on sound foundations and implemented effectively.
- 03 There is no doubt about the company's ability to continue going concern basis.
- 04 There are no penalties, sanctions, or precautionary restrictions imposed on the company by the Capital Market Authority or any other supervisory, regulatory, or judicial body.
- 05 The company's financial statements were prepared in accordance with the accounting standards issued by SOCPA, and in accordance with the relevant requirements of the Companies Law and the company's Articles of Association with regard to the preparation and publication of financial statements.
- 06 There are no shares or debt instruments issued to a subsidiary. The company does not have any subsidiaries.
- 07 The Company has no treasury shares held during 2024.
- 08 The company is committed to protecting shareholders' rights and not discriminating between shareholders who own the same class of shares and not withholding any right from them in a manner that ensures fair treatment for all shareholders.
- 09 The company has not put in place any procedure that may hinder a shareholder from using his right to vote.
- 10 The company has not provided any cash loan of any kind to any of its board members, including any loan contracted by a member of its Board of Directors with third parties.

- 11 There is no interest in the voting shares category belonging to persons (other than members of the Board of Directors, senior executives and their relatives) who have notified the company of these rights during the year 2024G.
- 12 The Company does not have convertible debt instruments, any contractual securities, subscription rights memoranda, or similar rights issued or granted by the Company during the year 2024G.
- 13 There are no conversion or subscription rights under convertible debt instruments, contractual securities, subscription rights memoranda, or similar rights issued or granted by the Company during the year 2024G.
- 14 The company does not have any redemption, purchase, or cancellation of any redeemable debt instruments.
- 15 There are no recommendations from the Audit Committee that conflict with the decisions of the Board of Directors, or which the Board refused to adopt regarding the appointment of the company's auditor, his dismissal, determining his fees, and evaluating the internal auditor.
- 16 The company's external auditor did not provide any advisory services to the company during the fiscal year 2024G and did not receive any fees in this regard.
- 17 The company did not receive a request from the auditors to hold the General Assembly during the ended fiscal year, and it was not held.
- 18 There are no subsequent material events that affect the soundness of the company's financial position and the results of its operations that occurred after the end of the year and have not been clarified, other than what is included in this report.

- 19 The Board of Directors declares that the company has a loan from Bank Albilad.
- 20 There are no debt instruments convertible into shares, no option rights or subscription rights notes, and no similar rights were issued during the fiscal year.
- 21 The company has no subsidiaries inside or outside the Kingdom.
- 22 There is no interest or option rights for the members of the company's Board of Directors, senior executives, their spouses, minor children, fathers, mothers, and relatives in shares or debt instruments.
- 23 There are no debt instruments convertible into shares and there are no redeemable debt instruments.
- 24 There is no arrangement or agreement under which any of the Company's shareholders waives any rights to profits.



Tabuk Cement Company,
Annual Report 2024

09

Financial Performance Highlights



Statement of Financial Position

Statement	2024	2023	2022	2021	2020	2019	Change
	SAR	SAR	SAR	SAR	SAR	SAR	
Current Assets							
Cash at Banks	49,549,364	26,894,267	20,672,004	22,882,531	20,693,362	14,104,701	84.24%
Short-Term Investments	33,000,000	10,000,000	26,281,687	25,200,000	20,000,000		230.00%
Term Deposits (Investments with a maturity of more than 3 months)	-	-	-	-			0.00%
Accounts Receivable - Net	46,612,826	23,677,340	17,627,304	7,977,607	6,234,814	8,210,899	96.87%
Prepaid Expenses and Other Assets	471,719	580,184	791,406	1,351,321	4,684,631	1,582,666	-18.69%
Other Debit Balances	7,180,015	13,225,168	11,506,663	9,889,102	3,694,444	2,818,988	-45.71%
Inventory	243,054,083	282,355,709	258,517,543	292,949,241	285,063,097	299,661,317	-13.92%
Total Current Assets	379,868,006	356,732,668	335,396,607	360,249,802	340,370,348	326,378,571	6.49%
Non-Current Assets							
Long-Term Investments	-	-	-	-	-	-	0.00%
Investments in Equity Instruments (through Other Comprehensive Income)	169,961,000	287,111,819	295,201,417	283,140,949	281,288,274	270,958,000	-40.80%
Net Value of Fixed Assets	878,082,208	907,970,529	959,119,151	1,007,993,279	1,065,784,188	1,127,243,138	-3.29%
Investment Properties	72,279,440	72,279,440	72,279,440	72,279,440	77,464,847	79,881,137	0.00%
Capital Work in Progress	-	-	-	-	-	-	0.00%
Intangible Assets	4,348,735	5,959,378	4,874,048	4,762,692	5,043,683	4,205,434	-27.03%
Net Deferred Expenses	-	-	-	-	-	-	0.00%
Derivative Financial Instrument	2,700,767	7,179,800	-	-	-	-	-62.38%
Right-of-Use Asset	4,587,213	6,422,212	-	1,705,654	3,566,366	5,256,830	-28.57%
Total Non-Current Assets	1,131,,363	1,286,923,178	1,331,474,056	1,369,882,014	1,433,147,358	1,487,544,539	-12.04%
Total Assets	1,511,827,370	1,643,655,846	1,666,870,663	1,730,131,816	1,773,517,706	1,813,923,110	-8.02%

Statement	2024	2023	2022	2021	2020	2019	Change
	SAR	SAR	SAR	SAR	SAR	SAR	
Liabilities and Shareholders' Equity							
Current Liabilities							
Current Portion of Lease Obligation	1,754,572	1,725,597	-	1,772,419	1,881,295	1,645,854	1.68%
Short-Term Loans / Current Portion of Long-Term Loan	63,470,883	63,470,883	63,470,883	63,470,883	63,470,883	95,206,325	0.00%
Accounts Payable	25,211,548	17,049,002	12,223,887	16,376,937	19,427,291	20,272,673	47.88%
Other Credit Balances	35,904,119	20,262,324	19,049,299	26,892,160	39,870,370	50,771,497	77.20%
Divide Due to Shareholders	120,133,922	119,691,529	120,371,949	121,079,857	121,694,374	124,636,545	0.37%
Proposed Dividends to Shareholders	-	-	-	-	-	-	0.00%
Zakat Provision	9,598,456	11,466,807	6,683,401	6,956,392	10,156,261	4,018,930	-16.29%
Total Current Liabilities	256,073,500	233,666,142	221,799,419	236,548,648	256,500,474	296,551,824	9.59%
Non-Current Liabilities Current							
Long-term loan	30,506,488	91,591,185	151,471,216	210,212,689	252,000,653	309,420,556	-66.69%
End-of-service gratuity provision	19,923,690	17,377,129	16,135,397	15,923,026	14,216,404	16,852,045	14.65%
Non-current portion of lease liability	3,089,056	4,843,628	-	-	1,772,419	3,604,412	-36.22%
Total non-current liabilities	53,519,234	113,811,942	167,606,613	226,135,715	267,989,476	329,877,013	-52.98%
Shareholders' equity							
Share capital	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	0.00%
Statutory reserve	233,592,463	233,592,463	231,618,097	229,521,378	227,745,646	222,588,069	0.00%
Fair value reserve	3,313,017	124,942,869	125,852,667	113,792,199	111,939,524	101,609,250	-97.35%
Retained earnings (losses)	65,329,156	37,642,430	19,993,867	24,133,876	9,342,586	36,703,046-	73.55%
Total shareholders' equity	1,202,234,636	1,296,177,762	1,277,464,631	1,267,447,453	1,249,027,756	1,187,494,273	-7.25%
Total liabilities and shareholders' equity	1,511,827,370	1,643,655,846	1,666,870,663	1,730,131,816	1,773,517,706	1,813,923,110	-8.02%

Statement of profit or loss and other comprehensive income

Statement	2024	2023	2022	2021	2020	2019	Statement of Income 2024	Material differences in operating items from last year	
	SAR	SAR	SAR	SAR	SAR	SAR		Change	Causes
Net Sales	343,363,336	265,083,135	297,549,464	228,529,275	276,454,772	238,663,555	Net Sales	0.30	Increase in sales volume and value
Less:							Less:		
Cost of Sales	246,811,679-	211,928,173-	234,115,479-	179,919,725-	208,207,773-		Cost of Sales	0.16	Increase in sold quantitties
Gross Profit	96,551,657	53,154,962	63,433,985	48,609,550	68,246,999	54,578,574	Gross Profit	0.82	Result of the above.
Less:	-	-	-	-	-	-	Less:		
Selling and Marketing Expenses	4,524,744-	4,681,112-	3,787,430-	3,046,032-	2,951,585-	8,526,180-	Selling and Marketing Expenses	(0.03)	-3.34%
General and Administrative Expenses	30,598,443-	26,677,736-	23,226,783-	21,652,001-	20,354,578-	18,711,045-	General and Administrative Expenses	0.15	14.70%
Total Selling and Marketing Expenses	35,123,187-	31,358,848-	27,014,213-	24,698,033-	23,306,163-	27,237,225-	Total Selling and Marketing Expenses	0.12	12.00%
Other Expenses	-	-	237,429-	-	-	320,783-	Other Expenses	0.00	
Reversal/(Impairment Loss) on Inventory	-	-	-	-	-	9,647,520	Reversal/(Impairment Loss) on Inventory		
Impairment Loss on Trade Receivables	876,173-	-	-	-	-	-	Impairment Loss on Trade Receivables		
Other Income	25,389,009	6,917,251	-	10,899,132	8,175,384	6,237,905	Other Income	2.67	Not disposing of any of the company's assets by selling them during the year and utilizing the company's assets effectively.
Dividends on Equity Investments at Fair Value Through Other Comprehensive Income	5,080,463	5,080,463	-	-	-	5,080,463	Dividends on Equity Investments at Fair Value Through Other Comprehensive Income		
Net Other Income and Expenses	29,593,298	11,997,714	237,429-	10,899,132	8,175,384	20,645,105	Net Other Income and Expenses	1.47	Not disposing of any of the company's assets by selling them during the year and utilizing the company's assets effectively.
Net (Loss) / Operating Profit	91,021,768	33,793,828	36,182,343	34,810,649	53,116,220	47,986,454	Net (0) / Operating Profit	1.69	From increase sales quantity and value
Deposit Income	901,404	900,347	235,102	827,091	54,087	317,901	Deposit Income	0.00	Increased liquidity invested in deposits.
Finance Cost	4,156,525-	5,296,193-	7,580,146-	7,019,208-	11,274,890-	24,780,605-	Finance Cost	(0.22)	Activation of the hedging agreement at the beginning of 2022.
Effect of Adjusting Cash Flows for a Financial Liability	2,386,187-	3,590,852-	4,729,410-	5,815,199-	17,750,601	-	Effect of Adjusting Cash Flows for a Financial Liability	(0.34)	Rescheduling of the loan balance on March 15, 2020, and calculating financial liability losses against 2020 profits.
Net Income for the Year Before Zakat Provision	85,380,460	25,807,130	24,107,889	22,803,333	59,646,018	23,523,750	Net income for the year before zakat allocation	2.31	As a result of the above
Less:							Less:	0.00	
Zakat Provision Reversal	0	0	0	0	0	4,684,980	Zakat Provision Reversal		
Zakat Provision	5,817,932-	10,794,895-	3,140,701-	5,046,012-	-8,070,246	-4,018,930	Zakat Provision	(0.46)	As a result of the decrease in the company's liabilities (loan - right to use asset)
Net Income (Loss) for the Year	79,562,528	15,012,235	20,967,188	17,757,321	51,575,772	24,189,800	Net Income (Loss) for the Year	(0.28)	As a result of the above

Statement	2024	2023	2022	2021	2020	2019	Statement of Income 2024	Material differences in operating items from last year	
	SAR	SAR	SAR	SAR	SAR	SAR		Change	Causes
Items that will not be subsequently reclassified to profit or loss							Items that may be subsequently reclassified to the statement of profit or loss		
(Loss)/Other Comprehensive Income							(Loss) / Other comprehensive income		
Actuarial gains from remeasuring employees' end-of-service benefits liability	2,144,375-	120,733-	510,478-	1,190,299-	-372,563	1,906,630	Recalculation of end-of-service benefits	16.76	Actuarial Loss Value - From the Actuary's Report
Unrealized gains from remeasuring investments in equity instruments to fair value	117,150,819-	8,089,598-	12,060,468	1,852,675	10,330,274	0	Unrealized gains from remeasuring investments in equity instruments to fair value	13.48	Amount of losses from revaluation of investments in equity instruments at fair value
Items that may subsequently be reclassified to profit or loss									
Movement in the fair value of cash flow hedges	4,479,033-	3,966,726-	11,146,526	-	0	0			
Total Comprehensive Income	44,211,699-	2,835,178	43,663,704	18,419,697	61,533,483	26,096,430	Total Comprehensive Income	(16.59)	As a result of the above

Basic profit/(loss) and reduced net profit/(loss) for the year	0.88	0.17	0.23	0.20	0.57	0.27
Basic profit/(loss) and reduced profit/(loss) from total comprehensive income for the year	-0.49	0.03	0.49	0.20	0.68	0.29

Investments

Investments	2024	2023	2022	2021	2020	2019
	SAR	SAR	SAR	SAR	SAR	SAR
Short Deposits	33,000,000	10,000,000	26,281,687	25,200,000	20,000,000	-
Term Deposits	-	-	-	-	-	-
Energy	169,961,000	287,111,819	295,201,417	283,140,949	281,288,274	270,958,000
Total	202,961,000	297,111,819	321,483,104	308,340,949	301,288,274	270,958,000



Item	2024	2023	2022	2021	2020	2019	2018	2017	2016
Clinker Production	1,691,408.00	1,471,785.00	1,218,309.00	1,249,856.00	1,445,198.00	1,476,139.00	1,469,169.00	1,260,494.00	1,312,034.00
Cement - Production	1,943,828.00	1,626,059.00	1,794,580.00	1,497,930.00	1,742,525.00	1,222,033.00	1,172,276.00	1,080,617.00	1,345,496.00
Sales - Tons	1,953,014.79	1,619,365.00	1,803,348.00	1,494,480.00	1,734,834.00	1,220,906.31	1,171,461.00	1,089,846.88	1,339,990.00
Sales Value	343,098,735.85	264,846,615.00	297,451,184.00	228,417,352.00	276,438,072.00	215,134,148.88	149,428,503.00	166,587,220.70	246,489,288.70
Cement Dust Sales Value	264,600.15	236,520.00	98,280.00	111,923.00	16,700.00	17,500.00	16,400.00	20,500.00	40,700.00
Total - Report	343,363,336.00	265,083,135.00	297,549,464.00	228,529,275.00	276,454,772.00	215,151,648.88	149,444,903.00	166,607,720.70	246,529,988.70
Clinker Sales (Tons)	-	-	118,985.00	25,500.00	-	202,470.00	-	-	20,171.10
Clinker Inventory / Tons	968,943.21	1,293,040.49	1,326,327.00	1,876,610.00	1,994,858.20	2,094,795.12	1,872,648.61	1,383,835.92	1,044,792.00
Cement Inventory / Tons	40,138.00	54,700.00	49,924.00	63,212.00	64,091.00	56,400.00	56,200.00	47,439.70	56,576.00

Item	2023/2024	2022/2023	2021/2022	2020/2021	2020/2019	2019/2018	2018/2017	2017/2016
Clinker Production	14.92%	20.81%	-2.52%	-13.52%	-2.10%	0.47%	16.56%	-3.93%
Cement - Production	19.54%	-9.39%	19.80%	-14.04%	42.59%	4.24%	8.48%	-19.69%
Sales - Tons	20.60%	-10.20%	20.67%	-13.85%	42.09%	4.22%	7.49%	-18.67%
Sales Value	29.55%	-10.96%	30.22%	-17.37%	28.50%	43.97%	-10.30%	-32.42%
Cement Dust Sales Value	11.87%	140.66%	-12.19%	570.20%	-4.57%	6.71%	-20.00%	-49.63%
Total - Report	29.53%	-10.91%	30.20%	-17.34%	28.49%	43.97%	-10.30%	-32.42%
Clinker Sales (Tons)	0.00%	-100.00%			-100.00%			-100.00%
Clinker Inventory / Tons	-25.06%	-2.51%	-29.32%	-5.93%	-4.77%	11.86%	35.32%	32.45%
Cement Inventory / Tons	-26.62%	9.57%	-21.02%	-1.37%	13.64%	0.36%	18.47%	-16.15%

Labor	2024	2023	2022	2021	2020	2019	2018	2017	2016
Saudi	183	196	197	198	172	172	149	149	148
Non-Saudi	227	182	180	168	192	192	209	217	208
Total	410	378	377	366	364	364	358	366	356

Region	2024	2023	2022	2021	2020	2019	2018	2017	2016
Tabuk and Neom Region	323,607,220.65	226,350,309.35	199,486,773.94	135,091,822.00	152,264,288.00	177,352,501.63	134,422,362.92	148,644,275.80	211,488,617.18
Western and Northern Region	-	260,511.20	20,618,933.60	25,477,086.00	53,069,856.00	11,864,888.84	8,399,914.42	5,766,506.53	10,755,135.01
Central Region	-	-	-	3,227,666.00	5,671,848.00	-	-	-	-
Madinah and AlUla	19,491,515.20	28,192,050.60	52,580,732.60	57,215,353.00	33,228,484.00	20,797,363.86	6,323,731.79	12,196,938.67	24,286,236.81
Export	-	10,001,850.74	24,823,936.66	7,405,439.00	32,203,597.00	28,648,800.52	298,894.00	-	-
Total	343,098,735.85	264,804,721.89	297,510,376.80	228,417,366.00	276,438,073.00	238,663,554.85	149,444,903.13	166,607,721.00	246,529,989.00

Region	2024	2023	2022	2021	2020	2019	2018	2017
Tabuk and Neom Region	94.32%	85.48%	67.05%	59.14%	55.08%	74.31%	89.95%	89.22%
Western and Northern Region	0.00%	0.10%	6.93%	11.15%	19.20%	4.97%	5.62%	3.46%
Central Region	0.00%	0.00%	0.00%	1.41%	2.05%	0.00%	0.00%	0.00%
Madinah and AlUla	5.68%	10.65%	17.67%	25.05%	12.02%	8.71%	4.23%	7.32%
Export	0.00%	3.78%	8.34%	3.24%	11.65%	12%	0.20%	0
Total	100%	100.00%	100.00%	100.00%	100.00%	100	100%	100%

Statement	2024	2023	2022	2021	2020	2019	2018	2017	2016
Zakat and Income Tax Authority	5,817,932.00	10,794,895.00	3,140,701.00	7,146,999.00	8,070,246.00	4,018,930.00	3,042,781.00	2,696,349.00	9,505,720.00
Ministry of Petroleum and Mineral Resources	3,013,800.00	2,926,652.00	1,057,156.00	9,643,027.00	9,323,027.21	6,377,959.00	5,975,271.00	5,638,573.00	7,286,592.00
General Organization for Social Insurance	350,818.00	357,290.68	523,512.00	3,723,019.00	296,769.26	255,512.02	246,226.76	246,617.41	235,565.00

Activity Results

Statement	2024	2023	2022	2021	2020	2019	2018	2017	2016
Gross Profit	96,551,656.85	53,154,962.00	63,433,985.00	48,609,550.00	68,246,999.00	54,578,574.00	23,592,291.00-	9,248,732.00	85,188,562.00
Total Marketing and Administrative Expenses	35,123,187.36-	31,358,848.00-	27,014,213.00-	24,698,033.00-	23,306,163.00-	27,237,225.00-	21,307,744.00-	18,823,872.00-	23,831,250.00-
Net Revenues and Other Expenses	29,593,298.21	11,997,714.00	237,429.00-	10,899,132.00	8,175,384.00	20,645,105.00	38,963,226.00-	1,746,260.00	78,072.00
Financing Charges and Costs	6,542,711.90-	8,887,045.00-	12,309,556.00-	12,007,316.00-	6,529,798.00	24,462,704.00-	23,474,987.00-	13,236,990.00-	2,314,197.00-
Net Income Before Zakat	85,380,459.95	25,807,130.00	24,107,889.00	22,803,333.00	59,646,018.00	23,523,750.00	107,338,248.00-	21,065,870.00-	59,121,187.00
Zakat	5,817,932.00-	10,794,895.00-	3,140,701.00-	5,046,012.00-	8,070,246.00-	4,018,930.00-	3,042,781.00-	2,696,349.00-	4,306,251.00-
Net Income for the Year	79,562,527.95	15,012,235.00	20,967,188.00	17,757,321.00	51,575,772.00	24,189,800.00	110,381,029.00-	23,762,219.00-	54,814,936.00
Comprehensive Income for the Year	44,211,699.05-	2,835,178.00	43,663,704.00	18,419,697.00	61,533,483.00	26,096,430.00	102,728,029.00-	21,888,219.00-	54,897,936.00
Total Shareholders' Equity	1,202,234,636.00	1,296,177,762.00	1,277,464,631.00	1,267,447,453.00	1,249,027,756.00	1,187,494,273.00	1,161,397,843.00	1,151,076,734.00	1,172,964,953.00

Statement	2023/2024	2022/2023	2021/2022	2020/2021	2020/2019	2019/2018	2018/2017	2017/2016
Gross Profit	81.64%	-16.20%	30.50%	-28.77%	25.04%	-331.34%	-355.09%	-89.14%
Total Marketing and Administrative Expenses	12.00%	16.08%	9.38%	5.97%	-14.43%	27.83%	13.20%	-21.01%
Net Revenues and Other Expenses	146.66%	-5153.18%	-102.18%	33.32%	-60.40%	-152.99%	-2331.24%	2136.73%
Financing Charges and Costs	-26.38%	-27.80%	2.52%	-283.88%	-126.69%	4.21%	77.34%	
Net Income Before Zakat	230.84%	7.05%	5.72%	-61.77%	153.56%	-121.92%	409.54%	-135.63%
Zakat	-46.10%	243.71%	-37.76%	-37.47%	100.81%	32.08%	12.85%	-37.39%
Net Income for the Year	429.98%	-28.40%	18.08%	-65.57%	113.21%	-121.91%	364.52%	-143.35%
Comprehensive Income for the Year	-1659.40%	-93.51%	137.05%	-70.07%	135.79%	-125.40%	369.33%	
Total Shareholders' Equity	-7.25%	1.46%	0.79%	1.47%	5.18%	2.25%	0.90%	-1.87%

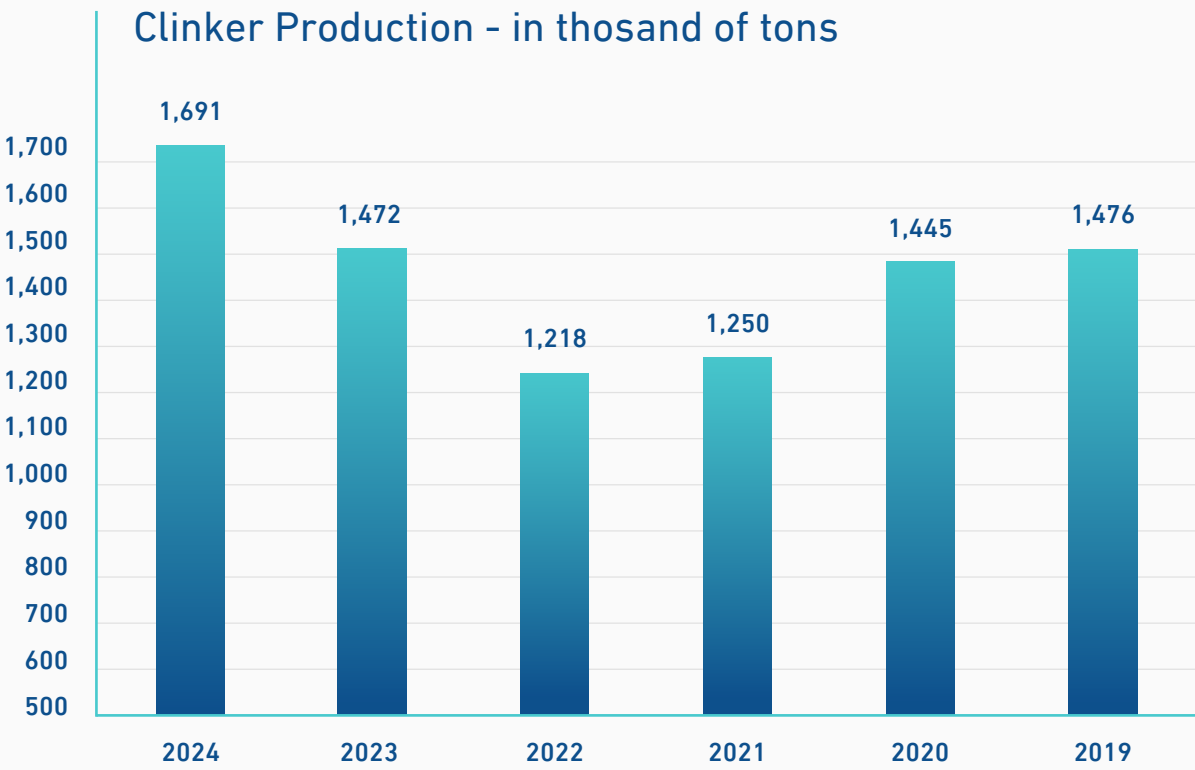
Disteribution of Sales in 2024

#	Region/Area		Qty (Ton)	Value (SAR)	Total Qty (Ton)	Average Price (SAR)	Value (SAR)	%
1	Tabuk	Al-Wajh	526.76	43,359.20	770,170.68	170.51	131,324,192.70	38%
		Tabuk	639,321.10	110,563,759.70				
		Tayma	5,157.50	1,059,587.50				
		Amala	125,165.32	19,657,486.30				
2	NEOM	NEOM	960,820.06	178,418,754.55	1,046,869.58	183.67	192,283,027.95	56%
		Almond Mountain	6,229.78	1,083,661.70				
		Shaqri	79,491.76	12,720,530.60				
		Ulqan	327.98	60,081.10				
3	Export		-	-	-	-	-	0%
4	Central Region		-	-	-	-	-	0%
5	Norther region			-	-	-	-	0%
6	Western	Makkah	-	-	-	-	-	0%
7	City	Al-Ula	20,400.00	3,365,850.00	135,974.54	143.35	19,491,515.20	6%
		Madinah	115,574.54	16,125,665.20				
Total			1,953,014.80	343,098,735.85	1,953,014.80	175.68	343,098,735.85	100%

Clinker Production

The quantity of clinker produced in 2024 amounted to (1,691,408 tons) compared to (1,471,785 tons) in 2023 , at an increase rate of (14.91%).

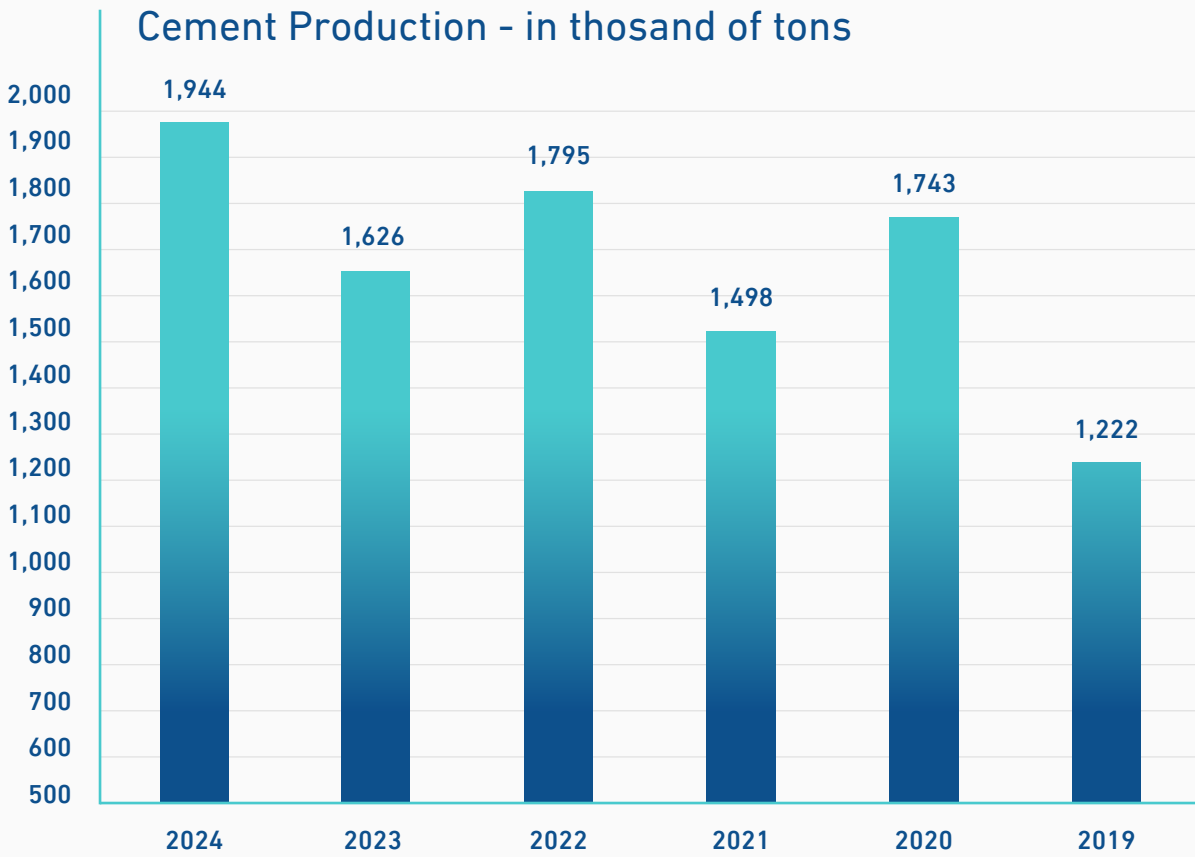
Clinker Production	
Year	Thousand Ton
2017	1,261
2018	1,469
2019	1,476
2020	1,445
2021	1,250
2022	1,218
2023	1,472
2024	1,691



Cement Production

The quantity of cement produced in 2024 amounted to (1,943,828 tons) compared to (1,626,059 tons) in 2023, an increase of (19.55%).

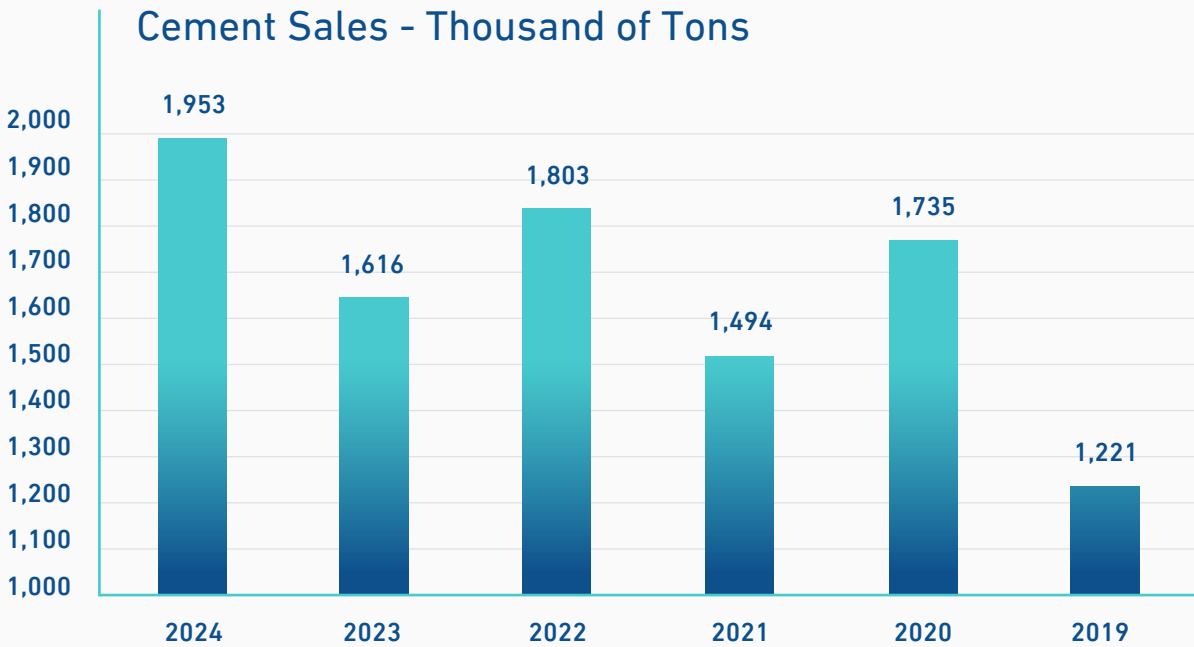
Cement production	
Year	Thousand Ton
2017	1,081
2018	1,172
2019	1,222
2020	1,743
2021	1,498
2022	1,795
2023	1,626
2024	1,944



Cement sales

The quantity of clinker produced in 2024 amounted to (1,691,408 tons) compared to (1,471,785 tons) in 2023 , at an increase rate of (14.91%).

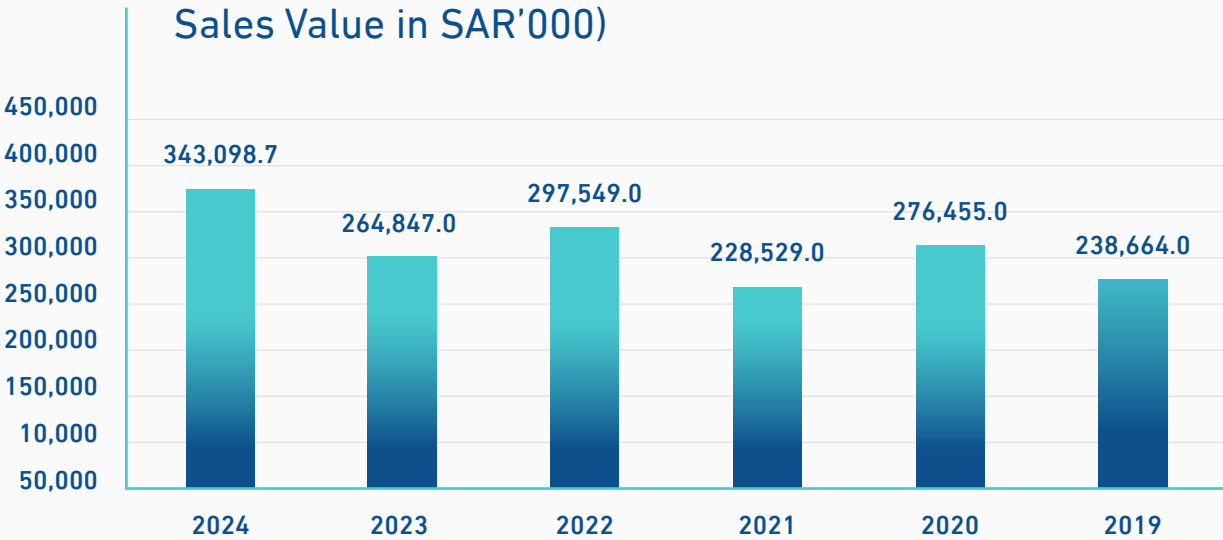
Cement Sales	
Year	Thousand Ton
2017	1,090
2018	1,171
2019	1,221
2020	1,735
2021	1,494
2022	1,803
2023	1,619
2024	1,953



Sales Value

The net sales value in 2024 amounted to (343,098,736 riyals) compared to net sales value of (264,846,615 riyals) in 2023, an increase of (29.55%).

Sales Value	
Year	Thousand Ton
2017	166,608.0
2018	149,445.0
2019	238,664.0
2020	276,455.0
2021	228,529.0
2022	297,549.0
2023	264,847.0
2024	343,098.7



Inventory

Clinker inventory at the end of 2024 amounted to **968.94 tons** compared to 1,293.04 tons in 2023

a decrease of **25.06 %**

Cement inventory at the end of 2024 amounted to **40,138 tons** compared to 54.7 tons in 2023

a decrease of **26.62 %**



Commitment to Bank Albilad – Loan

On Rajab 20, 1441 AH (March 15, 2020), the company signed a debt re-scheduling agreement for the outstanding loan balance with Bank Albilad (a Shariah-compliant banking facility agreement based on successive Murabaha transactions).

At that time, the outstanding loan balance amounted to SAR 380,825,300, and it was subjected to a new profit rate of SAIBOR (6 months) + 1.25%, instead of the previous SAIBOR (6 months) + 2.50%.

The repayment plan consists of 24 quarterly installments, each valued at SAR 15,867,721.83.

The first installment under this agreement was paid on June 13, 2020, and the final installment is scheduled to be paid—God willing—on March 13, 2026

The following statement outlines the loan status as of December 31, 2020.

Description (Amount in SAR)	Loan Principal	Balance at the Beginning of 2024	Paid During 2024	Loan Balance at the End of 2024
Facility (Loan)	476,031,625	404,626,881	71,404,744	333,222,138
Total	476,031,625	404,626,881	71,404,744	333,222,138

Note 1: Variations may occur (increase or decrease) depending on fluctuations in SAIBOR rates

Loan Repayment Schedule for Bank Albilad - Schedule #3

Successive Islamic Murabaha (6-Month SAIBOR + Fixed Rate 1.25%)

Effective from March 15, 2020

Description	Value (SAR)
Facility Value (Outstanding Obligation)	380,825,300.00
Expected Average SAIBOR	1.50%
Fixed Rate (Determined)	1.25%

No.	Date	Description	Loan Repayment Details				Remaining Loan Balance (SAR)
			Loan Principal Payment (SAR)	Loan Profit (SAR)	Total Installment Payment (SAR)	Commercial Fees & Charges (SAR)	
1	2019/12/13	-	-	-	-	-	404,626,881.25
2	2020/03/13	Murabaha #2 Installment 3 + Profit	23,801,581.25	4,966,453.39	28,768,034.64	-	380,825,300.00
3	2020 - 06 - 13	Murabaha #3 Installment 1 + Profit	15,867,720.83	2,549,836.95	18,417,557.79	-	364,957,579.17
4	2020 - 09 - 13	Murabaha #3 Installment 2 + Profit	15,867,720.83	2,443,593.75	18,311,314.58	-	349,089,858.33
5	2020 - 12 - 13	Murabaha #3 Installment 3 + Profit	15,867,720.83	1,932,503.27	17,800,224.11	-	333,222,137.50
Total		202,961,000	71,404,743.75	11,892,387.37	83,297,131.12	-	-

Commitment to Bank Albilad

Description (Amount in SAR)	Loan Principal	Balance at the Beginning of 2024	Paid During 2024	Loan Balance at the End of 2024
Facility (Loan)	476,031,625.00	155,062,067.27	63,470,884.00	93,977,370.27
Total	476,031,625.00	155,062,067.27	63,470,884.00	93,977,370.27

Due Regulatory Payments

Description	2024	2023
Zakat, Tax, and Income Authority	5,817,932.00	10,794,895.00
Ministry of Mineral Resources Agency	3,013,800.00	2,926,652.00
General Organization for Social Insurance	350,818.00	357,290.68

2024

Annual Report

Tabuk Cement Company

tcc-sa.com