



"We Build Today...
to Enable Tomorrow."



Annual Report 2025

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ



Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

may Allah protect him



His Royal Highness Prince

Mohammed bin Salman Al Saud

Crown Prince, Prime Minister, may Allah protect him

may Allah protect him

Tabuk Cement Company Annual Report 2025

Under a leadership that has repeatedly affirmed that the strength of the Saudi economy rests on solid foundations and that the private sector is a key partner in shaping the future, the Kingdom of Saudi Arabia is embarking on a historic phase of unprecedented economic transformation and urban development. This phase, centered on economic diversification, enhanced sustainability, and increased spending efficiency, is not only reshaping sectors but also redefining the long-term landscape of the national economy.

At the heart of this transformation stand basic industries, serving as the cornerstone upon which urban expansion and major strategic projects are built. With the accelerated implementation of Vision 2030 projects and the growing investments in infrastructure, tourism, industry, and logistics, the cement sector's role emerges as a pivotal element in enabling this growth.

Within this ambitious national context, Tabuk Cement Company continues to play its role as a national industrial player actively contributing to the development process. With advanced production facilities, extensive operational experience, and a strategic geographic location near major national projects in the north and west of the Kingdom..

The year 2025G has further demonstrated the company's ability to adapt to market changes and transform challenges into opportunities. In a market characterized by abundant production capacity and price competition, the company has focused on financial discipline, improving operational efficiency, and maximizing value for every ton produced and

sold. This approach has contributed to achieving balanced performance that reflects the strength of the company's foundations.

The company's geographic location near NEOM, the Red Sea Project, AMAALA, and other strategic projects has given it a genuine competitive advantage, not only in terms of reducing logistical costs but also in its ability to respond quickly to the demands of major projects and ensure continuous supply.

This 2025 Annual Report provides a comprehensive analysis of the company's financial and operational performance, highlighting its achievements and strategic initiatives, and reflecting its commitment to the highest standards of governance, transparency, and sustainability. It also sheds light on the company's future direction within an economic environment characterized by sustained growth opportunities, driven by the continuation of major national projects and the Kingdom's hosting of global events in the coming years.

Looking ahead with confidence, Tabuk Cement Company draws strength from its robust financial position, efficient production assets, strong corporate discipline, and clear strategic vision. The company is committed to further enhancing its position as a leading industrial player, dedicated to delivering sustainable value to its shareholders and actively contributing to the national economy and a more prosperous future.

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01

Strategic Report



Chairman's Statement

**Dear shareholders of Tabuk Cement Company,
Peace, mercy and blessings of Allah be upon you,**

It gives me immense pleasure to share with you the results of Tabuk Cement Company's business for the fiscal year ending December 31, 2025, which came in the context of a pivotal stage witnessed by the cement sector in the Kingdom, as the pace of implementation of mega projects accelerates within the objectives of the Kingdom's Vision 2030, in parallel with the ongoing competition in a market characterized by an abundance of production capacity.

The Saudi cement market witnessed a gradual improvement in demand during 2025 compared to previous years, driven by increased spending on infrastructure projects, urban expansion, and tourism and industrial projects in the NEOM, Red Sea, and AMAALA regions.

In tandem with this, Tabuk Cement Company was able to maintain its competitive position and strengthen its market share in the northern and western regions, benefiting from its strategic geographic location and proximity to major projects.

During the year, the Board of Directors focused on three main pillars:

First | Financial discipline and capital management

Second | Enhancing operational efficiency and reducing risks

Third | Full commitment to the principles of governance and transparency

We affirm the company's continued commitment to implementing best governance practices in accordance with the Capital Market Authority's regulations, thereby enhancing investor confidence and ensuring the protection of all shareholders' rights.

We look to the future with confidence, supported by a solid operational and financial foundation and promising growth opportunities. This is driven by ongoing major projects and the Kingdom's hosting of global events such as Expo 2030 and the 2034 FIFA World Cup, which will sustain demand for building materials in the coming years.

In closing, I extend my sincere thanks and appreciation to our valued shareholders for their continued trust, and to the Board of Directors, the Executive Management, and all company employees for their efforts in achieving these results.

**Yazeed bin Khalid Al-Shathri
Chairman of the Board**



02

2025G

Overview

Tabuk Cement Company at a Glance

Tabuk Cement Company is a leading national cement manufacturer in the Kingdom of Saudi Arabia. Established in 1994G as a Saudi joint-stock company, it was listed on the Saudi Stock Exchange (Tadawul) in 1998G with a capital of SAR 900 million divided into 90 million shares of equal par value.

The company's primary activities include the production and marketing of Ordinary Portland cement, Sulfate-Resistant cement, and Pozzolanic cement, in addition to clinker production. It serves a broad customer base in the infrastructure, government, and mega-projects sectors stemming from the Kingdom's Vision 2030, as well as private sector projects.

The company's factory is located near Daba Governorate, 30 kilometers from the port of NEOM, giving it a strategic logistical advantage that facilitates transportation and distribution operations and enhances its ability to meet the needs of coastal, Red Sea, and northern region projects.

The company's performance is based on over three decades of operational experience, supported by certified quality systems, advanced industrial infrastructure, and a qualified national workforce.





Vision

Our aim is to lead the local and regional cement industry through being the ideal 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



To promote sustainable development and to revitalize the national economy.

To meet the demands of the local and regional market of high-quality cement at competitive prices.

Optimum investment in the natural resources available in the region and maintaining a dynamic work environment.

Maintaining a level of excellence through continuous training and development of competencies, projects and services.

Highlights of the Financial and Operational Performance in 2025G

Production

Item	Quantity
Clinker production	1,450,833 ton
Cement production	1,648,109 ton

Quality, Safety, and Certifications

Throughout 2025, the company maintained its quality mark issued by the Saudi Standards, Metrology and Quality Organization (SASO) and adhered to internationally recognized quality management system standards. It also maintained a positive record in occupational safety indicators, with a low accident rate.

The achievements of 2025 reflect a corporate culture based on internal innovation, continuous improvement, financial discipline, and transforming operational challenges into opportunities for direct savings and enhanced profitability. They also underscore the company's ability to balance operational efficiency with marketing flexibility, thereby strengthening performance sustainability and its position in a competitive market.

Sustainability and Energy Efficiency Certifications and Accreditations

In line with its commitment to implementing the objectives of the Kingdom's Vision 2030, particularly in the areas of environmental sustainability, energy efficiency, and reducing carbon emissions from the cement industry, Tabuk Cement Company obtained several specialized certifications and accreditations during 2025. These certifications reflect the maturity of its operational system and its adherence to approved environmental standards.

These certifications affirm the company's commitment to implementing best practices in energy management, improving consumption efficiency, and reducing the environmental impact of its industrial operations. This reinforces its position as a responsible industrial company that contributes to supporting the national transformation towards a more sustainable and resource-efficient economy.



2025 Business and Marketing Performance

First | Overview

The year 2025 witnessed an exceptional market and operational environment, characterized by a slowdown in the implementation of several major strategic projects, most notably some NEOM projects, along with declining demand in key markets, intensified price competition, increased production costs, and the loss of several strategic clients for varying periods throughout the year.

Despite these challenges, the company has successfully maintained its business and operational performance, relying on effective market risk management, a flexible pricing approach, and a strong ability to maintain cash flow and stable market share in strategic markets.

Second | Financial Performance and Collections

The company recorded strong performance in cash collections management, with collected cash flows exceeding planned targets and the collection ratio surpassing total sales revenue. This reflects the efficiency of its credit policy and the company's ability to manage financial risks and strengthen its cash position.

Third | Sales Revenue and Average Selling Price

Despite price pressures in the cement sector, the company managed to maintain competitive pricing levels higher than projections. This helped offset the impact of lower volumes resulting from market volatility and maintain stable profit margins.

This performance reflects the company's success in managing its sales mix and improving its average selling price, thereby enhancing revenue quality.

Fourth | Volumes and Market Share

The company maintained its position in its strategic markets, particularly in the Tabuk region and NEOM projects, by strengthening its relationships with major clients and large-scale projects.

It has also successfully restored and revitalized its relationships with several strategic clients by providing flexible supply solutions and integrated logistics services. This contributed to maintaining its market share despite intensified price competition.

Fifth | Managing Markets and Strategic Customers

The company continued to strengthen its presence in target markets by:

- 01 Developing flexible pricing policies tailored to the specific characteristics of each market and customer
- 02 Intensifying direct communication with strategic customers
- 03 Providing valuable solutions that support the sustainability of business relationships

This contributed to minimizing customer losses and regaining several strategic relationships.

Sixth | Operational Flexibility and Risk Management

The company demonstrated a high level of flexibility in dealing with market changes by:

- 01 Redirecting efforts towards projects with higher execution momentum
- 02 Effectively managing production and inventory fluctuations
- 03 Maintaining continuous supply to vital markets

This approach also contributed to supporting market stability and mitigating competitive pressures, thereby enhancing the sustainability of profit margins.

The 2025G performance reflects the company's ability to manage challenges with high efficiency and maintain its financial and operational stability in a stressful market environment, while laying a strong foundation for a more stable and growing phase in the coming years.

A blue-tinted photograph of a worker in a hard hat and safety vest, viewed from the side, holding a tablet. The worker is in an industrial setting with pipes and machinery in the background. A large, semi-transparent gear icon is overlaid on the worker's torso.

03

**Strategy
and Future
Directions**



Tabuk Cement Company's 2025–2028 Strategy

Tabuk Cement Company's strategy for the period 2025–2028 stems from a realistic assessment of the Saudi cement market structure, which is witnessing a gradual equilibrium between supply and demand driven by major national projects, along with continued competition and ample production capacity. In this context, the company's strategy focuses on maximizing the utilization of existing assets, enhancing operational efficiency, and achieving measured and sustainable growth that enhances shareholder value.

The strategy is based on the principle of "balanced growth," which combines increased profitability, improved revenue quality, and maintaining a strong financial position, without engaging in high-risk capital expansions that are not based on genuine and sustainable demand. During this phase, the company aims to transform from one focused on stable performance to one that achieves gradual and profitable growth supported by higher operational efficiency, a strategic geographic position, and clear financial discipline.



Strategic Priorities

01 Maximizing Operational Efficiency

The company will continue implementing energy efficiency initiatives, developing preventive and predictive maintenance programs, and minimizing unplanned downtime. This aims to gradually reduce the cost per ton produced and improve operating margins. Increasing capacity utilization is a key indicator of the success of this priority.

02 Enhancing Profitability and Revenue Quality

The company focuses on improving its sales mix by increasing the proportion of bulk sales related to major projects and strengthening long-term contracts. This will lead to greater cash flow stability and mitigate short-term market volatility.

03 Financial Discipline and Strengthening the Financial Position

The company aims to maintain low debt levels, improve return on assets and shareholders' equity, and enhance operating cash flow. This will support the ability to distribute sustainable dividends and self-finance growth.

04 Moving Towards Higher Operational Sustainability

This priority includes improving energy efficiency, reducing emissions, and enhancing environmental compliance, in line with regulatory requirements and major national projects that set stringent environmental standards.



Growth and Expansion Plans

The company adopts a selective approach to expansion, focusing on opportunities with clear economic viability, without placing excessive capital burdens on the balance sheet. Growth plans include:

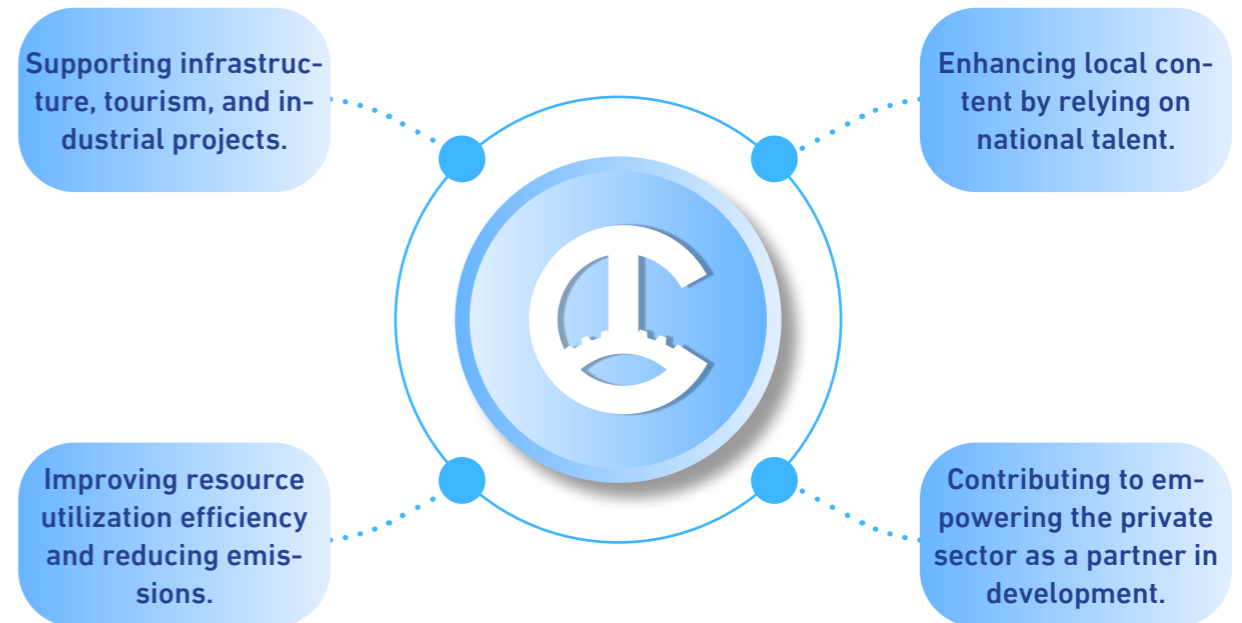


Expanding market share within high-growth regions is a strategic objective for the coming period, supported by improved product quality and supply reliability.



Aligning the Strategy with Saudi Vision 2030

Tabuk Cement Company's strategy aligns with the objectives of the Kingdom's Vision 2030 in several aspects:



The continuation of major national projects and the Kingdom's hosting of Expo 2030 and the 2034 FIFA World Cup provide a long-term demand environment, giving the strategy a strong foundation for sustainable growth.

Looking Ahead

Tabuk Cement Company looks to the coming years with confidence, supported by clear strengths including its strategic location, efficient production assets, financial discipline, and stable customer base. Management is focused on translating these strengths into growing financial results, while maintaining operational and financial flexibility to capitalize on opportunities and mitigate risks.

The period 2025–2028 represents a phase of consolidating sustainable and balanced growth, aimed at strengthening the company's market position, achieving stable returns for shareholders, and actively contributing to the national development process.



04

Sustainability and Social Responsibility



Environmental, Social, and Governance (ESG) Framework

Tabuk Cement Company recognizes that sustainability is no longer an optional element of its business model, but rather a strategic pillar directly linked to long-term profitability, risk management, and enhancing shareholder value. Accordingly, the company has adopted an integrated sustainability management framework based on three main pillars: Environment (E), Society (S), and Governance (G).

First | Environment



Emissions Management and Energy Efficiency

Given the energy-intensive nature of the cement industry, the company continues to focus on reducing carbon emissions intensity and improving energy efficiency through ongoing operational initiatives aimed at enhancing environmental performance and minimizing the environmental impact of its production processes.

In 2025, the company recorded a noticeable improvement in carbon emissions intensity, driven by enhanced combustion system efficiency and improved fuel consumption management, reflecting its commitment to adopting more efficient and sustainable operational practices.

Heat energy consumption intensity also improved as a result of updates to operating and maintenance systems and increased equipment readiness, contributing to enhanced production efficiency and reduced energy consumption per unit produced.

The company continues to study and evaluate opportunities for using alternative fuels and optimizing its energy mix in its operations, in line with national trends toward emissions reduction and environmental sustainability, and in support of the objectives of Saudi Vision 2030.



Resource Management and Waste Reduction

The company employs rigorous resource management policies, including optimizing industrial water consumption, reusing certain by-products, and reducing stagnant inventory. Initiatives have also been implemented to repurpose previously unused materials, contributing to waste reduction and improved environmental efficiency.



46.6 %
Localization Rate
in the Company

Second | Social

Occupational Safety and Health

The safety and occupational health of employees is a top priority for Tabuk Cement Company. The company is committed to providing a safe working environment that enhances the protection of employees and customers at all work sites. It is dedicated to fostering a culture of occupational safety as an integral part of its operational system through the implementation of effective preventative measures and continuous monitoring of compliance with safety standards.

The company also continues to develop training and awareness programs for its employees to raise awareness of occupational hazards and enhance their ability to handle emergencies according to best practices adopted in the industrial sector. These efforts are supported by a comprehensive system of safety policies and procedures that focus on prevention, rapid response, and minimizing potential risks in the workplace.

This approach reflects the company's commitment to maintaining the safety of its workforce and ensuring the continuity of efficient and stable operations, based on the firm belief that a safe work environment is a fundamental pillar for achieving sustainable performance and enhancing organizational excellence.

Human Capital and Localization

The company's localization rate reached (46.6%) in 2025, with a continued focus on developing national talent in technical and administrative fields. The company also supports a work environment based on professional fairness and equal opportunities.

As part of its commitment to developing national human capital, Tabuk Cement Company received the 2025 Labor Award for Localization in the Tabuk region, having achieved the highest localization rates among private sector organizations in the region. This recognition reflects the company's success in implementing its strategy to empower, attract, and develop national talent, in line with the goals of the Kingdom's Vision 2030, which aims to increase the participation of citizens in the labor market.

The award was received by the Chairman of the Board, Mr. Al-Shathri, on behalf of the company, during an official ceremony held in the presence of His Excellency the Minister of Human Resources and Social Development, Engineer Ahmed bin Sulaiman Al-Rajhi, and His Excellency the Deputy Minister, Dr. Abdullah Abu Thnein, underscoring the company's institutional standing and its developmental role in the region.

Corporate Social Responsibility

The company contributes to supporting local communities through developmental and social initiatives, including supporting educational and environmental activities and contributing to development programs in the Tabuk region and surrounding areas.

Supporting charitable organizations in the region, both financially and morally, including:



Prince Fahd bin Sultan Social Program Association



King Abdulaziz Charitable Society in Tabuk



Dhuba Charitable Society

Third | Governance

Corporate Governance

The company is committed to applying the highest governance standards in accordance with the Capital Market Authority regulations, including:

A clear separation of powers between the Board of Directors and the Executive Management

Independent audit and risk committees

Disclosure and transparency policies

Effective internal controls

Risk management

The company adopts an integrated risk management framework that covers operational, financial, regulatory and environmental risks, and the risk register is updated periodically in accordance with market changes.

Sustainability as a Competitive Advantage

Sustainability is not merely about regulatory compliance; it is a crucial competitive advantage, especially in large-scale projects that impose stringent environmental standards. A company's commitment to environmental and social standards enhances its contractual opportunities, reduces future risks, and improves its investment appeal.

Future Directions 2026–2028

Reducing emissions intensity.

Exploring the introduction of more sustainable fuel alternatives

Enhancing digital transformation programs for consumption monitoring

Increasing the percentage of specialized technical training

Developing more detailed ESG disclosure reports



05

**Risk Management
and Compliance**








Tabuk Cement Company adopts an integrated risk management and compliance framework aimed at protecting the company's assets, ensuring business continuity, and enhancing its ability to achieve its strategic objectives in a changing operational and regulatory environment. Risk management is an integral part of the governance system, directly linked to the work of the Board of Directors and its specialized committees.






First | Operational and Financial Risks

Operational Risks

Given the capital- and energy-intensive nature of the cement industry, potential operational risks include:

-  **Unplanned technical failures and shutdowns**
-  **Fluctuations in energy and fuel prices**
-  **Supply chain disruptions**
-  **Industrial safety risks**
-  **Fluctuations in regional demand**

To address these risks, the company relies on:

-  **Preventive and predictive maintenance programs**
-  **Advanced technical monitoring systems**
-  **Business Continuity Plans**
-  **Strategic inventory policies**
-  **Periodic review of operational performance indicators**

Financial Risks

Financial risks include:



Price volatility in the cement market



Customer-related credit risks



Liquidity risks



Liquidity risks

The company adopts conservative credit policies, including:



Assessing customer creditworthiness



Setting clear credit limits



Regular monitoring of receivables



Effective working capital management

The company also maintains a balanced capital structure, with a net debt-to-equity ratio of (22,5%) in 2025 compared to (26,0%) in 2024, which enhances the resilience of its financial position and reflects an improvement in its level of indebtedness

Second | Regulatory Risks

The company operates in a regulatory environment overseen by several entities, including the Capital Market Authority, the Saudi Standards, Metrology and Quality Organization (SASO), and relevant environmental authorities.

Regulatory risks include:



Changes in environmental regulations



Quality standard updates



Disclosure and governance requirements



Competition regulations

The company employs a mechanism for continuous monitoring of legislation and regulatory updates to ensure full compliance and minimize the risk of fines or compliance risks.

Third | Risk Management Mechanism

The company adopts an institutional risk management framework based on:



Identifying strategic, operational, and financial risks



Assessing the likelihood of occurrence and financial impact



Developing response and mitigation plans



Periodic monitoring and reporting

The risk register is updated periodically and presented to the Governance Committee, which reports to the Board of Directors.

Risk management is also integrated into the strategic planning process, ensuring that the impact of any new strategic initiative on the company's overall risk profile is assessed.

Fourth | Compliance and Internal Controls

The company is committed to implementing an effective internal control system aimed at:



Protecting assets



Ensuring the accuracy of financial data



Enhancing transparency and disclosure



Preventing fraud and misuse



Internal audits are conducted according to an annual plan approved by the Audit Committee, which includes evaluating the effectiveness of operational and financial controls and monitoring the implementation of recommendations.

The company is also committed to full compliance with the disclosure and governance requirements issued by the Capital Market Authority, while promoting a culture of integrity and accountability at all management levels. Tabuk Cement Company's risk management and compliance framework reflects an advanced level of corporate maturity, where risk management is directly linked to strategy, operational and financial decisions, thereby enhancing performance sustainability and protecting shareholder value.



06

Capital and Shareholders' Equity

Capital and Shareholders' Equity



Capital Structure

Tabuk Cement Company adopts a balanced financial policy aimed at maintaining a stable capital structure that supports sustainable growth and enhances the ability to withstand market fluctuations. The paid-up capital of Tabuk Cement Company as of December 31, 2025, amounted to approximately SAR 900 million, divided into 90 million shares with a nominal value of SAR 10 per share. During the year 2025, no material change occurred in the capital.

Total shareholders' equity at the end of 2025 reached approximately SAR 1,170 million, compared to SAR 1,202 million in 2024 and SAR 1,296 million in 2023, reflecting a cumulative decrease of 9.70% over three years.



Paid-up capital for the year 2025



Total shareholders' equity for the year 2025



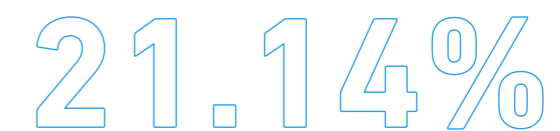
Financing Structure

The company relies on a balanced financing structure that combines self-financing and bank financing according to disciplined policies. Total liabilities at the end of 2025 amounted to approximately SAR 247 million, compared to SAR 310 million in 2024.

The net debt-to-equity ratio decreased to 21.14% in 2025, compared to 25.75% in 2024 and 21.11% in 2023, reflecting an improvement in the flexibility of the financial position and an enhanced ability to self-finance operations.



Total commitments for the year 2025



Net debt to equity ratio



Changes in equity (2023–2025)

Item	2023	2024	2025
Capital	900,000,000	900,000,000	900,000,000
Statutory Reserve	233,592,463	233,592,463	233,592,463
Fair Value Reserve	124,942,869	3,313,017	-20,273,384
Retained Earnings (Losses)	37,642,430	65,329,156	57,091,464
Total Equity attributable to Shareholders	1,296,177,762	1,202,234,636	1,170,410,543

Retained earnings reflect the commitment to balanced dividend policies that support sustainable growth.

Dividend Policy

The company adopts a dividend policy aimed at achieving a balance between maximizing shareholder returns and maintaining sufficient liquidity to support operational and strategic plans.

During 2025, the Board of Directors recommended a cash dividend of SAR 0.50 per share, totaling SAR 45 million.

The dividend policy is based on:



Achieved a profitability level



Operating cash flows



Financing obligations



Future investment plans

Share performance and market capitalization

Tabuk Cement Company’s share price reached approximately SAR 9.08 at the end of 2025, while the stock recorded its highest level during the year at SAR 13.34 and its lowest level at SAR 8.98, reflecting price volatility linked to market conditions and demand levels in the cement sector.

The company’s market capitalization at closing amounted to approximately SAR 850 million. This market performance reflects continued investor confidence in the robustness of the company’s financial position and the stability of its business model, despite the challenges witnessed by the sector during the year.

The following are the key indicators related to the stock’s performance during the year:

Indicator	Value
Year-end closing price	9.08
Year-highest price	13.34
Year-lowest price	8.98
Closing market capitalization	850 Million SAR
Trading volume	59,465
Trading value	Riyals 539,546.77
Number of trades	215

Creating value for shareholders

During the period 2023–2025, the company successfully achieved:



A gradual improvement in return on equity (ROE) from (8.5%) to (11.3%)



Growth in retained earnings



Strengthened cash flows



Reduced debt levels

This confirms the company’s ability to deliver sustainable shareholder value, supported by a balanced capital structure and clear financial discipline.



07

Corporate Governance



Corporate Governance

Tabuk Cement Company's Governance Framework

Tabuk Cement Company's corporate governance aims to establish a structured framework of rules and standards that ensure the application of best governance practices. This framework guarantees the protection of shareholders' and stakeholders' rights, enhances transparency and accountability, and supports sustainable long-term growth.

The company is committed to applying the highest governance standards, believing that a sound governance system is a fundamental pillar for enhancing shareholder value and achieving a balance between effective oversight and strategic performance support. This commitment aligns with the company's approach to quality in all its operations, activities, and products.

The rules, policies, and procedures adopted within the governance system are binding on all members of the Board of Directors, the executive management, and all company employees. They may only be amended by a resolution issued by the Board of Directors or the General Assembly, as applicable, and in accordance with relevant regulations.

The Regulatory Basis for Governance

Tabuk Cement Company's governance system has been developed in compliance with the provisions of the Corporate Governance Regulations issued by the Capital Market Authority and in accordance with the best local and international practices adopted in this field.

This system serves as the governing framework for the company's operations and is implemented in accordance with relevant laws and regulations, most notably:

- 01 The Capital Market Law and its implementing regulations
- 02 The Companies Law issued by Royal Decree No. (M/132) and its amendments.
- 03 Decisions and circulars issued by the Ministry of Commerce.
- 04 The Articles of Association of Tabuk Cement Company.

The Board of Directors or the General Assembly may amend the Governance System from time to time in accordance with the instructions of the Capital Market Authority, business requirements, and the requirements of sound management, provided that it does not conflict with applicable laws and regulations.



Board of Directors

Composition of the Board of Directors

The Board of Directors of Tabuk Cement Company is composed of seven members elected by the General Assembly of Shareholders using cumulative voting. Remote voting is permitted in accordance with regulations approved by the relevant authorities.

The term of membership on the Board is four years, and members may be re-elected for subsequent terms. The Governance Regulations stipulate that a majority of Board members must be non-executive, and that the number of independent members must not be less than two or one-third of the Board members – whichever is greater – to reinforce the principles of independence and objective oversight.

Definition of the Board of Directors and its Role

The Board of Directors is the highest authority in the company, responsible for representing and protecting its interests. It oversees the company's operations, provides strategic guidance, and ensures the sustainability of its performance.

The Board exercises its functions through



Adopting the company's vision, strategy, and main objectives



Monitoring the performance of the executive management and ensuring the achievement of approved objectives.



Approving general policies and internal regulations.



Oversight of the risk management and internal control system.



Board of Directors Responsibilities

The Board of Directors bears full responsibility for managing and directing the company's affairs. Its most prominent responsibilities include:

- 01** Developing and periodically reviewing the overall strategy, key business plans, and risk management policy.
- 02** Determining the optimal capital structure for the company and approving financial objectives and annual budgets.
- 03** Overseeing major capital expenditures, asset acquisition, and disposal.
- 04** Establishing clear performance indicators and monitoring implementation and overall performance.
- 05** Periodically reviewing and approving organizational and functional structures.

The Board also oversees the internal control system, which includes:



Adopting a written policy for managing conflicts of interest and addressing potential issues.



Ensuring the integrity of financial and accounting systems, including financial reporting systems.



Overseeing the implementation of effective risk management systems.



Conducting an annual review of the effectiveness of internal control systems.



Governance and Compliance Policies

The Board of Directors is responsible for formulating and approving the company's governance system and rules, monitoring their effectiveness, and amending them as needed. It also establishes policies and standards for Board membership and executive management, and submits them to the General Assembly for approval.

Among the approved policies is



The policy for relationships with related parties.



Professional and ethical conduct rules.



Disclosure and transparency policies.



Compliance policies with regulations and laws

The Board is also responsible for preparing the financial statements and the annual report on the company's activities and financial position, and for recommending to the General Assembly the appointment of the external auditor and determining their fees.



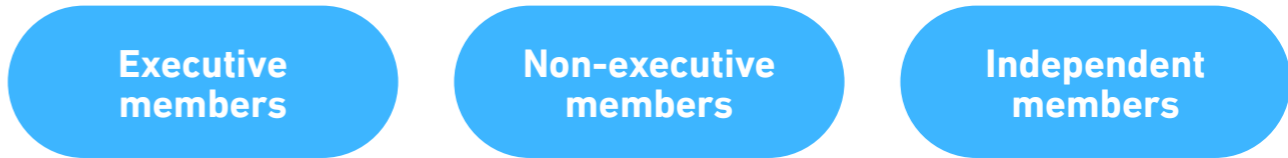
Remuneration and Nominations Committee

The Remuneration and Nominations Committee reviews the policies for remuneration, salaries, and incentives for the executive management and senior executives, ensuring their alignment with the company’s performance and strategic objectives, and achieving fairness and balance between performance and reward.

Executive management’s rewards include fixed and variable components linked to financial and operational performance and approved performance indicators.

Classification of Board Members

The Governance System stipulates the classification of Board members as:



This classification is in accordance with the controls outlined in the Corporate Governance Regulations, enhancing the Board’s independence and ensuring effective oversight.

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. Mused bin Khaled Al-Shethri	Non-Executive

Current and Previous Experience of the Members of the Board and the Board Committees



Mr. Yazeed bin Khaled Al-Shethri

- Bachelor of Human Resources Management

Current Position

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

Names of companies in which he is currently a board member or manager:

- Deputy Chairman of the Board of Directors of Obeikan Glass Company
- Legal entity: Listed joint stock company - inside the Kingdom.

Names of companies in which he is a previous member of the Board of Directors or one of its managers:

- 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.
- Legal entity: Unlisted joint stock company - inside the Kingdom.



Mr. Tariq bin Khaled Al-Angari

- Executive Master's in Change Management – INSEAD – France.
- MBA from le Business School
- Bachelor of Marketing from King Fahd University of Petroleum and Minerals.
- Diploma in Corporate Board Management from the Governance Center of the Public Invest-ment Fund and the Institute of Directors (IOD).
- Charter Certificate in Corporate Governance from the IOD Institute
- Diploma in Corporate Governance from the IOD Institute
- Board Member License from the IOD Institute
- Board Member License from the Board Directors Institute (BDI)
- Diploma in Corporate Finance and Credit.

Current Position

- Deputy Chairman of the Board of Directors of Tabuk Cement Company and Chairman of the Audit Committee.
- CEO of Lenovo in the Gulf, Middle East, Africa, Turkey and Pakistan, and Senior Vice President of the Lenovo Group
- 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).
- Board Member of Al-Ula Club – owned by the Royal Commission for Al-Ula Governorate

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.

Names of companies in which he is currently a board member or manager:

- AlUla Club Company (a subsidiary of the Royal Commission for AlUla): Board Member – Member of the Executive and Investment Committee.

Names of companies in which he is a previous member of the Board of Directors or one of its managers:

- Member of the Nominations Committee of the Packaging Materials Manufacturing Company (FIPCO).
- Legal entity: Listed joint stock - inside the Kingdom.
- Board member of Leejam Sports Company (Fitness Time).
- Legal entity: Listed joint stock company - inside the Kingdom



Eng. Ali bin Mohammed Al-Qahtani

- 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.

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.

Names of companies in which he is currently a board member or manager:

- CEO of Tabuk Cement Company.
- Legal entity: Listed joint stock company - inside the Kingdom.
- Member of the Executive Committee

Names of companies in which he is a previous member of the Board of Directors or one of its managers:

- CEO of Al-Jeri Transport Company Legal entity: Closed



Mr. Abdulaziz bin Abdulrahman Al Khamis

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

Current Position

- Member of the Board of Directors of Tabuk Cement Company

Previous Positions

- Investment 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.
- Fixed Income Dealer, Investment Department –Saudi Arabian Monetary Agency.

Names of companies in which he is currently a board member or manager:

- Saudi Investment Bank
- Legal entity: Listed joint stock company - inside the Kingdom
- The Company for Cooperative Insurance (Tawuniya)
- Legal entity: Unlisted joint stock company - inside the Kingdom
- United Insurance Company
- Legal entity: Closed joint stock company - Bahrain

Names of companies in which he is a previous member of the Board of Directors or one of its managers:

- Sipchem
- Legal entity: Listed joint stock company - inside the Kingdom
- Saudi Polymers Company
- Legal entity: Closed joint stock company - inside the Kingdom
- Petrochem Company
- Legal entity: Listed joint stock company - inside the Kingdom
- Gulf Polymers Distribution Company
- Legal entity: Closed joint stock company - UAE



Mr. Abdulmohsen bin Sultan Al-Otaibi

- 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

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.
- General Manager of Abdulmohsen Al-Otaibi Investment Company.

Previous Positions

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

Names of companies in which he is currently a board member or manager:

- Tabuk Cement Company
- Legal entity: Listed joint stock - inside the Kingdom

Names of companies in which he is a previous member of the Board of Directors or one of its managers:

- Secretary of the Board of Directors of Jazan Development Company
- Legal entity: Listed JSC company - within the Kingdom
- Secretary of the Board of Directors, Saudi Advanced Company
- Legal Entity: Listed Shareholding Company - Within the Kingdom
- Member of the Audit Committee, Rawasi Al Binaa Investment Company
- Legal Entity: Listed Shareholding Company - Within the Kingdom.



Mr. Muhsin bin Hassan Al-Fahadi

- 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

Current Position

- Board Member of Tabuk Cement Company
- Chief Human Capital Officer - King Abdullah Financial Center (KAFD)

Previous Positions

- Deputy Chairman of the Board of Directors and Chairman of the Remuneration and Nomination Committee
- 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

Names of companies in which he is currently a board member or manager:

- Tabuk Cement Company
- Legal Entity: Listed Joint Stock Company - Within the Kingdom
- Member of the Remuneration and Nominations Committee, Saudi Broadcasting Authority
- Legal Entity - Not Listed - Within the Kingdom

Names of companies in which he is a previous member of the Board of Directors or one of its managers:

- Saudi Company for Technological Development and Investment
- Legal Entity: Not Listed - Within the Kingdom
- Secretary of the Remuneration and Nominations Committee, King Abdullah Financial Center Development and Operation Company
- Legal Entity - Not Listed - Within the Kingdom
- Al Salam Aircraft Manufacturing Company
- Legal entity: Unlisted - inside the Kingdom
- Saudi Advanced Industries Company
- Legal entity: Listed joint stock - inside the Kingdom



Mr. Musaed bin Khaled Al-Shethri

Bachelor of Operations and Project Management

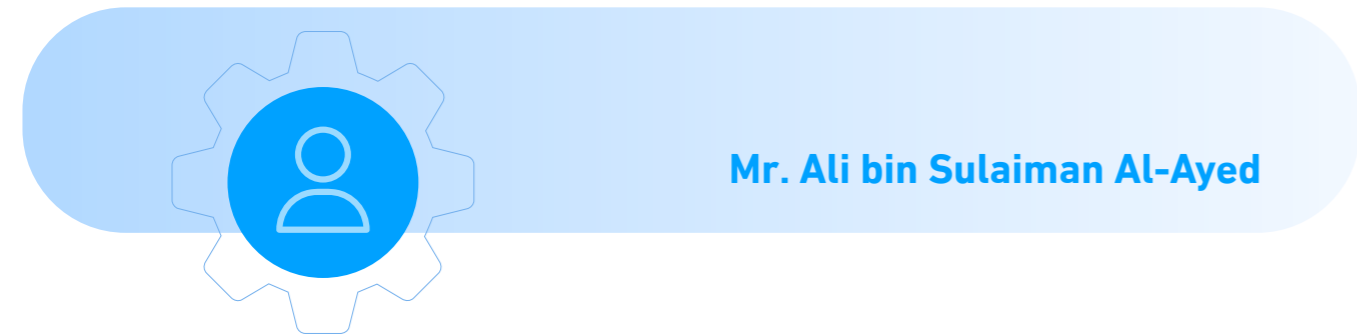
Current Position

Member of the Board of Directors of Tabuk Cement Company

Previous Position

None

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



Mr. Ali bin Sulaiman Al-Ayed

- Member of the Audit Committee from outside the Board

Current job

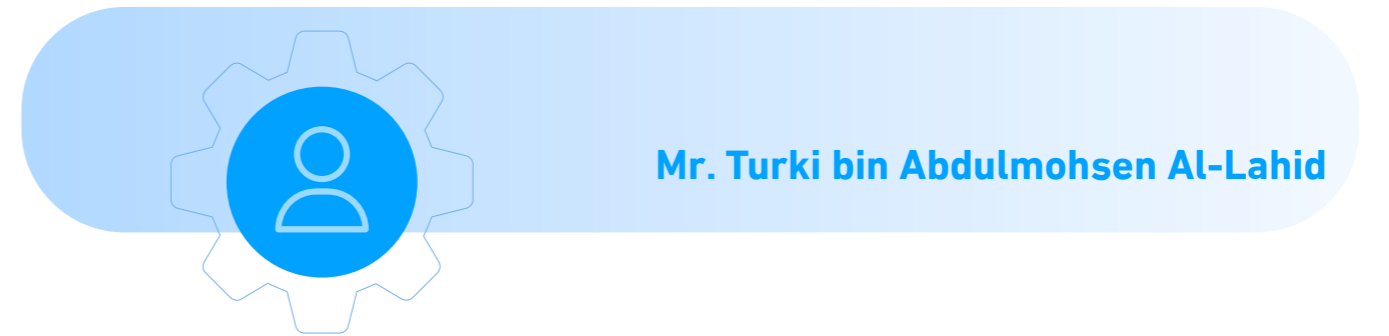
- Member of the Audit Committee of Tabuk Cement Company
- Member of the Audit Committee of Gulf Petrochemicals Company
- Member of the Audit Committee of Desert Technologies Company

Previous job

- Director General of Insurance Companies Supervision

Qualifications and Experience

- Bachelor of Accounting, King Saud University



Mr. Turki bin Abdulmohsen Al-Lahid

- Member of the Audit Committee from outside the Board

Current job

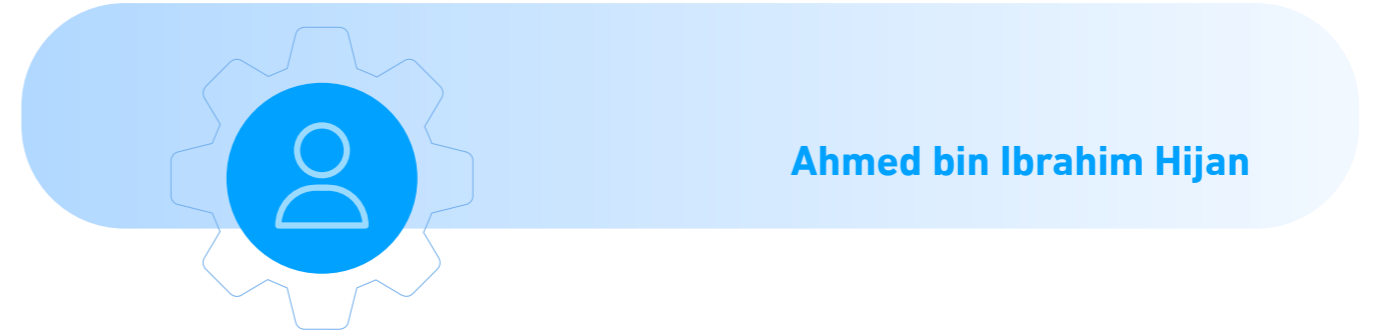
- Partner at Al-Lahid & Al-Yahya Legal Accountants
- Member of the Audit Committee of Tabuk Cement Company
- Member of the Audit Committee at Elm Company
- Member of the Audit Committee at Al-Jamoom Pharmacies
- Member of the Audit Committee at Dr. Sulaiman Al-Habib
- Member of the Audit Committee at Saudi Hospitality

Previous job

- Audit Director and Partner at EY

Qualifications and Experience

- 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

Current job

- Manager of Internal Audit at National Industrial Company
- Chairman of the Audit Committee at Finzi Finance Company
- Member of the Audit Committee of Tabuk Cement Company

Previous job

- Board Member and Audit Committee Member of Al-Jouf Agricultural Company

Qualifications and Experience

- Bachelor of Accounting, King Khalid University



The company's senior executives, their positions, and previous qualifications



Eng. Ali bin Mohammed Al-Qahtani

- Bachelor of Chemical Engineering - King Saud University

Current Position

- CEO of Tabuk Cement Company

Previous Positions

- CEO - Al Jeri Transport Company
- Project Support Manager - Saudi Aramco

Previous Experience

- 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

- Bachelor of Accounting - King Saud University
- Master of Accounting - Curtin University, Western Australia

Current Position

- Chief Financial Officer - Tabuk Cement Company

Previous Positions

- Financial Advisor and Partner at Al Rowad Professionals Financial Consulting Company.

Previous Experience

- 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 2025G

Member	Meeting No. and Date			
	22/4/2025	16/7/2025	13/10/2025	22/12/2025
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	✓	Did not attend	✓	✓
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 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.

The Executive Committee

- 01** The committee is formed by a resolution of the Board of Directors and consists of no fewer than three (3) and no more than five (5) members of the Board of Directors, in addition to the Chief Executive Officer.
- 02** Where possible, the committee should include at least one independent member.
- 03** The committee's term is four (4) years and ends upon the expiration of its term or the expiration of the Board of Directors' term, whichever occurs first. A member may be reappointed for a second or multiple terms.
- 04** The following conditions must be met by a member:

He/she must not have a direct or indirect interest in the business and contracts entered into on behalf of the company.

He/she must not be related to any of the senior executives.

He/she must not be involved in any business that competes with the company or trade in any of the company's branches of activity.

He/she must be familiar with the nature of the company's business, activities, and operations.

- 05** A member's membership terminates in one of the following cases:

- a.** Death.
- b.** Resignation from membership on the committee.
- c.** Termination of membership on the Board of Directors.
- d.** Absence of a member from two consecutive meetings or four separate meetings during their term of membership without a legitimate excuse accepted by the Board of Directors.
- e.** Inability to perform the duties and responsibilities of membership for any reason.
- f.** Committing a serious violation of any of the relevant regulations, bylaws, or instructions, or abusing the member's authority by virtue of his/her position on the committee.
- g.** Loss of one or more of the membership requirements.

- 06** Membership shall be terminated by a decision of the Board of Directors in the cases stipulated in subparagraphs (b), (c), (d), (e), (f), and (g) of paragraph (5) of this Article.
- 07** If a member's seat becomes vacant for any reason, the Board of Directors shall appoint a replacement member, who shall complete the term of his/her predecessor.
- 08** The Board of Directors shall appoint one of its members as Chairman of the Executive Committee in the committee's formation resolution establishing it. The Chief Executive Officer may not be the Chairman of the Committee.
- 09** The Chairman represents the Committee before the Board of Directors and other entities. He convenes Committee meetings, chairs and manages its meetings, approves the agenda, oversees the Committee's work, meets with any company employees or others as needed, and submits the Committee's findings, decisions, recommendations, and reports to the Board of Directors. He also undertakes any other duties assigned under these bylaws or any other relevant regulations, rules, or resolutions. The Chairman may delegate some of the duties stipulated in this paragraph to another member.
- 10** The Chairman may appoint any member as his deputy to chair Committee meetings in his absence. If no deputy is appointed, the members present shall elect a chairperson for the meeting.
- 11** The Committee shall appoint a Secretary, who shall serve as the Committee's Secretary. The Secretary shall not have the right to vote on Committee decisions. His term of service shall be the same as the Committee's term, and he/she may be reappointed.

Executive Committee Members

Mr. Yazeed bin Khaled Al-Shethri
Non-Executive Member
Chairman of the Committee

Eng. Ali bin Mohammed Al-Qahtani
Executive Member
Committee Member

Mr. Abdulaziz bin Abdulrahman Al-Khamis
independent member
Committee Member

Mr. Muhsin bin Hassan Al-Fahadi
Independent Member
Committee Member

Competence of the Executive Committee

The committee assumes the following duties and responsibilities

- 01** Overseeing the preparations of the company's strategic plan and policies, evaluating proposals submitted by the executive management regarding the company's strategic and financial objectives and initiatives, and submitting recommendations to the Board of Directors. It also verifies the implementation of the company's strategy and policies and their effectiveness in achieving the company's objectives.
- 02** Overseeing the work of the executive management, managing and directing the company's business and affairs, regularly reviewing and monitoring its activities and projects, and ensuring that the executive management is fully performing its assigned tasks, in accordance with the approved laws, regulations, policies, and Board of Directors' decisions.
- 03** Discussing matters within the Board of Directors' jurisdiction, without exception, and making appropriate recommendations thereon, submitting such 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 authority of the company's executive management and are within the committee's powers and submitting any contracts requiring approval of the Board of Directors.
- 06** Monitoring the implementation of the company's financial, administrative, and supervisory policies and regulations, and submitting the necessary recommendations and proposals regarding them to the Board of Directors.
- 07** Monitoring the implementation of the decisions and recommendations of the Board of Directors and the decisions and recommendations of the committee approved by the Board of Directors.
- 08** Discussing and reviewing substantive decisions made by the company's executive management and ensuring their consistency with the company's plans and objectives.
- 09** Reviewing the company's annual budgets and plans before presenting them to the Board of Directors and submitting recommendations thereon to the Board of Directors.

Statement on Attendance at Executive Committee Meetings for 2025G

Member's Name	Meeting No. and Date					
	20/1/2025	16/4/2025	7/7/2025	15/9/2025	6/10/2025	8/12/2025
Mr. Yazeed bin Khaled Al-Shethri	✓	✓	✓	✓	✓	✓
Mr. Abdulaziz bin Abdulrahman Al-Khamis	✓	✓	✓	✓	✓	✓
Mr. Muhsin bin Hassan Al-Fahadi	✓	✓	✓	✓	✓	✓
Eng. Ali bin Mohammed Al-Qahtani	✓	✓	✓	✓	✓	✓

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 31/12/2025G, 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:

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

Purpose of the Regulation:

This regulation (Charter) aims to organize the work of the committee, clarify the provisions for its formation and membership, and define its tasks, powers, and governance in accordance with the requirements of the Capital Market Authority and best practices, in order to assist the Board of Directors in fulfilling its responsibilities related to financial reports, the internal control system, and audit processes, and to verify compliance with relevant regulations, rules, and instructions.

Competence and responsibilities of the Audit 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.

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.

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

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 2025G

Member’s Name	Meeting No. and Date				
	20/3/2025	24/3/2025	12/5/2025	4/8/2025	6/11/2025
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.



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

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 2025G

Member Name	Meeting No. and Date			
	21/4/2025	13/8/2025	23/11/2025	23/11/2025
Mr. Muhsin bin Hassan Al-Fahadi	✓	✓	✓	✓
Mr. Musaed bin Khaled Al-Shethri	✓	✓	Did not attend	✓
Mr. Abdulmohsen bin Sultan Al-Otaibi	✓	✓	✓	✓

Ownership of Company Shares by Board Members and Senior Executives

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, the natural members, and the senior executives in the company:

Ownership of Board Members

Member	Position	Notes	Beginning of the Year	End of the year	Net Change	Change Percentage
			Number of Shares	Number of shares		
Mr. Yazeed bin Khaled Al-Shethri	Chairman	His shares	100,230	0		
Mr. Tariq bin Khaled Al-Angari	Deputy Chairman	His shares	1001	1001		
Eng. Ali bin Mohammed Al-Qahtani	Member	His shares	0	0		
Mr. Abdulmohsen bin Sultan Al-Otaibi	Member	His shares	0	0		
Mr. Abdulaziz bin Abdulrahman Al-Khamis	Member	His shares	0	0		
Mr. Muhsin bin Hassan Al-Fahadi	Member	His shares	2000	2000		
Mr. Musaed bin Khaled Al-Shethri	Member	His shares	260,000	2000		



Governance Committee

- 01** The committee is formed by a resolution of the Board of Directors and consists of no fewer than three (3) and no more than five (5) members of the Board of Directors, in addition to the Chief Executive Officer.
- 02** The committee members must be independent members of the Board of Directors. Non-executive members or individuals who are not members of the Board of Directors, whether shareholders or others, may be appointed.
- 03** The committee's term is four (4) years and ends upon the expiration of its term or the expiration of the Board of Directors' term, whichever occurs first. A member may be reappointed for a second or multiple terms.

The following conditions must be met by a member:

- a. He/she must not be an executive member of the Board of Directors.
- b. He/she must not have a direct or indirect interest in the business and contracts entered into on behalf of the company.
- c. He/she must not be related to any senior executives.
- d. The member must not be involved in any business that competes with the company, nor engage in any of the company's activities.
- e. Possess knowledge, competence, and experience with corporate governance rules and policies, including the Corporate Governance Regulations issued by the Capital Market Authority, and be familiar with best practices in corporate governance.

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

Name of the Person who has an Interest	Relationship	Beginning of the Year	End of the Year	Net Change	Change Percentage
		No. of Shares	No. of Shares		
Mr. Khaled bn Saleh Al-Shethri	Father of Yazeed bin Khaled Al-Shethri	13,553,933	13,410,017		
	Father of Mused bin Khaled Al-Shethri				

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

No shares are held by senior executives or their relatives.

Membership terminates in any of the following cases:

- a. Death.
- b. Resignation from the committee.
- c. Termination of the member's membership on the Board of Directors, unless the Board decides to retain his/her membership on the committee.
- d. Absence from two consecutive meetings or four separate meetings during the member's term without a legitimate excuse accepted by the Board of Directors.
- e. Inability to perform the duties and responsibilities of membership for any reason.
- f. Committing a serious violation of any relevant regulations, bylaws, or instructions, or abusing the member's authority by virtue of their position on the committee.
- g. Loss of one or more of the membership requirements.

- 04** Membership shall terminate by a decision of the Board of Directors in the cases stipulated in subparagraphs (b), (c), (d), (e), (f), and (g) of paragraph (5) of this Article.
- 05** If a member's seat becomes vacant for any reason, the Committee shall propose a candidate for membership to the Board of Directors, provided that all conditions and regulations for the formation of the Committee and membership are met. The replacement member shall complete the term of their predecessor.
- 06** The Board of Directors shall appoint one of the members as Chair of the Committee in the resolution establishing it.
- 07** The Chair shall represent the Committee before the Board of Directors and other entities. The Chair shall convene, chair, and manage Committee meetings, approve the agenda, oversee the Committee's work, meet with any company employees or others as needed, and submit the Committee's findings, decisions, recommendations, and reports to the Board of Directors. The Chair shall also undertake any other duties assigned under these bylaws or any other relevant regulations, bylaws, or resolutions. The Chair may delegate some of the duties stipulated in this paragraph to another member.
- 08** The chairperson of the committee may appoint any member as their deputy to chair committee meetings in their absence. If no deputy is appointed, the members present shall elect a chairperson for the meeting.
- 09** The committee shall appoint a secretary, who shall be responsible for the secretariat of the committee. The secretary shall not have the right to vote on committee decisions, and their term of service shall be the same as the committee's term. They may be reappointed.

Members of the Governance Committee

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

Competences and Responsibilities of Governance 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 charter 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 2025G

Member Name	Meeting date	
	20/05/2025	13/11/2025
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 2025G, 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 2025G

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.

Article Number	Text of the Article/Paragraph	Reasons and Details
Article 67: Risk Management Committee (Guiding Article)	The Company’s Board shall, by resolution therefrom, form a committee to be named the “risk management committee.”. Chairman and majority of its members shall be Non-Executive Directors. The members of that committee shall possess an adequate level of knowledge in risk management and finance.	A governance committee has been formed, and the governance committee is performing the functions of the risk management committee.
Article 85: Employee Incentives ¹⁷ (Guiding Article)	<ol style="list-style-type: none"> 1) forming committees or holding specialized workshops to hear the opinions of the Company’s employees and discuss the issues and topics that are subject to important decisions; 2) establishing a scheme for granting Company shares or a percentage of the Company profits and pension programmes for employees, and setting up an independent fund for such programme; 3) establishing social organizations for the benefit of the Company’s employees. 	Although this Article is for guidance only, the company is committed to providing a safe and healthy work environment for all its employees and is continuously exploring ways to enhance employee loyalty by intensifying incentive programs in the coming years. Company management has met with employees and established a dedicated email address for employees to communicate with the board of directors.
Article 87: Social Responsibility 18 (Guiding Article)	The Ordinary General Assembly, based on the Board recommendation, shall establish a policy that guarantees a balance between its objectives and those of the community for purposes of developing the social and economic conditions of the community.	A special policy for social responsibility was adopted at the Extraordinary General Assembly meeting held on 26-06-2024
Article 88: Social Initiatives 19 (Guiding Article)	<ol style="list-style-type: none"> 1) establishing indicators that link the Company’s performance with its social initiatives and comparing it with other companies that engage in similar activities; 4) establishing awareness programmes to the community to familiarize them with the Company’s social responsibility. 	Guiding Article

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 (01/05/2025)
Mr. Yazeed bin Khaled Al-Shethri	✓
Mr. Tariq bin Khaled Al-Angari	✓
Eng. Ali bin Mohammed Al-Qahtani	✓
Mr. Abdulaziz bin Abdulrahman Al-Khamis	✓
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	03-02-2025
Profit file	22-04-2025
General Assembly	30-06-2025
Profit file	01-09-2025
Company procedures	28-12-2025

Disclosure and Transparency Policy

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 2025G 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.



The Board of Directors of Tabuk Cement Company declares that:

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 2025.
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 their 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 2025G.
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 2025G.
13. The company does not have any redemption, purchase, or cancellation of any redeemable debt instruments.
14. 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.
15. The company's external auditor did not provide any advisory services to the company during the fiscal year 2025G and did not receive any fees in this regard.
16. 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.
17. 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.
18. The Board of Directors declares that the company has a loan from Bank Albilad.
19. 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.
20. The company has no subsidiaries inside or outside the Kingdom.
21. 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.
22. There are no debt instruments convertible into shares and there are no redeemable debt instruments.
23. There is no arrangement or agreement under which any of the Company's shareholders waives any rights to profits.

08

**Dividends
Distribution and
Remuneration**



Dividends Distribution

In accordance with Article (42) of the company's Articles of Association, the company's annual net profits shall be distributed as follows:

- 01.** The General Assembly shall determine the percentage of net profits to be distributed to shareholders after deducting any reserves – if any
- 02.** When determining the share of net profits, the Ordinary General Assembly may decide to establish additional reserves to the extent that serves the company's interests or ensures the distribution of consistent profits to shareholders, to the greatest extent possible. The Ordinary General Assembly may also allocate amounts from net profits for social purposes for the company's employees or to be used to grant employees company shares as a reward.
- 03.** The company may distribute interim dividends from distributable profits to its shareholders on an annual, semi-annual, or quarterly basis, in accordance with applicable regulations and bylaws.

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

Policy Objective:

The objective of this policy is to establish clear provisions for the remuneration of Board members, Board committees, and executive management, in accordance with relevant regulations and the company's strategy. This policy aims to support governance and transparency, attract and retain professional talent, and enable them to perform their duties efficiently in line 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:

01. Its alignment with the company's strategy and objectives.
02. That the remuneration be intended to incentivize Board members and executive management to contribute to the company's long-term success and growth, for example, by linking the variable portion of the remuneration to long-term performance.
03. Remuneration should be determined based on job level, the duties and responsibilities assigned to the position, academic qualifications, practical experience, skills, and performance level.
04. They should be commensurate with the size, nature, and degree of risk faced by the company.

Guidelines for Determining and Disbursing Board Member Remuneration:

In accordance with the Companies Law and relevant regulations, the committee, in its recommendation to the Board of Directors regarding board member remuneration, and the Board itself in determining and disbursing the remuneration to each of its members, shall consider the following criteria:

01. Remuneration should be fair and proportionate to the member's responsibilities, duties, and obligations, as well as the objectives set by the Board of Directors to be achieved during the fiscal year.
02. Remuneration should be based on the committee's recommendation.
03. Remuneration should be commensurate with the company's activity and the skills required to manage it.
04. The size of the company, the sector in which it operates, and the experience of the board members should be taken into consideration.
05. The remuneration should be reasonably sufficient to attract, motivate, and retain qualified and experienced board members.

Board Member Remuneration

01. The General Assembly shall determine the amount of board member remuneration, which shall be as follows:

200,000

An annual amount not exceeding two hundred thousand (200,000) Saudi Riyals for each member, with the amount of this remuneration being proportional to the number of meetings attended by the member.

3000

An attendance allowance of three thousand (3,000) Saudi Riyals for each board meeting.

02. In addition to the remuneration they are entitled to as a board member, a board member may receive the following:

Remuneration for their membership on committees formed by the board, in accordance with the company's approved regulations and policies.

Remuneration for any additional executive, technical, administrative, or advisory work or positions – under a professional license – assigned to them within the company.

03. Board members are entitled to reimbursement for travel expenses incurred attending board meetings, from their place of residence to the meeting venue, in addition to any other costs related to accommodation and transportation, in accordance with company policies and regulations.
04. Board member remuneration may vary to reflect the member's experience, expertise, assigned duties, independence, number of meetings attended, and other considerations as outlined in this policy.
05. The remuneration of independent board members must not be a percentage of the company's profits or directly or indirectly based on the company's profitability.



- 06.** Board members may not vote on the item concerning board member remuneration at the general assembly meeting.
- 07.** Subject to the provisions regarding the disclosure of remuneration stipulated in relevant regulations and the company's Articles of Association, the Board of Directors must disclose in its annual report details of the remuneration policies, the mechanisms for determining remuneration, and the amounts and financial and in-kind benefits paid to each board member for any executive, technical, administrative, or advisory work or positions.
- 08.** If the General Assembly, based on a recommendation from the Board of Directors, decides to terminate the membership of a Board member who has been absent for three (3) consecutive Board meetings or five (5) non-consecutive meetings during their term without an excuse accepted by the Board, that member shall not be entitled to any remuneration for the period following the last meeting he/she attended, and must return all remuneration paid to them for that period.
- 09.** If it is found that any remuneration paid to a Board member was based on incorrect or misleading information presented to the General Assembly or included in the Board's annual report, the recipient must return it to the company, and the company shall have the right to demand its return.

Remuneration for Board Members of Subcommittees:

- 01.** Based on the recommendation of the Nominations and Remuneration Committee and with the approval of the Board of Directors, a Board member participating in a subcommittee is entitled to an annual remuneration not exceeding SAR 100,000 for their membership, whether serving on one or more committees, including the remuneration for membership on the Audit Committee.
- 02.** An attendance allowance of SAR 3,000 for each meeting.
- 03.** A committee member from outside the Board is entitled to an annual remuneration of SAR 100,000 for their committee membership and an attendance allowance of SAR 3,000 for each meeting, with the exception of Audit Committee members, as stipulated in Article 19, which governs committee remuneration based on the Audit Committee's Charter.
- 04.** If the charters of the board committees do not specify the amount of remuneration for their members, it shall be determined based on a recommendation from the committee to the board of directors, in accordance with the Companies Law and relevant regulations. The committee and the Board of Directors are bound by the provisions of this policy and the company's approved regulations and policies, as well as the standards stipulated in Article four (4) of this policy.
- 05.** Members of board committees are entitled to reimbursement for travel expenses incurred as a result of attending committee meetings, from their place of residence to the meeting location, in addition to any other expenses related to accommodation and transportation, in accordance with the company's policies and regulations.
- 06.** If it is found that any remuneration paid to a member of a board committee was based on incorrect or misleading information, the recipient must return it to the company, and the company shall have the right to demand its return.

Statement of remuneration paid to members of the Board of Directors during the year 2025G:

Board Member	Fixed Remuneration							Variable Remuneration						End-of-service bonus	Grand Total	Expense Allowance
	Specific Amount	Session Attendance Fees of the Board	Session Attendance Fees	In-Kind Benefits	Statement of amounts received by members of the Board in their capacity as employees or administrators, or amounts received in return for technical, administrative, or consulting work.	Remuneration for the Chairman of the Board, the Managing Director, or the Secretary if he is a member	Total	A Percentage of Profits	Periodic Remuneration	Short-Term Incentive Plans	Long-Term Incentive Plans	Shares granted (value entered)	Total			
First: Independent Members																
Mr. Abdulaziz bin Abdulrahman Al-Khamis	300,000	12,000	18,000	-	-	-	330,000	-	-	-	-	-	-	-	-	-
Mr. Tariq bin Khaled Al-Angari	300,000	12,000	21,000	-	-	-	333,000	-	-	-	-	-	-	-	-	-
Mr. Muhsin bin Hassan Al-Fahadi	300,000	9,000	36,000	-	-	-	345,000	-	-	-	-	-	-	-	-	-
Mr. Abdulmoh-sen bin Sultan Al-Otaibi	300,000	12,000	12,000	-	-	-	324,000	-	-	-	-	-	-	-	-	-
Total	1,200,000	45,000	87,000	-	-	-	1,332,000	-	-	-	-	-	-	-	-	-
Second: Non-Executive Members																
Mr. Yazeed bin Khaled Al-Shethri	300,000	12,000	24,000	-	-	-	336,000	-	-	-	-	-	-	-	-	-
Mr. Musaed bin Khaled bin Saleh Al-Shethri	300,000	12,000	9,000	-	-	-	321,000	-	-	-	-	-	-	-	-	-
Total	600,000	24,000	33,000	-	-	-	657,000	-	-	-	-	-	-	-	-	-
Third: Executive Members																
Eng. Ali bin Mohammed Al-Qahtani	300,000	12,000	18,000	-	-	-	330,000	-	-	-	-	-	-	-	-	-
Total	300,000	12,000	-	-	-	-	330,000	-	-	-	-	-	-	-	-	-

Statement of Executives Remuneration:

Jobs of Senior Executives	Fixed Remuneration				Variable Remuneration						End-of-service bonus	Total executive compensation 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	1,560,000			1,560,000	930,000					2,490,000			



Statement of Board Committee Remuneration

Member	Fixed Remuneration (Except Session Attendance Fees)	Session Attendance Fees	Total
Members of the Audit Committee			
Mr. Tariq bin Khaled Al-Angari	-	15,000	15,000
Mr. Ali bin Sulaiman Al-Ayed (Member from outside the Board)	100,000	15,000	115,000
Mr. Turki bin Abdulmohsen (Member from outside the Board)	100,000	15,000	115,000
Mr. Ahmed bin Ibrahim Hijan (Member from outside the Board)	100,000	15,000	115,000
Total	300,000	60,000	360,000
Members of the Executive Committee			
Mr. Yazeed bin Khaled Al-Shethri	-	18,000	18,000
Mr. Abdulaziz bin Abdulrahman Al-Khamis	-	18,000	18,000
Eng. Ali bin Mohammed Al-Qahtani	-	18,000	18,000
Mr. Muhsin bin Hassan Al-Fahadi	-	18,000	18,000
Total	-	72,000	72,000
Members of the Remuneration and Nominations Committee			
Mr. Muhsin bin Hassan Al-Fahadi	-	12,000	12,000
Mr. Abdulmohsen bin Sultan Al-Otaibi	-	12,000	12,000
Mr. Musaed bin Khaled Al-Shethri	-	9,000	9,000
Total	-	33,000	33,000
Members of the Governance Committee			
Mr. Tariq bin Khaled Al-Angari	-	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

In light of the aforementioned policies and the details of the remunerations paid, the Company confirms the following:

01

There were no arrangements or agreements under which any member of the Board of Directors or any senior executive waived any remuneration, salaries, or compensation during the financial year 2025.

02

There were no arrangements or agreements under which any shareholder of the Company waived any rights to dividends during the financial year 2025.

03

There were no other investments or reserves established for the benefit of the Company's employees during the year 2025, except for end-of-service benefits in accordance with the regulations issued by the competent authorities.



09

Financial Statements

Statement of Financial Position

Statement	2021 SAR	2022 SAR	2023 SAR	2024 SAR	2025 SAR	Change
Current Assets:						
Cash at banks	22,882,531	20,672,004	26,894,267	49,549,364	31,889,616	-35.64%
Short-term investments	25,200,000	26,281,687	10,000,000	33,000,000	-	-100.00%
Time deposits (investments for more than 3 months)	-	-	-	-	-	0.00%
Accounts receivable – net	7,977,607	17,627,304	23,677,340	46,612,826	57,876,296	24.16%
Prepayments and other receivables	11,240,423	12,298,069	13,805,352	7,651,734	8,108,558	5.97%
Inventory	292,949,241	258,517,543	282,355,709	243,054,083	246,200,988	1.29%
Total current assets	360,249,802	335,396,607	356,732,668	379,868,006	344,075,459	-9.42%
Non-current Assets						
Long-term investments	-	-	-	-	-	0.00%
Investments in equity instruments (at fair value through other comprehensive income)	283,140,949	295,201,417	287,111,819	169,961,000	148,732,000	-12.49%
Property, plant and equipment – net	1,007,993,279	959,119,151	907,970,529	878,082,208	846,914,972	-3.55%
Investment properties	72,279,440	72,279,440	72,279,440	72,279,440	72,279,440	0.00%
Capital work in progress	-	-	-	-	-	0.00%
Intangible assets	4,762,692	4,874,048	5,959,378	4,348,735	2,738,092	-37.04%
Deferred expenses – net	-	-	-	-	-	0.00%

Statement	2021 SAR	2022 SAR	2023 SAR	2024 SAR	2025 SAR	Change
Derivative financial instrument	-	-	7,179,800	2,700,767	343,366	-87.29%
Right-of-use asset	1,705,654	-	6,422,212	4,587,213	2,752,214	-40.00%
Total non-current assets	1,369,882,014	1,331,474,056	1,286,923,178	1,131,959,363	1,073,760,084	-5.14%
Total Assets	1,730,131,816	1,666,870,663	1,643,655,846	1,511,827,370	1,417,835,543	-6.22%
Liabilities and Shareholders' Equity:						
Current Liabilities:						
Current portion of lease liability	1,772,419	-	1,725,597	1,754,572	1,965,872	12.04%
Short-term loans / current portion of long-term loan	63,470,883	63,470,883	63,470,883	63,470,883	31,651,001	-50.13%
Accounts payable	16,376,937	12,223,887	17,049,002	25,211,548	27,588,735	9.43%
Other payables	26,892,160	19,049,299	20,262,324	35,904,119	38,869,737	8.26%
Dividends payable to shareholders	121,079,857	120,371,949	119,691,529	120,133,922	120,136,996	0.00%
Proposed dividends to shareholders	-	-	-	-	-	0.00%
Zakat provision	6,956,392	6,683,401	11,466,807	9,598,456	4,592,861	-52.15%
Total current liabilities	236,548,648	221,799,419	233,666,142	256,073,500	224,805,202	-12.21%
Non-current Liabilities:						
Long-term loan	210,212,689	151,471,216	91,591,185	30,506,488	-	-100.00%
End-of-service benefits provision	15,923,026	16,135,397	17,377,129	19,923,690	21,584,473	8.34%
Non-current portion of lease liability	-	-	4,843,628	3,089,056	1,035,326	-66.48%
Total non-current liabilities	226,135,715	167,606,613	113,811,942	53,519,234	22,619,799	-57.74%
Shareholders' Equity:						
Share capital	900,000,000	900,000,000	900,000,000	900,000,000	900,000,000	0.00%
Statutory reserve	229,521,378	231,618,097	233,592,463	233,592,463	233,592,463	0.00%
Fair value reserve	113,792,199	125,852,667	124,942,869	3,313,017	20,273,384-	-711.93%
Retained earnings (losses)	24,133,876	19,993,867	37,642,430	65,329,156	57,091,464	-12.61%
Total shareholders' equity	1,267,447,453	1,277,464,631	1,296,177,762	1,202,234,636	1,170,410,543	-2.65%
Total Liabilities and Shareholders' Equity	1,730,131,816	1,666,870,663	1,643,655,846	1,511,827,370	1,417,835,544	-6.22%

Statement of Profit or Loss and Other Comprehensive Income

Statement	2021 SAR	2022 SAR	2023 SAR	2024 SAR	2025 SAR	Change
Net sales	228,529,275	297,549,464	265,083,135	343,363,336	287,041,234	-16.40 %
Less:						
Cost of sales	179,919,725-	234,115,479-	211,928,173-	246,811,679-	223,243,742-	-9.55 %
Gross profit	48,609,550	63,433,985	53,154,962	96,551,657	63,797,492	-33.92 %
Less:						
Selling and marketing expenses	3,046,032-	3,787,430-	4,681,112-	4,524,744-	4,462,976-	-1.37 %
General and administrative expenses	21,652,001-	23,226,783-	26,677,736-	30,598,443-	31,508,709-	2.97 %
Total selling and marketing expenses	24,698,033-	27,014,213-	31,358,848-	35,123,187-	35,971,686-	2.42 %
Other expenses	-	237,429-	-	-	-	0.00 %
Reversal / (impairment losses) on inventory	-	-	-	-	-	0.00 %
Impairment loss on trade receivables	-	-	-	876,173-	169,180	-119.31 %
Other income	10,899,132	-	6,917,251	25,389,009	16,149,008	-36.39 %
Dividends from investments in equity instruments at fair value through other comprehensive income	-	-	5,080,463	5,080,463	-	-100.00 %
Net other income and expenses	10,899,132	237,429-	11,997,714	29,593,298	16,318,188	-44.86 %
Operating (loss) / profit	34,810,649	36,182,343	33,793,828	91,021,768	44,143,994	-51.50 %
Finance costs	7,019,208-	7,580,146-	5,296,193-	4,156,525-	1,955,620-	-52.95 %
Deposit income	827,091	235,102	900,347	901,404	658,017	-27.00 %
Impact of modification of cash flows of a financial liability	5,815,199-	4,729,410-	3,590,852-	2,386,187-	1,144,513-	-52.04 %
Net income for the year before Zakat	22,803,333	24,107,889	25,807,130	85,380,460	41,701,877	-51.16 %
Less:						
Reversal of Zakat provision	-	-	-	-	-	0.00 %
Zakat provision	5,046,012-	3,140,701-	10,794,895-	5,817,932-	4,411,834-	-24.17 %
Net income (loss) for the year	17,757,321	20,967,188	15,012,235	79,562,528	37,290,044	-53.13 %

Statement	2021 SAR	2022 SAR	2023 SAR	2024 SAR	2025 SAR	Change
Items that will not be reclassified subsequently to profit or loss						
Other comprehensive (loss) / income						
Unrealized gains from remeasurement of investments in equity instruments at fair value	1,852,675	12,060,468	8,089,598-	117,150,819-	21,229,000-	-81.88 %
Actuarial gains from remeasurement of employees' end-of-service benefits obligation	1,190,299-	510,478-	120,733-	2,144,375-	527,736-	-75.39 %
Items that may be reclassified subsequently to profit or loss						
Movement in fair value of cash flow hedges	-	11,146,526	3,966,726-	4,479,033-	2,357,401-	-47.37 %
Total comprehensive income	18,419,697	43,663,704	2,835,178	44,211,699-	13,175,907	-129.80 %
Basic and diluted earnings / (loss) per share from net income / (loss) for the year	0.20	0.23	0.17	0.88	0.41	-53.13 %
Basic and diluted earnings / (loss) per share from total comprehensive income / (loss) for the year	0.20	0.49	0.03	-0.49	0.15	-129.80 %
	0.08	0.07				
Investments						
Short-term deposits	25,200,000	26,281,687	10,000,000	33,000,000	-	
Time deposits	-	-				
Energy	283,140,949	295,201,417	287,111,819	169,961,000	148,732,000	
Total	308,340,949	321,483,104	297,111,819	202,961,000	148,732,000	
	-0.79	-0.79	-0.80	-0.72	-0.78	
	0.21	0.21	0.20	0.28	0.22	

Income Statement for 2025	Material Variances in Operating Items Compared to the Previous Year	
	Change	Reasons:
Net sales	(0.16)	Decrease in sales volume and value
Less:		
Cost of sales	(0.10)	Decrease in quantities sold
Gross profit	(0.34)	As a result of the above
Less:		
Selling and marketing expenses	(0.01)	
General and administrative expenses	0.03	Increase in the values of the underlying components
Total selling and marketing expenses	0.02	As a result of the above
Other expenses	0.00	
Reversal / (impairment losses) on inventory		
Impairment loss on trade receivables		
Other income	(0.36)	Rental income from part of the company's assets
Dividends from investments in equity instruments at fair value through other comprehensive income		
Net other income and expenses	(0.45)	No disposal of company assets through sale during the year and effective utilization of company assets
Operating (loss) / profit	(0.52)	Due to the decrease in sales (volume and value) and the decline in other income
Finance costs	(0.53)	Activation of the hedging agreement at the beginning of 2022
Deposit income	(0.27)	Decrease in liquidity invested in deposits
Impact of modification of cash flows of a financial liability	(0.52)	Rescheduling of the loan balance on 15 March 2020 and recognition of a financial liability loss against 2020 profits
Net income for the year before Zakat	(0.51)	As a result of the above
Less:	0.00	
Reversal of Zakat provision		
Zakat provision	(0.24)	As a result of the decrease in the company's obligations (loan – right-of-use asset)
Net income (loss) for the year	2.79	As a result of the above
Items that may be reclassified subsequently to profit or loss		
Other comprehensive (loss) / income		
Unrealized gains from remeasurement of investments in equity instruments at fair value	(0.82)	Losses from revaluation of investments in equity instruments at fair value
Remeasurement of end-of-service benefits	(0.75)	Actuarial losses – based on the actuary's report
Total comprehensive income	(1.30)	As a result of the above

Ratios

Item	2025	2024	2023	2022	2021	2024/2025	2023/2024	2022/2023	2021/2022	2020/2021	%	
clinker production	1,450,833.00	1,691,408.00	1,471,785.00	1,218,309.00	1,249,856.00	-14.22 %	14.92 %	20.81 %	-2.52 %	-13.52 %	-13.52 %	-13.52 %
Cement - Production	1,648,109.00	1,943,828.00	1,626,059.00	1,794,580.00	1,497,930.00	-15.21 %	19.54 %	-9.39 %	19.80 %	-14.04 %	-14.04 %	-14.04 %
Sales - tons	1,634,861.01	1,953,014.79	1,619,365.00	1,803,348.00	1,494,480.00	-16.29 %	20.60 %	-10.20 %	20.67 %	-13.85 %	-13.85 %	-13.85 %
Sales value	286,840,893.85	343,098,735.85	264,846,615.00	297,451,184.00	228,417,352.00	-16.40 %	29.55 %	-10.96 %	30.22 %	-17.37 %	-17.37 %	-17.37 %
Value of cement dust sales	200,340.00	264,600.15	236,520.00	98,280.00	111,923.00	-24.29 %	11.87 %	140.66 %	-12.19 %	570.20 %	570.20 %	570.20 %
Total - Report	287,041,233.85	343,363,336.00	265,083,135.00	297,549,464.00	228,529,275.00	-16.40 %	29.53 %	-10.91 %	30.20 %	-17.34 %	-17.34 %	-17.34 %
Clinker sales (tons)	-	-	-	118,985.00	25,500.00	0.00 %	0.00 %	-100.00 %	366.61 %	0.00 %		
Clinker stock/ton	923,145.09	968,943.21	1,293,040.49	1,326,327.00	1,876,610.00	-4.73 %	-25.06 %	-2.51 %	-29.32 %	-5.93 %	-5.93 %	-5.93 %
Cement stock/ton	50,699.00	40,138.00	54,700.00	49,924.00	63,212.00	26.31 %	-26.62 %	9.57 %	-21.02 %	-1.37 %	-1.37 %	-1.37 %

Workforce	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021		
Saudi	187	183	196	197	198	46.17 %	44.63 %	51.85 %	52.25 %	54.10 %	47.25 %	47.25 %
non-Saudi	218	227	182	180	168	53.83 %	55.37 %	48.15 %	47.75 %	45.90 %	52.75 %	52.75 %
	405	410	378	377	366	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %		

Region	2025	2024	2023	2022	2021	2025	2024	2023	2022	2021		
Tabuk and NEOM Region	268,090,331.55	323,607,220.65	226,350,309.35	199,486,773.94	135,091,822.00	93.46 %	94.32 %	85.48 %	67.05 %	59.14 %	55.08	55.1 %
Western and Northern Regions	-	-	260,511.20	20,618,933.60	25,477,086.00	0.00 %	0.00 %	0.10 %	6.93 %	11.15 %	19.20	19.2 %
Central Region	-	-	-	-	3,227,666.00	0.00 %	0.00 %	0.00 %	0.00 %	1.41 %	2.05	2.1 %
Madinah and Al-Ula	18,750,562.30	19,491,515.20	28,192,050.60	52,580,732.60	57,215,353.00	6.54 %	5.68 %	10.65 %	17.67 %	25.05 %	12.02	12.0 %
Exports	-	-	10,001,850.74	24,823,936.66	7,405,439.00	0.00 %	0.00 %	3.78 %	8.34 %	3.24 %	11.65	11.6 %
Total	286,840,893.85	410	264,804,721.89	297,510,376.80	228,417,366.00	100.00 %	100.00 %	100.00 %	100.00 %	100.00 %	100.00	100.00 %

Item	2025	2024	2023	2022	2021							
Zakat and Income Tax Authority	4,411,833.55	5,817,932.00	10,794,895.00	3,140,701.00	7,146,999.00							
Ministry of Petroleum and Mineral Resources	3,290,181.82	3,013,800.00	2,926,652.00	1,057,156.00	9,643,027.00							
General Organization for Social Insurance	364,803.59	350,818.00	357,290.68	523,512.00	3,723,019.00							

Activity results

Statement	2025	2024	2023	2022	2021	2024/2025	2023/2024	2022/2023	2021/2022	2020/2021
Gross Profit	63,797,492.31	96,551,656.85	53,154,962.00	63,433,985.00	48,609,550.00	-33.92%	81.64 %	-16.20 %	30.50 %	-28.77 %
Total Marketing and Administrative Expenses	35,971,685.71-	35,123,187.36-	31,358,848.00-	27,014,213.00-	24,698,033.00-	2.42%	12.00 %	16.08 %	9.38 %	5.97 %
Net Other Revenues and Expenses	16,318,187.59	29,593,298.21	11,997,714.00	237,429.00-	10,899,132.00	-44.86%	146.66 %	-5153.18 %	-102.18 %	33.32 %
Financing Charges and Costs	3,100,133.60-	6,542,711.90-	8,887,045.00-	12,309,556.00-	12,834,407.00-	-52.62%	-26.38 %	-27.80 %	-4.09 %	-296.55 %
Net Income Before Zakat	41,701,877.25	85,380,459.95	25,807,130.00	24,107,889.00	22,803,333.00	-51.16%	230.84 %	7.05 %	5.72 %	-61.77 %
Zakat	4,411,833.55-	5,817,932.00-	10,794,895.00-	3,140,701.00-	5,046,012.00-	-24.17%	-46.10 %	243.71 %	-37.76 %	-37.47 %
Net Income for the Year	37,290,043.70	79,562,527.95	15,012,235.00	20,967,188.00	17,757,321.00	-53.13%	429.98 %	-28.40 %	18.08 %	-65.57 %
Comprehensive Income for the Year	13,175,906.70	44,211,699.05-	2,835,178.00	43,663,704.00	18,419,697.00	-129.80%	-1659.40 %	-93.51 %	137.05 %	-70.07 %
Total Shareholders' Equity	1,170,410,542.70	1,202,234,636.00	1,296,177,762.00	1,277,464,631.00	1,267,447,453.00	-2.65%	-7.25 %	1.46 %	0.79 %	1.47 %

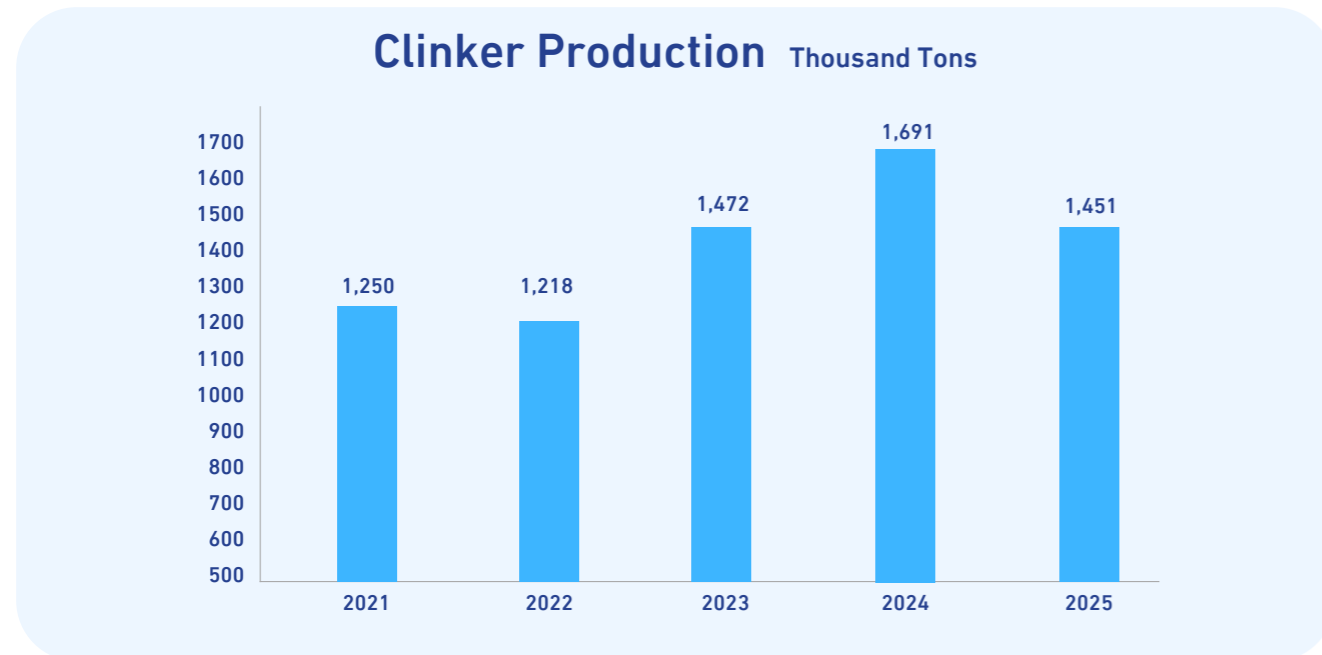
Sales Distribution 2025

Region		Quantity (tons)	Value (SAR)	Total Quantity (tons)	Average Price (SAR)	Value (SAR)	Percentage
Tabuk	Tabuk	577,206.61	98,038,046.75	636,351.61	170.10	108,241,178.25	38 %
	Tayma	5,877.50	1,221,950.00				
	Amaala	52,957.80	8,929,936.50				
	Sakaka	309.70	51,245.00				
NEOM Region	NEOM	613,530.54	114,435,420.90	855,051.40	187.23	160,090,462.90	56 %
	Jabal Al-Lawz	241,377.96	45,631,281.00				
	Shuqri	83.10	13,296.00				
	Alaqan	59.80	10,465.00				
Madinah	AlUla	6,047.50	1,057,062.50	143,458.02	130.70	18,750,562.30	7 %
	Al Madinah Al Munawwarah	137,410.52	17,693,499.80				
Total		1,634,861.03	287,082,203.45	1,634,861.03	175.60	287,082,203.45	100 %

Clinker Production

Clinker production during 2025 amounted to (1,450,833 tons), compared to (1,691,408 tons) in 2024, representing a decrease of (14.22%).

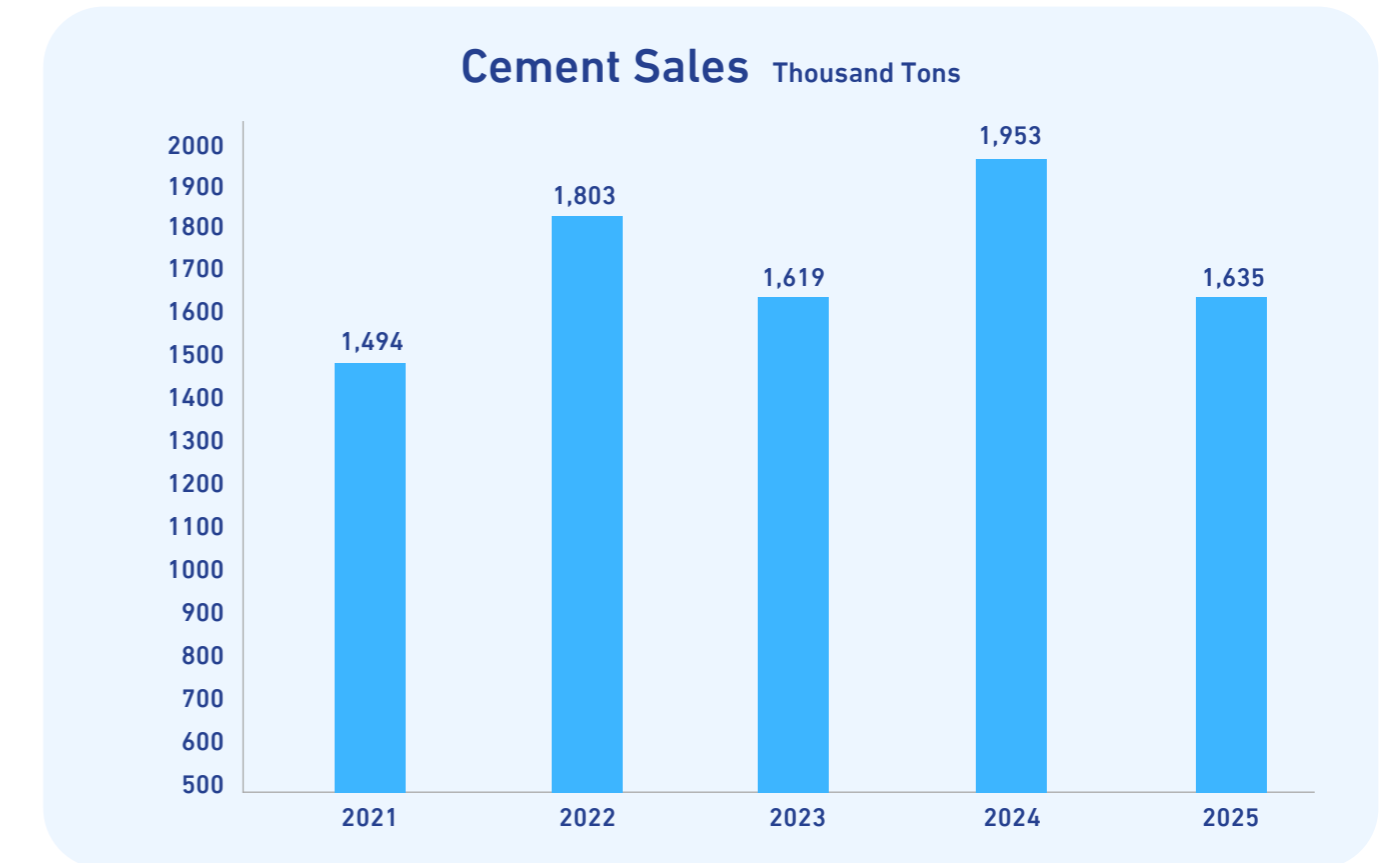
Year	Thousand Tons
2021	1,250
2022	1,218
2023	1,472
2024	1,691
2025	1,451



Cement Sales

Total cement sales volume for the company during 2025 amounted to (1,634,861 tons), compared to (1,953,015 tons) in 2024, representing a decrease of (16.29%).

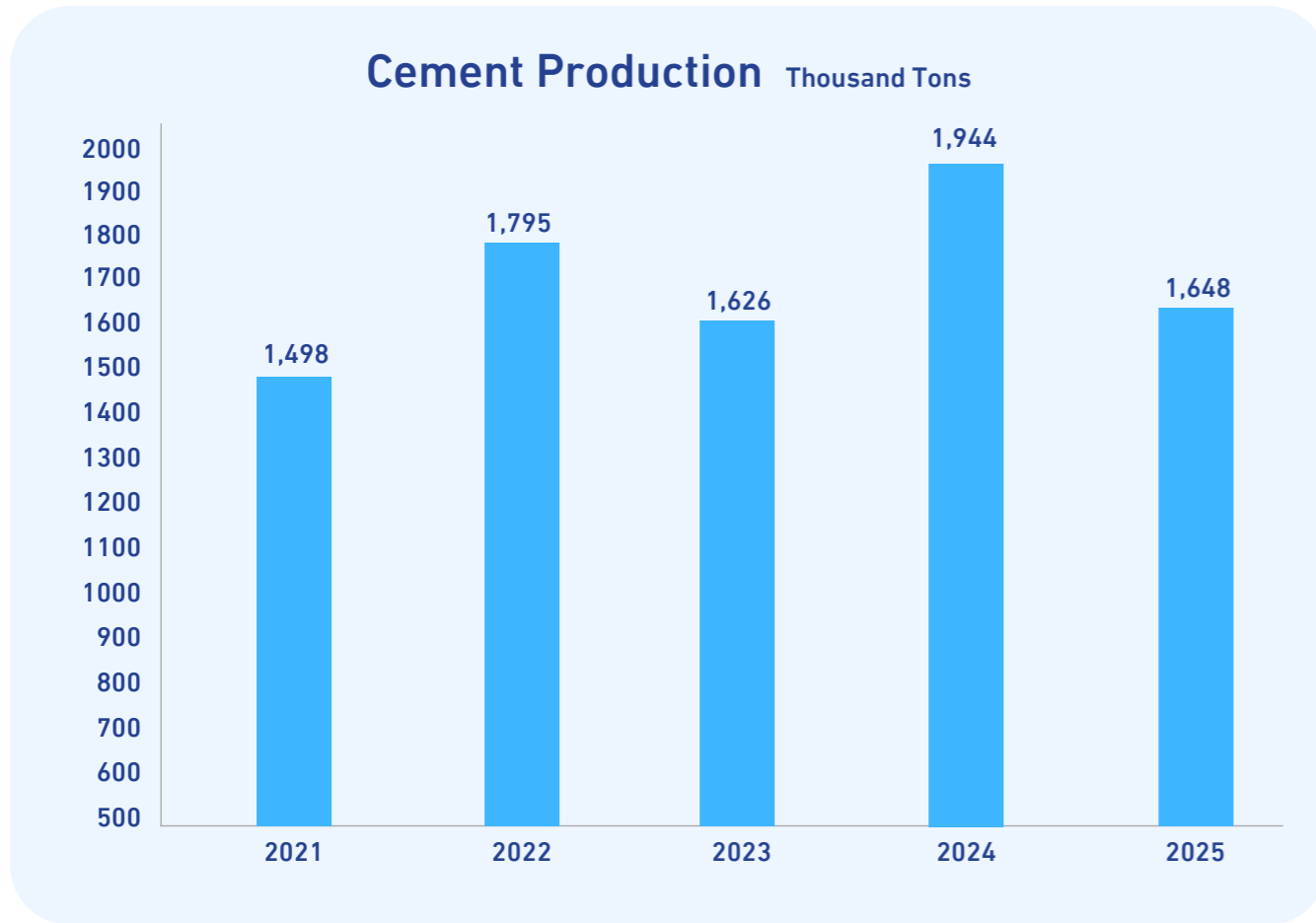
Year	Thousand Tons
2021	1,494
2022	1,803
2023	1,619
2024	1,953
2025	1,635



Cement Production

Cement production during 2025 amounted to (1,648,109 tons), compared to (1,943,828 tons) in 2024, representing a decrease of (15.21%).

Year	Thousand Tons
2021	1,498
2022	1,795
2023	1,626
2024	1,944
2025	1,648



Sales Value

Net sales value in 2025 amounted to (SAR 286,840,894), compared to (SAR 343,098,736) in 2024, representing a decrease of (16.40%).

Year	Thousand SAR
2021	228,529.0
2022	297,549.0
2023	264,847.0
2024	343,098.7
2025	286,840.9



Inventory

Clinker inventory at the end of 2025 amounted to (923,145 tons), compared to (968,940 tons) at the end of 2024, representing a decrease of (6.46%).

Cement inventory at the end of 2025 amounted to (50,699 tons), compared to (40,138 tons) at the end of 2024, representing an increase of (26.31%).

Loans

Obligation to Bank Albilad – Loan

On 20 Rajab 1441H, corresponding to 15 March 2020G, the company signed a rescheduling agreement for the outstanding loan balance with Bank Albilad (a Sharia-compliant banking facility agreement - based on the Murabaha system). The outstanding loan balance at that date was SAR 380,825,300, subject to a profit rate of (SAIBOR 6 months + 1.25%) instead of (SAIBOR 6 months + 2.50%), with 24 quarterly installments of SAR 15,867,721.83 each. The first installment payment after signing this agreement was made on 13 June 2020G, and the last installment payment will be made - God willing - on 13 March 2026G.

The following statement shows the status of the loan as of 31-12-2025.

Statement \ (Amounts in SAR)	Loan principal	Balance at the beginning of 2025	Amount repaid during 2025	Hedging	Loan balance at the end of 2025
Loan facility	476,031,625	95,206,325	63,470,883	84,441	31,651,001
Total	476,031,625	95,206,325	63,470,883	84,441	31,651,001

Note 1: The amounts may vary (increase or decrease) in line with changes in SAIBOR.

Bank Albilad Loan Repayment Schedule - Consecutive Islamic Murabaha Repayment Scheduling starting from January 2, 2025

Date	Statement	Payment (SAR)			Loan principal balance (SAR)
		Loan principal installment	Loan profits	Total payment of installments and profits	
02 - 01 - 2025	Loan balance at the beginning of 2025				95,206,324.87
02 - 01 - 2025	Installment paid on 02 January 2025	15,867,720.83	717,168.09	16,584,888.92	79,338,604.03
03 - 04 - 2025	Installment paid on 03 April 2025	15,867,720.83	597,640.07	16,465,360.91	63,470,883.20
03 - 07 - 2025	Installment paid on 03 July 2025	15,867,720.83	478,112.06	16,345,832.89	63,470,883.20
02 - 10 - 2025	Installment paid on 03 October 2025	15,867,720.83	478,112.06	16,345,832.89	47,603,162.37
Total		63,470,883.33	2,271,032.28	65,741,915.61	

Obligation to Bank Albilad

Statement (in Riyals)	Principal	Balance at the beginning of 2025	Repayments during 2025	Hedging	Loan balance at the end of 2025
Facility (Loan)	476,031,625.00	93,977,370.27	63,470,883.49	1,144,513.27	31,651,000.05
Total	476,031,625.00	93,977,370.27	63,470,883.49	1,144,513.27	31,651,000.05

Statutory payable amounts

Statement	2025	202
Zakat, Tax and Customs Authority	4,411,833.55	5,817,932.00
Deputy Ministry for Mineral Resources	3,290,181.82	3,013,800.00
General Organization for Social Insurance (GOSI)	364,803.59	350,818.00

Dividend Distribution Statement for 2025:

SAR	Dividend Distribution Statement
41,701,877	Net profit before Zakat
(4,411,834)	Less: Zakat
37,290,044	Net profit after Zakat
-	Less: Statutory reserve at 10% of net profit after Zakat
527,736	Less: Actuarial difference – remeasurement of end-of-service benefits in accordance with IFRS
36,762,308	Total comprehensive income
-	Less: First distribution to shareholders at 5% of paid-up capital
36,762,308	Retained earnings – carried forward to the next year

The company’s management confirms that the financial statements were prepared in accordance with International Financial Reporting Standards adopted in the Kingdom of Saudi Arabia, and fairly reflect the financial position of the company, its results of operations and cash flows for the year ended December 31, 2025.





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**Concluding
Statement**

Concluding Statement

2025 marked a significant milestone for Tabuk Cement Company, as it continued to strengthen its position in a competitive market characterized by abundant production capacity. This success was underpinned by sound financial discipline, growing operational efficiency, and a strategic geographic location near major national projects.

Throughout the year, the company's focus was not only on achieving positive financial results but also on enhancing the quality and sustainability of those results, thus laying the foundations for balanced, long-term growth. The implementation of an excellent operational framework resulted in improved margins, enhanced cash flow, and a stronger financial position, enabling the company to confidently continue its growth.

The company also maintained its commitment to quality, sustainability, and governance standards, recognizing that sustainable success is not solely measured by numbers but also by building a comprehensive corporate environment based on transparency, discipline, and effective risk management.

Outlook

Tabuk Cement Company approaches the future with confidence, supported by clear strengths, including a strategic location serving major national projects, stable production assets, a balanced capital structure, and a highly experienced and skilled workforce.

The company's aspirations for the coming period revolve around maximizing the benefits of ongoing major projects in the north and west of the Kingdom, continuously improving operational efficiency, and enhancing revenue quality, while maintaining financial discipline.

The company will also continue to:



Improving energy efficiency and reducing emissions



Enhancing the digital transformation of industrial operations




Supporting national talent and developing human capital



Enhancing transparency and adhering to best governance practices.

Recognizing the transformations taking place in the national economy under the Kingdom's Vision 2030, the company prioritizes being an active industrial partner in the development process and continuing to create sustainable value for its shareholders and all stakeholders.



The achievements throughout 2025G represent an extension of continuous development, not a final destination. Tabuk Cement Company believes that the strength of its business model, operational flexibility, and corporate commitment provide a solid foundation for transitioning to a new phase of balanced and sustainable growth.

In conclusion, the company extends its sincere thanks and appreciation to its shareholders, customers, partners and employees for their support and trust, affirming its commitment to continue working according to the highest standards of professionalism and transparency, and achieving the best possible results in the coming years.

Concluding Statement

2025

Annual Report

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