



تدعو شركة أسمنت المنطقة الجنوبية مساهميها إلى حضور اجتماع الجمعية العامة العادية (الاجتماع الأول) عن طريق وسائل التقنية الحديثة

Southern Province Cement Company invites its shareholders to attend the Ordinary General Assembly meeting (first meeting) through modern technical mean

Notes	توضيح	البيان
<p>The Board of Directors of the Southern Province Cement Company is pleased to invite the shareholders to participate and vote in at the fifty- second ordinary general assembly meeting (first meeting) scheduled for God Almighty's will at half past six in the evening on Monday 29/12/1447 AH - 15/06/2026 by means of modern technology.</p>	<p>يسر مجلس إدارة شركة أسمنت المنطقة الجنوبية أن يدعو السادة المساهمين للمشاركة والتصويت في اجتماع الجمعية العامة العادية الثانية والخمسون (الاجتماع الأول) والمقرر انعقادها بمشيئة الله تعالى في تمام الساعة السادسة والنصف مساءً من يوم الإثنين ١٤٤٧/١٢/٢٩ هـ الموافق ٢٠٢٦/٠٦/١٥ م عن طريق وسائل التقنية الحديثة.</p>	مقدمة
<p>Main Center in Abha – Asir region - by means of modern technology www.tadawulaty.com.sa</p>	<p>المركز الرئيسي بمدينة ابها - منطقة عسير - عن طريق وسائل التقنية الحديثة www.tadawulaty.com.sa</p>	مكان ومدينة انعقاد الجمعية العامة
<p>At half past six in the evening on Monday 29/12/1447 AH - 15/06/2026</p>	<p>تمام الساعة السادسة والنصف مساءً من يوم الإثنين ١٤٤٧/١٢/٢٩ هـ الموافق ٢٠٢٦/٠٦/١٥ م</p>	وقت وتاريخ انعقاد الجمعية
<p>Shareholders who are registered in the issuers shareholders record at the Depository Center by the end of the trade session prior to the general assembly meeting and in accordance with the laws and regulations. The shareholder has the right to delegate whomever other than the board of directors. The right to register a name to attend the general assembly meeting ends at the time of convening the general assembly meeting. The attendees right to vote on the items of the assembly's agenda ends upon the end of screening the votes by the Screening Committee.</p>	<p>يكون حق الحضور للمساهمين المقيدون في سجل مساهمي المصدر لدى مركز الإيداع بنهاية جلسة التداول التي تسبق اجتماع الجمعية العامة وبحسب الأنظمة واللوائح، ويحق للمساهم إنابة من يختاره من غير أعضاء مجلس إدارة الشركة. كما أن أحقية تسجيل الحضور لاجتماع الجمعية تنتهي وقت انعقاد اجتماع الجمعية، وأن أحقية التصويت على بنود الجمعية للحاضرين تنتهي عند انتهاء لجنة الفرز من فرز الأصوات.</p>	حق الحضور



<p>Article (31) of the company's bylaw stipulates that "The OGM meeting is valid only if it is attended by shareholders representing (50%) of the company's shares that have the voting rights. If the necessary quorum is not available to hold this meeting, the second meeting will be held within thirty days following the date of the first meeting. In all cases, the second meeting is valid regardless of the number of shares represented in it.</p>	<p>نصت المادة (٣١) من النظام الأساس للشركة على " لا يكون اجتماع الجمعية العامة العادية صحيحاً إلا إذا حضره مساهمون يمثلون (٥٠%) من أسهم الشركة التي لها حقوق تصويت على الأقل، وإذا لم يتوفر النصاب اللازم لعقد هذا الاجتماع يعقد الاجتماع الثاني خلال الثلاثون يوماً التالية لموعد الاجتماع الأول. وفي جميع الأحوال يكون الاجتماع الثاني صحيحاً أيضاً كان عدد الأسهم الممثلة فيه.</p>	<p>النصاب اللازم لانعقاد الجمعية</p>
<p>First - Review and discuss the Board of Directors' report for the fiscal year ended 31/12/2025</p> <p>Second - Review and discuss the financial statements for the year ended 31/12/2025</p> <p>Third - Voting on the auditor report on the Company's accounts for the fiscal year ending on 31/12/2025 after discussing it.</p> <p>Fourth - Voting on the Board of Director's recommendation to distribute dividends amounting to (0.25) riyals per share to the shareholders for the second half of the fiscal year ending on 31/12/2025, with a percentage of (2.5%) of the capital and a total amount of (35 million) riyals, Provided that the entitlement to dividends is for shareholders holding the shares by the end of the trading day of the assembly date, and who are registered in the Company's shareholders registry held with Securities Depository Center Company (Edaa) at the end of the second trading day following the entitlement date. and provided that the distribution of dividends begins on 20/01/1448 AH - 05/07/2026. (Attach)</p> <p>Fifth - Voting on appointing auditor for the company from among the candidates based on the audit committee's recommendation the appointed auditor shall examine, review and audit the second and third</p>	<p>أولاً - الاطلاع على تقرير مجلس الإدارة للعام المالي المنتهي في ٣١ / ١٢ / ٢٠٢٥ م ومناقشته.</p> <p>ثانياً - الاطلاع على القوائم المالية للشركة عن العام المالي المنتهي في ٣١ / ١٢ / ٢٠٢٥ م ومناقشتها.</p> <p>ثالثاً - التصويت على تقرير مراجع حسابات الشركة عن العام المالي المنتهي في ٣١ / ١٢ / ٢٠٢٥ م بعد مناقشته.</p> <p>رابعاً - التصويت على توصية مجلس الإدارة بتوزيع أرباح نقدية بمبلغ (٠,٢٥) ريال على المساهمين عن النصف الثاني للعام المالي المنتهي في ٣١ / ١٢ / ٢٠٢٥ م، وبنسبة (٢,٥%) من رأس المال ومبلغ إجمالي قدره (٣٥ مليون) ريال، على أن تكون الأحقية للمساهمين المالكين للأسهم بنهاية تداول يوم انعقاد الجمعية العامة والمقيدين في سجل مساهمي الشركة لدى شركة مركز إيداع الأوراق المالية (مركز الإيداع) في نهاية ثاني يوم تداول يلي تاريخ الاستحقاق، على أن يبدأ توزيع الأرباح يوم ٢٠ / ٠١ / ١٤٤٨ هـ الموافق ٠٥ / ٠٧ / ٢٠٢٦ م. (مرفق)</p> <p>خامساً - التصويت على تعيين مراجع حسابات الشركة من بين المرشحين بناءً على توصية لجنة المراجعة وذلك لفحص ومراجعة وتدقيق القوائم المالية للربع (الثاني والثالث) والسنوي من العام المالي ٢٠٢٦ م، والربع الأول من العام المالي ٢٠٢٧ م، وتحديد أتعابه.</p> <p>سادساً - التصويت على تفويض مجلس الإدارة بتوزيع أرباح مرحلية بشكل نصف سنوي عن العام المالي ٢٠٢٦ م.</p> <p>سابعاً - التصويت على تفويض مجلس الإدارة بصلاحيات الجمعية العامة العادية بالترخيص الوارد في الفقرة (١) من المادة السابعة والعشرون من نظام الشركات، وذلك لمدة عام من تاريخ موافقة الجمعية العامة العادية أو حتى نهاية دورة مجلس الإدارة المفوض أيهما أسبق، وذلك وفقاً للشروط الواردة في الضوابط والجراءات التنظيمية الصادرة تنفيذاً لنظام الشركات الخاصة بشركات المساهمة المدرجة.</p>	<p>جدول أعمال الجمعية</p>



quarter and annual financial statements, of the fiscal year 2026 and the first quarter of the fiscal year 2027 and the determination of the auditor's remuneration.

Sixth - Voting on delegating the Board of Directors to distribute interim dividends on a biannual / quarterly basis for the fiscal year 2026.

Seventh: Voting on delegating the Board of Directors with the authority of the Ordinary General Assembly to grant the authorization stipulated in paragraph (1) of Article Twenty-Seven of the Companies Law, for a period of one year from the date of approval by the Ordinary General Assembly or until the end of the delegated Board's term, whichever is earlier; in accordance with the terms set forth in the Implementing Rules and Regulations of the Companies Law for Listed Joint Stock Companies.

Eighth: Voting on the transactions and contracts concluded during the fiscal year ended December 31, 2025, Between the Southern province Cement Company and the Saudi Chemical Company Ltd., which is owned by the Saudi Chemical Holding Company in which the board member Eng. Thamer bin Muhammed bin Muqham al-Muhaid, has an indirect interest in his capacity as a Board Member in the group. These businesses and contracts will be from 07/02/2025 until 06/02/2028 The annual transaction value for the year 2025 was approximately (7 million) Riyals, based on actual quantities transported and delivered to the buyer, without any preferential conditions. (Attached)

ثامناً - التصويت على الأعمال والعقود التي تمت عن السنة المالية المنتهية في ٣١ ديسمبر ٢٠٢٥ م بين شركة اسمنت المنطقة الجنوبية والشركة الكيميائية السعودية المحدودة والتي تملكها مجموعة الشركة الكيميائية السعودية القابضة والتي لعضو مجلس الإدارة المهندس / ثامر بن محمد بن مقحم المهيد مصلحة غير مباشرة فيها بصفته عضو مجلس إدارة في المجموعة، وهي عبارة عن توريد متفجرات مدنية بدأت بتاريخ ٢٠٢٥/٠٢/٠٧ م لغاية تاريخ ٢٠٢٨/٠٢/٠٦ م وكانت قيمة التعاملات السنوية لعام ٢٠٢٥ م بحوالي (٧ مليون) ريال حسب الكميات الفعلية المنقولة والمسلمة للمشتري بدون شروط تفضيلية.

تاسعاً - التصويت على توصية لجنة المراجعة بالموافقة على صرف الأتعاب الإضافية للمراجع الخارجي شركة الدكتور محمد العمري وشركاه (BDO) بمبلغ ٢٠٠,٠٠٠ ريال وذلك نظير ساعات العمل الإضافية لفحص ومراجعة القوائم المالية للشركة عن العام ٢٠٢٥ م.



<p>Ninth: Voting on the Audit Committee's recommendation to approve the payment of additional fees to the external auditor, Dr. Mohamed Al-Amri & Co. (BDO), amounting to SAR 200,000 in consideration of additional man-hours spent for the review and audit of the Company's financial statements for the fiscal year 2025.</p>		
<p>Shareholders registered in the Tadawulati services will be able to vote remotely on the assembly's items starting at one o'clock in the morning on Thursday 25/12/1447 AH - 11/06/2026 until the end of the meeting time, and registration and voting in my trading services will be available and free for all shareholders using the following link : www.tadawulaty.com.sa</p>	<p>سيكون بإمكان المساهمين المسجلين في خدمات تداولاتي التصويت عن بعد على بنود الجمعية ابتداءً من الساعة الواحدة صباحاً من يوم الخميس ١٤٤٧/١٢/٢٥ هـ الموافق ٢٠٢٦/٠٦/١١ م وحتى نهاية وقت انعقاد الجمعية، وسيكون التسجيل والتصويت في خدمات تداولاتي متاحاً ومجاناً لجميع المساهمين باستخدام الرابط التالي:</p> <p>www.tadawulaty.com.sa</p>	<p>التصويت الإلكتروني</p>
<p>Eligibility for Registering the Attendance of the General Assembly's Meeting Ends upon the Convenience of the General Assembly's Meeting. Eligibility for Voting on the Business of the Meeting Agenda Ends upon the Counting Committee Concludes Counting the Votes. The attending shareholders have the right to discuss the topics on the agenda and ask questions.</p>	<p>أحقية تسجيل الحضور لاجتماع الجمعية تنتهي وقت انعقاد الجمعية وأحقية التصويت على بنود الجمعية للحاضرين تنتهي عند انتهاء لجنة الفرز من فرز الأصوات، ويحق للمساهمين الحاضرين مناقشة المواضيع المدرجة على جدول الأعمال وتوجيه الأسئلة</p>	<p>أحقية تسجيل الحضور والتصويت</p>
<p>In the event of an inquiry, we hope to communicate during official working hours (from 8 am to 3 pm) with shareholder relations at: Phone 0172271500 ext. 157-144 Email sh@spcc.com.sa</p>	<p>في حال وجود استفسار نأمل التواصل خلال اوقات الدوام الرسمي (من الساعة ٨ صباحاً حتى الساعة ٣ عصراً) مع علاقات المساهمين على: الهاتف ٠١٧٢٢٧١٥٠٠ تحويلة ١٥٧-١٤٤ البريد الإلكتروني sh@spcc.com.sa</p>	<p>طريقة التواصل</p>



شركة أسمنت المنطقة الجنوبية
SOUTHERN PROVINCE CEMENT COMPANY

AUDIT COMMITTEE

ANNUAL REPORT

FY 2025

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INTRODUCTION

To the Esteemed Shareholders of Southern Province Cement Company (SPCC),

I am pleased to present the annual report of SPCC's Audit Committee for the financial year 2025, which highlights the endeavors and activities of the Audit Committee over the past year.

The Audit Committee continued to monitor the effectiveness of the implementation of control measures by overseeing the work of the Internal Audit Department, thus enhancing the integrity of financial reporting and proper management of the underlying risks. The Committee also followed up on management's efforts to enhance control environment effectiveness through implementation of corrective actions resulting from the Committee's recommendations and those of the Internal Audit Department.

We express our gratitude to all the committee members who contributed tremendous efforts to achieving these goals and reaffirm our commitment to continuously improving our performance and ensuring transparency in all aspects of our work

Khalid Bin Ibrahim Rabiah

Audit Committee Chairman



AUDIT COMMITTEE'S ROLE & RESPONSIBILITIES

SPCC's Audit Committee fulfils its mission in accordance with its charter approved by the extraordinary general assembly held on 22/05/1445 H, corresponding to 06/12/2023, which specified the purpose, authority, responsibilities & operating framework of the committee, as well as its members' selection criteria and their compensation rules. This charter was prepared in alignment with legal and regulatory requirements derived from the Companies' Law and the Saudi Capital Market Authority rules & regulations which specifies that the audit committee shall be competent in monitoring the Company's activities and ensuring the integrity and effectiveness of the reports, financial statements and internal control systems particularly including the following:

I. Financial Reports:

- Analyzing the Company's interim and annual financial statements before presenting them to the Board and providing its opinion and recommendations thereon to ensure their integrity, fairness and transparency;
- Providing its technical opinion, at the request of the Board, regarding whether the Board's report and the Company's financial statements are fair, balanced, understandable, and contain information that allows shareholders and investors to assess the Company's financial position, performance, business model, and strategy;
- Analyzing any important or non-familiar issues contained in the financial reports;
- Accurately investigating any issues raised by the Company's chief financial officer or any person assuming his/her duties or the Company's compliance officer or external auditor;
- Examining the accounting estimates in respect of significant matters that are contained in the financial reports; and
- Examining the accounting policies followed by the Company and providing its opinion and recommendations to the Board thereon.

II. Internal Audit:

- Examining and reviewing the Company's internal and financial control systems and risk management system;
- Analyzing the internal audit reports and following up the implementation of the corrective measures in respect of the remarks made in such reports; and



- Monitoring and overseeing the performance and activities of the internal auditor and internal audit department of the Company to ensure the availability of the necessary resources and their effectiveness in performing the assigned activities and duties.
- Providing a recommendation to the Board on appointing the manager of the internal audit unit or department, or the internal auditor and suggest his/her remunerations.

III. External Auditor:

- Providing recommendations to the Board to nominate external auditors, dismiss them, determine their remunerations, and assess their performance after verifying their independence and reviewing the scope of their work and the terms of their contracts;
- Verifying the independence of the external auditor, its objectivity, fairness, and effectiveness of the audit activities, taking into account the relevant rules and standards;
- Reviewing the plan of the Company's external auditor and its activities, and ensuring that it does not provide any technical, administrative or consulting works that are beyond its scope of work, and provides its opinion thereon;
- Responding to queries of the Company's external auditor; and
- Reviewing the external auditor's reports and its comments on the financial statements, and following up the procedures taken in connection therewith.

IV. Ensuring Compliance:

- Reviewing the findings of the reports of supervisory authorities and ensuring that the Company has taken the necessary actions in connection therewith;
- Ensuring the Company's compliance with the relevant laws, regulations, policies and instructions;
- Reviewing the contracts and proposed Related Party transactions, and providing its recommendations to the Board in connection therewith; and
- Reporting to the Board any issues in connection with what it deems necessary to take action on, and providing recommendations as to the steps that should be taken.



AUDIT COMMITTEE'S COMPOSITION

The Audit Committee was formed for the sixteenth term of the Board of Directors extending from 01/01/2024 until 31/12/2026, and approved by the decision of the Board of Directors on 05/07/1445 AH, corresponding to 17/01/2024. The Audit Committee consists of five members, namely:

NAME	POSITION	Type
Mr. Khalid Bin Ibrahim Al-Rabiah	Committee Chairman	Independent
Eng. Thamer Mohamed Al-Mahid	Committee member	Independent
Eng. Fahad Eid Al-Hilal	Committee member	Independent
Eng. Yahya Mohamed Al-Shangiti	Committee member	Independent
Mr. Adeeb Mohamed Abanmai	Committee member	External



AC MAJOR ACTIVITIES IN 2025

In line with its mission, the audit committee carried out the following activities during 2025:

I. AUDIT COMMITTEE MEETINGS:

Meeting	Mr. Khalid Bin Ibrahim Al-Rabiah	Eng. Thamer Mohamed Al-Mahid	Eng. Fahad Eid Al-Hilal	Eng. Yahiya Mohamed Al-Shangiti	Mr. Adeeb Mohamed Abanmai
2025-01-22	✓	✓	✓	✓	✓
2025-03-19	✓	✓	✓	✓	✓
2025-03-26	✓	✓	✓	✓	✓
2025-05-13	✓	✓	✓	✓	✓
2025-08-04	✓	☒	✓	✓	✓
2025-10-20	✓	✓	✓	✓	✓
2025-11-06	✓	✓	✓	✓	✓
2025-12-08	✓	✓	✓	✓	✓
Attendance	8/8	7/8	8/8	8/8	8/8
Percentage	100%	87%	100%	100%	100%

II. FINANCIAL STATEMENTS AND ACCOUNTING POLICIES:

During its meetings with the executive management and the external auditor, the Audit Committee discussed the main accounting policies and examined the interim/quarterly and annual financial statements (including accounting estimates and any significant changes to accounting policies) as well as financial disclosures and announcements related to its financial performance, prior to submission & recommendation to the Board of Directors for approval.

III. THE EXTERNAL AUDITOR:

The Audit Committee supervised the external auditors' selection process, and their nomination by the General Assembly of the Southern Province Cement Company. During the financial year, the committee met with the external auditors' representatives to review and discuss his work plan and scope, in addition to ensuring that he obtained all audit requirements from the executive management by inquiring him about:

- The adequacy & timeliness of information provided.
- Any factors that may impair his independence or objectivity.
- Any instances of potential fraud or deception.
- Any deficiencies in the disclosures or financial information issued.
- Any observations regarding accounting policies.



IV. INTERNAL AUDIT ACTIVITIES:

During the financial year 2025, the Audit Committee continued its efforts to enhance and develop the activities of the Internal Audit Department in the company through:

- Reviewing the outputs of the risk assessment and approving the annual internal audit plan.
- Reviewing the results of internal audit reports and following up on the implementation progress of corrective action plans by executive management.
- Selecting and appointing a new Director for the Internal Audit Department following the vacancy of the position.
- Developing internal audit activities to align with current risks.

V. DEVELOPMENT OF GOVERNANCE, CONTROL, AND REPORTING POLICIES:

The committee directed the efforts of executive management to prepare and develop various types of governance, control, and reporting policies, or to update them in accordance with relevant laws & regulations.

VI. RISK MANAGEMENT:

The Committee oversaw with executive management the build-up of the risk management activity infrastructure, preparation and development of the risk register, and implementation of relevant risk mitigation measures to reduce risks to an acceptable level.



AUDIT COMMITTEE'S OPINION

ON THE ADEQUACY OF THE INTERNAL & FINANCIAL CONTROL SYSTEMS & RISK MANAGEMENT SYSTEMS IN SPCC

Within the scope of its authorities and responsibilities, the Audit Committee reviewed the reports submitted by the external auditor and by the various internal control & oversight departments for the fiscal year 2025, including Finance, internal audit and GRC. The Committee also monitored the progress of the executive management in implementing the corrective actions related to internal audit findings and risk management infrastructure preparation. Based on the above, the Committee did not identify any material weaknesses in the Company's internal controls system that had not been addressed or for which corrective actions had not been adopted, such that would require disclosure to the Company's shareholders. It is also worth noting that any internal controls system, no matter how efficient and effective it may be, cannot provide absolute assurance; rather, it provides a reasonable level of assurance.

Khalid Bin Ibrahim Rabiah

Audit Committee Chairman