



Leading the transformation towards exceptional and sustainable green cement products for our community





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transformation towards
exceptional and
sustainable green
cement products for our
community**



**Custodian of the Two Holy Mosques
King Salman bin Abdulaziz Al Saud**



His Royal Highness
Prince Mohammad bin Salman bin Abdulaziz Al Saud
Crown Prince and Prime Minister

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Board of Directors



HRH the Late Prince
Abdulaziz bin Mishaal bin Abdulaziz Al Saud
Board Chairman



Majid bin Abdurrahman Al-Osailan
Board Member & CEO



Badr bin Omar Alabdullatif
Vice Chairman & Managing Director



Mohammed bin Hikmat Al-Zaiem
Board Member



Saleh bin Sulaiman Al-Rajhi
Board Member



Mohammed bin Saad Al-Moajil
Board Member



Saleh bin Ibrahim Al-Shabnan
Board Member



Board Message

As the Board of Directors of your esteemed Company, we are pleased to present the annual report for the fiscal year 2024. This report highlights the Company's financial results—achieved, first and foremost, by the grace of God and, secondly, through the dedication and efforts of our employees. It also provides an overview of our operations, financial statements, key initiatives, and diverse projects across various activities, all in alignment with governance regulations.

Despite industry challenges and intense competition, we are pleased to report that the Board is satisfied with the Company's performance over the past year. The local market demand for the industry has remained stable over the past three years, with a 4⁰% increase compared to the previous year. Looking ahead, we remain highly optimistic, supported by the unwavering commitment of our wise government to fostering economic growth through transformative projects. These initiatives serve as key drivers for the construction sector and contribute significantly to the realization of Vision 2030.

As a leading and responsible national company, we are dedicated to leveraging our resources and capabilities to achieve these ambitious goals. We are committed to generating added value for all stakeholders across the value chain while upholding environmental sustainability. This aligns with our strategic vision to capitalize on emerging opportunities, maximize returns, and drive continuous growth through both vertical and horizontal integration. Additionally, we continue to provide the market with a portfolio of high-quality, environmentally friendly products.



﴿ ﴿ **The determination of the Saudi people is like Mount Tuwaiq, unyielding and unbreakable** ﴾ ﴾

Prince Mohammed bin Salman bin Abdulaziz Al Saud



In line with the Kingdom's carbon neutrality goals, we have developed a clear roadmap to ensure compliance with environmental and health standards while enhancing workplace safety. We are advancing rapidly in implementing innovative solutions aimed at transitioning from a linear to a circular economy. Our initiatives focus on reducing greenhouse gas emissions and promoting sustainable development in collaboration with policymakers, regulators, and industry stakeholders.

We are also pleased to announce the release of the Company's 2024 Sustainability Report, which outlines our achievements and initiatives in environmental stewardship, corporate governance, and community engagement. This report reflects our steadfast commitment to global best practices and regulatory compliance.

Furthermore, we take pride in launching a series of high-impact programs designed to enhance profitability while maintaining a deep understanding of market and customer needs. Our approach prioritizes competitive pricing that reflects true market value, alongside a strong emphasis on operational efficiency, cost optimization, human capital empowerment, and the integration of cutting-edge technology to drive a comprehensive digital transformation. These efforts strengthen our ability to navigate challenges and establish an agile operating model that aligns with the highest global standards.

In conclusion, we reaffirm our unwavering commitment to delivering sustainable value to our shareholders, enhancing the well-being of our employees, and upholding best ESG practices—all in alignment with Vision 2030.



HIGHLIGHTS FROM THE SUSTAINABILITY REPORT RELEASE EVENT





التحول نحو الاستدامة: دور الصناعة والمالية والبيئة



المهندس علي الفاضلي
المراقب المالي
المركز الوطني للرقابة على الالتزام البيئي



الاستاذ احمد عجب نور
امون عام مجلس الاستدامة
وزارة الصناعة والثروة المعدنية



الاستاذ ماجد الحسيني
عضو مجلس الادارة والرئيس التنفيذي
شركة اسمنت المحردة



الاستاذ بندر البليهد
رئيس إدارة تطوير علاقات العملاء
مجموعة لتحويل السعودية



الاستاذ علي طارق خان
كبير استشاري البيئة والمسؤولية الاجتماعية
والمؤسسة - البنك السعودي الاول





COMPANY ACTIVITIES

The Company specializes in the production of various types of cement at its Marat plant, with an annual production capacity exceeding 5 MT. Over the past five years, the Company's management has made significant efforts to expand into emerging industries such as waste management, waste treatment, and mining, aiming to enhance and diversify its profit portfolio. The Company seeks to achieve sustainable growth by investing in several subsidiaries, ensuring the best interests of its investors. Further details on these investments will be provided later in this report.







OUR MILESTONES

Established under Ministerial Resolution No. 804 in 2005, City Cement operates as a Saudi joint stock Company, proudly registered in Riyadh. Holding the industrial and quarry licenses, the Company prioritizes adherence to regulatory standards, ensuring a foundation built on compliance and trust.

The company produces cement at its plant in Marat Governorate with a capacity exceeding 5 million tons annually. It aims to expand into promising fields such as waste management and mining, with the goal of diversifying its investments and enhancing its returns.



2024

2023

City Cement achieved a pioneering milestone by publishing Environmental Product Declarations for our three products, marking us as the first cement company in the Kingdom to transparently declare our environmental impact.

City Cement Received an advanced level in the Smart Industries Readiness Index (SIRI) assessment in recognition of its progress in digitizing its operation and ranked the 1st in the kingdom.



2023

2023

In partnership with SIRC and Lechtenberg ME, Green Solutions for Environmental Services signed the agreement for establishing Innovative Solutions for Environmental Service which will build, own, and operate the biggest material recovery facility in KSA.

City Cement launched Green Finishing Cement to accelerate the reduction of carbon emissions in the cement industry



2022

2021

Implementation of ERP system to integrate its operation and progress in materializing its digital transformation.

Established its subsidiary, Green Solutions for Environment Services specializes in Waste Management to assume a pivotal role in realizing the kingdom's 2030 sustainability vision.



2021

2020

City Cement launched the first Refuse Derived Fuel (RDF) integrated production facility in the Kingdom.

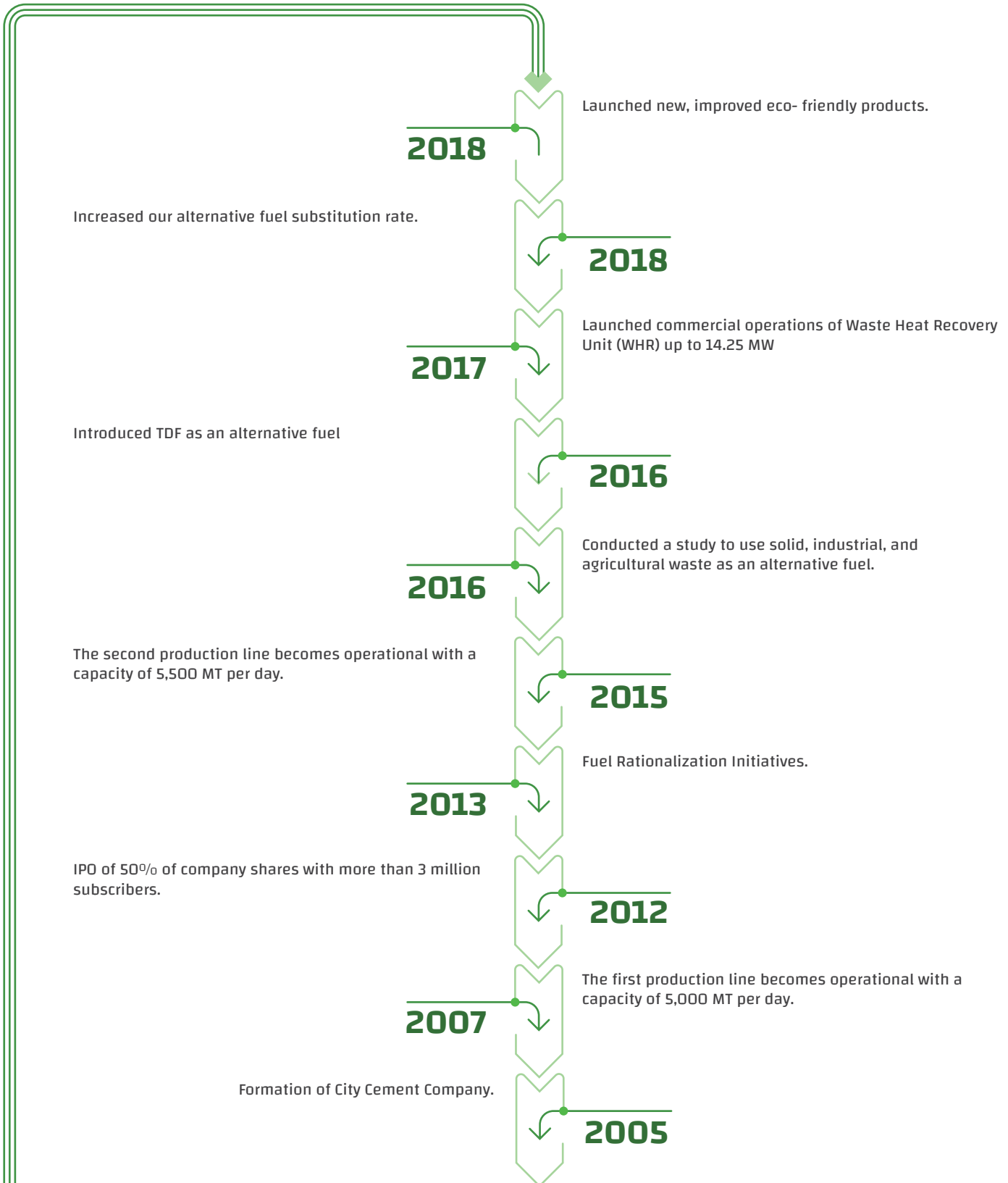
Started cooperation with governmental authorities for waste management initiatives to process industrial waste as per the best environmental practices.



2019

2019

City Cement Company launched its new strategy and transformation roadmap with a focus on business sustainability, operational excellence, and organic and inorganic growth.



VISION & MISSION



Our Vision

Pioneering the transition toward distinguished, sustainable, and eco-friendly cement products that contribute to a greener future for our community.



Mission and Objectives

Building an integrated ecosystem that Delivers high-performance, premium-quality products to our customers, Ensures a profitable and well-governed business for our shareholders, Empowers employees through continuous professional development. and Upholds environmentally and socially responsible frameworks.



Core Values

Our values serve as the ethical compass guiding our journey. City Cement is committed to driving sustainable development through diverse initiatives and collaborations with all stakeholders, following a clear strategy aligned with Vision 2030.



Environmental and Social Responsibility

City Cement is dedicated to shaping a sustainable future—both today and for generations to come—by serving the community with a strong sense of responsibility in every possible way.



Customer-Centric Approach

We prioritize enhancing customer experience, delivering exceptional value to strengthen relationships and foster trust.



Our People, Our Strength

We cultivate an empowering workplace that nurtures talent, unlocks potential, and provides maximum opportunities for all employees.



Innovation and Growth

By embracing cutting-edge technologies and pioneering innovations, we drive sustainable economic growth at all times.



Integrity and Transparency

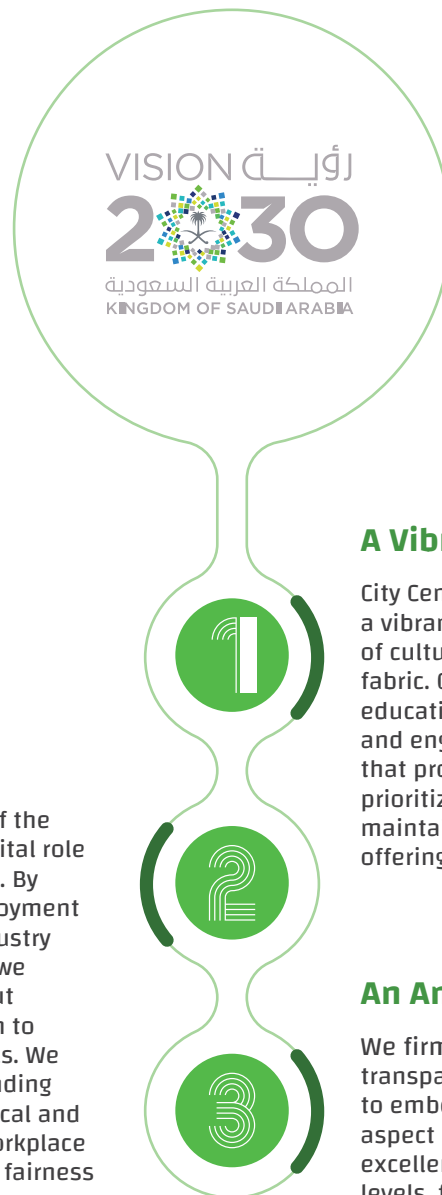
We foster a work environment based on strong governance principles, ensuring strict adherence to business ethics, transparency, and integrity at every level of the organization.





ALIGNMENT WITH VISION 2030 PILLARS





رؤية
VISION 2030
المملكة العربية السعودية
KINGDOM OF SAUDI ARABIA

A Thriving Economy

Recognizing the significant impact of the cement industry, we emphasize its vital role in job creation and economic growth. By continuously generating equal employment opportunities—particularly in an industry known for its vast career potential—we not only strengthen our workforce but also make a meaningful contribution to broader economic development goals. We are committed to consistently expanding job opportunities across both technical and administrative roles, cultivating a workplace that values diversity and champions fairness and inclusivity for all.

A Vibrant Society

City Cement actively contributes to fostering a vibrant society through a diverse range of cultural initiatives that enrich the social fabric. Our commitment extends to advancing education, supporting the healthcare sector, and engaging in community programs that promote social cohesion. We also prioritize the well-being of our employees by maintaining rigorous safety standards and offering comprehensive healthcare benefits.

An Ambitious Nation





We firmly uphold the principles of transparency and accountability, striving to embed clarity and integrity into every aspect of our operations. In our pursuit of excellence, we empower individuals at all levels, fostering a culture of innovation and initiative. We recognize that true ambition requires a steadfast commitment to continuous improvement and the adoption of cutting-edge solutions. Through transparency, accountability, performance excellence, and an innovation-driven mindset, we aim to contribute to building an ambitious nation—one that surpasses its goals and sets new benchmarks for success and progress.



COMPANY PERFORMANCE



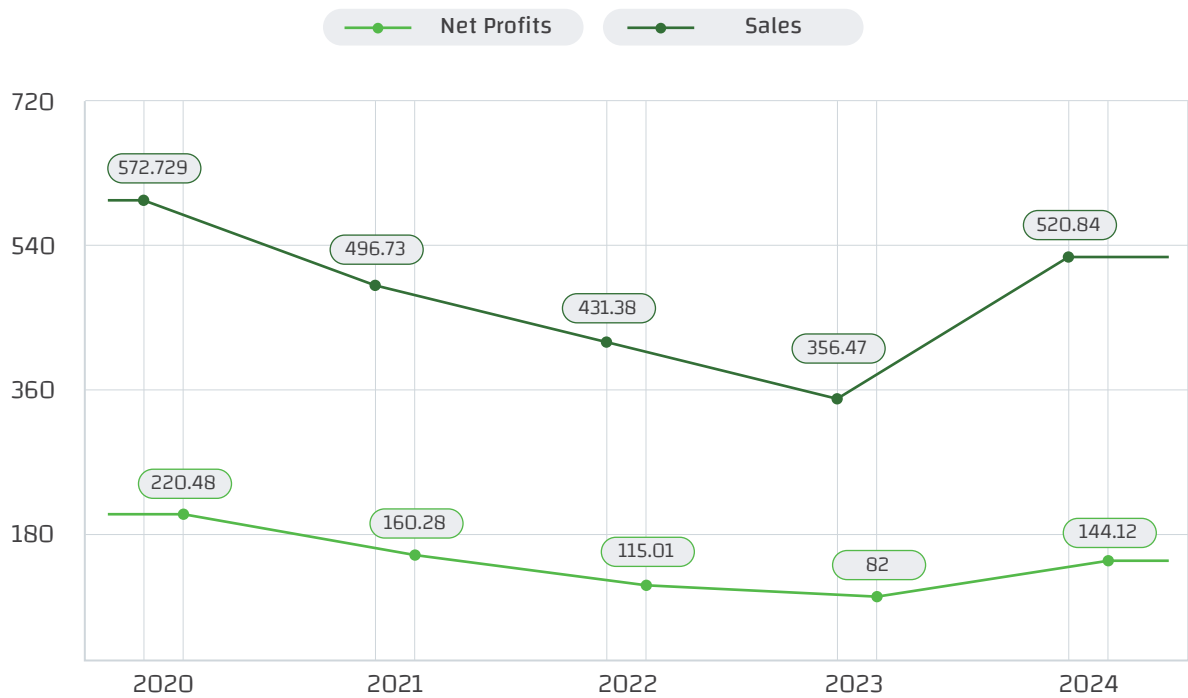
SALES AND PROFITABILITY

	2024	2023
 Quantities Of Cement Sold	2.84 MT of cement a growth of 31.19%	2.16 MT of cement
 Gross Profits	188.54 Million Riyals an increase of 71% .	110.43 Million Riyals
 Net Profits	144.12 Million Riyals an increase of 76% .	82 Million Riyals
 Reason for the increase	<ul style="list-style-type: none">• higher sales volumes• increase in the average selling price.	



The chart below illustrates the trend in net sales and net profit over the past five years (2020–2024):

Net Sales & Net Profit (2020–2024) in Million SAR



PRODUCTION

In **2024**, the Company's clinker production reached **2.444 MT**, representing **67%** of total production capacity—up **10.84%** from **2.205 MT** in **2023**. By the end of **2024**, total inventory stood at **697.099 tons**, compared to **701.614 tons** in **2023**—a decrease of **0.6%**.





FUTURE OUTLOOK

Total domestic demand for cement increased in **2024**, reaching **49.165 MT**, compared to **47.255 MT** in **2023**—an increase of **4.04%**. The Company expects demand to continue growing in the coming period, God willing.



67%
Operating ratio



10.84 %
Growth rate in produced quantities



0.6%
Percentage change in inventory decrease



4.04%
Percentage increase in demand in local markets

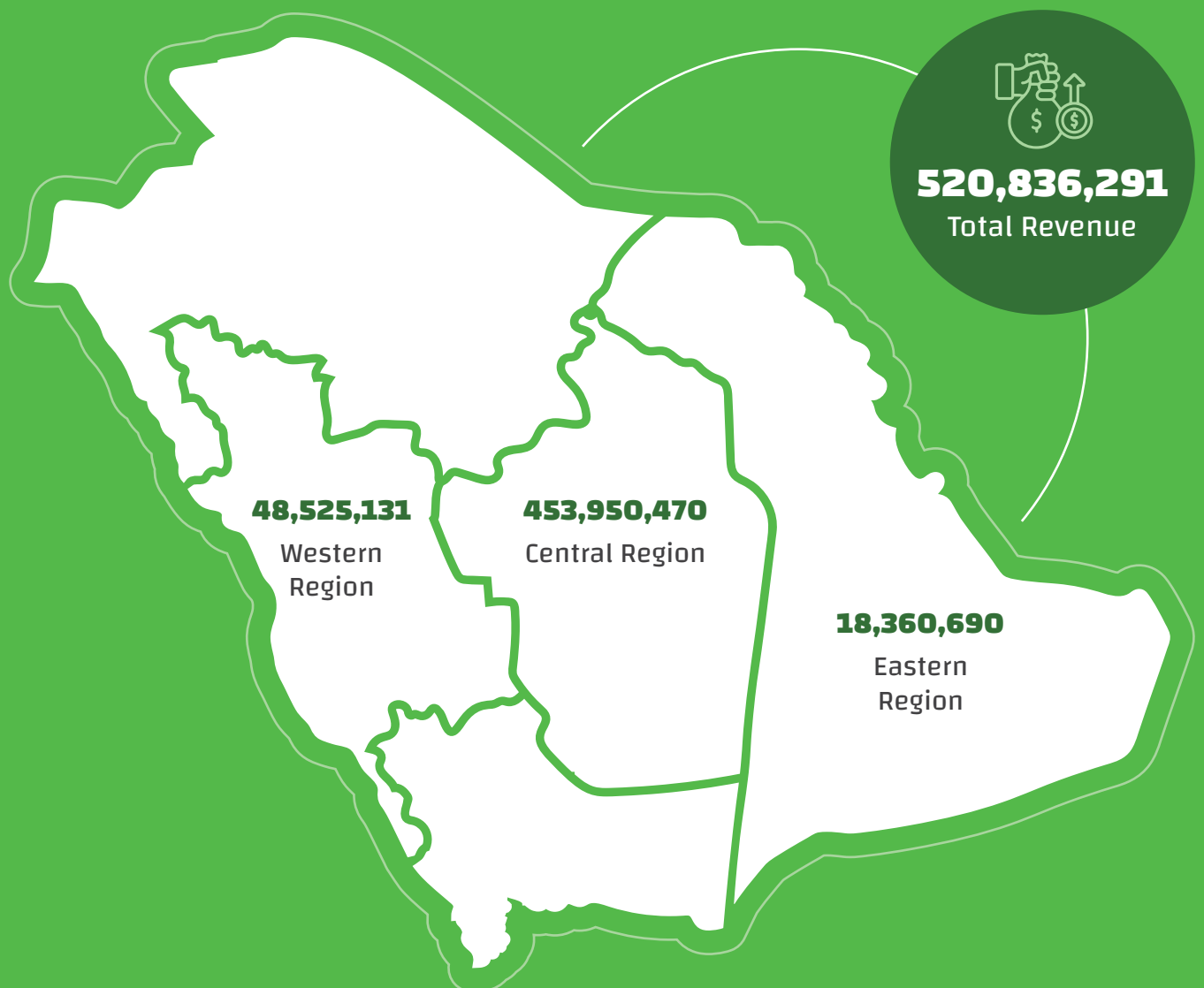


GEOGRAPHIC DISTRIBUTION OF REVENUE





All Company sales were generated within Saudi Arabia, as detailed in the geographic revenue breakdown below:



FUTURE PROJECTS AND PLANS

The Company has adopted a clear roadmap for Environmental, Health, and Safety (EHS) sustainability, focusing on innovative solutions through a range of initiatives aimed at reducing greenhouse gas emissions and advancing sustainable development. It actively collaborates with key stakeholders, including policymakers and regulatory bodies, to drive innovation while ensuring compliance with global standards and governmental regulations in environmental management, community engagement, and corporate governance.

Committed to maintaining strong profit margins and delivering optimal returns, the Company continuously refines its market and customer insights. It upholds competitive pricing that reflects the added value of its products while enhancing operational efficiency to optimize costs. Additionally, it invests in human capital development and technological advancements to address challenges and implement an operating model aligned with global best practices. This approach creates sustainable value for shareholders, enhances employee well-being, and reinforces the Company's commitment to environmental, social, and governance (ESG) principles while driving digital transformation.

The Company has also successfully achieved its energy efficiency targets, earning certification from the Saudi Energy Efficiency Center (SEEC) under the energy savings trading mechanism for the industrial sector, as approved by the SEEC Board of Directors.





STRATEGIC TRANSFORMATION

Under visionary leadership, City Cement has embarked on a comprehensive transformation journey, encompassing all relevant business functions to enhance resilience against global challenges such as climate change and economic downturns. Both the strategic and tactical aspects of the Company have undergone significant shifts, necessitating strong management to meet evolving business demands.





SUBSIDIARIES

Green Solutions Environmental Services:

Green Solutions Environmental Services provides innovative alternative energy solutions by producing fuel from waste, reducing reliance on traditional fossil fuels, and offering sustainable energy sources. This alternative fuel effectively lowers carbon emissions and supports global environmental goals.

The company also operates alternative fuel feeding units within City Cement plants, ensuring integrated operations that enhance energy consumption efficiency and reduce the environmental impact of heavy industries, in line with international carbon footprint reduction standards.

Committed to both local and global expansion, Green Solutions offers comprehensive and innovative solutions across various sectors, including waste management, alternative energy generation, and environmental resource optimization. The company collaborates with strategic partners to drive the adoption of advanced technologies in waste management and energy conversion.

In terms of environmental standards and sustainability, Green Solutions is committed to implementing the highest environmental and technical standards. It follows sustainable strategies aimed at minimizing environmental impact and ensuring long-term sustainability through investment in modern technologies and best practices. The company aspires to be a leader in sustainable environmental solutions, contributing to a comprehensive environmental vision that fosters sustainable development and strengthens corporate environmental responsibility across industries.

Nizak Mining Services:

In 2024, City Cement established Nizak Mining, a wholly owned limited liability subsidiary specializing in mining services. That same year, Nizak signed a partnership agreement with Next Generation SCM, which holds the rights to patented technology owned by the Danish company CemGreen. The agreement, signed in the presence of His Excellency Bandar bin Ibrahim Al-Khorayef, Minister of Industry and Mineral Resources, and Her Excellency Liselotte Plesner, the Danish Ambassador, aims to establish a company specializing in processing natural raw materials into synthetic products with high cementitious properties for construction. These products are manufactured using low-emission, environmentally friendly technologies, significantly reducing carbon emissions. This initiative aligns with City Cement's commitment to Saudi Vision 2030, particularly its sustainability goals and efforts to attract foreign investment. The Company expects this venture and the partnership to generate a positive impact in the coming period.



Company Name	Main Activity	Capital	Place	Ownership Percentage
Green Solutions	Environmental solutions for waste treatment	SAR 500,000	Saudi Arabia	100%
CCC Contracting Branch	Specialized subcontracting	Branch	Saudi Arabia	-
Nizak Mining	Mining services	SAR 500,000	Saudi Arabia	100%

Green Solutions Environmental Services

	2024	2023
<p>Alternative fuel production</p>	<p>23,304 Tons</p>	<p>21,904 Tons</p>
<p>Percentage increase in production</p>	<p>1.400 tons increase a growth of 6%</p>	
<p>Alternative fuel sales</p>	<p>7,391,106 Riyals an increase of 32%</p>	<p>5,571,437 Tons</p>

Note: A decrease in sales despite an increase in production.

Nizak Mining Services

The company was established in 2024 and is expected to commence operations in 2025.



BORROWING

The Company confirms that it has no outstanding loans from banks or any other entities as of December 31, 2024. However, the Company has an active but unused credit facility agreement compliant with Islamic financing principles, with a total limit of **SAR 90,625,000**, secured by a promissory note.



STATUTORY PAYMENTS TO GOVERNMENT ENTITIES



Description	Paid during the year 2024	Outstanding as of Year-End	Brief Description
Zakat	12,376,087	12,803,754	The Company is subject to Zakat and Income Tax regulations in Saudi Arabia. Zakat provisions are made on an accrual basis. The Company has received the final assessments for 2006-2022.
VAT	48,550,165	6,548,801	The Company is subject to Zakat and Income Tax regulations in Saudi Arabia. Tax is paid monthly within the statutory period based on the previous month's liability.
Withholding Tax	677,793	6,486	
GOSI	3,354,634	265,118	The Company is subject to the Social Insurance Law. GOSI contributions are recognized on an accrual basis.
Quarrying Fees	21,241,383	5,412,087	Exploitation fees are paid for licenses related to the quarrying of raw materials.

(Value in Saudi Riyals)

SOCIAL RESPONSIBILITY AND COMMUNITY SERVICE

The Company places great emphasis on its corporate social responsibility and community service, fully recognizing the importance of this role. It continues to support neighboring communities by providing sponsorships and contributions in various developmental and awareness-driven initiatives aimed at enhancing quality of life. The Company remains committed to participating in and supporting initiatives that benefit society and create added value for its diverse segments.

These efforts are carried out through strategic plans aligned with the Company's operations and Saudi Vision 2030, particularly in environmental and knowledge-based initiatives, thus fostering a prosperous and sustainable social fabric.

In 2024, the Ordinary General Assembly approved the Company's Corporate Social Responsibility Policy, which is expected to positively impact the alignment of the Company's objectives with societal goals while promoting sustainable community development. This policy also strengthens core values that contribute to the growth and advancement of communities and future generations.





Donations and Social Contributions

- Sponsored the Riyadh Mayor's visit to Marat.
- Sponsored the World Civil Defense Day.
- Sponsored Eid al-Fitr 2024 celebrations.
- Sponsored the 95th National Day celebrations.
- Contributed to programs of the Association of People with Disabilities.
- Sponsored the Marat Winter Festival.
- Supported the Marat Civil Development Association.
- Supported the Rheumatism Association.



MANAGEMENT SYSTEMS AND CERTIFICATIONS

The company is committed to complying with the highest standards of national and international management systems. It has obtained ISO certifications in quality, environment, health and safety, and energy management systems. In 2023, the company received the Smart Industry Readiness Index (SIRI) certification, reflecting its outstanding efforts and progress in digital transformation. In 2024, the company earned the Environmental Product Declarations (EPD) certification for all of its products and is proud to have registered and published the three reports through the international EPD system, the world's first global program for registering and publishing environmental disclosure reports. This achievement underscores City Cement's firm commitment to environmental responsibility, not only during the production phase but throughout the entire product life cycle. This focus stems from the company's future vision and its management's recognition of the growing importance of providing reliable and transparent information to its shareholders and stakeholders about the environmental impact of its products and operational efficiency, supporting sustainable construction efforts in the Kingdom and aligning with global trends to address environmental challenges and investor expectations locally and internationally.

The company emphasizes the importance of this step in supporting the decisions of our customers and business partners in choosing products that align with sustainability goals. The company is committed to adhering to all requirements according to Saudi and global standards to maintain environmental safety. This commitment is monitored under the supervision of the Civil Defense Administration in Marat Governorate, where periodic meetings are held with the Civil Defense staff to ensure compliance with security and safety standards. These meetings include organizing joint training sessions aimed at qualifying national personnel and raising awareness among all employees.

Additionally, the company collaborates with the National Center for Environmental Compliance in Saudi Arabia, while maintaining the quality of its products. The company's efforts have been crowned with numerous quality certifications and global awards, highlighting its position as a leading company that adheres to the highest standards in all its operations. Among these certifications are:



SASO Quality Marks certifications

They are proof of the company's strict commitment to the standards set by the Saudi Standards, Metrology, and Quality Organization.



100 Golden QC

City Cement Company received the Integrated Quality Management Award in Paris. This award is granted to global companies with outstanding performance in areas such as integrated quality management, economic growth, leadership, technical improvement, and innovation.

Platinum QC 100

City Cement Company received this Integrated Quality Management Award in 2012.



The Green Era for Sustainability

This award was created to honor true global sustainable models, including government institutions, green building councils, environmental agencies, and green companies that have been innovative and creative in their pursuit of sustainable necessity.



MANAGEMENT SYSTEMS AND CERTIFICATIONS

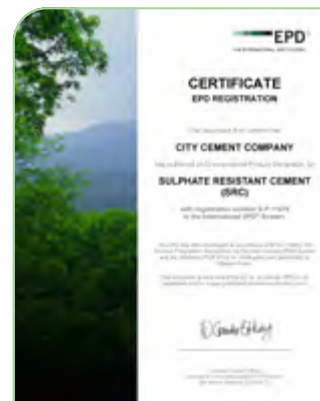
Management Systems Accreditation

ISO 9001 certification demonstrates our commitment to quality management and customer satisfaction. ISO 14001 certification reflects our dedication to effective environmental management, reducing our environmental footprint, and enhancing environmental performance. ISO 45001 certification signifies our proactive approach to ensuring occupational health and safety, minimizing risks for our employees and stakeholders. Finally, ISO 50001 certification affirms our strategic focus on energy management, improving energy usage, and reducing environmental impact.



Environmental Disclosure Certifications 2023:

"The Environmental Disclosure Certificates for City Cement Company's products were published as the first company in the Kingdom in the cement sector, confirming its leading role in driving environmental excellence in the Kingdom.





Saudi Energy Efficiency Center Award

We are extremely proud to have City Cement Company honored by the Saudi Energy Efficiency Center (SEEC) for our exemplary energy efficiency program in the Kingdom of Saudi Arabia. This recognition demonstrates our unwavering commitment to sustainable energy practices and our dedication to reducing our environmental footprint. The energy efficiency program has been a cornerstone of our sustainability strategy and has played a significant role in drastically reducing energy consumption and carbon emissions. This recognition reflects our innovative approach to energy management and aligns with our goal to positively contribute to achieving the national energy efficiency objectives. We are grateful for this acknowledgment and will remain committed to continuous improvement and leadership in sustainable energy practices.



First locally in 2023

First place in the Kingdom according to the SIRI assessment for the implementation of automation projects adopted by smart factories, as part of the Future Factories Initiative by the Ministry of Industry and Mineral Resources.



Barq Program

Tamkeen Program



Holoul Program



HUMAN RESOURCES

Company Resource Development Programs:

- 1.** Holoul Program – Aimed at preserving natural resources.
- 2.** Tamkeen Program – Focused on human capital development through specialized training programs designed to empower and qualify employees while fostering an attractive work environment.
- 3.** Barq Program – Designed to enhance work systems in alignment with rapid technological advancements.

In line with its commitment to human capital growth and development, the Company has implemented specialized programs for selecting, training, and planning career paths for employees. These programs ensure that leadership positions are filled with highly qualified national talent while encouraging employees to actively contribute to the Company's growth and fostering a collaborative and motivating work environment. The Company remains committed to continuously enhancing employees' skills and competencies to improve their performance.

The Company has also made significant progress in localizing leadership roles and recruiting distinguished national professionals across various departments. Additionally, it collaborates with specialized local and international organizations to offer training in technical, administrative, and marketing fields.

Furthermore, the Company conducts in-house workshops and provides both internal and external scholarship programs for national talent in the cement industry.

These initiatives are part of a comprehensive transformation journey focused on overcoming challenges, optimizing the operating model in line with global best practices, and ensuring the Company continues to deliver added value to shareholders and employee well-being. This commitment also extends to upholding the highest ESG standards and advancing digital transformation.

RISK MANAGEMENT

The Company places significant emphasis on identifying and managing potential risks through regular reviews and the implementation of appropriate mitigation measures. It is important to note that the risks outlined below do not represent the full scope of possible risks the Company may face. Other risks may arise that are not currently known or considered unlikely or insignificant by the Company.



Operational and Market Risks:

The Company remains highly attentive to potential risks associated with intensifying local competition, particularly amid rising inventory levels within the domestic cement market. To maintain the stability of its operations and market position, the Company continuously monitors and reviews these risks, implementing appropriate measures to mitigate their impact.



Economic Risks:

The Company recognizes that local and global economic conditions can directly influence its future operations. Key factors include fluctuations in sales performance, market liquidity, financing costs, industrial downturns, and competition from international markets and companies. Potential risks further include technological advancements, fuel prices, input costs, final product pricing, inflation, and geopolitical events that may affect the markets in which the Company operates. Moreover, currency exchange rate volatility and the emergence of product alternatives could also affect the Company's operations and revenues. To mitigate these risks, the Company conducts ongoing reviews and develops effective strategies to minimize their impact.



Regulatory and Legal Risks:

The Company operates within a framework of multiple laws and regulations. Any changes, replacements, or new regulations introduced by governmental, regulatory, or judicial authorities—such as orders to suspend the Company's operations or halt the production of certain products—could impact its business activities and revenue streams.



Customer Concentration Risks:

While the Company caters to a broad customer base and relies on distributors for product distribution, financial difficulties, market exits, or non-compliance with sales standards by any major customer or distributor could adversely affect the Company's business operations and revenue.



Geographical and Natural Disaster Risks:

Since the Company's operations are concentrated in a single location, any directive to halt activities or natural disasters such as floods or earthquakes in that location could adversely affect business operations and revenue.



Mining Rights Risks:

Mining is a core component of the Company's operations, with rights granted by the relevant Saudi government authorities. Any revocation or restriction of these rights could significantly hinder the Company's ability to operate its plant, resulting in substantial financial and operational setbacks.



Energy Supply Risks:

Cement production is highly energy-intensive, with energy costs comprising a substantial portion of overall production expenses. Any increase in fuel prices could negatively impact the Company's operations, financial position, and overall performance. Additionally, inadequate fuel allocation for the second production line would continue to pose a serious challenge to the Company.

CORPORATE GOVERNANCE

The Company complies with all provisions of the Corporate Governance Regulations issued by the Capital Market Authority, except for the following:

Article No.	Article/Paragraph	Partially Implemented	Not Implemented	Reason for Non-Implementation
Non-implemented guiding provisions				
	Articles (37, 39, 67, 68, 69, 73, 74, 75, 82, 85, 92)		✓	These are guiding provisions that will be implemented when they become mandatory.





COMPLIANCE WITH ACCOUNTING STANDARDS

There are no deviations from the accounting standards adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA).





A

Current Sixth-Term Board and Committee Members: Roles, Qualifications, Experience, and Board Memberships in Other Joint-Stock Companies (JSCs)





**HRH the Late Prince
Abdulaziz bin Mishaal bin Abdulaziz Al Saud**

**Position in the
Company**

Board Chairman

**Qualifications,
Current & Previous
Roles, and
Experience**

- Bachelor's degree in Business Administration
- Board Chairman, City Cement
- General Supervisor of the affairs and estate liquidation of HRH the late Prince Mishaal bin Abdulaziz Al Saud
- President, Al-Ishaa Group
- Former Board Chairman, AlJouf Agricultural
- Former Board Chairman, Yanbu Cement
- Former CEO, Dhahran Oil & Gas
- President, Technology Services
- President, Advanced Business IT
- General Manager, Al-Insha'at Al-Oula Building Establishment
- Board Chairman, Jawraa (Lebara)
- Board Member, Hitachi
- Board Chairman, Al-Modon Al-Arabia

**JSC
Memberships**

- City Cement (Public JSC)



Badr bin Omar Alabdullatif

Position in the Company

Vice Chairman, Managing Director, and Chairman of the Executive Committee

Qualifications, Current & Previous Roles, and Experience

- General Secondary Education Certificate
- Deputy General Manager, Al-Abdullatif Furniture
- Vice Chairman, Managing Director, and Chairman of the Executive Committee, City Cement
- Board & Audit Committee Member, Al-Abdullatif Holding
- Board Member, Al-Abdullatif Furniture
- Board & Executive Committee Member, Future Ceramics
- Board Chairman, Green Solutions Environmental Services
- Former Chairman of the Nomination & Remuneration Committee, City Cement
- Former Board Member, Al-Abdullatif Industrial Investment
- Former Chairman of the Nomination & Remuneration Committee, Al-Abdullatif Industrial Investment
- Former Chairman of the Audit Committee, Al-Abdullatif Industrial Investment
- Former Director of Administration and Branch Operations across Saudi Arabia
- Former Director of Government Relations, Al-Abdullatif Furniture

JSC Memberships

- City Cement (Public JSC)
- Al-Abdullatif Holding (Closed JSC)
- Future Ceramics (Closed JSC)
- Al-Abdullatif Furniture (Closed JSC)
- Green Solutions Environmental Services (One-Person LLC)



Majid bin Abdurrahman Al-Osailan

Position in the Company

Board Member & CEO

Qualifications, Current & Previous Roles, and Experience

- 2030 Leaders Certificate in Leadership and Management, Mohammed bin Salman Foundation (Misk) in collaboration with ESADE Business School – Saudi Arabia/Spain
- INSEAD Certificate in Global Management
- Master's degree in Administrative Sciences, American International University (Certified by the Ministry of Higher Education and the Saudi Cultural Mission)
- Riyadh Bank Future Managers Program, equivalent to a Master's in Banking, in collaboration with ALTAWAIL Training
- Participated in numerous conferences, workshops, and specialized training courses in administrative, financial, and industrial technical fields, both locally and internationally, totaling over 3,000 hours (INSEAD Business School, University of San Diego Business School, Euromoney, Oxford Business Institute, London Business Institute, Saudi Banking Institute, and Leoron Global Training Center)
- Bachelor's degree in Accounting, King Saud University
- Board Chairman, Natural Gas Distribution Co.
- Chairman of the Audit Committee, Al-Abdullatif Industrial Investment
- Chairman of the Environment and Energy Committee, ICC Saudi Arabia
- Vice Chairman, Al-Abdullatif Industrial Investment
- Vice Chairman of the National Cement Industry Committee
- Vice Chairman, Green Solutions Environmental Services



**Qualifications,
Current & Previous
Roles, and
Experience**

- Board Chairman, Nizak Mining
- Board Member, AJIL Financial Services
- Board Member & CEO, City Cement
- Member of the Executive Committee, City Cement
- Member of the ICC Saudi Arabia
- Member of the Risk Management Committee, Al-Abdullatif Industrial Investment
- Former Board Member, Saudi Makamin Holding
- Former Member of the Audit Committee, Murabaha Finance
- Former Chief Financial, Administrative, and IT Officer, City Cement
- Former Chief Financial Officer, City Cement
- Former Corporate Banking Officer, Riyadh Bank
- Former Credit and Risk Officer, Riyadh Bank
- Former Accounting Officer, Banque Saudi Fransi

**JSC
Memberships**

- AJIL Financial Services (Closed JSC)
- City Cement (Public JSC).
- Al-Abdullatif Industrial Investment (Public JSC)
- Natural Gas Distribution Co. (Public JSC)
- Green Solutions Environmental Services (One-Person LLC)
- Nizak Mining (One-Person LLC)



Mohammed bin Saad Al-Moajil

Position in the Company

Board Member

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Business Administration and Marketing (Honors), American University in Dubai, UAE
- MBA, Stanford University, USA
- Former Financial Advisor, Atlantic-Pacific Capital, UK
- Founder and Managing Partner, Averroes Capital, London
- Founder, TLC, London (www.tomouch.com)
- Financial Advisor, Atlantic-Pacific
- President & Advisor, Al Yamamah Steel
- Founder, Tomouh

JSC Memberships

- Board Member, City Cement (Public JSC)
- Board Member, Dhahran International Exhibitions
- Board Member, Dhahran Chemical Industries and Marketing
- Board Member, Packaging Products Company
- Board Member, Tital Al-Khair Food Company
- Board Member, Arabian Precision Industries
- Board Member, Rushd Financial
- Board Member, Tomouh



Saleh bin Ibrahim Al-Shabnan

Position in the Company

Board Member

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Industrial Management, King Fahd University of Petroleum and Minerals
- CEO, Food Caravan Industrial Company (Private)
- Board Chairman, Supply Chain and Procurement Society
- Vice Chairman, Industrial Exporters Association
- Former Vice President of Supply Chains, Saudi Basic Industries Corporation (SABIC)
- Former CEO, City Cement
- Former CEO, National Company for Agricultural Services (AgriServ) (State-Owned)
- Former CEO, Saudi Mining Services Company (State-Owned)

JSC Memberships

- City Cement (Public JSC)
- Green Solutions Environmental Services (One-Person LLC)
- Nizak Mining (One-Person LLC)
- Supply Chain and Procurement Society (Non-Profit Professional Association)
- Industrial Exporters Association (Non-Profit Professional Association)



Saleh bin Sulaiman Al-Rajhi

Position in the Company

Board Member

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Financial Management, King Saud University.
- Board Member, City Cement
- Experience in the banking sector and the management of commercial and investment enterprises

JSC Memberships

- City Cement (Public JSC)



Mohammed bin Hikmat Al-Zaiem

Position in the Company

Board Member

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Electrical Engineering
- Holder of several management certifications
- Board Member and CEO, International Business and Contracting Company Ltd
- CEO, Afaq Development
- General Manager, Jasmine Meadows Agricultural
- Board, Executive Committee, and Nomination & Remuneration Committee Member, City Cement
- Vice Chairman, Executive Committee, and Nomination & Remuneration Committee Member, Riyadh Cables Group
- Board Chairman, Saudi Modern Company for Specialized Wires and Cables Industry
- Board Chairman, Riyadh Cables
- Vice Chairman, Saudi Modern Company for Metals, Cables, and Plastic Industry
- Vice Chairman, Saudi Modern Company for Telephone Cable Industry
- Vice Chairman and Executive Committee Member, Future Ceramics
- Former Board Member, Green Solutions
- Board Member, Afaq Al-Hikma
- Board Member, Afaq Development



Qualifications, Current & Previous Roles, and Experience

- Board Member, Ajial Al-Hikma
- Board Member, Deira Akal Real Estate
- Board Member, Rawabi Alwesam Ltd
- Former Board Member, Jasmine Meadows
- Former CEO, Riyadh Cables Group
- Former Chairman of the Audit Committee, City Cement

JSC Memberships

- City Cement (Public JSC)
- Riyadh Cables Group (Public JSC)
- Future Ceramics (Closed JSC)
- Saudi Modern Company for Specialized Wires and Cables Industry (Closed JSC)
- Riyadh Cables (Closed JSC)
- Saudi Modern Company for Metals, Cables, and Plastic Industry (Closed JSC)
- Saudi Modern Company for Telephone Cable Industry (Closed JSC)
- Afaq Al-Hikma Development (Closed JSC)
- Afaq Development (LLC)
- Ajial Al-Hikma Investment (LLC)
- Deira Akal Real Estate (LLC)





B

Executive Management Members: Roles, Qualifications, and Experience



Turki bin Abdulaziz Alabdullatif

Position in the Company

Deputy CEO and Chief Transformation Officer

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Public Administration, King Saud University
- Began his career in sales services, later transitioning to the banking industry before moving into the cement industry
- Led committees overseeing the execution of strategic projects in digital transformation, sales, and marketing
- Completed specialized courses in banking operations, compliance, cash management, and digital services, along with additional training in leadership, communication, investment fundamentals, and project management—all with a strong emphasis on professional and ethical excellence
- Former Chief Transformation and Strategic Development Office, City Cement
- Former Secretary of the Nomination and Remuneration Committee, City Cement
- Former Chief Administrative Officer, City Cement
- Former Chief HR Officer, City Cement
- Attended numerous conferences and workshops and has been a member of several committees



Abdurrahman Mohammed Ahmed

Position in the Company

Deputy CEO - Chief Operating and Strategy Officer

Qualifications, Current & Previous Roles, and Experience

- MBA, University of Manchester, UK
- Business Strategy Specialization Certificate, Harvard University, USA
- Certificate in Mergers & Acquisitions, Executive Programs, Imperial College Business School, UK
- Bachelor's degree in Mechanical Power Engineering
- Board Member, Nizak Mining
- Board Member, Innovative Alternatives for Environmental Services
- Board Member, Innovative Solutions for Environmental Services
- Board Member, Evolve Performance Management Solutions Pty Ltd, Australia
- Former Head of Strategic Planning
- Former Head of Technical and Development, InterCement
- Former Head of Performance, Process Optimization, and Quality, InterCement
- Former Head of Production, Italcementi
- Held several key positions at Italcementi



Abdulaziz bin Mohammed Al-Suwaidan

Position in the Company

Deputy CEO - Chief financial & administrative affairs

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree, College of Business, King Abdulaziz University
- Diploma in Computer Networking Technology
- Attended several specialized training courses, conferences, and workshops in financial management, leadership, and administration both locally and internationally
- Board Member, Nizak Mining
- Audit Committee Member, Natural Gas Distribution Company (Public JSC)
- Audit Committee Member, Artex Industrial Investment (Public JSC)
- Risk, Governance, and Compliance Committee Member, Artex Industrial Investment (Public JSC)
- Director Financial and IT Officer, City Cement
- Former Financial Controller, City Cement
- Former Head of Compliance, City Cement
- Former Treasury Supervisor, City Cement
- Former Assistant Relationship Manager, Multinational Corporate Banking, Riyadh Bank



Sulaiman bin Abdulaziz Al-Hadithi

Position in the Company

Commercial director

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Business Administration, Imam University
- Marketing Diploma, Technical and Vocational Training Corporation
- Started his career in agricultural sales services, then moved to the cement industry, progressing through several leadership positions, including Assistant Sales Manager, Marketing and Sales Manager, and finally Chief Commercial Officer, with over 15 years of practical experience



Abdul Wahid bin Awn Al-Qarni

Position in the Company

HR & Admin director

Qualifications, Current & Previous Roles, and Experience

- Bachelor's degree in Human Resource Management, King Abdulaziz University
- Diploma in Computer Programming, Institute of Public Administration
- Started his career in the banking sector as a Customer Service and Sales Representative before transitioning to the cement industry, where he advanced through several administrative roles, including Personnel Manager, HR Manager, and Chief HR and Administrative Officer
- Holds a CIPD HR certification from the Chartered Institute of Personnel and Development , UK
- Completed several training courses across various administrative disciplines

BOARD COMMITTEES

01

Audit Committee:

The Audit Committee oversees risk management and internal controls across the Company's operations. Its responsibilities include reviewing and discussing the Company's quarterly and annual financial statements. Additionally, the committee provides recommendations to the Board of Directors and the General Assembly regarding the appointment of the external auditor.

Name	Position	02/12 2024	03/24 2024	05/12 2024	07/24 2024	08/19 2024	11/04 2024
Mr. Saleh bin Sulaiman Al-Rajhi	Committee Chairman						
Mr. Abdulaziz bin Abdullatif Al-Dulaijan	Committee Member Non-Board (Member)						
Mr. Mohammed bin Hamdan Al-Suraye	Committee Member Non-Board (Member)						
Mr. Saleh bin Hassan	Committee Member Non-Board (Member)						

The committee convened six meetings during its sixth term in 2024.



02

Nomination and Remuneration Committee:

The Nomination and Remuneration Committee is responsible for reviewing the structure and effectiveness of the Board of Directors, evaluating Board members' performance, and recommending necessary changes. The committee identifies strengths and areas for improvement, ensures Board members' independence and absence of conflicts of interest, and nominates candidates based on the Company's needs. It also reviews Board committee remuneration, executive management salaries, and Saudization rates.

Name	Position	2024/03/25	2024/12/30
Mr. Mohammed bin Saad Al-Moajil	Committee Chairman		
Mr. Mohammed bin Hikmat Al-Zaiem	Committee Member		
Mr. Saleh bin Ibrahim Al-Shabnan	Committee Member		

The committee convened one meeting during its sixth term in 2024.



Executive Committee:

03

The Executive Committee conducts strategic studies, formulates business plans, and explores alternative solutions, presenting its recommendations to the Board of Directors.

Members of the Executive Committee (Sixth Board Term):

Name	Position	2024/03/20	2024/08/13	2024/12/21
Mr. Badr bin Omar Alabdullatif	Committee Chairman			
Mr. Majid bin Abdurrahman Al-Osailan	Committee Member			
Mr. Mohammed bin Hikmat Al-Zaiem	Committee Member			
Mr. Saleh bin Ibrahim Al-Shabnan	Committee Member			

The committee convened three meetings during its sixth term in 2024.



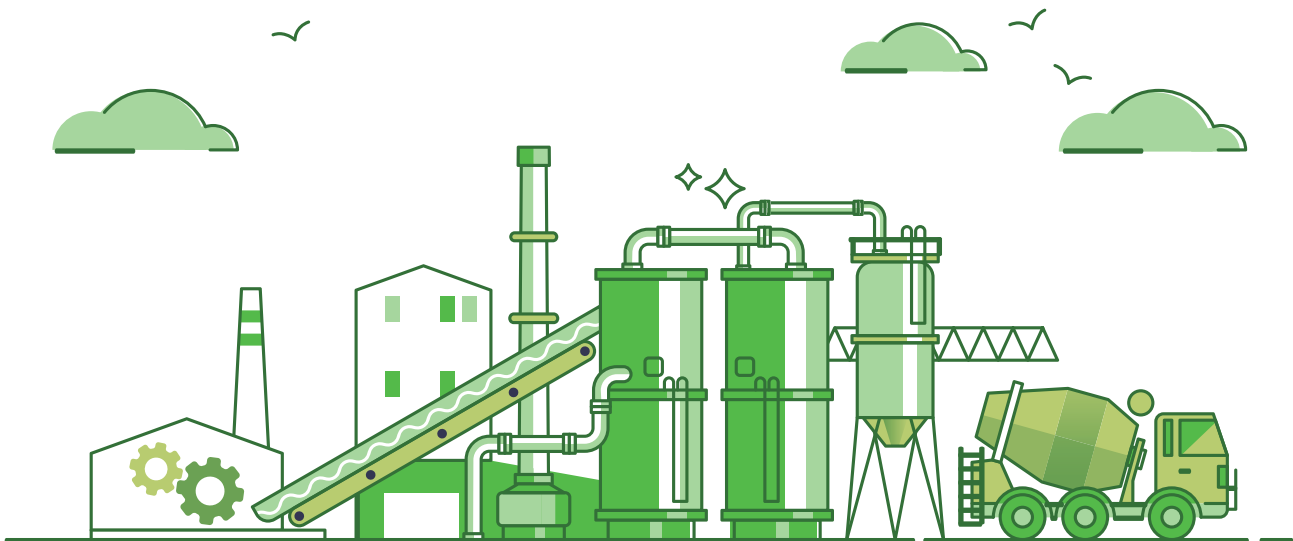


Committee Members' Remuneration for the Sixth Board Term

Name	Fixed Remuneration	Sitting Fees	Reimbursement, Travel & Accommodation Expenses	Total
Executive Committee				
Mr. Badr bin Omar Alabdullatif	----	9000	0	0
Mr. Majid bin Abdurrahman Al-Osailan	----	9000	0	0
Mr. Mohammed bin Hikmat Al-Zaiem	----	9000	0	0
Mr. Saleh bin Ibrahim Al-Shabnan	----	9000	0	0
Audit Committee				
Mr. Saleh bin Sulaiman Al-Rajhi	----	18,000	0	0
Mr. Abdulaziz bin Abdullatif Al-Dulaijan	----	18,000	0	0
Mr. Mohammed bin Hamdan Al-Suraye	----	18,000	0	0
Mr. Saleh bin Hassan Al Al-Sheikh	----	18,000	0	0



Name	Fixed Remuneration	Sitting Fees	Reimbursement, Travel & Accommodation Expenses	Total
Nomination and Remuneration Committee				
Mr. Mohammed bin Saad Al-Moajil	----	6000	0	0
Mr. Mohammed bin Hikmat Al-Zaiem	----	6000	0	0
Mr. Saleh bin Ibrahim Al-Shabnan	----	6000	0	0



BOARD OF DIRECTORS

01

Board Members:

Sixth-Term Board Members and Their Remuneration for 2024:

Name	Position	Classification	Annual Remuneration	Sitting Fees	Salaries, Compensation & Allowances
HRH the Late Prince Abdulaziz bin Mishaal Al Saud	Board Chairman	Independent	200,000	9,000	0
Mr. Badr bin Omar Alabdullatif	Vice Chairman, Managing Director	Executive	200,000	18,000	0
Mr. Majid bin Abdurrahman Al-Osailan	Board Member	Executive	200,000	18,000	0
Mr. Saleh bin Sulaiman Al-Rajhi	Board Member	Independent	200,000	18,000	0
Mr. Mohammed bin Saad Al-Moajil	Board Member	Independent	200,000	18,000	0
Mr. Saleh bin Ibrahim Al-Shabnan	Board Member	Non-Executive	200,000	18,000	0
Mr. Mohammed bin Hikmat Al-Zaiem	Board Member	Non-Executive	200,000	18,000	0

(Amounts in Saudi Riyals)

Based on the recommendation of the Nomination and Remuneration Committee, the Board of Directors has resolved to propose to the upcoming General Assembly the approval of an annual remuneration payment totaling SAR 1,400,000, at SAR 200,000 per member. This remuneration has been determined in alignment with the remuneration policy approved by the General Assembly on May 3, 2018 to ensure compliance and prevent any material deviations.



02

Board Meetings Attendance in 2024








The Board of Directors convened six meetings during its sixth term in 2024.

Name	18/01 2024	14/02 2024	26/03 2024	22/08 2024	13/10 2024	02/12 2024
HRH Prince Abdulaziz bin Mishaal Al Saud						
Mr. Badr bin Omar Alabdullatif						
Mr. Majid bin Abdurrahman Al-Osailan						
Mr. Saleh bin Sulaiman Al- Rajhi						
Mr. Mohammed bin Saad Al-Moajil						
Mr. Saleh bin Ibrahim Al- Shabnan						
Mr. Mohammed bin Hikmat Al-Zaiem						



03

General Assemblies Held during the Last Fiscal Year and Board Members' Attendance

Name	Ordinary General Meeting 30/06/2024
HRH Prince Abdulaziz bin Mishaal Al Saud	
Mr. Badr bin Omar Alabdullatif	
Mr. Majid bin Abdurrahman Al-Osailan	
Mr. Mohammed bin Saad Al-Moajil	
Mr. Saleh bin Sulaiman Al-Rajhi	
Mr. Saleh bin Ibrahim Al-Shabnan	
Mr. Mohammed bin Hikmat Al-Zaiem	



04

Board Measures to Keep Members, Especially Non-Executives, Informed of Shareholder Proposals and Feedback on Company Performance

The Board Chairman or Vice Chairman ensures that all Board members, particularly non-executives, are fully informed of shareholders' proposals and feedback regarding the Company and its performance.





05

Disclosure of Board and Executive Management Remuneration under Article 93 of the Corporate Governance Regulations

The following is the remuneration policy for Board members, Board committees, and executive management, as approved by the General Assembly on May 3, 2018:

Introduction:

This “Remuneration Policy for Board Members, Board Committees, and Executive Management” has been developed in alignment with the Corporate Governance Regulations issued by the Capital Market Authority (CMA) pursuant to Resolution No. 8-16-2017 dated 16/05/1438H (13/02/2017). The regulations stipulate that the Nomination and Remuneration Committee shall “prepare a clear policy for the remuneration of Board members, Board committees, and executive management and submit it to the Board of Directors for review before being approved by the General Assembly.”



Objective:

This policy aims to establish clear criteria for the remuneration of Board members, Board committees, and senior executives in compliance with the Companies Law and CMA's regulations. It also seeks to attract qualified, skilled, and talented individuals to serve on the Board, committees, and executive management by adopting incentive-based remuneration plans linked to performance, thereby enhancing the Company's performance and ensuring the best interests of shareholders.

General Criteria for Remuneration:

The Nomination and Remuneration Committee shall be responsible for recommending Board, committee, and senior executive remuneration to the Board of Directors based on the following approved criteria:

- Remuneration shall be aligned with the Company's activities, strategy, objectives, and the skills required for its management, and proportionate to the Company's risk profile.
- The Company shall benchmark remuneration packages against market practices and industry standards, while avoiding unduly high compensation levels.
- Remuneration shall be determined based on job level, assigned responsibilities, academic qualifications, professional experience, skills, and performance.
- Remuneration packages shall be reasonably sufficient to attract, motivate, and retain adequately qualified and experienced individuals.
- Board remuneration shall be structured to reflect members' expertise, duties, assigned responsibilities, meeting attendance record, and other relevant considerations.
- Remuneration payments shall be suspended and reclaimed if found to have been granted based on inaccurate information provided by the Board or executive management member, to ensure the prevention of any misuse of office for undue financial gain.



Board of Directors' Remuneration:

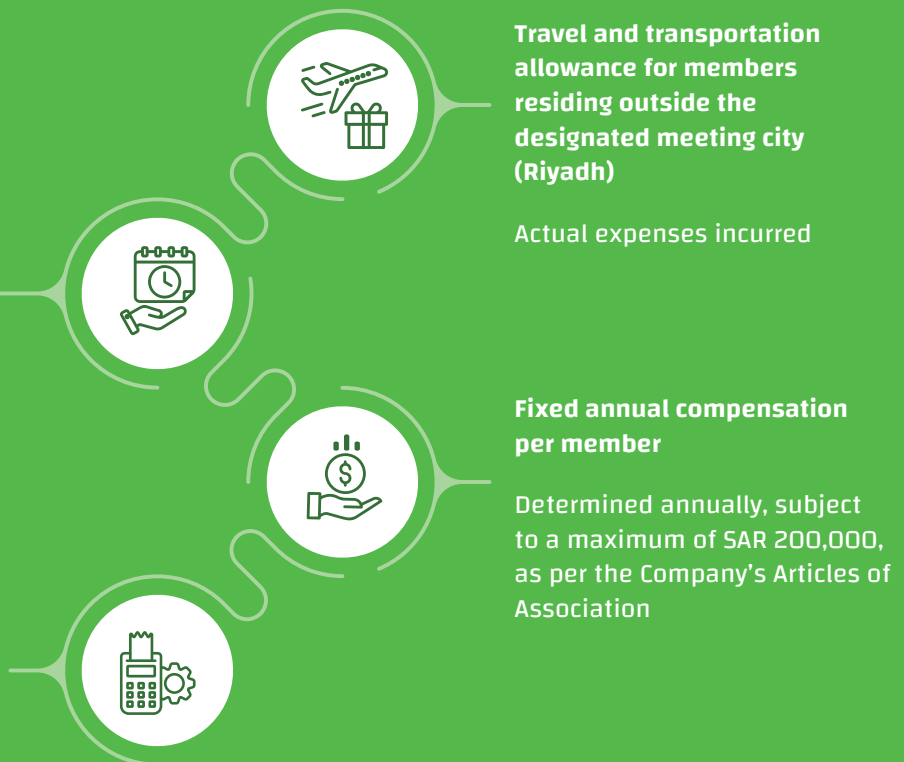
1. The remuneration for City Cement Board members shall consist of a fixed annual amount, sitting fees, expense allowances, or in-kind benefits. A combination of two or more of these components is permitted, provided it does not exceed the limits prescribed by the Companies Law and its Implementing Regulations, as outlined below:environment.

Sitting fee per meeting

SAR 3,000

Adjustments:

The fixed annual compensation may be reviewed from time to time upon the Nomination and Remuneration Committee's recommendation, considering performance-related factors. Any proposed adjustments are subject to approval by the General Assembly.





- 2.** The remuneration amount may vary based on a policy established by the Nomination and Remuneration Committee and approved by the General Assembly.
- 3.** The Board's annual report shall provide a comprehensive disclosure of all remuneration, expense allowances, and other benefits received by Board members during the corresponding fiscal year. It shall also detail any payments received by Board members for their roles as employees, executives, or for providing technical, administrative, or consultancy services (if applicable). Additionally, the report shall list the number of Board meetings held and each member's attendance record since the last General Assembly meeting.
- 4.** The Board may determine special remuneration for the Chairman, Vice Chairman, and Managing Director, in accordance with Article 21(2) of the Company's Articles of Association.



Board Committees' Remuneration:

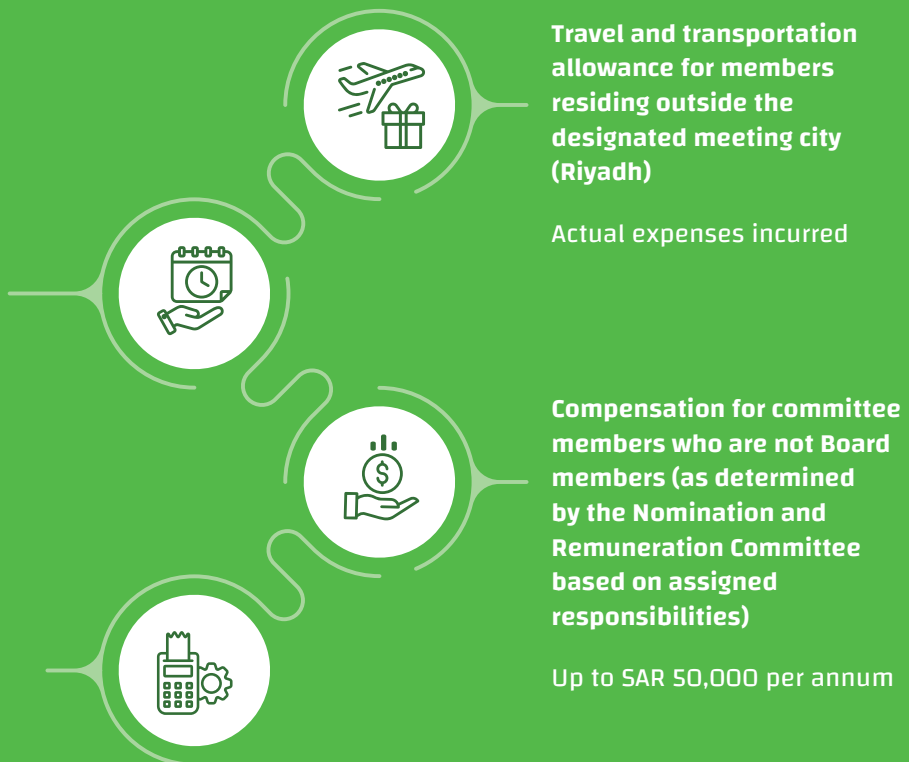
1. The Board of Directors shall determine and approve the remuneration for membership in its committees (excluding the Audit Committee), sittings fees, and other entitlements upon the recommendation of the Nomination and Remuneration Committee.
2. Sitting fees and other compensation components as specified in this policy shall be paid as outlined below:

Sitting fee per meeting
(payable after each meeting)

SAR 3,000

Adjustments:

The fixed annual compensation for non-Board committee members may be reviewed from time to time upon the Nomination and Remuneration Committee's recommendation to the Board. If warranted by performance-related factors, the Board shall, upon approval, lay such recommendation before the General Assembly for final approval.



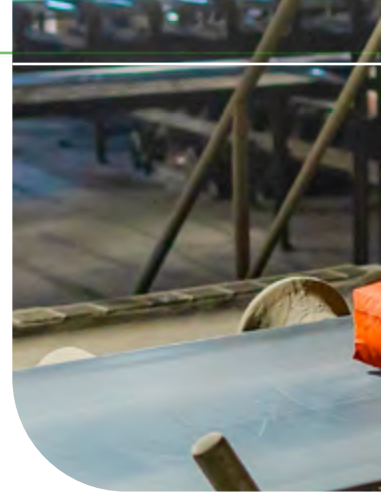


- 1.** The remuneration and sitting fees for Audit Committee members shall be approved by the General Assembly upon the Board’s recommendation, in accordance with applicable regulations.

Executive Management Remuneration:

- 1.** The Nomination and Remuneration Committee shall continuously review and approve the salary scale for all employees and senior executives, as well as incentive schemes, upon the recommendation of the executive management. Executive remuneration shall comprise:
 - A.** A basic salary, payable on a monthly basis at the end of each Gregorian month, along with allowances that may include, but are not limited to, housing, transportation, phone, children’s education allowances, medical insurance coverage for the executive and their family, annual leave, annual air tickets, and end-of-service benefits—all in accordance with the Labor Law and the Company’s approved HR policy.
 - B.** A performance-based annual bonus, determined through the annual evaluation process.
- 2.** The annual bonus for employees and senior executives shall be approved by a decision of the Board upon the recommendation of the Nomination and Remuneration Committee.





Other Remuneration Rules and Payment Procedures:

- 1.** Board members shall not vote on their own remuneration at the General Assembly.
- 2.** The Company shall disclose Board, committee, and executive remuneration in the Board's annual report, as required under the Companies Law, its Implementing Regulations, and CMA's regulations.
- 3.** Members shall be entitled to remuneration from the date of their appointment to the Board or committee, proportionate to their membership duration.
- 4.** Board and committee remuneration payments shall be processed by the respective secretary and approved by the Chief Financial Officer.
- 5.** Sitting fees for Board and committee meeting attendance shall be paid within one (1) week of the meeting date.
- 6.** The Board's annual remuneration shall be paid on a yearly basis, subject to membership duration during the completed fiscal year, and following General Assembly approval. Annual remuneration for committee members who are not Board members shall be paid annually within thirty (30) days after the end of the fiscal year, based on their membership duration



Board secretary sitting fee

SAR 2,000

Committee secretary sitting fee

SAR 1,000



**Remuneration and
Sitting Fees for Board
and Committee
Secretaries**

**Annual remuneration for the
Board secretary**

SAR 20,000

**Annual remuneration for
committee secretaries**

SAR 20,000

Adjustments:

The fixed annual remuneration for Board and committee secretaries may be reviewed from time to time upon the Nomination and Remuneration Committee's recommendation to the Board. If warranted by performance-related factors, the Board shall, upon approval, lay such recommendation before the General Assembly for final approval.

Final Provisions (Review, Amendment, and Publication):

This policy shall take effect and be binding on the Company as of 01/01/2017. It shall be regularly reviewed (as needed) by the Nomination and Remuneration Committee. Any proposed amendments shall be submitted to the Board for review and subsequently recommended to the General Assembly for approval.

A. Current Board Members' Interests in the Shares or Debt Instruments of the Company or Its Subsidiaries, including Those of Their Spouses and Minor Children

Name	Remarks	Shares as of End of 2023		Shares as of End of 2024		Change during the Year	
		No. of Shares	%	No. of Shares	%	No. of Shares	%
HRH Prince Abdulaziz bin Mishaal Al Saud (Chairman)	---	529,159	0.377%	316,220	0.226%	(212,939)	(40)%
Mr. Badr bin Omar Alabdullatif (Vice Chairman)	---	1,479	0.001%	1,479	0.001%	---	---
Mr. Majid bin Abdurrahman Al-Osailan (Member, CEO)	---	10,000	0.007%	10,000	0.007%	---	---
Mr. Mohammed bin Hikmat Al-Zaiem (Member)	---	207,188	0.147%	207,188	0.147%	---	---
Mr. Saleh bin Ibrahim Al-Shabnan (Member)	---	127,272	0.091%	127,272	0.091%	---	---
Mr. Mohammed bin Saad Al-Moajil (Member)	---	---	---	---	---	---	---
Mr. Saleh bin Sulaiman Al-Rajhi (Member)	---	86	0,0001	86	0,0001	---	---



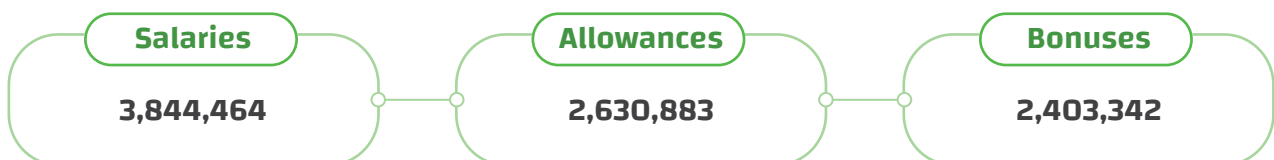
B. Senior Executives' Interests in the Shares or Debt Instruments of the Company or Its Subsidiaries, including Those of Their Spouses and Minor Children

Name	Remarks	Shares as of End of 2023	Shares as of End of 2024	Change during the Year	
				No. of Shares	%
Mr. Turki bin Abdulaziz Alabdullatif Deputy CEO - SBDC	----	10	----	----	----
Eng. Abdurrahman Mohammed Ahmed Deputy CEO - SBDC	----	450	----	450	----
Mr. Abdulaziz bin Mohammed Al-Suwaidan Deputy Chief Financial & Administrative Office	----	----	----	----	----

07

Senior Executives' Compensation

The total compensation for the Company's senior executives, including the Managing Director, Deputy CEO and Chief Transformation Officer, Deputy CEO - Chief Operating and Strategy Officer, Deputy CEO - Chief financial & administrative affairs, Commercial director, HR & Admin director, was as follows:



Penalties, Precautionary Measures, or Restrictions Imposed on the Company by the Capital Market Authority or Any Other Regulatory, Supervisory, or Judicial Body:

No penalties, precautionary measures, or restrictions have been imposed on the Company.

COMPANY DECLARATIONS

In line with the Board of Directors' role and responsibility in safeguarding the Company's assets, and based on the available information, the auditor's report, current market requirements, and future indicators, the Board affirms the following:

- 1.** The accounting records have been properly and accurately prepared.
- 2.** The internal control system is well-structured and effectively implemented.
- 3.** There is no significant doubt regarding the Company's ability to continue as a going concern.
- 4.** No investments or reserves have been set up for employees (e.g., savings plans, loans, employee stock scheme, etc.).
- 5.** No arrangements or agreements exist whereby any Board member or senior executive has waived any salary or compensation.
- 6.** No arrangements or agreements exist whereby any shareholder has waived their rights to dividends.
- 7.** There is no contract with substantial interest for a member of the founding Board & Executive Management
- 8.** The shareholders' register was requested six times for the following purposes:

Purpose	Request Date
Company Procedures	19/02/2024
Dividend Distribution	19/02/2024
General Assembly	29/06/2024
Dividend Distribution	18/08/2024
Company Procedures	02/12/2024
Company Procedures	15/12/2024

AUDIT COMMITTEE RECOMMENDATIONS

Audit Committee Recommendations Conflicting with Board Resolutions or Declined by the Board Regarding the Appointment, Dismissal, Remuneration, or Performance Evaluation of the External Auditor or the Appointment of the Internal Auditor, along with Justifications for Such Recommendations and Reasons for Declining Them

There were no instances where the Audit Committee's recommendations conflicted with Board resolutions or were declined by the Board regarding these matters.



ANNUAL REVIEW OF THE EFFECTIVENESS OF INTERNAL CONTROL PROCEDURES



The 2024 annual review of internal control effectiveness found no material observations affecting the Company's operations. The Audit Committee reviewed and audited the related reports and provided necessary guidance, and it identified no significant weaknesses in the Company's internal control framework. The committee recommends that City Cement's executive management continue enhancing and refining the efficiency and effectiveness of existing control policies and procedures to ensure alignment with the Company's scale of operations and business nature.

FINANCIAL RESULTS

Below is a summary of the financial results for the period from 2020 to 2024.

01

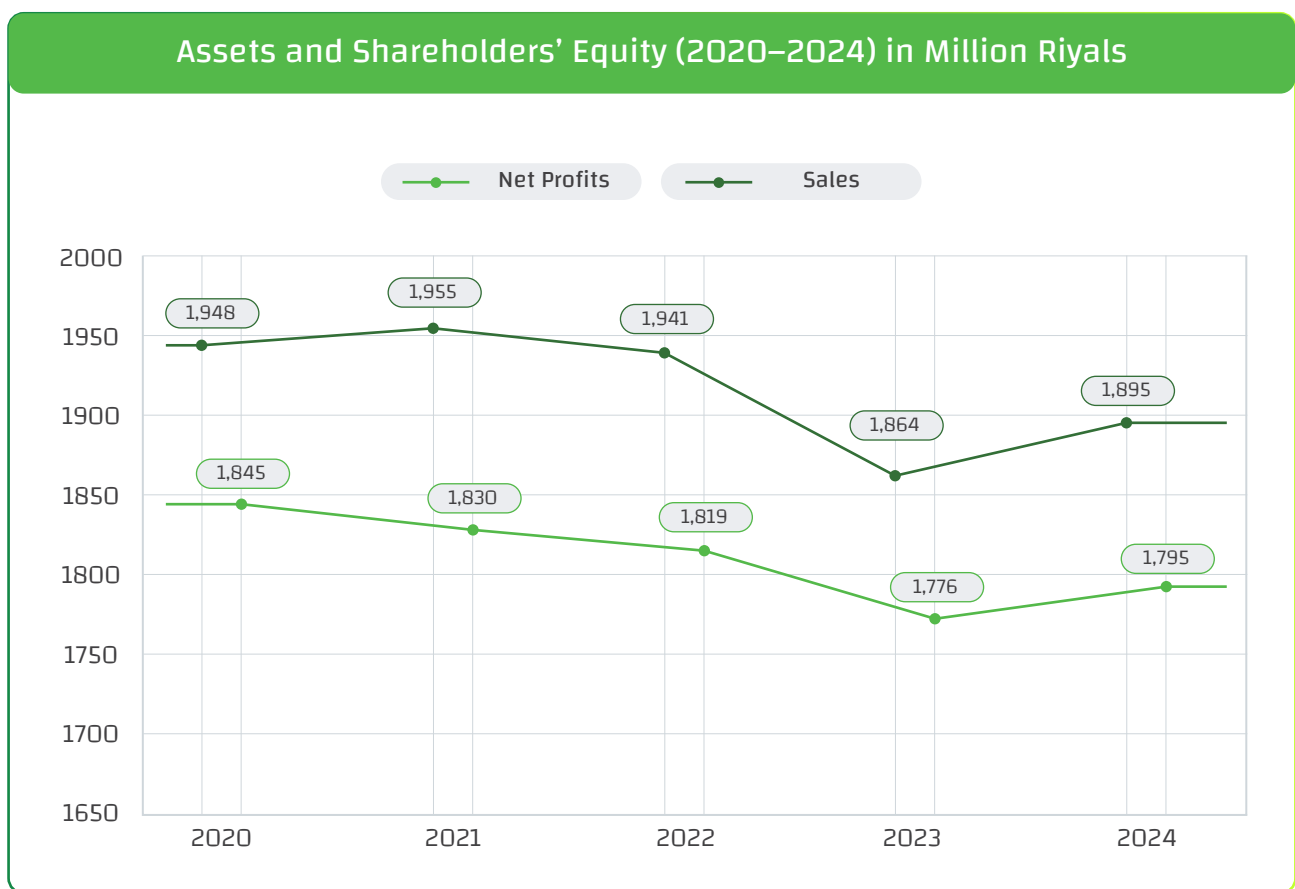
FINANCIAL RESULTS

Description	2024	2023	2022	2021	2020
Assets					
Current Assets	687,091	607,281	614,236	562,542	488,678
Non-Current Assets	1,207,724	1,256,938	1,326,999	1,393,451	1,459,780
Total Assets	1,894,815	1,864,219	1,941,236	1,955,993	1,948,459
Liabilities & Shareholders' Equity					
Current Liabilities	72,710	60,140	93,676	96,343	79,620
Non-Current Liabilities	26,975	27,895	28,473	29,527	23,797
Total Liabilities	99,685	88,035	122,149	125,870	103,418
Shareholders' Equity					
Capital	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Statutory Reserve	--	211,199	202,999	191,498	175,470
Other Reserves	(438)	(1,265)	(2,359)	(2,314)	(2,115)
Retained Earnings	395,568	166,249	218,447	240,938	271,685
Total Shareholders' Equity	1,795,130	1,776,184	1,819,087	1,830,122	1,845,041
Total Liabilities & Shareholders' Equity	1,894,815	1,864,219	1,941,236	1,955,993	1,948,459

(Amounts in Thousand Riyals)



The following chart illustrates asset and shareholders' equity trends over the five-year period from 2020 to 2024:



02

STATEMENT
OF INCOME:

Description	2024	2023	2022	2021	2020
Net Sales	520,836	356,469	431,381	496,731	572,729
Cost of Sales	(332,296)	(246,039)	(285,942)	(288,859)	(315,769)
Gross Profit	188,540	110,430	145,439	207,872	256,960
Total General, Administrative, Selling & Marketing Expenses	(52,647)	(37,566)	(34,630)	(33,510)	(36,913)
Other Income/Expenses	21,339	21,437	13,967	(1,860)	6,143
Zakat Tax	(13,112)	(12,300)	(9,766)	(12,222)	(9,711)
Net Income for the Year	144,120	82,001	115,010	160,280	220,493
Earnings Per Share	1.03	0.59	0.82	1.14	1.22

(Amounts in Thousand Riyals)

03

Description	2024	2023
Net Cash Generated from Operating Activities	262,208	104,724
Net Cash Used in/(Generated from) Investing Activities	(135,407)	16,585
Net Cash Used in Financing Activities	(127,736)	(127,542)
Net Change in Cash & Cash Equivalents	(935)	(6,233)
Cash & Cash Equivalents – Beginning of Year	43,293	49,527
Cash & Cash Equivalents – End of Year	42,358	43,294

The Company's financial statements for the fiscal year ended December 31, 2024, form an integral part of this report.



PROFITS

01

DIVIDEND DISTRIBUTION POLICY

The Company's annual net profit distribution policy is governed by its Articles of Association and is subject to the availability of liquidity required to fulfill its investment and strategic project commitments. The distribution of profits follows the following structure:

1. The Ordinary General Assembly, based on the recommendation of the Board of Directors, may allocate a certain portion of net profits to form a statutory reserve and designate it for specific purposes.
2. From the remaining profits, a minimum of 1% of the paid-up capital is distributed as an initial dividend to shareholders.
3. Up to 10% of the remaining profits may be allocated as remuneration for the Board of Directors, in compliance with the relevant regulations and guidelines issued by the Ministry of Commerce and Investment. The remaining balance is then distributed to shareholders as an additional dividend.





02 DIVIDEND DISTRIBUTIONS IN 2024

February 14, 2024 (04/08/1445H): The Board approved a cash dividend distribution of SAR **56,000,000** for the second half of 2023, at **SAR 0.40** per share.

September 2, 2024 (04/05/1446H): The Board approved a cash dividend distribution of SAR **70,000,000** for the first half of 2024, at **SAR 0.50** per share.





EXTERNAL AUDIT FOR 2024

• 01 Appointment of External Auditor for 2024 and Q1 2025

The Ordinary General Assembly, in its meeting held on Sunday, 24/12/1445H (June 30, 2024), approved the appointment of Dr. Mohammed Al-Amri & Co. to examine, review, and audit the Company's Q2, Q3, and annual financial statements for 2024, as well as the Q1 2025 financial statements, and determined its remuneration.

• 02 Auditor's Report for 2024

The auditor's report confirms that the Company's financial statements for the year ended December 31, 2024 are free from material misstatements, with no reservations expressed.

• 03 Accounting Standards

The Company's financial statements have been prepared in accordance with International Accounting Standards as adopted by the Saudi Organization for Chartered and Professional Accountants (SOCPA). No deviations from these standards were identified during the audit.



A Note of Gratitude



As we conclude, the Board of Directors extends its deepest gratitude and appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz Al Saud, may Allah protect him, His Royal Highness Prince Mohammed bin Salman bin Abdulaziz Al Saud, Crown Prince, Prime Minister, and Minister of Defense, and our esteemed government. We earnestly pray to Almighty Allah to safeguard our nation's leadership, grant them success in their efforts to serve the welfare of the Kingdom and its people, and bless this land with lasting security, stability, and prosperity.

The Board also expresses its sincere appreciation to all relevant government authorities for their unwavering support and cooperation, to our valued shareholders and customers for their trust and confidence, and to the Company's dedicated employees for their productive hard work.

Regards,

Board of Directors

