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Annual Report City Cement 2025



**A Firm Commitment to Sustainability
Transforming Environmental Vision into
Tangible Reality**



Leading Change Toward Distinctive and Sustainable Green Cement Products for Our Community



Board of Directors Report

CCC Board Report on the overall performance for the financial year ended 31/12/2025



My primary goal is for our country to be a successful
and pioneering model in the world in all aspects, and I
".will work with you to achieve that

Custodian of the Two Holy Mosques

King Salman bin Abdulaziz Al Saud

— may Allah protect him —



We are determined to build a thriving country in which
all citizens can fulfill their dreams, hopes and ambitions.
".Therefore, we will not rest until our nation is a leader

His Royal Highness Prince

Mohammed bin Salman Al Saud

Crown Prince, Prime Minister, may Allah protect him

— may Allah protect him —





Mr./

**Badr bin Omar
Al-Abdullatif**

chairman Message



Dear shareholders of City Cement Company,

As chairman of the Board of Directors of your company, I am pleased to present the annual report for the fiscal year 2025, This report outlines the Company's financial results achieved, by the grace of God and the dedicated efforts of its employees. It further reviews the Company's performance and financial statements, along with its diverse initiatives and projects across its various activities, in compliance with the requirements of the Corporate Governance Regulations.

By the grace of God, the Board of Directors expresses its satisfaction with the Company's performance during the year, despite the challenges facing the sector and the intense competition within it. This comes notwithstanding a 10.7% increase in local demand compared to the previous year.

Our outlook remains highly positive and optimistic, supported by the significant initiatives undertaken by our prudent government to enhance growth opportunities through the launch of major strategic projects that contribute to driving economic development. These projects serve as a key driver for the construction and building sector and support the achievement of Saudi Vision 2030. We proceed from our belief in and awareness of our effective role as a leading national company that bears a responsibility for harnessing its energies and resources to contribute to enabling these blessed goals in a way that will benefit and achieve added value for all value chain stakeholders in alignment with the Vision's output of environmental preservation, underscoring the company's strategy of keeping pace with these opportunities to

maximize your company's revenues by striving to create innovative competitive advantages that contribute to continued growth in line with the company's strategic plans and vertical and horizontal integration opportunities, and continue to supply the market with a range of environmentally friendly quality products.

We have developed a clear roadmap to keep up with our wise government's commitment to carbon neutrality, as well as environmental and health standards that the company will be adhering to. We are still progressing at a rapid pace in making the necessary improvements to achieve our goal of finding innovative solutions that help our industry to shift from a linear to a circular economy. The company has a number of initiatives and projects intended for the reduction of greenhouse gas emissions to encourage sustainable development and innovation-centric cooperation with relevant parties, including policy makers and regulators. We are also proud of the programs launched by the company in its pursuit of continuing to achieve higher profit margins to ensure continued delivery of superior results by accurately understanding the requirements of the market and customers, continuing to sell our range of products at the best competitive rates and based on the top value that we are able to offer to the market, increasing efficiency for cost optimization, continuing to develop and strengthen human resources and employ technology through a complete transformation journey that helps us face challenges, creating an operating model that keeps pace with the best international standards to continue providing shareholder value and employee welfare, and maintaining best ESG practices and digital transformation in alignment with the Saudi Arabia Vision 2030.

Regards.



Mr./
**Majid bin
Abdurrahman
Al-Osailan**

CEO Message

2025 marked an important milestone in the journey of City Cement Company, as we continued to make solid progress despite economic challenges and intensifying competition within the cement sector. By the grace of Allah, we delivered a strong sales performance, reaching 2.92 million tons, driven by increased demand in the local market, enhanced operational efficiency, and the growing trust our customers place in our products and services.

During the year, our strategy focused on strengthening integration across the value chain and building a diversified business ecosystem that supports sustainable growth. Through our subsidiaries, including Green Solutions for Environmental Services and Nayzak Mining Services, the Company expanded into waste management, renewable energy, and mining services. These initiatives contributed to improving operational efficiency, mitigating the impact of inflation on production inputs, strengthening supply security, and opening new avenues for revenue generation. These efforts also align with the objectives of Saudi Vision 2030, which supports industrial integration, promotes environmental sustainability, and encourages the adoption of advanced technologies. The launch of Nayzak Mining Services, in partnership with international entities, reflects our commitment to developing innovative cementitious materials that support the Kingdom's green transition and contribute to its major development projects.

On the sustainability front, we continued to achieve tangible progress in improving our environmental performance. During the year, we successfully reduced the clinker factor to 85.84%, while improving energy efficiency by 6.75% compared to 2024. The Company also expanded its product portfolio in 2025, introducing new products that contributed to increasing total sales volume by 3% compared to 2024, despite intense market competition. Furthermore, Green Solutions produced more than 20 thousand tons of alternative fuel, reinforcing the principles of the circular economy and reducing reliance on conventional fuels. In addition, the Waste Heat Recovery system generated more than 17.4% of the total electricity consumed, supporting operational efficiency and demonstrating our commitment to environmental responsibility.

In line with our commitment to environmental sustainability, the Company continued implementing qualitative initiatives to reduce the carbon footprint of its products through an integrated mix of clean energy sources, including alternative fuels, waste heat recovery from kilns, and the expansion of renewable energy utilization. The Company also issued Environmental Product Declarations (EPDs), enabling the local market to utilize low-emission building materials and supporting project developers in achieving green building certifications such as LEED. We are also proud to be the first cement company locally to publish a sustainability report in accordance with global best practices.



The Company has also been an early adopter of digital and technological transformation, investing in automation, data analytics, and smart manufacturing to enhance operational efficiency, improve product quality, and build a sustainable competitive advantage. The integration of artificial intelligence technologies, enterprise resource connectivity systems, and real-time environmental data platforms has significantly strengthened operational performance while improving governance and transparency. These efforts were recognized when the Company previously achieved first place in the Kingdom in the Smart Industry Readiness Index (SIRI).

We are also proud of our collaboration with several global companies to participate in tenders for supplying the Kingdom's major projects with environmentally friendly and low-carbon products. In this context, Al Madinah Cement Company, as a leading national company, is now capable of supplying most globally recognized low-carbon cement products. The Company has also successfully localized several complementary products that were previously imported, replacing them with domestic alternatives, thereby enhancing local content, supporting the national trade balance, and contributing to the growth of the national economy.

We are equally pleased to share the outcomes of this strategic direction through the Company's recent achievements, including winning the Microsoft Sustainability Award for Smart Manufacturing in the Middle East in 2025. In addition, the Company received the Governance Excellence Award under the King Khalid Sustainability Award 2025, reflecting our firm commitment to implementing the highest standards of corporate governance, strengthening transparency and accountability, and embedding sustainability principles across all our operations and strategic decisions.

Our people remain the cornerstone of our success. In 2025, the Company delivered more than 8,046 training hours to enhance the capabilities of our workforce. We also continued to strengthen occupational health and safety performance, and, by the grace of Allah, no serious incidents or work-related fatalities were recorded during the year—an achievement that reflects our strong culture of safety, empowerment, and capability development.

Looking ahead, we will continue to strengthen the position of Al City Cement Company as an integrated and diversified industrial enterprise capable of delivering sustainable growth by capitalizing on the opportunities presented by Saudi Vision 2030. We remain committed to creating long-term value for our shareholders, delivering high-quality products and solutions to our customers, and contributing to a prosperous national economy that is more sustainable and globally competitive.



First Company Operations

City Cement Company specializes in the production of a diversified range of cement grades at its integrated manufacturing facility in Marat, supported by a robust annual production capacity exceeding

To
More
than



million
tons

Over the course of the past five years, the Company's management has made significant strides to expand into high-potential emerging sectors, including waste management, waste treatment, and mining, with the objective of optimizing and diversifying its earning sources and revenue streams. Underpinning this expansion is the Company's commitment to driving growth through disciplined strategic investments across a portfolio of subsidiaries, with a view to ensuring optimal and sustained value creation for its shareholders. Detailed insights into these investments are provided in the subsequent sections of this report.



Second Vision, Mission, Objectives, and Values





Vision

To lead the transition toward premium, sustainable, and environmentally responsible cement products that serve and empower our community.



Mission and Objectives

To establish an integrated business ecosystem that:

delivers high-performance, differentiated products to our customers; ensures profitable and well-governed operations for our shareholders; fosters continuous professional development for our employees; and upholds environmentally and socially responsible operational frameworks.



Core Values

The Company's value system serves as the ethical compass guiding its overall strategic direction and day-to-day conduct. City Cement is committed to driving sustainable development through the design and implementation of diverse initiatives and programs in close collaboration and alignment with all stakeholders, guided by a clearly defined strategy consistent with the objectives of Saudi Vision 2030.



Environmental and Social Responsibility

In the pursuit of a sustainable future, for today and for generations to come, City Cement is driven by a deep-seated sense of responsibility to serve and contribute to the community across all possible dimensions.



Customer Centricity

By continually enriching positive customer experiences and delivering superior value, we seek to consolidate enduring relationships with our customers and strengthen their trust and confidence in us.



Our People, Our Strength

We cultivate a workplace culture that amplifies the contribution and impact of every team member, while maximizing professional growth and development opportunities for all employees.



Innovation and Growth

By harnessing cutting-edge innovations and emerging technologies, we remain committed to driving sustainable economic growth consistently at all times.



Integrity and Transparency

By fostering a professional work environment underpinned by robust corporate governance frameworks, we diligently uphold the highest standards of business ethics, transparency, and integrity across all organizational levels.



Alignment with Saudi Vision Pillars



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.



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.



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.

Strategic Transformation

Guided by visionary and forward-looking leadership, City Cement has embarked on a comprehensive organizational transformation journey spanning all core business functions, with the overarching objective of fortifying institutional resilience in the face of mounting global challenges, including climate change and economic volatility. This transformation has been far-reaching in its scope, driving substantial shifts across both the strategic and operational dimensions of the business, and necessitating robust management capabilities to effectively meet evolving market demands.

The Board of Directors and executive management have defined eight ambitious strategic goals to drive sustainable, long-term value creation:



Achieve industry-leading return rates within the cement sector.



Maximize revenue through diversified and growth-oriented strategies.



Reduce the Company's carbon footprint through the integration of alternative fuels and renewable energy sources.



Enhance overall productivity with a concentrated focus on digitalization and automation.



Strengthen workforce competencies, skills, and capabilities.



Increase Saudization rates.



Enhance customer loyalty and maximize brand equity.



Attain "Best-in-Class" standing in operational excellence under the Smart Industry Readiness Index (SIRI) framework.

Company Performance

1. Sales and Profitability :

Cement sales volumes reached approximately 2.92 MT during 2025, compared to 2.84 MT in 2024, an increase of 3.15%.

Despite intense market competition, the Company maintained solid profitability, with gross profit reaching SAR 163.95 million in 2025,

163.92
million riyals

down from SAR 188.54 million in 2024, representing a decline of 13%.

13%



Net profit for 2025 stood at approximately

128.93
million riyals

129.02 million, compared to SAR 144.12 million in 2024, reflecting a 10% decrease.

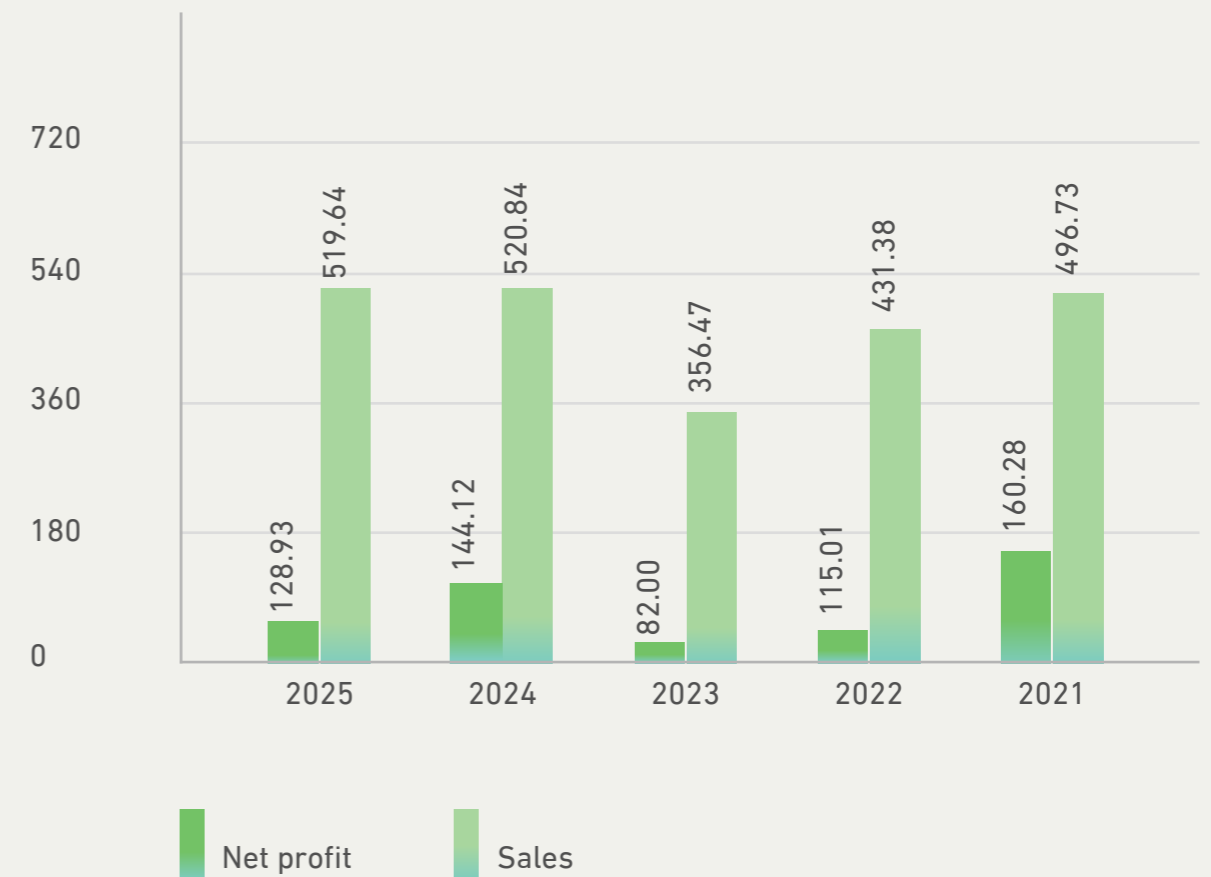
10%



This decline is primarily attributable to a reduction in the average selling price.

The chart below illustrates the performance of net sales and net profits over the past five years from 2021 to 2025:

2021 – 2025 Net Sales and Profits (SAR million)



2. Production:

The plant's production of clinker in 2025 amounted to 2.137 KT (i.e. 59% of the production capacity), compared to 2.444 KT in 2024, a



decrease of 12.50%. Total inventory at the end of the year equaled 325.312 KT, compared to 697.099 KT, a decrease of 53%.



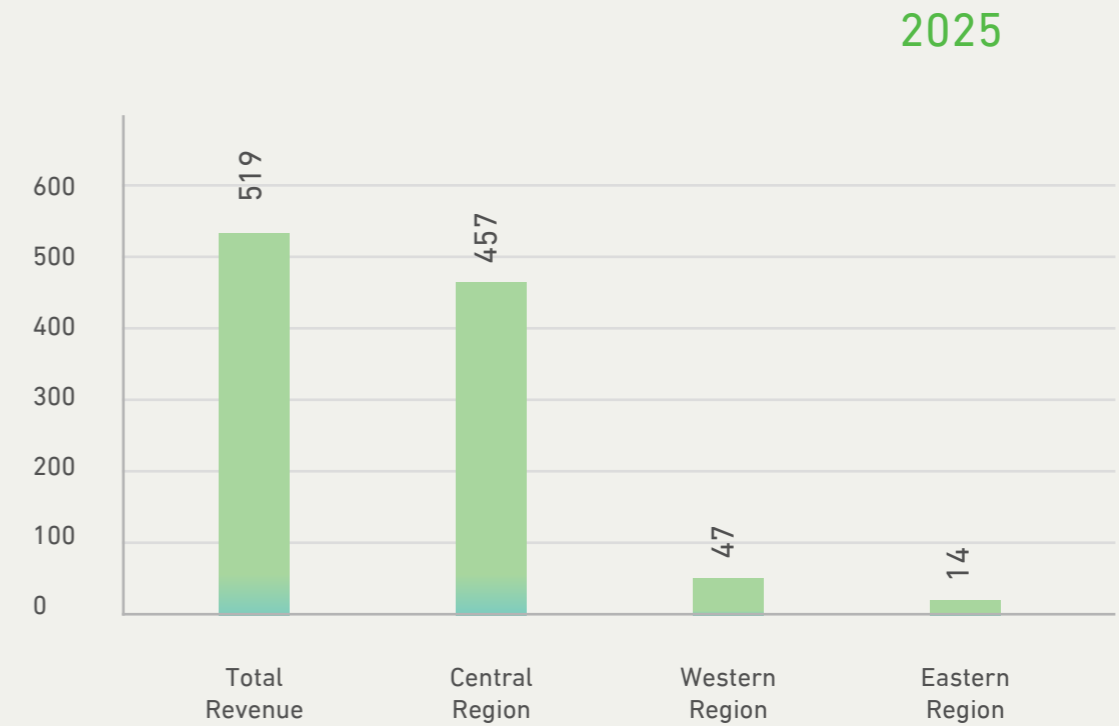
3. Future Outlook:

In 2025, the total demand for cement sales in the Kingdom increased, reaching 54,412 KT compared to 49.165 KT in 2024, with an increase rate of 10.7%. The Company expects that demand growth will, God willing, continue in the coming year.

4. Company's Revenues Geographically Distributed:

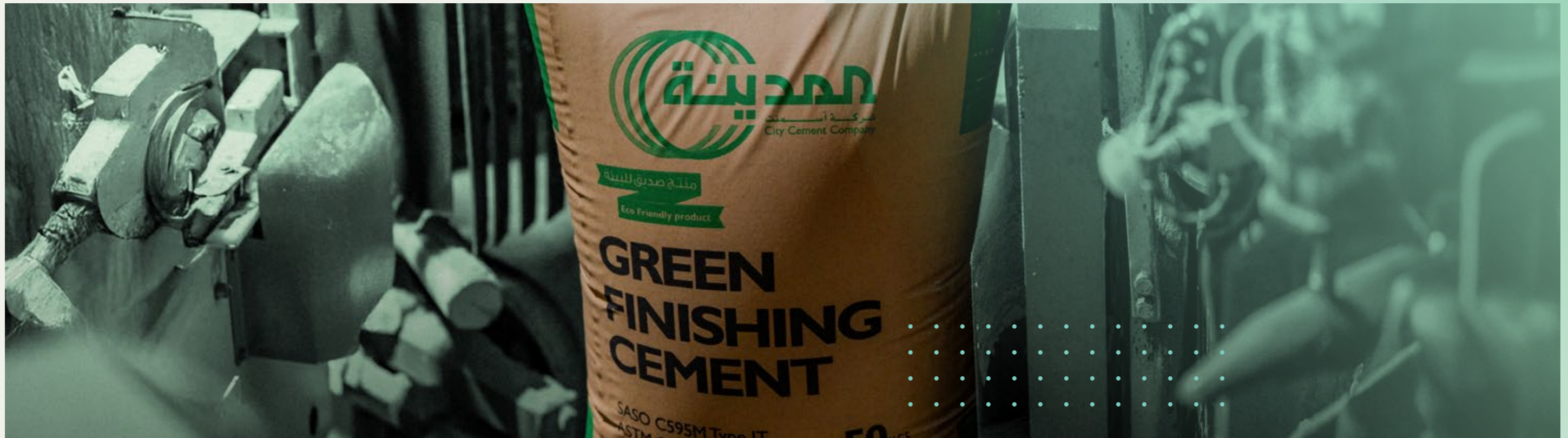
All sales of the Company were within the Kingdom of Saudi Arabia, as shown in the geographical breakdown below: (Millions of riyals):

Geographical Breakdown of CCC Revenue





Third Future Projects & Plans



The company has a clear roadmap to achieve HSE sustainability and find innovative solutions through several initiatives and projects concerned with reducing greenhouse gas emissions to promote sustainable development and innovation-centric cooperation with relevant parties, including policy makers and regulators, with regard to the environment, community participation and governance, according to internationally approved standards and the rules and regulations of relevant government authorities. In all this, we are driven by our pursuit of



continuing to achieve higher profit margins to ensure continued delivery of superior results by understanding the requirements of the market and customers, continuing to sell our range of products at the best competitive rates and based on the top value we are able to offer, increasing efficiency for cost optimization, continuing to develop and strengthen human resources and employ technology through a complete transformation journey that helps us face challenges, creating an operating model that keeps pace with the best international standards to continue providing shareholder value and employee welfare, and maintaining best ESG practices and digital transformation.



As attested by a certificate from the Saudi Energy Efficiency Center (SEEC), the company has already achieved the energy efficiency targets in accordance with the Energy Savings Trading Mechanism for the Industrial Sector approved by a decision of the Board of Directors of SEEC.

Fourth Subsidiaries

Company Name	Main Activity	Capital	Country of Incorporation & PPOB	Ownership %
Green Solutions for Environmental Services	Environmental solutions for waste treatment	SAR 500,000	Saudi Arabia	100%
City Cement Contracting	Specialized subcontracting	Branch	Saudi Arabia	-
Nizak Mining	Mining services	SAR 500,000	Saudi Arabia	100%
NG SCM	Manufacture of concrete additives and plasticizers	SAR 1,000,000	Saudi Arabia	50%

Green Solutions for Environmental Services

Green Solutions for Environmental Services delivers innovative alternative energy solutions through the production of alternative fuel derived from waste, thereby reducing dependence on conventional fossil fuels and providing sustainable, renewable energy sources. This alternative fuel serves as an effective substitute that contributes meaningfully to the reduction of carbon emissions and supports the achievement of global environmental objectives.

The company also operates alternative fuel feeding units within City Cement Company’s manufacturing facility, ensuring fully integrated operations that enhance energy efficiency and mitigate the environmental impact of heavy industry, in line with international standards for carbon footprint reduction.

Green Solutions further aspires to expand its presence across both domestic and international markets by offering comprehensive and innovative solutions tailored to the needs of diverse sectors, including waste management, alternative energy generation, and environmental

resource optimization. In pursuit of this objective, the company actively collaborates with strategic partners to advance the adoption of cutting-edge technologies in waste management and the conversion of waste into clean energy sources.

With respect to environmental standards and sustainability, Green Solutions is committed to applying the highest environmental and technical benchmarks, operating in accordance with sustainable strategies designed to minimize environmental impact and ensure long-term sustainability through continuous investment in modern technologies and best practices. The company aspires to establish itself as a leader in sustainable environmental solutions, contributing to a comprehensive environmental vision that supports sustainable development and reinforces corporate environmental responsibility across all industries and sectors.

Production of **+20** Tons of alternative fuel

Total production of the subsidiary in 2025 amounted to 20,158 tons of alternative fuel, compared to 23,304 tons in 2024, reflecting 3,146 ton a decrease of 3,146 tons,

equivalent to 13.5%. Total sales revenue from alternative fuel as of the end of 2025 reached approximately SAR 7,126,989, compared to SAR 7,391,106 in 2024, representing a decline of 3.6%.

Nizak Mining Services

In 2024, City Cement established Nizak Mining Company, a wholly owned limited liability subsidiary specializing in the provision of mining services. During the same year, Nizak signed a strategic partnership agreement with Next Generation SCM, a company holding the usufruct rights to patented technology owned by Danish firm CemGreen. The agreement was 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 to the Kingdom of Saudi Arabia. The partnership aims to establish a specialized company engaged in the processing of natural raw

materials to produce synthetic products with superior cementitious properties for use in the construction sector, manufactured through low-emission, environmentally friendly technologies that contribute to a significant reduction in carbon emissions. This initiative is fully aligned with City Cement’s strategic commitment to Saudi Vision 2030, particularly with respect to sustainability and its pivotal role in enabling the attraction of foreign investment. The Company anticipates that this venture and its associated partnership agreement will generate a measurable positive impact over the coming period.



The Company commenced operations in 2025. Total sales revenue as of the end of 2025 amounted to approximately SAR 17,355,800.

Fifth Loans

The Company declares that as at 31/12/2025 the Company had no outstanding loans payable to banks or any other institutions. However, the Company has in place credit facility agreements governed by the terms and conditions of Islamic finance, totaling

90,625,000

SAR against a promissory note

Sixth Statutory Payments to Government Agencies

Item	2025G		Brief Description
	Paid during the year	Outstanding payables till the end of the annual financial period	
Zakat	14,413,570	15,170,431	The Company is subject to the zakat and tax regulations in force in Saudi Arabia. A provision for zakat is made on an accrual basis. The Company obtained the final assessment certificates for the years 2006-2022.
VAT	50,755,158	5,309,126	The Company is subject to the zakat and tax regulations in force in Saudi Arabia. These are paid on a monthly basis within the statutory time limit based on previous month's payables.
Withholding Tax	537,046	13,126	
GOSI Contributions	3,366,440	278,189	The Company is subject to the Social Insurance Law. GOSI contributions are recognized on an accrual basis.
Quarrying Fees	19,550,992	5,140,187	Fees for the exploitation of raw materials are paid in respect of licenses for raw material quarries.

* (Saudi Riyals)



Seventh Social Responsibility & Community Service





The Company places significant emphasis on its social responsibility and commitment to community service, fully recognizing the importance of this role. It continues to contribute to supporting neighboring communities through the provision of sponsorships, as well as developmental and awareness initiatives across various sectors, with the aim of enhancing quality of life.

The Company is also consistently committed to providing support and actively participating in initiatives that deliver tangible benefits to the community, while creating added value for its diverse segments.

These efforts are implemented in accordance with structured strategic plans that are aligned with the Company's operations and in line with the objectives of Saudi Vision 2030, particularly with respect to environmental and knowledge-based initiatives. Such efforts contribute to fostering a prosperous and sustainable social fabric.

In 2025, CCC's General Assembly approved the social responsibility policy which will have a positive impact on achieving consistency between CCC's objectives and those sought by the community, achieving sustainable development for the community in general, in addition to establishing the noble values to contribute to building and developing the community and next generations.

Donations and Social Contributions

- | | |
|---|--|
| <p>01 Contributing to the national campaign of the Ehsan platform.</p> | <p>05 Supporting the graduation ceremony for a group of Holly Quran memorizers in Marat .</p> |
| <p>02 Supporting the fifth edition of the cycling race in Marat .</p> | <p>06 National Day celebrations in Marat .</p> |
| <p>03 Supporting Eid al-Fitr celebrations in Marat .</p> | <p>07 Supporting the Marat Winter Season Festival.</p> |
| <p>04 Providing cement bags for the second Da'wah Endowment project in Marat .</p> | |

Eighth Management Systems and Certifications



The Company is committed to full compliance with the highest national and international management system standards.

Having obtained ISO certifications across quality, environment, occupational health and safety, and energy management, the Company is committed to full compliance with the highest national and international management system standards. In 2023, the Company was awarded the Smart Industry Readiness Index (SIRI) certification, reflecting its outstanding efforts and tangible progress in digital transformation. Furthermore, in 2024, the Company obtained Environmental Product Declarations (EPDs) for all its products. The Company takes particular pride in having registered and published all its three EPD reports through the International EPD System, the world's first global program for the registration and publication of EPDs. In 2025, the company's initiatives were crowned with a new global achievement after winning the Microsoft Intelligent Manufacturing

Award (MIMA) for the Middle East 2025 in the Sustainability category, during its first edition held in the Kingdom of Saudi Arabia.

This award was granted after the company successfully passed multiple stages of evaluation and auditing conducted under the supervision of the Ministry of Industry and Mineral Resources, Microsoft, and the global consulting firm Roland Berger.

At the national level, the company also received the highest evaluation in the Governance criterion of the King Khalid Sustainability Award for 2025. This achievement underscores City Cement's firm commitment to environmental responsibility, not only during production but across the entire product lifecycle. This commitment is rooted in the Company's forward-looking vision and its leadership's

acute recognition of the growing imperative to furnish shareholders and stakeholders with transparent and reliable information regarding the environmental impact of its products and its operational efficiency. By doing so, the Company supports sustainable construction efforts within the Kingdom, aligning with global trends in addressing environmental challenges and meeting domestic and international investor expectations. Moreover, this milestone empowers the Company's customers and business partners to make informed decisions in selecting products that align with sustainability objectives.

City Cement strictly adheres to all applicable Saudi and international requirements for environmental protection. Compliance is continuously monitored under the supervision and oversight of the Civil Defense Department

in Marat Governorate. Regular meetings are held with Civil Defense personnel to ensure full adherence to safety and security standards. These engagements include joint training programs designed to qualify national human capital and raise awareness among all employees.

Furthermore, the Company maintains close and ongoing cooperation with the National Center for Environmental Compliance (NCEC) in Saudi Arabia, while steadfastly upholding the quality of its products. The Company's sustained efforts in this regard have culminated in numerous quality certifications and prestigious international awards, further solidifying its standing as an industry-leading organization committed to the highest standards across all facets of its operations. These certifications include:

Awards and Certifications City Cement Company distinguishes itself as a confluence of excellence, sustainability, and community welfare, embodying a steadfast commitment to quality and responsible business practices.



SASO Quality Mark

This certification stands as a testament to the Company’s rigorous compliance with the standards of the Saudi Standards, Metrology and Quality Organization (SASO).



King Khalid Sustainability Award

Under the patronage of His Royal Highness Prince Faisal bin Khalid bin Abdulaziz, Advisor to the Custodian of the Two Holy Mosques, Chairman of the Board of Trustees of the King Khalid Foundation, and Chairman of the Award Authority, Al-Madinah Cement Company received the highest evaluation in the Governance criterion of the King Khalid Sustainability Award for 2025.



Microsoft Intelligent Manufacturing Award (MIMA), Sustainability Category.

CCC was honored with the MIMA in the sustainability category, acknowledging the company’s effort to combine digitalisation with sustainability manufacturing practices. The award reflects our strategic commitment to leveraging advanced technologies to enhance efficiency, reduce environmental impact, and support long-term value creation.



SEEC Recognition

City Cement takes immense pride in having been recognized by the Saudi Energy Efficiency Center (SEEC) for its exemplary Energy Efficiency Program. This recognition is a reflection of the Company’s unwavering commitment to sustainable energy practices and its dedication to minimizing its environmental footprint.

The Energy Efficiency Program has served as a cornerstone of the Company’s sustainability strategy, playing an instrumental role in

materially reducing energy consumption and carbon emissions. SEEC recognition further underscores the Company’s innovative approach to energy management and aligns with its overarching objective of contributing positively to the Kingdom’s national energy efficiency targets. The Company is deeply appreciative of this recognition and remains firmly committed to continuous improvement and leadership in sustainable energy practices.



Management Systems Certifications

ISO 9001 demonstrates our unwavering commitment to quality management and customer satisfaction. ISO 14001 reflects our dedication to effective environmental management, the minimization of our environmental footprint, and the continuous enhancement of our environmental performance. ISO 45001 signifies our proactive approach to ensuring occupational health and safety while mitigating risks for both our employees and stakeholders. ISO 50001 underscores our strategic focus on energy management, the optimization of energy utilization, and the reduction of our overall environmental impact.



First in the Kingdom 2023

City Cement ranked first in the Kingdom under the SiRI Index for the implementation of automation projects within the Future Factories Initiative of the Ministry of Industry and Mineral Resources.



Environmental Product Declarations (EPDs) 2023

By publishing Environmental Product Declarations (EPDs) for its entire product portfolio, City Cement became the first company in the Saudi cement sector to achieve this distinction, reaffirming its pioneering role in advancing environmental excellence across the Kingdom.



Ninth Human Resources



Programs for Developing CCC's Resources and Work Systems

- 1 “Holoul (Solutions)”**
 Program which aims to preserve the natural resources.
- 2 “Tamkeen (Empowerment)”**
 Program which aims to develop the human resources through designing specialized training programs to motivate and qualify the human cadres and create an attractive work environment.
- 3 “Barq (Lighting)”**
 Program which aims to develop work systems to keep pace with rapid changes in the world of technology.

With the aim of achieving its goals in terms of developing and training its human resources, CCC has adopted specialized programs for personnel selection, development and career planning to ensure that positions are filled by qualified and distinguished national competencies. CCC also encourages staff to participate positively in the development of the Company and creates a suitable working environment that promotes teamwork, while continuing to strengthen their skills and qualifications to boost their level of performance. The Company has nationalized many leadership positions and employed national personnel in several departments.

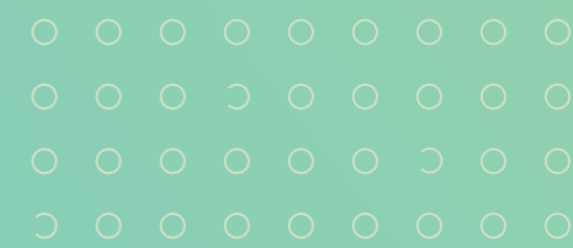
Furthermore, the Company continues to cooperate with local and global entities specialized in providing technical, managerial and marketing training services, in addition to holding in-house workshops and considering the possibility of sending national personnel on scholarships in the cement industry domain within the Kingdom and/or abroad in the future. This is done within a complete journey of transformation helping us to confront challenges and creating an operating model up to the best international standards to continue providing the value for the shareholders and employees welfare and maintain the best environmental, social and governance practices and digital transformation.



Tenth Risks

As CCC pays high attention to potential risks

it regularly reviews these risks and establish appropriate measures to address them. It should be noted that the risks described below do not include all the risks that the Company could face, for it is possible that there are other risks that are not known to the Company at the present time or which the Company deems to be either rare risks or risks with little impact.





Operational and marketing risks:

The Company pays attention to the potential risks resulting from the competition anticipated at the local level owing to domestic cement companies' high inventories. The Company monitors and regularly reviews these and operational risks and establish appropriate measures to address and contain them, ensuring the stability of its operational and marketing businesses.



Economic risk:

The Company realizes that the domestic and global economic situation may have a direct impact on the future business, including changes in sales performance, the level of market liquidity and financing costs, industrial recession, competition from foreign countries and manufacturers, technical development, prices of fuel, inputs and the Company's end products, inflation, political events that could impact on corporate markets, exchange rate volatility, and product alternatives that could have an impact on the Company's business and revenue. The Company regularly reviews such risks and seeks to set effective strategies to deal with them and minimize their effect.



Risks related to laws and regulations:

The running of the Company's business is governed by multiple laws and regulations. Any changes to or replacements of these laws and regulations by any government entity, regulatory body or judicial authority, or the issuance of an order ceasing the Company's business, or all or some of the Company's products, could impact on the Company's business and revenue.



Risk from focusing on certain customers:

Thankfully, the Company's products cover a wide range of customers. The Company depends on distributors for the distribution of its products. If any customer or a group of customers or distributors incurred losses, stopped dealing with the Company or otherwise failed to abide by the established criteria for selling the Company's products, this would impact on the Company's business and revenue.



Risk from the Company's geographical location and natural disasters:

All the Company's business is concentrated in one location. Any directive suspending the Company's business in this location or any natural disasters such as floods or earthquakes occurring therein would have an impact on the Company's business and revenue.



Risk related to mining rights:

Mining is an essential part of the Company's activity and mining rights are granted to the Company by the Saudi government's relevant authorities. If those mining rights are canceled or any restrictions imposed thereon, the Company's ability to operate the plant may be affected and as a consequence there would be serious adverse repercussions for the Company's financial position and results of operations.



Risk related to energy supplies:

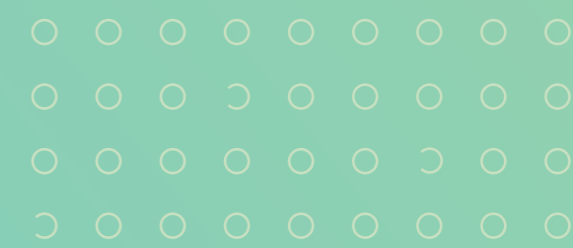
Cement production consumes large quantities of energy, which account for a large portion of production costs. Therefore, any rise in fuel prices will have a negative impact on the Company's business, financial position and results of operations. Also, failure to secure the required amount of fuel for the second line would have an ongoing negative and substantial effect on the Company.



Eleventh Corporate Governance

The Company applies all the provisions set out in CMA's Governance Regulations, except for those listed below:

Article	Text of the Article/Paragraph	Partially applied	Not applied	Reason for non-application
Unapplied indicative articles				
	Articles 39, 67, 68, 69, 82, & 85		✓	Indicative articles which will be applied when they become mandatory.

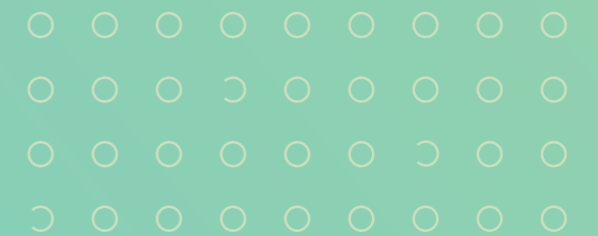




Twelfth

Description of Any Deviations from the Accounting Standards Adopted by the Saudi Organization for Certified Public Accountants (SOCPA)

There are no deviations from the accounting standards issued by SOCPA.



Current Sixth-Term Board and Committee Members: Qualifications, Current/Previous Positions, Experience, and JSC Board Memberships:



Board Term 6

HRH the Late Prince

Abdulaziz bin Mishaal bin Abdulaziz Al Saud (May Allah have mercy on him)

Title

- Board Chairman (formerly)

Qualifications, Current/Previous Positions, and Experience

- Bachelor's Degree in Business Administration
- Board Chairman, City Cement
- General Supervisor of the business 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)

Thirteenth



Board Term 6&7

Badr bin Omar Al-Abdullatif

Title

- Board Chairman,
- Managing Director,
- Executive Committee Chairman

Qualifications, Current/Previous Positions, and Experience

- General Secondary Education Certificate
- Deputy General Manager, Al-Abdullatif Furniture
- Board Chairman, City Cement
- Chairman of the Executive Committee, City Cement
- Nomination & Remuneration Committee Member, City Cement
- Board & Audit Committee Member, Al-Abdullatif Holding
- Board Member, Al-Abdullatif Furniture
- Vice Chairman, Future Ceramics
- Board Chairman, Green Solutions for Environmental Services
- Former Vice Chairman, Managing Director, and Chairman of the Executive Committee, City Cement
- 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 for Environmental Services (One-Person LLC)



Board Term 6&7

Majid bin Abdurrahman Al-Osailan

Title

- Board Member
- CEO

Qualifications, Current/Previous Positions, and Experience

- board member. Artex Industrial Investment
- board member. Natural gas distribution Co.
- Executive Certificate in Sustainable Business, IMD Business School, Lausanne, Switzerland
- 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 technical training courses in administrative, financial, and industrial 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, Leoron Global Training Center)
- Bachelor's Degree in Accounting, King Saud University
- former board chairman, Natural Gas Distribution Co.
- former chairman of the audit committee Artex Industrial Investment
- Chairman of the Environment and Energy Committee, ICC Saudi Arabia
- Vice Chairman, Artex Industrial Investment
- Vice Chairman of the National Cement Industry Committee
- Vice Chairman, Green Solutions for Environmental Services
- 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).
- Artex Industrial Investment (Public JSC)
- Natural Gas Distribution Co. (Public JSC)
- Green Solutions for Environmental Services (One-Person LLC)
- Nizak Mining (One-Person LLC)



Board Term 6

Mohammed bin Saad Al-Moajil

Title

- Board Member

Qualifications, Current/Previous Positions, 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
- Board Member, Dhahran International Exhibitions
- Board Member, Dhahran Chemical Industries and Marketing
- Board Member, Packaging Products Company
- Board Member, Tilal Al-Khair Food Company
- Board Member, Arabian Precision Industries
- Board Member, Rushd Financial
- Board Member, Tomouh



Board Term 7

Fahad bin Omar Al-Abdullatif

Title

- Board Member

Qualifications, Current/Previous Positions, and Experience

- Experience in corporate and industrial management
- Board and Nomination & Remuneration Committee Member, City Cement

JSC Memberships

- City Cement (Public JSC)
- Artex Industrial Investment (Public JSC)
- Al-Abdullatif Holding (Closed JSC)
- Al-Abdullatif Furniture (Closed JSC)



Board Term 6&7

Saleh bin Ibrahim Al-Shabnan

Title

- Board Member

Qualifications, Current/Previous Positions, and Experience

- Bachelor's Degree in Industrial Management, King Fahd University of Petroleum and Minerals
- Vice Chairman, City Cement
- Board Chairman, Atbarah Cement Co. Ltd
- 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 for 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)



Board Term 6

Saleh bin Sulaiman Al-Rajhi

Title

- Board Member

Qualifications, Current/Previous Positions, 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)



Board Term 6&7

Mohammed bin Hikmat Al-Zaiem

Title

- Board Member

Qualifications, Current/Previous Positions, 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
- CEO and Board Member, International Business and Contracting Company Ltd
- 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
- Chairman and Executive Committee Member, Future Ceramics
- Former Member of the Nomination & Remuneration Committee
- Former Board Member, Green Solutions
- Board Member, Afaq Al-Hikma
- Board Member, Afaq Development LLC
- Board Member, Ajial Al-Hikma LLC
- Board Member, Deira Akal Real Estate LLC
- Board Member, Rawabi Alwesam Ltd
- Former Board Member, Jasmine Meadows LLC
- 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)



Board Term 7

Mohammed bin Sulaiman Al-Rajhi

Title

- Board Member

Qualifications, Current/Previous Positions, and Experience

- Master's Degree in Financial Management, College of William & Mary, USA
- Bachelor's Degree in Finance, Prince Sultan University
- Public Investment Fund (PIF)
- Banque Saudi Fransi
- Saudi British Bank

JSC Memberships

- City Cement (Public JSC)



Board Term 7

Mohammed bin Hamdan Al-Suraiyea

Title

- Board Member

Qualifications, Current/Previous Positions, and Experience

- Master's Degree in Financial Management, University of Tampa, USA
- Master of Business Administration (MBA), University of Tampa, USA
- Bachelor's Degree in Business Administration, University of California, USA
- A number of advanced courses in internal audit, Saudi Authority of Internal Auditors
- A number of advanced courses in credit and risk management inside and outside the Kingdom
- Head of Global Corporate Banking, Western Province Awwal Bank
- Board Member, and Chairman of the Audit Committee, City Cement
- Former Audit Committee Member, City Cement
- Board Member and Audit & Risk Committee Member, Artex Industrial Investment
- Former Board Member, Aljouf Water (Public JSC)
- Former Head of Financial Analysis Department, Western House for Financial Consultancy

JSC Memberships

- City Cement (Public JSC)
- United Insulations (Closed JSC)

Executive Management Members: Qualifications, Current/Previous Positions, and Experience



Turki bin Abdulaziz Al-Abdullatif

Title

- Chief Communications Officer

Qualifications, Current/Previous Positions, and Experience

- Chairman, Saudi-Norwegian Business Council
- Risk, Governance, & Compliance Committee Member, Artex Industrial Investment (Public JSC)
- Sustainability Committee Member, City Cement
- 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 sector
- 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 & Strategic Development Officer, City Cement
- Former Secretary of the Nomination & Remuneration Committee, City Cement
- Former Head of Administration, City Cement
- Former head of HR, City Cement
- Attended numerous conferences & workshops and served on several committees



Abdurrahman Mohammed Ahmed

Title

- Chief Operating and Strategy Officer

Qualifications, Current/Previous Positions, and Experience

- Board Member, NG SCM
- MBA, University of Manchester, UK
- Business Strategy Specialization Certificate, Harvard University, USA
- Mergers & Acquisitions Certificate, 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, TerraFuel
- Board Member, Evolve Performance Management Solutions Pty Ltd, Australia
- Former Head of Strategic Planning
- Former Director of Technical & Operational Excellence, InterCement
- Former Head of Performance, Process Optimization, & Quality, InterCement
- Former Head of Production, Italcementi
- Held several key positions at Italcementi



Abdulaziz bin Mohammed Al-Suwaidan

Title

- Chief Financial and Administration Officer

Qualifications, Current/Previous Positions, and Experience

- Bachelor's Degree, College of Business, King Abdulaziz University
- Diploma in Computer Networking Technology
- Attended a variety of specialized training courses, conferences, and workshops in financial management, leadership, and administration both locally and abroad
- Board Member, Nizak Mining
- Chairman of the Audit Committee at Nayla Finance Company.
- Audit Committee Member, Natural Gas Distribution Company (Public JSC)
- Audit Committee Member, Artex Industrial Investment (Public JSC)
- Risk, Governance, & Compliance Committee Member, Artex Industrial Investment (Public JSC)
- Chief Financial and Administration 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-Hodaithi

Title

- Commercial Director

Qualifications, Current/Previous Positions, and Experience

- BBA, Imam University.
- Diploma in Marketing, TVTC.
- Started his career in the agricultural sales services and then moved to the cement industry where he progressed in several leadership positions, including Assistant Sales Manager, Marketing & Sales Manager and Head of Commercial, with a work experience of more than 15 years.



Abdul Wahid bin Awn Al-Qarni

Title

- People and culture Director

Qualifications, Current/Previous Positions, and Experience

- Bachelor's degree in Human Resources Management, King Abdulaziz University.
- Diploma in Computer Programming, Institute of Public Administration.
- Started his career in the banking sector as a Customer & Sales Service Representative, and then moved to the cement industry where he progressed in several administrative positions, including Personnel Manager, Director of HR and Head of HR & Administration and Organizational Culture.
- Holds a CIPD HR qualification from the Chartered Institute of Personnel and Development, UK.
- Attended various training courses in several administrative areas.



Majed Ali Alhossyen

Title

- Supply chain Director

Qualifications, Current/Previous Positions, and Experience

- Holds a bachelor's degree in Technical Engineering, majoring in Electrical Machines and Power, from the Technical College.
- Began his career in the industrial sector at one of the cement companies in the fields of maintenance and procurement. He also worked at a maintenance services company as Deputy Sales Manager and Key Accounts Manager, before moving back to the cement sector, where he progressed through several administrative positions including Senior Procurement Supervisor, Procurement Manager, and Supply chain Director.
- Holds the Certified International Procurement Professional (CIPP) and Certified International Procurement Manager (CIPM) certifications from the International Purchasing and Supply Chain Management Institute (IPSCMI).
- Member of the Saudi Council of Engineers.
- Has completed several training courses in various maintenance and planning, administrative fields.



Mohamed Abdelfatah Mohamed

Title

- Industrial Director

Qualifications, Current/Previous Positions, and Experience

- a bachelor's degree in chemical science from Alexandria University.
- Master of Business Administration (MBA) in Strategic Management, Arab Academy for Science & Technology.
- Certified Manager, American Chamber of Commerce.
- Over 20 years of experience in cement plant operations, progressing from CCR operations to senior leadership roles including Clinker Area Manager, General Production Manager, Plant Manager, and Industrial Director.
- Improving reliability and availability, applying modern methodologies (e.g., TPM/RCM), optimizing raw mix and clinker performance, and digitizing KPIs for faster, data-driven decision-making.
- Improving energy efficiency, reducing specific electrical and thermal consumption, maximizing Waste Heat Recovery (WHR) performance, and aligning operational practices with ISO 50001 standards.
- Development and operation of optimized systems for RDF (municipal waste), TDF (tires), and waste oils; increasing Thermal Substitution Rate (TSAR) while meeting environmental requirements.
- Extensive technical training in project management, multi-plant cement operations (Portugal, South Africa, Brazil), coal mill and burner systems, Polysius process and mechanical engineering, combustion and raw-material preparation, ABB DCS operation, Pillard heavy-oil and burner optimization, 5S methodology, RCA, and human-behavior development.

1.

The Audit Committee

The Audit Committee oversees risk management and internal controls in the various aspects of the Company's business. Its responsibilities include reviewing and discussing the Company's quarterly and annual financial statements. The Committee also makes recommendations to the Board of Directors and the General Assembly on the appointment of the Company's CPA.

Members of the Audit Committee in the Sixth Session of the Board:

#	Name	Designation	1	2	3
			2/3/2025	23/3/2025	30/4/2025
1	Mr. Saleh bin Sulaiman Al-Rajhi	Committee Chairman	✓	✓	✓
2	Mr. Abdulaziz bin Abdullatif Al-Doligan	Committee Member	✓	✓	✓
3	Mr. Mohammed bin Hamdan Al-Sorayai	(Non-Board Member)	✓	✓	✓
4	Mr. Saleh bin Hassan Al Alshaikh	Committee Member	✓	✓	✓

In its sixth session, the Committee held three meetings in 2025.

Members of the Audit Committee in the Seventh Session of the Board:

#	Name	Designation	1	2	3
			27/7/2025	28/10/2025	22/12/2025
1	1. Mr. Mohammed bin Hamdan Al-Sorayai	Committee Chairman	✓	✓	✓
2	2. Mr. Mohammed bin Hikmat Al-Zaiem	Committee Member	✓	✓	✓
3	3. Mr. Mohammed bin Sulaiman Al-Rajhi	Committee Member	✓	✓	✓

In its seventh session, the Committee held three meetings in 2025.

Board Committees

2.

The Nomination and Remuneration Committee:

The Nomination and Remuneration Committee reviews the structure of the Board of Directors and how effectively its members are performing, makes recommendations on changes that could be made, identifies weaknesses and strengths, ascertains the independence and absence of conflicts of interest on the part of the members, recommends member nominations as needed, and reviews the remuneration and compensation of the Board committees, Executive Management team's salaries and Saudization percentages.

Members of the Nomination and Remuneration Committee in the Sixth Session of the Board:

#	Name	Designation	1
			26/3/2025
1	Mr. Mohammed bin Saad Al-Moajil	Committee Chairman	✓
2	Mr. Mohammed bin Hikmat Al-Zaiem	Committee Member	✓
3	Mr. Saleh bin Ibrahim Al-Shabnan	Committee Member	✓

In its sixth session, the Committee held one meeting in 2025.

Members of the Nomination and Remuneration Committee in the Seventh Session of the Board:

#	Name	Designation	1
			31/12/2025
1	Mr. Fahad bin Omar Al-Abdullatif	Committee Chairman	✓
2	Mr. Badr bin Omar Al-Abdullatif	Committee Member	✓
3	Mr. Saleh bin Ibrahim Al-Shabnan	Committee Member	✓

In its sixth session, the Committee held one meeting in 2025.

3.

The Executive Committee

The Executive Committee develops studies and strategic plans, finds appropriate solutions and alternatives, and makes recommendations to the Board.

Members of the Executive Committee in the Sixth Session of the Board:

#	Name	Designation	1
			24/3/2025
1	Mr. Badr bin Omar Al-Abdullatif	Committee Chairman	✓
2	Mr. Majid bin Abdurrahman Al-Osailan	Committee Member	✓
3	Mr. Mohammed bin Hikmat Al-Zaiem	Committee Member	✓
4	Mr. Saleh bin Ibrahim Al-Shabnan	Committee Member	✓

In its sixth session, the Committee held three meetings in 2025.

Members of the Executive Committee in the Seventh Session of the Board:

#	Name	Designation	1	2
			29/09/2025	26/11/2025
1	Mr. Badr bin Omar Al-Abdullatif	Committee Chairman	✓	✓
2	Mr. Majid bin Abdurrahman Al-Osailan	Committee Member	✓	✓
3	Mr. Mohammed bin Hikmat Al-Zaiem	Committee Member	✓	✓
4	Mr. Saleh bin Ibrahim Al-Shabnan	Committee Member	✓	✓

In its seventh session, the Committee held three meetings in 2025.

Committee Members' Remuneration

(Value in Riyals)

Committee Members' Remuneration in the Sixth Session of the Board:

#	Name	Fixed Remuneration	Attendance Fee	Reimbursements and Travel & Accommodation Costs	Total
Executive Committee Members					
1	Mr. Badr bin Omar Al-Abdullatif	---	3,000	0	0
2	Mr. Majid bin Abdurrahman Al-Osailan	---	3,000	0	0
3	Mr. Mohammed bin Hikmat Al-Zaiem	---	3,000	0	0
4	Mr. Saleh bin Ibrahim Al-Shabnan	---	3,000	0	0
Audit Committee Members					
1	Mr. Saleh bin Sulaiman Al-Rajhi	---	9,000	0	0
2	Mr. Abdulaziz bin Abdullatif Al-Doligan	50,000	9,000	0	0
3	Mr. Mohammed bin Hamdan Al-Sorayai	50,000	9,000	0	0
4	Mr. Saleh bin Hassan Al Alshaikh	50,000	9,000	0	0
Nomination & Remuneration Committee Members					
1	Mr. Mohammed bin Saad Al-Mojil	---	3,000	0	0
2	Mr. Mohammed bin Hikmat Al-Zaiem	---	3,000	0	0
3	Mr. Saleh bin Ibrahim Al-Shabnan	---	3,000	0	0

Committee Members' Remuneration in the Seventh Session of the Board:

#	Name	Fixed Remuneration	Attendance Fee	Reimbursements and Travel & Accommodation Costs	Total
Executive Committee Members					
1	Mr. Badr bin Omar Al-Abdullatif	---	6,000	0	0
2	Mr. Majid bin Abdurrahman Al-Osailan	---	6,000	0	0
3	Mr. Mohammed bin Hikmat Al-Zaiem	---	6,000	0	0
4	Mr. Saleh bin Ibrahim Al-Shabnan	---	6,000	0	0
Audit Committee Members					
1	Mr. Mohammed bin Hamdan Al-Sorayai	---	9,000	0	0
2	Mr. Mohammed bin Hikmat Al-Zaiem	---	9,000	0	0
3	Mr. Mohammed bin Sulaiman Al-Rajhi	---	9,000	0	0
Nomination & Remuneration Committee Members					
1	Mr. Fahad bin Omar Al-Abdullatif	---	3,000	0	0
2	Mr. Badr bin Omar Al-Abdullatif	---	3,000	0	0
3	Mr. Saleh bin Ibrahim Al-Shabnan	---	3,000	0	0

Board of Directors' Remuneration

(Value in Riyal)

1.

Board Members: Members of the Board of Directors and their Remuneration during 2025 in the Board's Sixth Session:

#	Name	Title	Category	Annual Remuneration	Meeting Attendance Fee	Salary, Compensation & Allowances
1	HRH Prince Abdulaziz bin Mishaal Al Saud	Board Chairman	Independent	12,000	0	0
2	Mr. Badr bin Omar Al-Abdullatif	Vice Chairman & MD	Executive	100,000	9,000	0
3	Mr. Majid bin Abdurrahman Al-Osailan	Board Member	Executive	100,000	9,000	0
4	Mr. Saleh bin Sulaiman Al-Rajhi	Board Member	Independent	100,000	9,000	0
5	Mr. Mohammed bin Saad Al-Moajil	Board Member	Independent	100,000	9,000	0
6	Mr. Saleh bin Ibrahim Al-Shabnan	Board Member	Non-Executive	100,000	9,000	0
7	Mr. Mohammed bin Hikmat Al-Zaiem	Board Member	Non-Executive	100,000	9,000	0

Members of the Board of Directors and their Remuneration during 2025 in the Board's Seventh Session:

#	Name	Title	Category	Annual Remuneration	Special Remuneration	Meeting Attendance Fee	Salary, Compensation & Allowances
1	Mr. Badr bin Omar Al-Abdullatif	Non-Executive	Independent	100,000	650,000*	9,000	0
2	Mr. Saleh bin Ibrahim Al-Shabnan	Vice Chairman & MD	Executive	100,000	300,000**	9,000	0
3	Mr. Majid bin Abdurrahman Al-Osailan	Board Member	Executive	100,000	-	9,000	0
4	Mr. Fahad bin Omar Al-Abdullatif	Board Member	Independent	100,000	-	9,000	0
5	Mr. Mohammed bin Hamdan Al-Sorayai	Board Member	Independent	100,000	-	9,000	0
6	Mr. Mohammed bin Sulaiman Al-Rajhi	Independent	Non-Executive	100,000	-	9,000	0
7	Mr. Mohammed bin Hikmat Al-Zaiem	Board Member	Non-Executive	100,000	-	9,000	0

*The Board of Directors recommended approving a special bonus for the Chairman of the Board, Mr. Badr bin Omar Al-Abdullatif, in recognition of his efforts in representing the company at a high level in communications with relevant government and regulatory entities, and for his participation in discussing a number of regulatory and operational matters faced by the company. These efforts contributed to facilitating the resolution of certain regulatory and procedural challenges that had been affecting the progress of its operations.

He also played a key role in developing and overseeing the company's corporate social responsibility initiatives, strengthening its relationships with local and community stakeholders within its area of operations, and addressing feedback and complaints received from the local community. His efforts helped support a stable business environment for the company and achieve a balance between its interests and its social responsibilities.

**The Board of Directors recommended approving a special bonus for the Vice Chairman of the Board, Mr. Saleh bin Ibrahim Al-Shabnan, in recognition of his contributions to representing the company and participating in a number of conferences, forums, workshops, and specialized committees related to the development of the industrial sector and its strategic pillars.

He also played a key role in supporting the company's efforts to explore strategic growth opportunities, build local and international partnerships, and advance strategic initiatives and projects related to expansion and business development. In addition, he contributed to the follow-up and support of several transformational initiatives and strategic projects, enhancing the company's competitiveness and the sustainability of its operations.

Acting on the recommendation of the Nomination and Remuneration Committee, the Board recommended that a recommendation be made to the next General Assembly to approve annual remuneration payments to the Board members totaling (SAR2,262,000) on a distribution basis of (SAR 200,000) for each member. A special remuneration is granted to the Chairman of the Board of Directors and the Vice Chairman in the amount of (950,000).

The above remuneration was determined in accordance with the Remuneration Policy approved by the General Assembly on 3/5/2018 so as to avoid any material deviations.

2.

Board Members' Attendance of Board Meetings in 2025

In its sixth session, the Board of Directors held the following meetings in 2025:

#	Name	Number of Meetings		
		1	2	3
		04/03/2025	25/03/2025	21/05/2025
1	Mr. Badr bin Omar Al-Abdullatif	✓	✓	✓
2	Mr. Majid bin Abdurrahman Al-Osailan	✓	✓	✓
3	Mr. Saleh bin Sulaiman Al-Rajhi	✓	✓	✓
4	Mr. Mohammed bin Saad Al-Moajil	✓	✓	✓
5	Mr. Saleh bin Ibrahim Al-Shabnan	✓	✓	✓
6	Mr. Mohammed bin Hikmat Al-Zaiem	✓	✓	✓

In its seventh session, the Board of Directors held the following meetings in 2025:

#	Name	Number of Meetings		
		1	2	3
		22/06/2025	01/10/2025	21/12/2025
1	Mr. Badr bin Omar Al-Abdullatif	✓	✓	✓
2	Mr. Saleh bin Ibrahim Al-Shabnan	✓	✓	✓
3	Mr. Majid bin Abdurrahman Al-Osailan	✓	✓	✓
4	Mr. Fahad bin Omar Al-Abdullatif	✓	✓	✓
5	Mr. Mohammed bin Hamdan Al-Sorayai	✓	✓	✓
6	Mr. Mohammed bin Sulaiman Al-Rajhi	✓	✓	✓
7	Mr. Mohammed bin Hikmat Al-Zaiem	✓	✓	✓



3.

Dates of the Shareholders' General Assemblies Held during the Past Financial Year and Board Members who Attended the Same:

#	Name	Ordinary General Assembly 16/6/2025
1	Mr. Badr bin Omar Al-Abdullatif	X
2	Mr. Majid bin Abdurrahman Al-Osailan	✓
3	Mr. Mohammed bin Saad Al-Moajil	X
4	Mr. Saleh bin Sulaiman Al-Rajhi	✓
5	Mr. Saleh bin Ibrahim Al-Shabnan	✓
6	Mr. Mohammed bin Hikmat Al-Zaiem	✓

4.

Steps Taken by the Board to Inform its Members, and in Particular Non-Executives, of Shareholders' Proposals and Comments about the Company and its Performance:

The Chairman or Vice Chairman of the Board informs the Board members, and in particular non-executives, of shareholders' proposals and comments about the Company and its performance.

5.

Disclosure of the Remuneration of the Board Members and Executive Management as Provided for in Article 93 of the Corporate Governance Regulations:

The following is the text of the Remuneration Policy for Board Members, Board Committees and the Executive Management which was approved by the General Assembly on 3/5/2018:

Introduction:

This Remuneration Policy for Board Members, Board Committees and the Executive Management has been prepared with the aim of complying with the Corporate Governance Regulations issued by the Capital Market Authority (CMA) Board pursuant to Resolution 8-16-2017 dated 16/5/1438H, corresponding to 13/2/2017, which stipulate that the Nomination and Remuneration Committee (NRC) shall "prepare a clear policy for the remuneration of the Board members, Board committees and Executive Management, and present such policy to the Board for consideration, in preparation for approval by the General Assembly."

Purpose:

The purpose of this policy is to define clear criteria for the remuneration of Board members, Board Committees and senior executives in light of the Companies Law requirements and CMA regulations. In addition, this policy aims to attract professionals with adequate competence, capabilities and talent to serve on the Company's Board, committees and Executive Management by adopting incentive remuneration schemes and programs linked to performance, thus contributing to the improvement of the Company's performance and achievement of the best interests of its shareholders.

General Criteria for Remuneration:

It is the responsibility of the NRC to make recommendations to the Board of Directors on the remuneration of the Board members, committee members and senior executives of the Company in accordance with the approved criteria, as outlined in the following:

- The remuneration shall be commensurate with the Company’s activities, strategy, objectives and the skills needed to manage it, and consistent with the magnitude, nature and degree of risks faced by the Company.
- The Company shall take into consideration the practices of other companies and those prevailing in the labor market in respect of the determination of remuneration, avoiding unjustifiable increases in remuneration and compensation that may result from such benchmark comparisons.
- The remuneration shall be determined based on job level, duties and responsibilities, educational qualifications, work experience, skills and performance level.
- The remuneration shall be reasonably sufficient to attract, motivate and retain adequately competent and experienced professionals.
- The remuneration of a Board member shall be determined such that it reflects the member’s experience, responsibilities, duties, the number of Board meetings attended by the member, etc.
- The remuneration shall be suspended and taken back where it turns out that it was given based on inaccurate information provided by the member of the Board or Executive Management, in order to prevent abuse of office to obtain undue remuneration.

Remuneration of the Board Members:

1. The remuneration of City Cement Company (CCC) Board members shall consist of an annual lump sum, meeting attendance fee, reimbursement allowance, in-kind benefits, or a combination of two or more of these benefits, provided that the ceiling prescribed by the Companies Law and its implementing regulations shall not be exceeded, as shown in the table below:

a	Attendance fee per meeting	3,000	SAR
b	Transportation and travel allowance for members residing outside the city of venue (Riyadh)	▶	Equal to actual expenses

c. Annual lump sum per member:

Determined annually without exceeding SAR 200,000 as stipulated in the Company’s Articles of Association

d. Adjustment & Payment:


The annual lump-sum remuneration of a Board member indicated above may be subject to review from time to time on the NRC’s recommendation in light of the Company’s performance, in which case the approval of the shareholders’ General Assembly (GA) shall be obtained.

2. The amount of such remuneration may vary in light of a policy issued by the NRC and approved by the Company’s GA.
3. The annual Board report shall include a comprehensive statement of all the amounts received by the Board members during the fiscal year including remuneration, reimbursement allowances and other benefits, as well as all the amounts received by the Board members in their capacities as employees or managers, or in consideration of any technical, administrative or advisory work performed. The report shall also include a statement of the number of Board meetings and the number of meetings attended by each member from the date of the last meeting of the GA.
4. The Board may set special remuneration payments for the Board Chairman, Vice Chairman and Managing Director in accordance with Article 21(2) of the Company’s Articles of Association.

Remuneration of the Committee Members:

1. The Board shall determine and approve the remuneration, attendance fees and other benefits of the members of its committees, with the exception of the Audit Committee, upon the recommendation of the NRC.
2. The meeting attendance fee and other benefits shall be paid as described herein in accordance with the table below:

a	Attendance fee per meeting (to be paid following each meeting)	3,000	SAR
---	--	-------	-----

- b Transportation and travel allowance for members residing outside the city of venue (Riyadh)  Equal to actual expenses
- c Remuneration of a committee member who is a non-Board member (as approved by the NRC based on the functions assigned thereto)
Up to and not exceeding SAR 50,000 per annum
- c Adjustment & Payment:
The annual lump-sum remuneration of a committee member (who is a non-Board member) indicated above may be subject to review from time to time based on a recommendation by the NRC to the Board (which, in turn, shall make a recommendation in case of approval) in light of the Company's performance, in which case the GA's approval shall be obtained.

3. The remuneration and meeting attendance fee of the members of the Audit Committee shall be approved by the shareholders' GA upon the Board's recommendation as per the regulations.

Remuneration of the Executive Management:

1. The NRC shall review and approve the salary scale and incentive schemes for all employees and senior executives on a regular basis upon the recommendation of the Executive Management. The remuneration of the Executive Management team shall include:
- A base salary (to be paid on a monthly basis at the end of each Gregorian month), plus allowances including but not limited to: a housing allowance, a transportation allowance, a telephone allowance, a children tuition fee allowance, medical insurance benefits for the team member and his/her family, annual leave, annual air tickets and end-of-service benefits in accordance with the Labor Law and the Company's HR Policy.
 - A KPI-linked annual bonus based on the relevant annual appraisal.
2. The annual bonus of all employees and senior executives shall be approved by a resolution of the Board on the recommendation of the NRC.



Further Guidelines on Remuneration & Payment Mechanism:

- Board members shall not vote on the agenda item relating to the remuneration of the Board members at a meeting of the shareholders' GA.
- The Company shall disclose the remuneration of the Board members, committee members and senior executives in the annual Board report as prescribed by the directives and guidelines issued under the Companies Law and CMA laws and their implementing regulations.
- A member shall be entitled to remuneration starting from the date of joining the Board or committee pro rata to the duration of serving thereon.
- The remuneration payments of the members of the Board and committees shall be processed by the Board Secretary or committee secretary, as applicable, and approved by the CFO.
- The attendance fee for a Board meeting or a committee meeting shall be paid within one week after the meeting.
- With the start date of serving on the Board during the expired fiscal year being taken into consideration, the annual remuneration of the Board shall be paid on an annual basis after being approved by the GA. The annual remuneration of a committee member (who is a non-Board member) shall be paid annually within 30 days following the end of the fiscal year, with the start date of serving on the committee during the expired fiscal year being taken into consideration.

Board Secretary's & Committee Secretaries' Remuneration and Attendance Fees:

a	Board Secretary's attendance fee	SAR 2,000
b	A committee secretary's attendance fee	SAR 1,000
c	Board Secretary's annual remuneration	SAR 20,000
d	A committee secretary's annual remuneration	SAR 20,000

e Adjustment & Payment:

The annual lump-sum remuneration of the Board Secretary and committee secretaries indicated above may be subject to review from time to time based on a recommendation by the NRC to the Board (which, in turn, shall make a recommendation in case of approval) in light of the Company's performance, in which case the GA's approval shall be obtained.

f Final Provisions (Review, Amendment & Publication):

This Policy shall enter into force and be complied with by the Company as of 1/1/2017. It shall be reviewed on a regular basis (as needed) by the NRC. Any amendments proposed by the NRC shall be submitted to the Board which, in turn, shall examine and review the proposed amendments and present them to the shareholders' GA for approval.



(a) The Interests and Rights of the Members of the Current Board of Directors in its Seventh Session in the Shares or Debt Instruments of the Company or Any of its Subsidiaries, as well as Those of Their Spouses and Minor Children:

Name	Remarks	Shares at the end of 2024		Shares at the end of 2025		Change during the year	
		No. of Shares	Percentage	No. of Shares	Percentage	No. of Shares	Percentage
Mr. Badr bin Omar Al-Abdullatif	-	1,479	0.001%	1,479	0.001%	-	-
Mr. Saleh bin Ibrahim Al-Shabnan	-	127,272	0.091%	127,272	0.091%	-	-
Mr. Majid bin Abdurrahman Al-Osailan	-	10,000	0.007%	50000	0.035%	-	-
Mr. Fahad bin Omar Al-Abdullatif	-	-	-	100	0.00007%	-	-
Mr. Mohammed bin Hamdan Al-Sorayai	-	4629	0.003%	4629	0.003%	-	-
Mr. Mohammed bin Sulaiman Al-Rajhi	-	-	-	100	0.00007%	-	-
Mr. Mohammed bin Hikmat Al-Zaiem	-	207,188	0.147%	207,188	0.147%	-	-

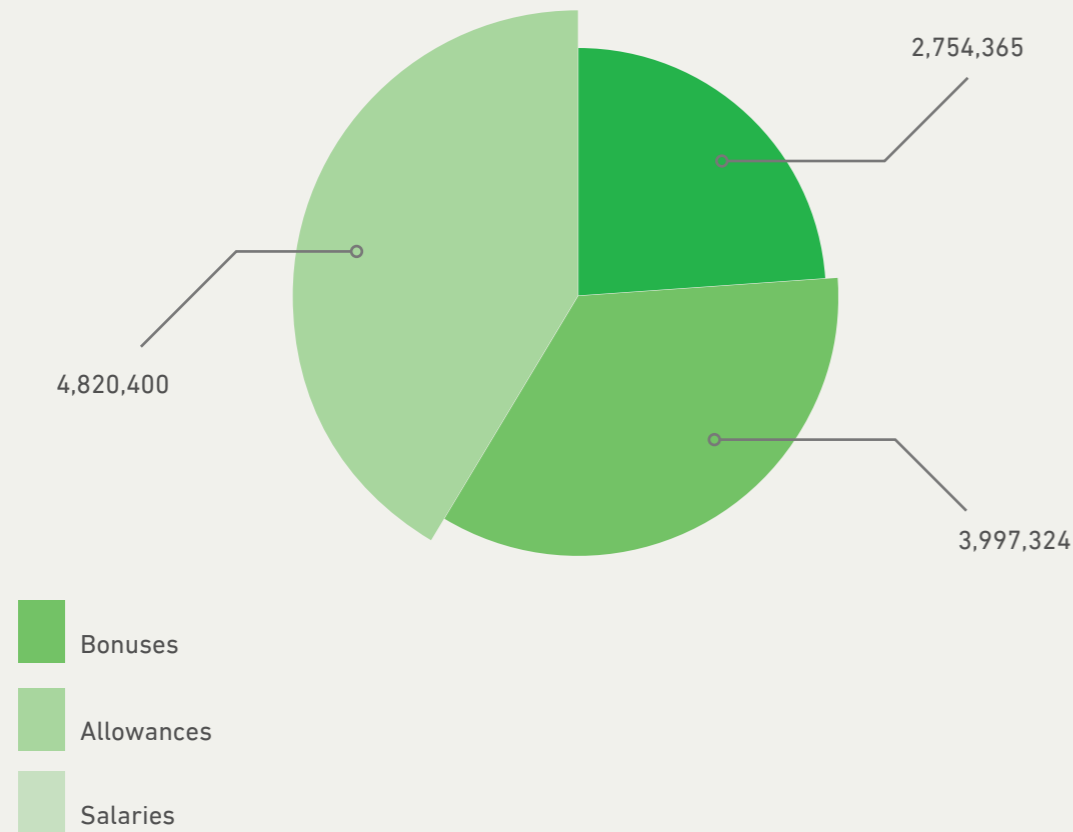
(b) Senior Executives' Interests and Rights in the Shares or Debt Instruments of the Company or Any of its Subsidiaries, as well as Those of Their Spouses and Minor Children:

Name	Position	Remarks	Shares at the end of 2024	Shares at the end of 2025	Change during the year	
					No. of Shares	Percentage
Mr. Turki bin Abdulaziz Al-Abdullatif	Deputy CEO – Corporate Communication	-	10	-	-	-
Eng. Abdulrahman Mohammed Ahmed	Deputy CEO – Operations & Strategies	-	450	-	(450)	-
Mr. Abdulaziz Mohammed Al-Suwaidan	Deputy CEO – Financial & Administrative Affairs	-	-	-	-	-

7.

Senior Executives' Remuneration & Compensation:

The remuneration and compensation of the Company's senior executives (namely: the Managing Director, CEO, Deputy CEO – SBDC, Deputy CEO – SBDC, and IT & CFO) were as follows:



.8

Any punishment, penalty, precautionary measure, or provisional attachment imposed on the Company by the Authority or by any other supervisory, regulatory or judicial body:

There is no punishment, penalty, precautionary measure, or provisional attachment imposed on the Company.

Fourteenth Company's Declarations

Out of departure of its role and responsibilities in protecting the Company's assets, the Board of Directors, based on the information available to it, the auditor's report, the current market requirement outcomes and the future indicators, confirms the following:

1. The account books have been prepared properly.
2. The internal control system has been prepared on proper bases and implemented effectively.
3. There is no doubt at all about the Company's ability to continue the activity.
4. There are no investments or reserves created for the benefit of employees (for example, provident, loans, employees' shares...etc.).
5. There is no arrangement or agreement under which a member of the founding Board of Directors or the Executive Management Team assigns any salary or remuneration.
6. There is no arrangement or agreement under which a founding shareholder assigns any rights to profits.
7. There are no businesses competing with the Company or any of its subsidiaries in the activities they conduct, which are or were conducted by any member of the Board of Directors.
8. Shareholders' register has been requested four times for the following reasons:

#	Request Date of File	Purpose of Request
1	2025/01/27	Other
2	2025/03/09	.Distributing the profits
3	2025/04/21	Other
4	2025/05/07	Other
5	2025/05/07	Other
6	2025/05/07	Other
7	2025/05/07	Other
8	2025/05/07	Other
9	2025/05/07	Other
10	2025/05/07	Other
11	2025/05/07	Other
12	2025/06/16	General Assembly
13	2025/07/01	.Company procedures
14	2025/08/04	Dividend Distribution



fifteenth

Audit Committee's Recommendations in Conflict with the Board's Resolutions or the Board Refused to Adopt as to the Appointment, Dismissal, Determination of Fees and Performance Evaluation of the Company's Auditor or the Appointment of an Internal Auditor, and Grounds of these Recommendations and Reasons for not Adopting them.

There are no recommendations from Audit Committee that are in conflict with the Board's resolutions or that the Board refused to adopt with regard to the appointment, dismissal, determination of remuneration and performance evaluation of the Company's Auditor or the appointment of Internal Auditor.

Business or contracts entered into for the account of the company in which a member of the Board of Directors, a senior executive, or any related party has an interest:

Contracts	Board member of Directors or senior executives who have an indirect interest
<p>The contract concluded with First Gas Company for the purpose of implementing the project to connect the Company's factory in Marat Governorate to the natural gas network as part of the Fuel Substitution Program. Under this contract, First Gas Company will undertake the design, supply, and execution works necessary for establishing and operating the internal gas network. The total value of the contract amounts to SAR 15,420,650 (fifteen million four hundred twenty thousand six hundred fifty Saudi riyals). The contract was entered into in accordance with customary commercial terms and without any preferential benefits or conditions.</p>	<ol style="list-style-type: none"> 1. Chairman of the Board, Mr. Bader bin Omar Al-Abdullatif. 2. Board Member, Mr. Majed bin Abdulrahman Al-Asilan. 3. Board Member, Mr. Fahd bin Omar Al-Abdullatif.

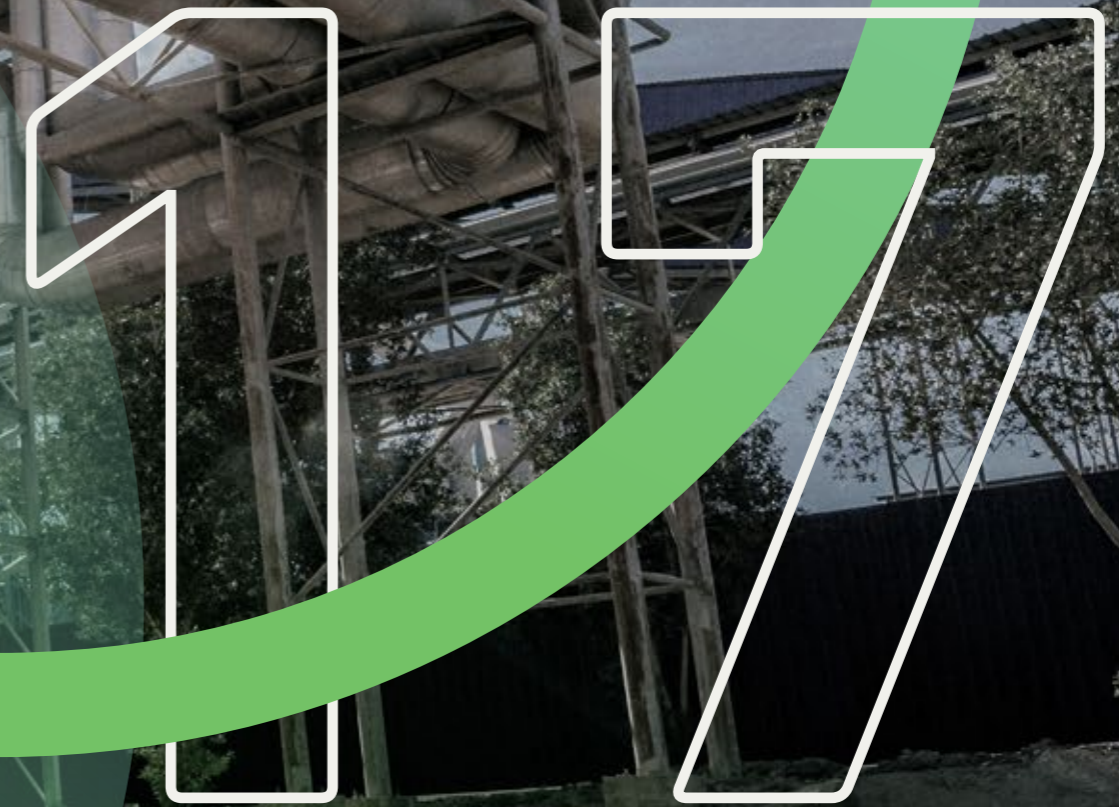


Sixteenth

Annual Audit of the Company's Effective Internal Control Procedures:

The conclusions of the annual review of the effective internal control procedures of 2025 showed that there are no substantial remarks affecting the Company's activity and evaluation of Audit Committee which in turn reviews and audits these reports and directs accordingly. It did not turn out to the Audit Committee that there is substantial weakness in internal control procedures set by the Company. The Executive Committee of City Cement Company recommends to continue improving the efficiency and effectiveness of the applicable control policies and procedures and updating them in conformity with the Company's volume of activity and nature of businesses.





seventeenth
Financial Results



Below is a summary of financial results of the period from 2021 to 2025:

1. Statement of Financial Position:

Value in Thousands of Riyals

Particulars	2025	2024	2023	2022	2021
Assets					
Current Assets	748,710	687,091	607,281	614,236	562,542
Non-current Assets	1,199,939	1,207,724	1,256,938	1,326,999	1,393,451
Total Assets	1,948,649	1,894,815	1,864,219	1,941,236	1,955,993
Equity					
Current Liabilities	87,299	72,710	60,140	93,676	96,343
Non-current Liabilities	28,909	26,975	27,895	28,473	29,527
Total Liabilities	116,208	99,685	88,035	122,149	125,870
حقوق المساهمين					
Capital	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
Statutory Reserve	--	--	211,199	202,999	191,498
Other Reserves	(292)	(438)	(1,265)	(2,359)	(2,314)
Retained Profits	432,733	395,568	166,249	218,447	240,938
Total Equity	1,832,411	1,795,130	1,776,184	1,819,087	1,830,122
Equity and Liabilities	1,948,649	1,894,815	1,864,219	1,941,236	1,955,993

The chart below shows the development of assets and equity during the five years from 2021 to 2025:

2021-2025 Assets & Equity (SAR million)

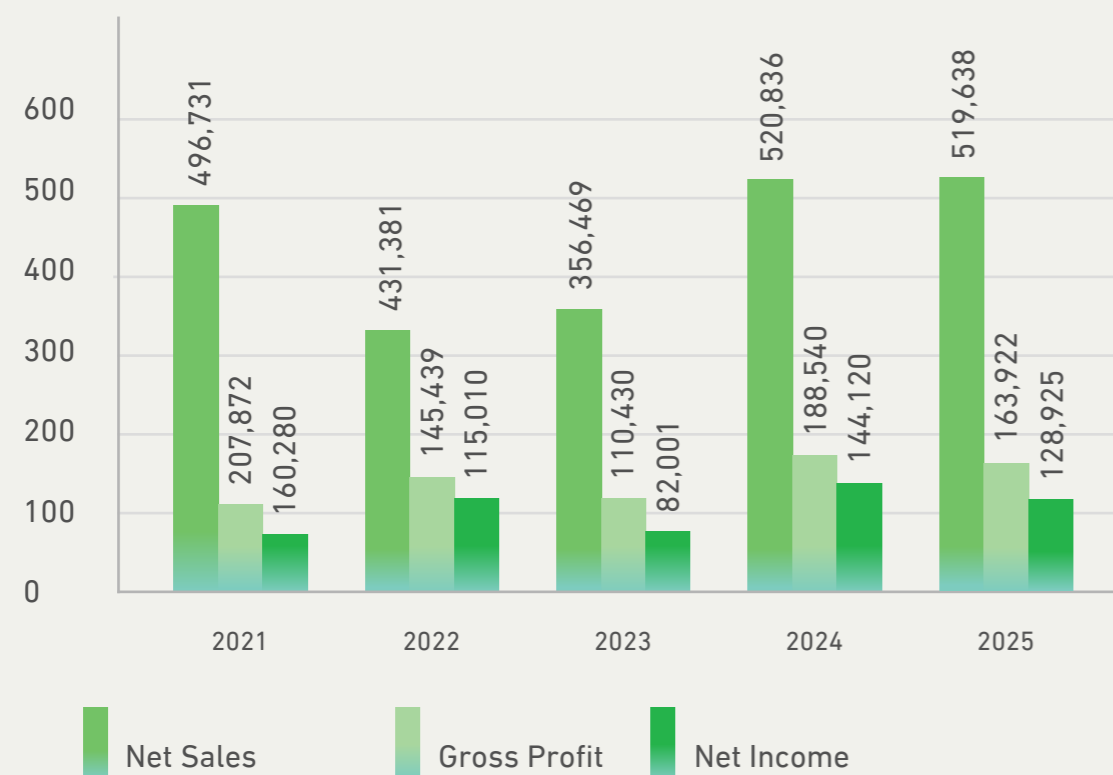


2. Statement of Income:

Value in Thousands of Riyals

Particulars	2025	2024	2023	2022	2021
Net Sales	519,638	520,836	356,469	431,381	496,731
Cost of Sales	(355,716)	(332,296)	(246,039)	(285,942)	(288,859)
Gross Profit	163,922	188,540	110,430	145,439	207,872
Total General, Administrative, Sale and Marketing Expenses	(50,717)	(52,647)	(37,566)	(34,630)	(33,510)
Other Revenues/ Expenses	32,500	21,339	21,437	13,967	(1,860)
Zakat	(16,780)	(13,112)	(12,300)	(9,766)	(12,222)
Net Income of the Year	128,925	144,120	82,001	115,010	160,280
Dividend	0.92	1.03	0.59	0.82	1.14

Net Sales, Gross Profit, and Net Income (2021–2025)
(SAR '000)

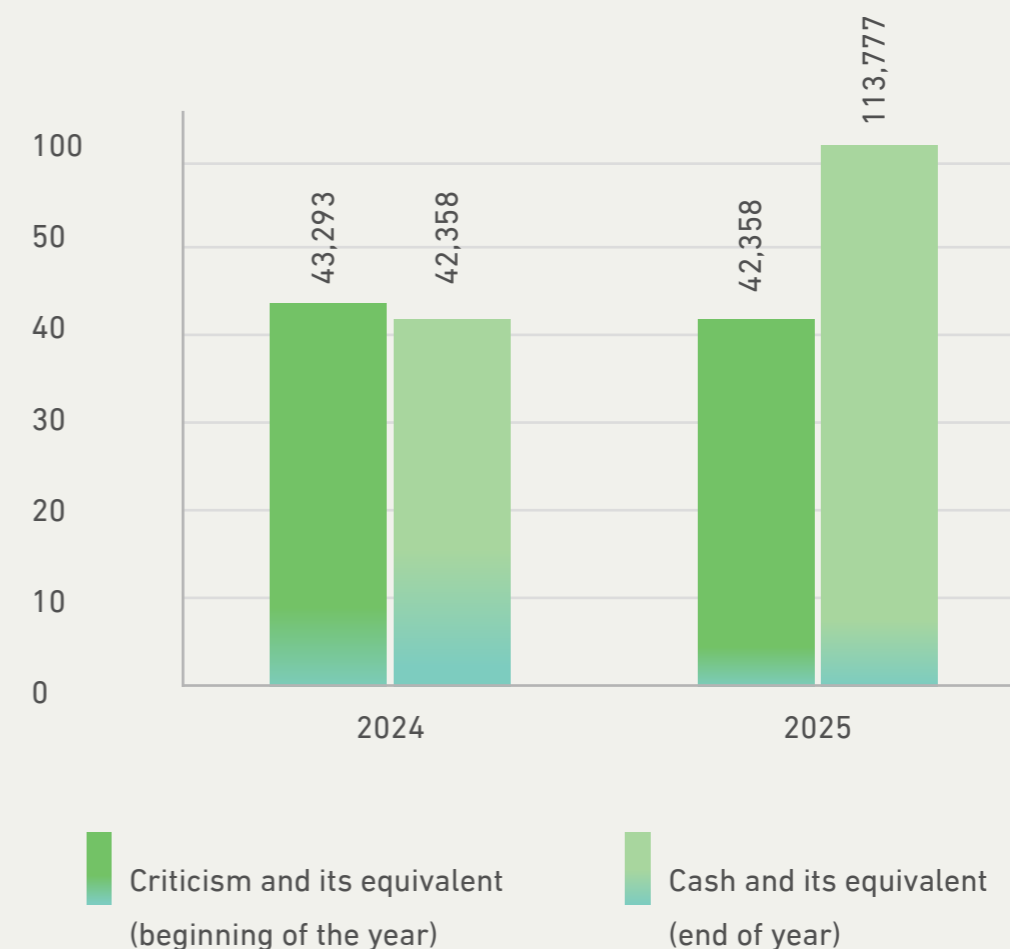


3. Summary of Statement of Cash Flow:

Value in Thousands of Riyals

Particulars	2025 (SAR thousand)	2024 (SAR thousand)
Net Cash Generated from Operating Activities	245,127	262,208
Net Cash Generated from Investing Activities	(80,628)	(135,407)
Net Cash Generated from Financing Activities	(93,080)	(127,736)
Net Change in Cash and Cash Equivalents	(71,419)	(935)
Cash and Cash Equivalents – Start of the Year	42,358	43,293
Cash and Cash Equivalents – End of the Year	113,777	42,358

The Company's financial statements of the fiscal year ended 31/12/2025 form an integral part of this report.





Eighteenth Profits



1.

Company's Profit Distribution Policy

The Company's policy in distributing its net annual profits relies on what is indicated in the Company's Articles of Association and the availability of the liquidity required to fulfill the payment of the strategic investments and projects of the Company. Profits are distributed as follows:

1. The Ordinary General Assembly may, based on the Board's suggestion, set aside a certain percentage of the net profits to create a consensual reserve and designate it for a specific purpose or specific purposes.
2. Of the balance of profits, a first payment will be distributed to the shareholders in at least (1%) one percent of the paid-up capital.
3. A percentage of no more than 10% ten present, after the foregoing, will be designated as Board's remuneration in compliance with the regulations and instructions issued by the Ministry of Commerce and Investment in this respect. Then, the balance will be distributed to the shareholders as additional share of profits.

2.

Distribution of Profits during 2025

The Board of Directors in its meeting held on 03/02/1447H, corresponding to 28/07/2025 decided to distribute cash profits of the first half of 2025 totaling (SAR 91,000,000) in (SAR 0.65) per share.

Nineteenth Audit of 2025



1. Appointment of the Company's Auditor for 2025 and Q1 of 2026

The Company's Ordinary General Assembly agreed in its meeting held on Monday 20/12/1446H, corresponding to 16/06/2025 to appoint Dr. Mohamed Al-Amri and Co. to audit, examine and review the financial reports for the Q2, Q3 and Q4 of the fiscal year 2025 and Q1 of 2026 in the amount of SAR 480,000.

2. Appointment of the Company's Account Controller for 2025

The Auditor's report shows that the Company's financial statements for year ended 31/12/2025 is free from material misstatement, and there are no reservations on them.

3. Accounting Standards

The financial statements have been prepared according to the international accounting standards that have been adopted and approved by the Saudi Organization for Certified Public Accountants (SOCPA). There are no differences from these accounting standards on the auditing of the Company's financial statements.

Thanks

Recognition

In conclusion, the Board of Directors in this occasion is pleased to extend its great thanks and gratitude to the Custodian of the Two Holy Mosques King Salman bin Abdulaziz Al Saud, may Allah preserve him, to his Crown Prince HRH Prince Mohamed bin Salman bin Abdulaziz Al Saud, Deputy Prime Minister and Minister of Defense and to our wise government. The Board of Directors beseeches God Almighty to protect the leaders of this country, grant success to our wise government for the good of this homeland and citizens, protect this country from every evil and maintain the blessing of security, safety and peace.

Besides, the Board of Directors also extends thanks and recognition to all relevant government authorities for their continuous collaboration and support as well as the shareholders and clients for their precious support and confidence and the Company's personnel for their fruitful efforts.

And Allah is the Grantor of success.

Board of Directors.

مجلس
الإدارة



www.citycement.sa

City Cement Company is a publicly traded company
whose shares are traded on the Saudi Stock Exchange
(Tadawul) under the symbol 3003