



أسمنت المنطقة الشمالية
NORTHERN REGION CEMENT



ANNUAL REPORT

2024



9 2 0 0 0 4 9 0 0 info@nrc.com.sa [nrc_cement](https://www.linkedin.com/company/nrc_cement)




2025



Annual Report

2025



In the name of Allah,
the Most Gracious, the Most Merciful

Welcome Message

We are pleased to welcome you to the 2025 Annual Report, which reflects a year marked by significant achievements and progress, and underscores our ongoing commitment to strengthening institutional performance and creating sustainable value for all our partners and stakeholders.

This report highlights the key milestones of the past year, shedding light on our strategic accomplishments, as well as the challenges we encountered—challenges we addressed with an ambitious vision and an innovative approach that supports sustainable growth and enhances our ability to adapt to evolving changes.

Through this report, we reaffirm our steadfast commitment to the principles of transparency, governance, and corporate responsibility, while striving to build trust and deepen the strategic partnerships that form the foundation of our success and continued development.

As we look to the future with confidence and ambition, we remain focused on capitalizing on promising opportunities, fostering innovation, and strengthening our position as a trusted partner contributing to a more prosperous and sustainable future.

In conclusion, we extend our sincere appreciation and gratitude to all our partners and stakeholders for their continued support and valued trust, which have been—and continue to be—the cornerstone of our journey toward excellence and leadership.

Thank you for being an integral part of our success story.

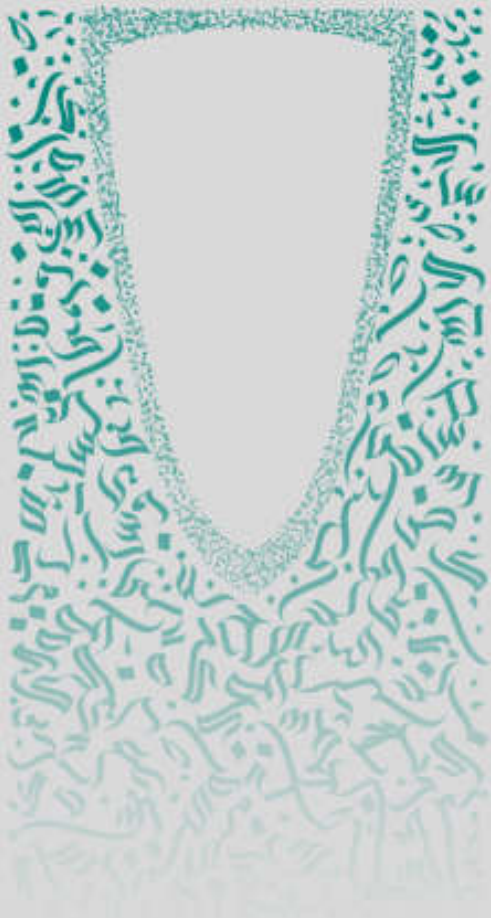


Custodian of the Two Holy Mosques
KING SALMAN BIN ABDULAZIZ AL SAUD

May God preserve him.

“

My foremost objective is for our country to become a successful and leading model worldwide in all aspects, and I will work with you to achieve this.



His Royal Highness
PRINCE MOHAMMED BIN SALMAN BIN ABDULAZIZ AL SAUD
Crown Prince & Prime Minister

“

Saudi Arabia... the Arab and Islamic depth... a leading investment powerhouse... and a hub connecting the three continents.



His Royal Highness
PRINCE FAISAL BIN KHALID BIN SULTAN BIN ABDULAZIZ
Emir Of The Northern Border Region

“

The wise leadership pays great attention to comprehensive development efforts within the based 2030 framework of the Kingdom's Vision on the strengths and comparative advantages enjoyed by each region, and everything that would support the efforts and initiatives to strengthen the economies of each region and diversify sources of national income

Chairman's Speech



It is my pleasure, on behalf of the Board of Directors of Northern Region Cement Company, to present to you the comprehensive annual report on the Company's performance and that of its subsidiaries, highlighting our key achievements and financial results for the fiscal year ended December 2025 ,31.

This report reflects our firm commitment to the highest standards of corporate governance and applicable regulations, underscoring the Board's continuous dedication to safeguarding the rights of shareholders and stakeholders, and its diligent pursuit of maximizing their returns.

The year 2025 was crowned with solid financial performance, as we maintained stability in our sales value, reinforcing our pivotal role in supporting the Kingdom's development journey and achieving the objectives of Saudi Vision 2030. The past year also witnessed the launch of a series of strategic initiatives aimed at enhancing operational efficiency and institutional excellence, alongside the continued successful implementation of cost optimization and expenditure rationalization policies.

As part of our commitment to transparency, we have continued to strictly comply with all regulations and requirements issued by the Capital Market Authority, ensuring the protection of our valued shareholders' interests.

In conclusion, I extend my sincere thanks and appreciation to our shareholders for their continued trust and support, and to all our employees for their dedication in driving growth and overcoming various challenges. We pray for continued success and further achievements, inspired by the generous and unwavering support we receive from the Government of the Custodian of the Two Holy Mosques and His Royal Highness the Crown Prince, may God preserve them.

Chairman of the Board of Directors
Suleiman Bin Salem Alharbi

Members of the Board of Directors



Mr. Sulaiman bin Salem Al-Harbi
Chairman of the Board of Directors



Eng. Mohammed bin Fayez Al-Dosari
Board of Directors Member



Eng. Saud bin Saad Al-Arifi
Managing Director (MD) & Executive Board Member



Dr. Faisal bin Hamad Al-Sogair
Vice Chairman of the Board



Eng. Ahmed bin Abdulrahman Al Obaid
Board of Directors Member



Dr. Obaid bin Saad Al-Subaie
Chief Executive Officer (CEO) & Board Member

Location



NORTHERN REGION CEMENT PLANT



Its plant is located 50 km south of Turaif, The company is distinguished by a strategic location close to raw material quarries and regional markets.

First Company Activity

Northern Region Cement Company is a leading cement manufacturer, strategically positioned to serve the growing construction needs of the Northern Region.

Founded on a commitment to excellence and innovation, the Company has successfully established a strong presence in the industry through its dedication to producing high-quality cement that meets both national and international standards.

The Company's core activities include the production of ordinary cement, sulfate-resistant cement, white cement, and clinker. Its current annual design capacity stands at 2.7 million tons of clinker, equivalent to approximately 3.1 million tons of cement per year.

The Company's modern production facilities are equipped with advanced technologies that ensure operational efficiency, sustainability, and minimal environmental impact.

Its product portfolio includes a wide range of cement types designed to meet diverse construction needs, from residential and commercial buildings to large-scale infrastructure projects. With a strong focus on customer satisfaction, the Company takes pride in its reliable supply chain, ensuring timely delivery and consistent quality.

The Company also actively participates in community development initiatives, reaffirming its commitment to social responsibility and contributing to the overall growth and prosperity of the region.

Through strategic partnerships and a forward-looking approach, Northern Region Cement Company continues to pave the way for a strong and sustainable future in the construction industry.

In thousand tons

Clinker Production

1,600 TON



In thousand tons

Cement Production

2,426 TON



In thousand Riyals

Net Sales

683,518 SR



Second Subsidiary and Sister Company

Company Name	Capital	Ownership Percentage	Main Activity	Operations Location	Country of Incorporation
Northern Cement Company	55,000,000 JOD	99.45 %	A public shareholding company with an annual production capacity of one million tons of cement.	JORDAN	JORDAN
Diyar Najd for Contracting and Trading Limited	1000 AED	100 %	Holds shares in Northern Cement Company -Jordan	UAE	UAE
Sama Al-Yamama Limited	1000 AED	100 %	Holds shares in Northern Cement Company -Jordan	UAE	UAE
North Gulf Cement and Building Materials Trading Company Limited	1000 AED	100 %	Holds shares in Northern Cement Company -Jordan	UAE	UAE
Abr Al-Shamal Cement, Derivatives and Building Materials Company Limited	1000 AED	100 %	Holds shares in Northern Cement Company -Jordan	UAE	UAE
Al-Hazm Cement and Derivatives Trading Company Limited	1000 AED	100 %	Holds shares in Northern Cement Company -Jordan	UAE	UAE
Umm Qasr Northern Cement Limited	10,000 AED	100 %	Holds shares in Qasr Al-Nahda Cement Manufacturing Company-Iraq.	IRAQ	IRAQ
Umm Qasr Northern Cement Manufacturing Company	2,400,000 JOD	100 %	Manufacture of Cement Products	IRAQ	IRAQ
Sarh Zamzam Investment and Industrial Projects Rehabilitation Company	100,000 JOD	100 %	Investment in the cement industry	JORDAN	JORDAN
White Stars Mining Investments Company LLC	10,000 JOD	99.45 %	Manufacturing and Trading of Cement Products	JORDAN	JORDAN
Al-Fayhaa Cement Company for Cement Manufacturing and Industrial Projects Rehabilitation	10,000 JOD	99.45 %	Manufacture of Cement Products	JORDAN	JORDAN
Northern Region Cement Company for Investment	100,000 SAR	100 %	Investment in the cement industry	SAUDI ARABIA	SAUDI ARABIA
Northern Cement Company	650,000 EGP	100 %	Manufacturing and Trading of Cement	EGYPT	EGYPT

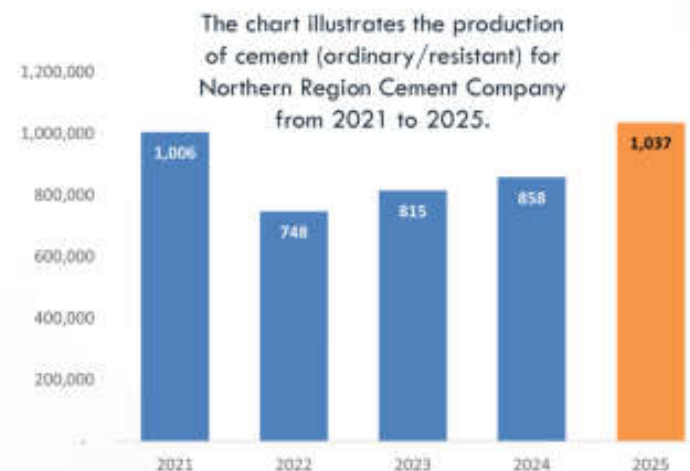
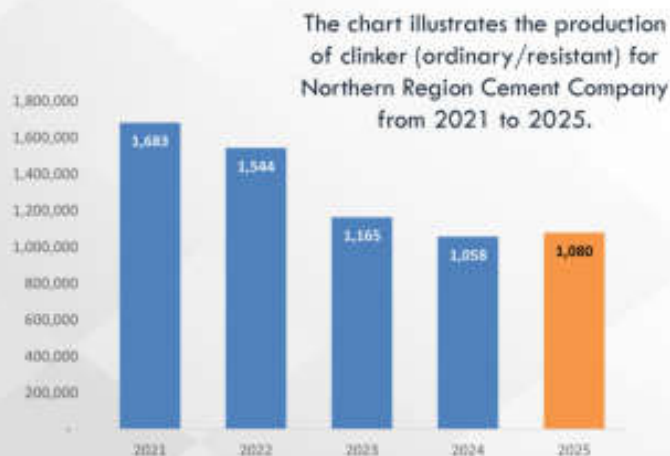
COMPANY BUSINESS RESULTS



Third | Company Business Results

Northern Region Cement Production - Saudi Arabia

- The Company's production of clinker (ordinary/resistant) reached 1,079,572 tons in 2025, compared to 1,058,160 tons in 2024, representing an increase of %2.02.
- The production of white clinker amounted to 520,135 tons in 2025, compared to 546,407 tons in 2024, reflecting a decrease of %4.81.
- The production of gray cement, milled from clinker, reached 559,648 tons in 2025, compared to 474,440 tons in 2024, an increase of %17.96.
- The production of white cement, milled from clinker, amounted to 476,947 tons in 2025, compared to 383,740 tons in 2024, marking an increase of %24.29.



Continued | Company Business Results

Northern Region Cement Production - Jordan

Northern Region Cement -Jordan grinds clinker into cement. Its production of cement and other additives in 2025 reached 848,996 tons, compared to 650,772 tons in 2024, representing an increase of %30.46.

The production of white cement, milled from clinker, amounted to 85,155 tons in 2025, compared to 107,759 tons in 2024, reflecting a decrease of %20.98.

Continued | Company Business Results

Umm Qasr Cement Manufacturing Company – Iraq Production

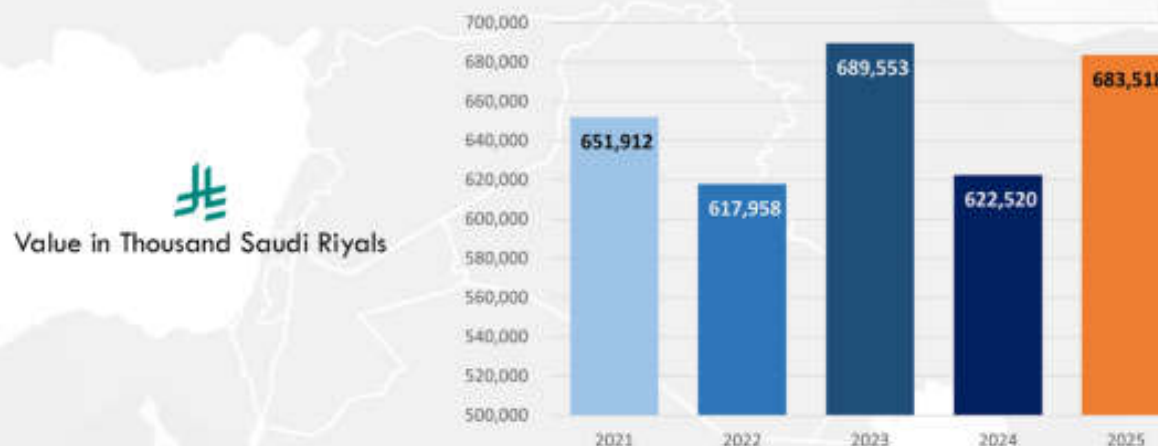
Umm Qasr Cement Manufacturing Company – Iraq grinds clinker into cement. Its production of cement and other additives for 2025 amounted to 455,648 tons, compared to 561,189 tons in 2024, representing a decrease of %18.81.



Continued Company Business Results

Northern Region Cement Group Sales

The Company's cement sales to Saudi Arabia, Jordan, and Iraq reached 2,425,907 tons in 2025, compared to 2,153,459 tons in 2024, representing an increase of %13.



Geographical Analysis



Fourth | Future Plans and Projects

- Continuous improvement in product quality through research and development and the implementation of the best international standards.
- Working on cost reduction to enhance the Company's competitiveness.
- Long-term investment in the workforce, particularly Saudi employees, positively impacting the Company's performance.
- Maintaining the Company's share in target markets and continuously seeking to increase it by leveraging competitive advantages, including product quality development.
- Utilizing the Company's extensive experience in marketing and exporting outside the Kingdom to facilitate capturing the targeted share in international markets.
- Focusing on maximizing production capacity to increase profitability.
- Increasing profitability through the production and marketing of diversified products.
- Expanding and diversifying the Company's product portfolio by investing in vertical and horizontal expansion projects in cement manufacturing and related industries.
- Maintaining and renewing the global quality certifications obtained by the Company, such as the European Standards Certificate and the American Petroleum Institute (API) Certificate.
- Emphasizing compliance with environmental standards and specifications by producing green cement.
- Continuing participation in the Saudi Green Initiative projects.



Fifth | Expectations for 2026



The Company expects a %35 increase in sales based on the anticipated market demand for 2026.

It also forecasts stable cement demand during the first half of 2026, with an expected improvement starting in the second half of the year. The Company aims to continue implementing its cost rationalization program and maintain rapid responsiveness to market changes.

Sixth Risks



Production and Marketing

Like other companies operating in the cement sector, the Company faces certain operational cost risks, including potential fluctuations in raw material prices, manufacturing, and transportation costs. It also encounters marketing risks, notably the challenges of intense competition in the white cement market from external competitors within the local market. However, given the expected continued strong growth of the Saudi economy, these risks are considered unlikely to materialize in practice.



Competition

The Company operates in a single sector characterized by intense competition both locally and internationally, due to the differences between production capacities and consumption levels among competitors, which may affect competitive pricing. To mitigate these risks, the Company has begun diversifying its product portfolio, thereby reducing overall risk exposure.



Changes in Government Economic Decisions

The issuance of any sovereign decisions by the government will undoubtedly affect input costs and selling prices, having a direct economic impact on the Company's future profits.

However, given the expected continued strong growth of the Saudi economy, God willing, we consider these risks unlikely to materialize in practice. To mitigate these risks, your Company is working on:

- Maintaining product quality and diversifying the production of new materials.
- Preserving its customer base in domestic and international markets, while striving to expand it.
- Continuing the Company's cost and expense rationalization plan to strengthen its competitive capabilities.

Continued Risks

Risk Management

Like other companies operating in the Kingdom, the Company faces the following risks:



Market Risks

Market risks represent challenges that affect the Group's performance due to economic, regulatory, and competitive fluctuations. Exchange rate, interest rate, and commodity price volatility impact both revenues and costs. The entry of new competitors or changes in their strategies poses a risk to market share and profitability. Additionally, changes in government regulations, taxes, and environmental laws increase operating costs and compliance requirements. The effects of shifts in demand and supply resulting from changes in consumption patterns or economic downturns can lead to lower sales and profitability, making it more challenging to adapt to a dynamic business environment.



Currency Risks

Currency risks arise from fluctuations that affect the value of financial instruments due to changes in exchange rates, impacting the Group's commercial transactions. Major financial transactions are conducted in Saudi Riyals, alongside other currencies such as the Jordanian Dinar, US Dollar, and UAE Dirham.



Fair Value and Cash Flow Risk Management for Commission Rates

Fair Value and Cash Flow Risks – Commission Rates refer to exposures to various risks arising from fluctuations in prevailing commission rates in the market, affecting the Group's consolidated financial position and consolidated cash flows.

Continued Risks

Risk Management



Liquidity Risks

The Group faces financial liquidity risks if sufficient funds are not available to meet its financial obligations on time. Liquidity management relies on effective financial planning and regular monitoring of cash flows to ensure liquidity is available when needed. This requires managing financial commitments so that trade obligations are settled within 30 to 45 days from the invoice date.



Credit Risks

Credit risks are related to customers' ability to meet their financial obligations to the Group. Management of these risks involves dealing with customers who have a reliable credit rating, obtaining high-quality financial guarantees when necessary, and closely monitoring outstanding balances to ensure timely collection. Additionally, the Group limits its banking transactions to well-reputed banks to minimize the risk of financial default.

Seventh | Bank Loans

TOTAL 1,061,221,946 SR								
	BANK	LOAN TERM (DAYS)	ORIGINAL AMOUNT	BEGINNING BALANCE	RECEIVED DURING THE YEAR	REPAID DURING THE YEAR	ENDING BALANCE	NOTES
1	Arab National Bank	180			4.00		4.00	
2	Arab National Bank	180			16.50		16.50	
3	Arab National Bank	180			35.00		35.00	
4	Arab National Bank	180			57.00		57.00	
5	Arab National Bank	90			15.00		15.00	
6	Arab National Bank	90			30.00		30.00	
7	Arab National Bank	90			40.00		40.00	
8	Saudi EXIM Bank	360			50.00		50.00	
9	Saudi EXIM Bank	360			50.00		50.00	
10	Bank AlJazira	180			7.17		7.17	
11	Bank AlJazira	180			2.80		2.80	
12	Bank AlJazira	180			12.35		12.35	
13	Bank AlJazira	180			8.83		8.83	
14	Bank AlJazira	180			2.09		2.09	
15	Bank AlJazira	180			10.83		10.83	
16	Bank AlJazira	180			4.97		4.97	
17	Bank AlJazira	90			7.01		7.01	
18	Bank AlJazira	90			2.50		2.50	
19	Bank AlJazira	180			2.10		2.10	
20	Bank AlJazira	90			3.85		3.85	
21	Bank AlJazira	90			15.85		15.85	
22	Bank AlJazira	90			18.25		18.25	
23	Alrajhi Bank	90			25.00		25.00	
24	SAB Bank	180			50.00		50.00	
25	SAB Bank	90			30.00		30.00	
26	Inmaa Bank	1800	244.65		244.65		244.65	
27	Arab National Bank	1800	100.00	60.00		20.00	40.00	
28	saudi industrial development fund	1800	57.00	41.80		8.00	33.80	
29	SAB Bank	1800	250.00	225.00		50.00	175.00	
30	Alrajhi Bank	1800	200.00	111.11		44.45	66.66	
31	Alrajhi Bank	1440	40.00	13.33		13.33	-	
32	Alrajhi Bank	1440	30.00	10.00		10.00	-	

There are no loans on any of the other affiliated companies.

Eighth

Community Engagement

Driven by our commitment to achieving ethical objectives and recognizing that investing in the local community benefits everyone, the Company has continued its participation in social responsibility initiatives. This represents an ongoing commitment, ensuring that the Company remains a cornerstone within the community, playing a role in meeting its needs and contributing to its development.

The Company also emphasizes its leadership role in social responsibility, recognizing the importance of community awareness and development, guided by national sentiments and ethical values. The following is an overview of the contributions made by the Company.



Combined Ramadan Suhoor For Northern Region Cement Employees





Social Visit to Al-Burj Medical Hospital in Arar



Saudi National Day 95

Company Celebration, September 2025



Ninth | Human Resources



52%

Non-Saudi



48%

Saudi

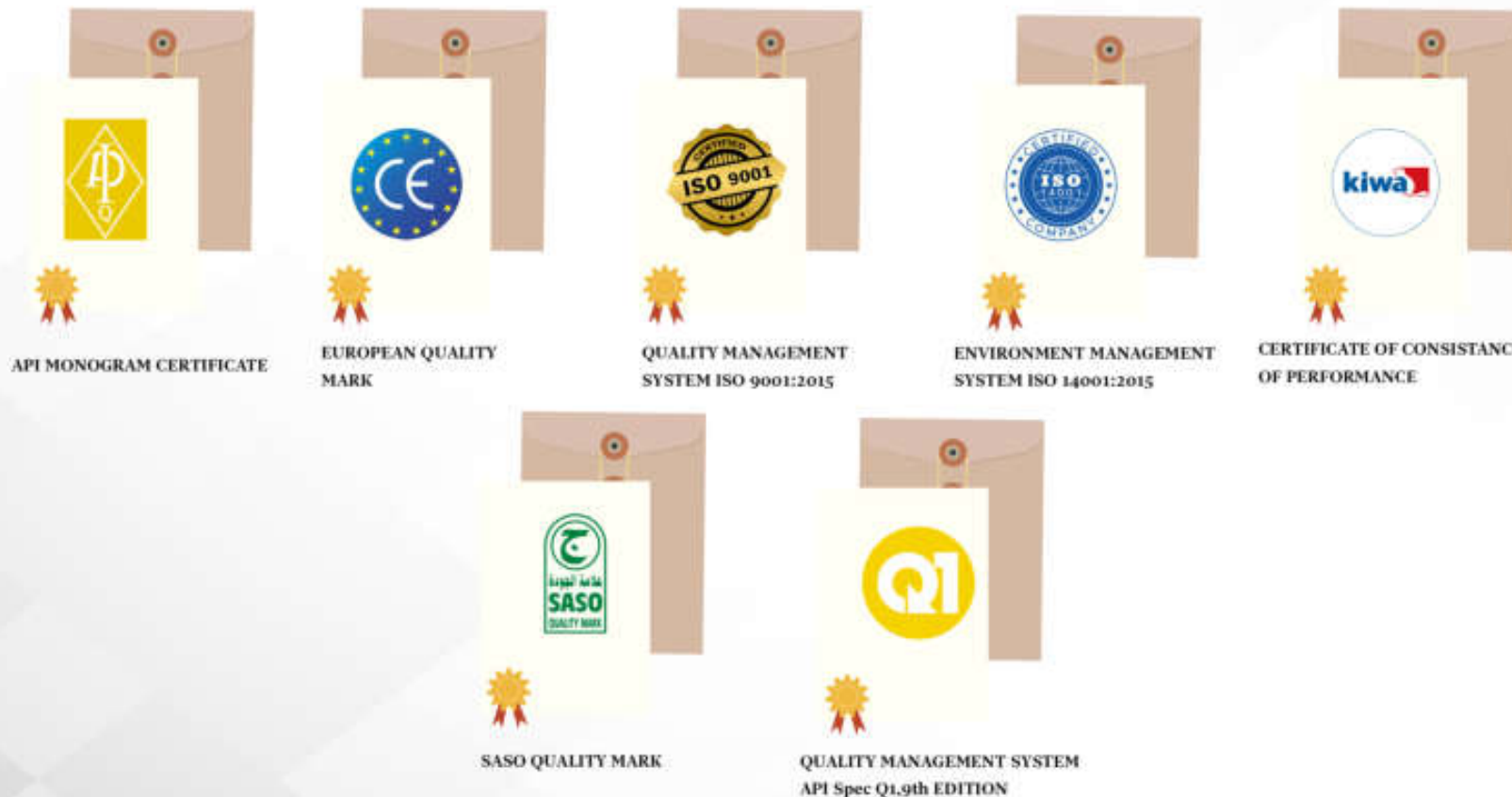
As part of the Company's efforts to achieve its goals in human resource development and training, it has, for several years, been implementing specialized programs aimed at training and developing national competencies and career path planning. These initiatives are designed to enable employees to assume leadership positions by leveraging the outstanding national talent within the Company.

As a result of these efforts, %48 of employees now hold platinum-level status under the Ministry of Human Resources and Social Development.

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25

Tenth | Quality, Safety, and Occupational Health

Northern Region Cement Company applies all Saudi and international standards to ensure environmental safety, under the supervision and monitoring of the Saudi General Authority for Meteorology and Environmental Protection. The Company is fully committed to maintaining the quality of its products and has obtained numerous international certifications.



Eleventh | Governance

The Company has implemented all the provisions of the Governance Regulations, except for the following

Article Number	Article Text	Reasons for non-application
Article 37 Paragraph 2	Develop the necessary mechanisms to provide continuous training programs and courses for both members of the Board of Directors and executive management	Guidance material to be applied in the future
Article 39 Paragraph E	The Board of Directors shall arrange for an evaluation by a competent external body of its performance every three years.	Guidance material to be applied in the future
Article 39 Paragraph f	Non-executive members of the Board of Directors conduct periodic evaluations of the performance of the Board of Directors	Guidance material to be applied in the future
Article 67	Formation of the Risk Committee	Risk control falls within the competence of the Audit Committee and the company has been convinced of this, knowing that the company applies a complete risk control system and has a risk policy and prepares an internal audit plan based on the risks
Article 68	Terms of reference of the Risk Committee	Guidance material
Article 69	The Risk Committee meets periodically at least every six months and whenever the need arises.	Guidance material
Article 92	If the Board of Directors forms an actual committee specialized in corporate governance, it may delegate to it the powers prescribed under Article 92 of this Law, and this committee shall follow up any topics related to governance applications and provide the Board of Directors at least annually with the reports and recommendations it finds.	Guidance material

Twelfth | Sanctions and Penalties Imposed on the Company

There are no other penalties or penalties imposed on the company during the year 2025

Thirteenth | Actions taken by the Board of Directors to inform its members, especially non-executives, of the shareholders' proposals and observations regarding the company and its performance

In its meetings, the Board reviews the shareholders' comments, questions and inquiries, if any, through the Shareholders Relations Department of the Company, and there are no suggestions or observations regarding the Company and its performance during the year 2025.

Fourteenth | The means adopted by the Board of Directors in evaluating its performance and the performance of its committees and members and the external body that carried out the evaluation and its relationship with the company,

The Nomination and Remuneration Committee identifies the strengths and weaknesses of the Board of Directors and proposes ways to address them in accordance with the interest of the company and the Committee relies on evaluating the performance of the members of the Board of Directors on the self-evaluation system for members

Fifteenth | Recommendation of the Audit Committee on the need to appoint an internal auditor in the company

There is an internal auditor

Sixteenth | Penalties and Sanctions Imposed on the Company

There are no recommendations from the Audit Committee that conflict with the decisions of the Board of Directors.

Seventeenth | Number of the Company's Requests for the Shareholders' Register, Including the Dates and Reasons for Those Requests

Reason for Request	Request Date	Number of the Company's Requests for the Shareholders' Register
General Assembly	2025/05/14	1
Others	2025/06/30	2
Earnings File	2025/10/06	3
Others	2025/12/21	4
Company Procedures	2025/12/31	5



Eighteenth | **Names of Board Members, Committee Members, and Executive Management, Along with Their Current and Previous Positions, Qualifications, and Experience**

Mr.Suleiman bin Salim Al-Harbi

Chairman of the Board of Directors



CURRENT POSITIONS

Chairman of the Board of Directors of

- Pan Kingdom Contracting Company LTD.
- Saudi Snaf Company.
- Pan Kingdom Investment Company.
- Pan Kingdom Development Holding Company.
- Kingdom National Development Company.
- Kingdom Energy Company.
- Kingdom Water Company.
- Kingdom Holding Company.
- Solb Steel Company.
- Northern Cement Company - Saudi Arabia.
- Global Specialized Transportation Company.
- Northern Cement Company - Jordan.
- Darb Al Mashaar Company.
- Pan Kingdom Real Estate.

Member of the Board of Directors of

- Saudi Contractors Authority.
- Directors of Home Real Estate Company.
- Droob Urban Development Company.



PREVIOUS POSITIONS

- Former member of Makkah Region Council
- Former member of the Board of Directors of the Saudi Contractors Authority



QUALIFICATIONS

Certificate in English Language
Multiple Business Administration Courses



EXPERIENCES

He has more than 35 years of experience and has an active role in supporting the national economy and sustainable development in the fields of contracting, infrastructure, investment, industry, real estate development and many previous participations in the membership of some of the boards of directors of government agencies, in addition to charitable social work, where he chairs the Board of Trustees of Salim Al-Harbi and Sons Charitable Foundation, which contributes to many charitable initiatives and development programs.

Dr.Faisal Hamad Al-Sogair

Vice Chairman



CURRENT POSITIONS

Vice Chairman
Northern Region Cement Company



PREVIOUS POSITIONS

- CEO of the Saudi Center for International Strategic Partnerships
- Vice President of the Civil Aviation Authority



QUALIFICATIONS

- Bachelor's degree in civil engineering
- Master's and Doctoral Degrees in Structural Civil Engineering



EXPERIENCES

- Associate Professor of Civil Engineering, King Saud University
- Head of the Department of Civil Engineering, King Saud University, from 1993 to 1995
- Vice President of Projects and later Senior Vice President and General Manager of the Military Systems Unit at AEC.

Eng.Saud bin Saad Al-Arifi Managing Director



Managing Director of Northern Region Cement Company
Chairman of Saud Saad Al-Arifi Trading Group
Executive director and partner at Saudi Pan Kingdom
investment Company

Board Member

Northern Cement Company - Jordan
Solb Steel Company

Aldar Consulting Company

Member of the Board of Directors

International Industries Company

Iron Forming and Coating Company

Tabuk Steel Company

Steel Industries Company

Kingdom Development Real Estate Company

Kaden Logistics Company

Kaden Investment Company

Kingdom Development Investment Company



CURRENT POSITIONS



EXPERIENCES

The Ministry of Defense 9 years and private sector for 20 years



QUALIFICATIONS

Bachelor's degree in architecture engineering.



PREVIOUS POSITIONS

Engineer in the Ministry of Defense and Aviation

Eng. Mohammed bin Fayez Al-Dosari Board Member




CURRENT POSITIONS

- Chairman of the Board of Directors of Ra Investment Company
 - General Manager of Trans Kingdom Investment Company
 - General Manger of Saudi Pan Kingdom investment company
- Board Member**

- Northern Region Cement Company
- Solb Steel Company
- Northern Cement - Jordan

Member of the Board of Directors

- International Industries Company
- Iron Forming and Coating Company
- Red Sea Markets Company Aseer
- Arwad Development Company for Real Estate Development and Investment



PREVIOUS POSITIONS

Engineer in the Ministry of Defense and Aviation



EXPERIENCES

Ministry of Defense 15 years and private sector for 20 years



QUALIFICATIONS

Bachelor's Degree in Architecture Engineering and Building Sciences

Eng.Ahmed bin Abdulrahman Al Obaid

Board Member




CURRENT POSITIONS

Chief Executive Officer - Sadiq Industries
Member of the Board of Directors of Northern Region Cement Company



PREVIOUS POSITIONS

- Saudi Aramco Company
- Petrokemya Company
- SABIC Company
- SABIC Specialty Plastics Company



EXPERIENCES

20 years of experience in the industrial, technology, strategy, investment and industrial development sector



QUALIFICATIONS

- MBA Degree
- Master's degree in financial management
- Bachelor's degree in chemical engineering

Doctor.Obaid Bin Saad Alsubaie CEO



CURRENT POSITIONS

- Member of the Board of Directors and CEO of Northern Region Cement Company
- Chairman of Saudi Arabian Refineries Company (SARCO)

EXPERIENCES

- He served as a member of the Board of Directors and Chairman of the Audit Committee of the National Company for Construction and Marketing.
- Head of Technical Support Department at the Ministry of Defense
- Served as Director of King Khalid Military City - Construction Office
- Served as Project Manager - Ministry of Defense and Aviation - Dhahran Air Defense

QUALIFICATIONS

- Ph.D. in Civil Engineering from Illinois Institute of Technology - Chicago
- Master's Degree in Structural Engineering and Management from King Fahd University of Petroleum and Minerals
- Bachelor's degree in civil engineering from King Fahd University of Petroleum and Minerals

Members of committees from outside the Council

Mr. Eyad Tarek Al-Yahya

Audit Committee Member – Northern Region Cement Company

Previous Positions	Qualifications	Experience
<ul style="list-style-type: none"> Investment Manager at Asir Company Executive Management Member at Al-Khozama Management Company Trading and Finance Manager at Al-Rajhi Banking & Investment Corporation Assistant Director for Financial Affairs at Al-Wataniya Cooperative Insurance Company 	<p>Bachelor's Degree in Commerce - Accounting Country: Kuwait Year: 1980</p>	<p>Saudi Industrial Development Fund</p>

Mr. Khaled Bin Abdulaziz Al-Arifi

Audit Committee Member – Northern Region Cement Company

Previous Positions	Qualifications	Experience
<ul style="list-style-type: none"> Board Member – Northern Region Cement Company Board Member – Zujaj Glass Industries Company, Riyadh Board Member – Nama Chemicals Company, Jubail Board Member – Arab Company for Axles and Foundries, Jubail Board Member – National Company for Environmental Preservation ("Biah"), Jubail Board Member – Technology Investments Company, Riyadh 	<p>Bachelor's Degree in Public Administration</p>	<p>General Manager – VACANCES GMB Tourism, Stuttgart, Germany General Manager – Saudi-Tunisian Investment Company, Tunisia General Manager of Investment Department – Al-Anwa'ia Holding Company, Riyadh Head of Public Transport Sector – Saudi Transport Company ("Bahri"), Bahri</p>

Executive Management



Qualifications
PHD in Civil Engineering



Previous Positions
CEO
of Northern Region Cement Company

Dr. Obaid Saad Al-Subaie
Chief Executive Officer



Qualifications
Bachelor's Degree in
Civil and Structural Engineering



Previous Positions
Project Manager
Northern Region Cement Company

Eng. Ayedh Nasser Al-Dosari
Executive Vice President



Qualifications
Master of Business Administration (MBA)
Bachelor of Commerce, Accounting Major



Previous Positions
CFO
at cement multinational companies CEMEX and La Farge
Director of Control and Financial Reporting
at PepsiCo International and Almarai

Mr. Haitham Mustafa Afifi
Chief Financial Officer

Nineteenth Names of companies, inside or outside the Kingdom, in which the Board Member is or has been a member of their boards of directors or part of their management.

Mr.Sulaiman Saleem Al-Harbi

Names of companies in which the Board Member is a member of their current board of directors or managers	Inside/Outside the Kingdom	Legal Entity	Names of companies in which the Board Member is a member of their previous board of directors or managers	Inside/Outside the Kingdom	Legal Entity
Chairman of the Board of Directors of Cross Kingdom Saudi Construction Company	Inside	Closed Joint Stock			
Chairman of the Board of Managers of Sadaf Saudi Company	Inside	Limited Liability			
Chairman of the Board of Managers of Cross Kingdom Investment Company	Inside	Limited Liability			
Chairman of the Board of Directors of Cross Kingdom Holding Development Company	Inside	Closed Joint Stock			
Chairman of the Board of Directors of Cross Kingdom Holding Company	Inside	Closed Joint Stock			
Chairman of the Board of Directors of Solb Steel Company	Inside	Closed Joint Stock			
Chairman of the Board of Directors of Northern Cement Company - Saudi Arabia	Inside	Listed Joint Stock			
Chairman of the Board of Directors of Northern Cement Company - Jordan	Outside	Listed Joint Stock			
Board Member of Mawten Real Estate Company	Inside	Closed Joint Stock			
Member of the Board of Managers of Duroob Urban Development Company	Inside	Limited Liability			
Chairman of the Board of Managers of Darb Al Mashaer Company	Inside	Limited Liability			
Chairman of the Board of Directors of Cross Kingdom Real Estate	Inside	Closed Joint Stock			
Chairman of the Board of Managers of Ras Investment Company	Inside	Simplified Joint Stock			
Chairman of the Board of Managers of Dayoum Investment Company	Inside	Limited Liability			
Chairman of the Board of Directors of Kaden Investment Company	Inside	Closed Joint Stock			

Dr. Faisal bin Hamad Al-Sugair

Names of companies in which the Board Member is a member of their current board of directors or managers	Inside/Outside the Kingdom	Legal Entity	Names of companies in which the Board Member is a member of their previous board of directors or managers	Inside/Outside the Kingdom	Legal Entity
Thuhoor Development Co. Ltd.	Inside	Closed Joint Stock		inside	
Derayah Financial Company	Inside	Closed Joint Stock	Advanced Electronics Company		
Public Transport Authority	Inside	Governmental Authority			
Saudi Civil Aviation	Inside	Governmental Organization			
Advanced Electronics Company	Inside	Limited Liability			

Continue Names of companies, inside or outside the Kingdom, in which the Board Member is or has been a member of their boards of directors or part of their management.

Eng. Saud bin Saad Al-Arifi

Names of companies in which the Board Member is a member of their current board of directors or managers	Inside/Outside the Kingdom	Legal Entity	Names of companies in which the Board Member is a member of their previous board of directors or managers	Inside/Outside the Kingdom	Legal Entity
Northern Region Cement Company	Inside	Listed Joint Stock	Kingdom Development Real Estate Company	Inside	Limited Liability
Sab Steel Company	Inside	Closed Joint Stock	Kingdom Development Investment Company	Inside	Limited Liability
Saudi Pan Kingdom Investment Company	Inside	Limited Liability	Kaden Logistics Company	Inside	Limited Liability
International Industries Company	Inside	Limited Liability	Al-Madar Engineering Consulting Company	Inside	Limited Liability
Northern Cement Company - Jordan	Outside	Listed Joint Stock	Steel Industries Company	Inside	Limited Liability
Iron Forming and Coating Company	Inside	Limited Liability			
Kaden Investment Company	Inside	Limited Liability			
Saud Saad Al-Arifi Trading Group	Inside	Sole Corporation			

Eng. Mohammed bin Fayez Al-Dossary

Names of companies in which the Board Member is a member of their current board of directors or managers	Inside/Outside the Kingdom	Legal Entity	Names of companies in which the Board Member is a member of their previous board of directors or managers	Inside/Outside the Kingdom	Legal Entity
Northern Region Cement Company	Inside	Listed Joint Stock	Kingdom Development Real Estate Company	Inside	Limited Liability
Sab Steel Company	Inside	Closed Joint Stock	Kingdom Development Investment Company	Inside	Limited Liability
Saudi Pan Kingdom Investment Company	Inside	Limited Liability	Al-Dar Engineering Consultants Company	Inside	Joint Company
International Industries Company	Inside	Limited Liability	Steel Industries Company	Inside	Limited Liability
Northern Cement Company - Jordan	Outside	Listed Joint Stock	Kaden Logistics Company	Inside	Limited Liability
Iron Forming and Coating Company	Inside	Limited Liability	Kaden Investment Company	Inside	Closed Joint Stock
Rana Investment Company	Inside	Limited Liability	Steel Industries Company	Inside	Limited Liability
Red Sea Markets Company Asseer	Inside	Limited Liability	Kaden Logistics Company	Inside	Limited Liability
Arwad Real Estate Development and Investment Company	Inside	Limited Liability	Kaden Investment Company	Inside	Closed Joint Stock

Continue | Names of companies, inside or outside the Kingdom, in which the Board Member is or has been a member of their boards of directors or part of their management.

Eng. Ahmed bin Abdulrahman Al-Obaid

Names of companies in which the Board Member is a member of their current board of directors or managers	Inside/Outside the Kingdom	Legal Entity	Names of companies in which the Board Member is a member of their previous board of directors or managers	Inside/Outside the Kingdom	Legal Entity
Member of the Board of Managers of Sadeq Specialty Chemicals Company	Inside	Limited liability			
Member of the Board of Managers of Saudi Qawi Company	Inside	Limited liability			
Board Member of Northern Region Cement Company	Inside	Public Joint Stock			

Dr/Eng. Obaid bin Saad Alsoubaie

Names of companies in which the Board Member is a member of their current board of directors or managers	Inside/Outside the Kingdom	Legal Entity	Names of companies in which the Board Member is a member of their previous board of directors or managers	Inside/Outside the Kingdom	Legal Entity
Member of the Board of Managers of Sadeq Specialty Chemicals Company	Inside	Public Joint Stock			
Member of the Board of Managers of Saudi Qawi Company	Inside	Public Joint Stock			
Board Member of Northern Region Cement Company	Outside	Public Joint Stock			

Twentieth | **Composition of the Board of Directors and classification of its members as follows:**
Executive Board Member – Non-Executive Board Member – Independent Board Member

Member Name	Membership Classification (Executive / Non-Executive / Independent)
Mr. Sulaiman bin Saleem Al-Harbi	Non-Executive
Dr. Faisal bin Hamad Al-Sugair	Independent
Eng. Saud bin Saad Al-Arifi	Executive
Eng. Mohammed bin Fayez Al-Dossary	Non-Executive
Eng. Ahmed bin Abdulrahman Al-Obaid	Independent
Dr. Eng. Obeid bin Saad Al-Subaie	Executive

Twenty First

Statement of the dates of the General Assembly meetings held during the last fiscal year and the names of the Board of Directors members who attended these meetings.

Name	Attendance Record: Ordinary General Assembly Meeting 14/05/2025
Mr. Sulaiman bin Saleem Al-Harbi	✓
Dr. Faisal bin Hamad Al-Sugair	X
Eng. Saud bin Saad Al-Arifi	X
Eng. Mohammed bin Fayez Al-Dossary	✓
Dr. Obeid bin Saad Al-Subaie	✓
Eng. Ahmed bin Abdulrahman Al-Obaid	✓

Twenty Second

The number of Board of Directors meetings held during the last fiscal year, their dates, and the attendance record for each meeting, indicating the names of the attendees.

Member Name	First Meeting 12/03/2025	Second Meeting 26/05/2025	Third Meeting 06/08/2025	Fourth Meeting 28/09/2025	Fifth Meeting 05/11/2025	First Meeting of 2026 12/03/2026	Total
Mr. Sulaiman bin Saleem Al-Harbi	✓	✓	✓	✓	✓	✓	6
Dr. Faisal bin Hamad Al-Sugair	✓	✓	✓	✓	✓	✓	6
Eng. Saud bin Saad Al-Arifi	✓	✓	✓	✓	✓	✓	6
Eng. Mohammed bin Fayez Al-Dossary	✓	✓	✓	✓	✓	✓	6
Dr. Eng. Obeid bin Saad Al-Subaie	✓	✓	✓	✓	✓	✓	6
Eng. Ahmed bin Abdulrahman Al-Obaid	✓	✓	✓	✓	✓	✓	6
Mr. Ahmed Abdullah Balamash	X	X	X	X	X	X	-
Number of Meetings (6)							

Mr. Ahmed Abdullah Bal'Amsh was appointed on 2026/03/02 for the new term starting on 2026/03/16. The first meeting for the year 2026 was also held on 2026/03/15, before the end of the current Board term.

Twenty third | Board of Directors Committees

The Company's Board of Directors has formed two committees: the Audit Committee and the Nominations and Remuneration Committee.

Audit Committee

The Audit Committee consists of the Vice Chairman of the Board and two members from outside the Board (independent). Its main responsibilities include working with management to ensure the company's accounting system complies with accounting and financial standards, reviewing the preliminary and annual financial statements, and recommending the appointment of external auditors. The role of internal audit was activated after the appropriate staff was appointed. During the year 2025, the Audit Committee held four (4) meetings. The committee is composed of three members:

Name	Membership Nature	First Meeting 10/03/2025	Second Meeting 15/05/2025	Third Meeting 05/08/2025	Fourth Meeting 05/11/2025	First Meeting of 2026 11/03/2026	Number of Meetings (5)
Dr. Faisal bin Hamad Al-Sugair	Chairman of the Committee	✓	✓	✓	✓	✓	5
Mr. Khalid bin Abdulaziz Al-Arifi	Member	✓	✓	✓	✓	✓	5
Mr. Eyad bin Tariq Al-Yahya	Member	✓	✓	✓	✓	✓	5

Continued | Board of Directors Committees

Nominations and Remunerations Committee

The Nominations and Remunerations Committee reviews the structure of the Board of Directors and the effectiveness of its members' performance. It provides recommendations for any changes deemed necessary, identifies strengths and weaknesses, and ensures the independence of members while avoiding any conflicts of interest. The committee also recommends member nominations as required and reviews remuneration and compensation for Board committees, the CEO, senior management salaries, and Saudization ratios.

Name	Membership Nature	First Meeting 11/03/2025	Second Meeting 15/07/2025	Third Meeting 22/12/2025	First Meeting of 2026 28/01/2026	Second Meeting of 2026 11/03/2026	Number of Meetings (5)
Eng. Ahmed Abdulrahman Al-Obaid	Chairman of the Committee	✓	✓	✓	✓	✓	5
Eng. Mohammed bin Fayez Al-Dossary	Member	✓	✓	✓	✓	✓	5
Dr. Faisal bin Hamad Al-Sugair	Member	✓	✓	✓	✓	✓	5

The first and second meetings for the year 2026 were held, noting that the term of the Board and its committees ends on 2026/03/15.

Twenty fourth | The interests and rights of the Board of Directors members and the executive management in the company's shares or debt instruments, or those of any of its subsidiaries, as well as their relatives.

Description of Any Interest, Contractual Securities, and Subscription Rights Belonging to the Company's Board Members, Senior Executives, and Their Relatives in the Company's shares, debt instruments, or any of its subsidiaries, as well as any changes in such interests or rights during the most recent financial year.

Description of any interest, contractual securities, and subscription rights of the Company's Board members and their relatives in shares or debt instruments of the Companies

Name	Beginning of the Year: Number of Shares	Beginning of the Year: Debt Instruments	End of the Year: Number of Shares	End of the Year: Debt Instruments	Net Change	Percentage Change
Mr. Sulaiman bin Saleem Al-Harbi	3583202	-	3583202	-	0	0
Eng. Saud bin Saad Al-Arifi	2645213	-	2645213	-	0	0
Eng. Mohammed bin Fayez Al-Dassar	2645213	-	2645213	-	0	0
Dr. Faisal bin Hamad Al-Sugair	100000	-	100000	-	0	0

Description of any interest, contractual securities, and subscription rights of the Company's Board members and their relatives in shares or debt instruments of the Subsidiary Companies

Name	Beginning of the Year: Number of Shares	Beginning of the Year: Debt Instruments	End of the Year: Number of Shares	End of the Year: Debt Instruments	Net Change	Percentage Change
None						

Description of any interest, contractual securities, and subscription rights of Senior Executives and their relatives in shares or debt instruments of the Subsidiary Companies

Name	Beginning of the Year: Number of Shares	Beginning of the Year: Debt Instruments	End of the Year: Number of Shares	End of the Year: Debt Instruments	Net Change	Percentage Change
None						

Twenty Fifth | Description of any interest in voting-eligible shares held by persons (other than the Company's Board members, senior executives, and their relatives) who have notified the Company of such rights under Article 45 of the Registration and Listing Rules, and any change in these rights

Not applicable

Twenty Sixth | Description of the categories and numbers of any convertible debt instruments, contractual securities, subscription right memoranda, or similar rights issued or granted by the Company during the financial year, along with an explanation of any consideration received by the Company in return.

Not applicable

Twenty Seventh | Description of any conversion or subscription rights under convertible debt instruments, contractual securities, subscription right memoranda, or similar rights issued or granted by the Company.

Not applicable

Twenty Eighth | Description of any redemption, purchase, or cancellation by the Company of any redeemable debt instruments, and the value of the remaining securities, distinguishing between listed securities purchased by the Company and those purchased by its subsidiaries.

Not applicable

Twenty Ninth | Remuneration of Executive, Non-Executive, and Independent Board Members and Senior Executives

Board Members' Remuneration

The remuneration of the Board of Directors, according to the approved Board Remuneration Policy, includes the following:

- The Board determines an annual remuneration not exceeding SAR 500,000 per member, as approved by the General Assembly.
- A fixed allowance of SAR 3,000 is paid per member attending a Board meeting outside Riyadh to cover accommodation, meals, transportation, and other expenses, in addition to a business-class round-trip ticket from Riyadh to the meeting city or its equivalent value.
- A fixed allowance of USD 3,000 is paid per member attending a Board meeting outside the Kingdom, in addition to a business-class round-trip ticket from Riyadh to the meeting city or its equivalent value.
- If the Board Chairman requests any committee to hold a meeting outside Riyadh, or if any committee members attend a Board meeting, attending members are compensated for expenses similarly to Board members.
- If multiple meetings are held on the same day and location, the above-mentioned allowances are paid only once per member.
- Annual fixed remuneration is paid based on the member's attendance percentage, while allowances for meeting attendance are paid after the meeting.

Name	Fixed Remuneration: Specific Amount	Fixed Remuneration: Allowance for attending Board sessions	Fixed Remuneration: Allowance for attending Committee sessions	Fixed Remuneration: In-kind Benefits	Total Fixed	Variable Remuneration: Percentage of Profits	Variable Remuneration: Periodic Remuneration	Variable Remuneration: Short-term Incentive Plans	Variable Remuneration: Long-term Incentive Plans	Granted Shares	End of Service Award	Total Remuneration	Expense statement of what Board members received as employees or administrators	Remuneration of the Chairman, Managing Director, or Secretary	Grand Total
Independent Members															
Dr. Faisal bin Hamad Al-Sugair	300	18	30	-	348	-	-	-	-	-	-	348	-	-	348
Eng. Ahmed bin Abdulrahman Al-Obaid	250	18	15	-	283	-	-	-	-	-	-	283	-	-	283
Total	550	36	45	-	631	-	-	-	-	-	-	631	-	-	631
Non-Executive Members															
Mr. Saleem bin Saleem Al-Harbi	200	18	-	-	218	-	-	-	-	-	-	218	-	-	218
Eng. Mohammed bin Fayed Al-Dossary	250	18	15	-	283	-	-	-	-	-	-	283	-	-	283
Total	450	36	15	-	501	-	-	-	-	-	-	501	-	-	501
Executive Members															
Eng. Soud bin Soud Al-Arifi	200	18	-	-	218	-	-	-	-	-	-	218	-	-	218
Dr. Eng. Obaid bin Soud Al-Subaie	200	18	-	-	218	-	-	-	-	-	-	218	-	-	218
Total	400	36	-	-	436	-	-	-	-	-	-	436	-	-	436

Continued | Remuneration of Executive, Non-Executive, and Independent Board Members and Senior Executives

Remuneration of Committee Members who are not Board Members

Member Name	Fixed Remuneration (excluding session attendance allowance)	Session Attendance Allowance	Total
Mr. Eyad Tariq Al-Yahya	50	15	65
Mr. Khalid bin Abdulaziz Al-Arifi	50	15	65
Total	100	30	130

Remuneration of Executive Management

The Nominations and Remunerations Committee reviews the annual remuneration for senior executives based on performance indicators approved by the Board of Directors. Executive management remuneration and benefits include the following:

- Basic Salary: Paid at the end of each calendar month.
- Allowances: Including housing, transportation, and communication allowances.
- Medical Insurance: For the executive and their family, according to the Human Resources policy.
- Work-Related Insurance: Coverage for work-related injuries, total or partial disability, and death during work.
- Annual Performance Bonus: Linked to performance indicators as per the annual evaluation.
- Other Benefits: Including annual leave, travel tickets, and educational expenses.

The CEO implements the Executive Remuneration Policy based on the recommendations of the Remuneration Committee and Board approval. In 2025, salaries and compensations were provided for 7 senior executives, including:

Managing Director - Chief Executive Officer (CEO) - Deputy Chief Executive Officer (Deputy CEO) - Chief Financial Officer (CFO) - Plant Manager
Human Resources Manager - Projects and Development Manager

Item	Salaries	Allowances	In-kind Benefits	Total Fixed Remuneration	Annual Remuneration	Profits	Short-Term Incentive Plans	Long-Term Incentive Plans	Granted Shares	Total Variable Remuneration	End of Service Award	Remuneration of Executives for the Board	Grand Total
Seven Senior Executives	5,339	1,946		7,285	1,692					1,692			8,977

Thirtieth | Company Declarations

The Company declares the following:

- The accounting records were prepared correctly.
- The internal control system was prepared on sound bases and implemented effectively.
- There is no significant doubt concerning the Company's ability to continue its activities.
- There are no arrangements or waiver agreements under which a Board member or senior executive has waived any remuneration.
- There are no arrangements or waiver agreements under which a shareholder of the company has waived any rights to profits.
- There are no held treasury shares.
- There are no investments or reserves created for the benefit of the company's employees.
- There is no interest in a class of voting-eligible shares held by persons (other than the Company's Board members, senior executives, and their relatives) who notified the Company of these rights under Article 85 of the Rules on the Offer of Securities and Continuing Obligations, and any change in these rights during the last financial year.
- There are no competing businesses to the Company or to any of the branches of activity it practices, which are currently being practiced or were practiced by any member of the Board of Directors.

Thirty First | Transactions with Related Parties

Transactions carried out with related parties and authorized by the Board of Directors upon authorization from the General Assembly:

Related Party	Nature of Relationship with the Company	Transaction Type	Duration	Value
PAN Kingdom Saudi Construction Company (SABEK)	Chairman of the Board of Directors Sulaiman bin Saleem Al-Harbi has a direct interest in it	Construction Works	One year	10,690,392.00

Thirty Second | Information relating to contracts to which the Company is a party, or in which a member of the Company's Board of Directors, senior executives, or any person related to any of them had an interest

Nature of Contract	Contract Amount	Contract Duration	Contract Conditions	Member Name
Road Paving	10,690,392.00	One year	No detailed conditions	Sulaiman bin Saleem Al-Harbi

Thirty Third | Results of the annual review of the effectiveness of internal control procedures

The Internal Audit Department submits periodic reports to the Audit Committee on all audit operations, whether operational, administrative, or financial, which it conducts periodically to ensure the effectiveness of the internal control system to protect the company's assets, evaluate business risks, and measure performance efficiency.

The aforementioned audit operations did not reveal any material weakness in the company's internal control system, and most of the observations focus on improving performance, raising efficiency, coordinating relations among all departments, and documenting procedures to give more strength to the company's internal control system and utilize all its available resources optimally.

The external auditor evaluates the internal control system within the framework of reviewing all the final financial statements of the company and is enabled to review the minutes of the Audit Committee meetings and the reports of the Internal Audit Department for the financial period under review.

Opinion of the Audit Committee:

The Committee reviewed the audited financial statements for the year 2025 and reviewed the periodic reports submitted by the Internal Audit Department. It supervised the work of the external auditor and monitored the implementation of all tasks according to best practices in the field of audit committees, and the Committee has no observations in this regard. The Committee also reviewed the company's internal control systems and found them sufficient.

Thirty Fourth | Consolidated Financial Results

A summary in the form of a table of the Company's assets, liabilities, and business results for the last five financial years.

Condensed Statement of Financial Position

Item	2025	2024	2023	2022	2021
Current Assets	917,852.00	863500	834205	778,299.00	684737
Non-Current Assets	2,782,614.00	2700771	2685235	2,633,320.00	2579730
Total Assets	3,700,465.00	3564270	3519440	3,411,619.00	3264467
Current Liabilities	1,012,594.00	927976	948825	816,946.00	762495
Non-Current Liabilities	423,765.00	381983	328381	361,593.00	288362
Total Liabilities	1,436,360.00	1309959	1277206	1,178,539.00	1050857

Condensed Statement of Income

Item	2025	2024	2023	2022	2021
Revenues	683,518.00	622520	689553	617,958.00	561913
Cost of Revenues	-473,516.00	-389768	-463277	-393,930.00	-362061
Gross Profit	210,001.00	232752	201369	215,495.00	199851
Net Profit	56,126.00	100879	56396	112,451.00	106677

Thirty Fifth | Explanation of any material differences in operating results from the previous year's results or any forecasts announced by the Company

During the year ended December 2024 ,31, and based on the Board of Directors' meeting resolution held on February 2024 ,7, the Group sold all its shares in Cement Experts for Development Company for an amount of 206 million Saudi Riyals to AMP International Trading Company. The Group realized a profit from this transaction amounting to 45.4 million Saudi Riyals, which was included in the consolidated statement of profit or loss and other comprehensive income for the year 2024. Due to the sale of Cement Experts for Development Company and the exceptional profits realized from this transaction in 2024, the Group's net profit for the year ended December 2025 ,31, decreased to 56.1 million Riyals, compared to 100.8 million Riyals in the previous year.

Thirty Sixth | Explanation of any departure from accounting standards approved by the Saudi Organization for Certified Public Accountants (SOCPA)

The Company fully applies the accounting standards issued by the Saudi Organization for Auditors and Accountants (SOCPA), and there are no material differences between the company's policies and the approved standards.

Thirty Seventh | External Auditor's Report

No observations were received in the Company's external auditor's report on the financial statements as of 2025/12/31.

Thirty Eighth | Statutory Payments

The statutory payments for social insurance during the year 2025 amounted to a total of (3,491,021) Saudi Riyals, and the balance due on the company as of 2024/12/31 amounted to a total of (228,531) Saudi Riyals, which was paid during January 2025.

Statement of the value of statutory payments paid and due for payment of any Zakat, taxes, fees, or any other dues that have not been paid until the end of the annual financial period, with a brief description thereof and an explanation of their reasons:

Item	Paid	Due until the end of the annual financial period and not paid	Brief Description	Statement of Reasons
Zakat	15,609,875.00	30342403	Provision	Will be paid upon filing the return
Tax	-	2580927	Provision	Will be paid upon filing the return
General Organization for Social Insurance	3,491,021.00	228531	December Balance	Paid in January 2026
Visa costs, passports, and labor office fees	1,253,705.00	-	Expense	Paid

Thirty Ninth | Adoption of International Financial Reporting Standards (IFRS)

The Company's Board of Directors has adopted plans for the implementation of International Financial Reporting Standards.

Fortieth | Company's Dividend Policy

The Company's policy in distributing its annual net profits depends on what is stated in the Company's Articles of Association and the availability of the necessary liquidity to fulfill the payment of the Company's investments and strategic projects, where profits are distributed as follows:

Annual or interim dividends may be distributed from distributable profits to shareholders in accordance with the regulations set out by the Implementing Regulations of the Companies Law.

Distributable profits consist of the net income of the financial year, deducting all amounts set aside to the reserve allocated for specific purposes in the Company's Articles of Association, if any, or those set aside to the reserves formed by the General Assembly, and adding retained earnings and distributable reserves formed from profits.

The nominal value difference item within shareholders' equity may not be used in distributing cash dividends to shareholders.

The Board of Directors must implement the General Assembly's resolution regarding the distribution of profits to registered shareholders within (15) working days from the due date of these profits specified in the General Assembly's resolution, or in the Board of Directors' resolution resolving the distribution of interim profits.

Percentage of distributed profits	Was it Distributed?	Percentage of profits proposed to be distributed at the end of the year	Total Profits
For the first half of 2025			
Percentage	0.025		2.5
Total	45000000		45000000

Conclusion

In conclusion of this annual report, we are pleased to confirm Northern Region Cement Company's commitment to continuing to achieve sustainable growth and strengthen its position in the cement industry sector. The year 2025 witnessed many prominent achievements; as we continued to develop our operational processes, improve production efficiency, and set ambitious strategic plans to expand into neighboring markets to enhance our regional competitiveness.

We are proud of the strong financial results and innovative strategic initiatives we achieved during this year, and we affirm our commitment to applying best practices in the areas of governance, sustainability, and social responsibility. As a culmination of this, the company approved executive plans in line with the "Heavy Fuel Displacement Program," affirming our strict environmental commitment and in line with the sustainable development goals of the Kingdom's Vision 2030. Our successes would not have been achieved without the sincere efforts exerted by our competent employees, and the continuous support from our shareholders and partners in success. As we look forward to the future, we are confident that we will continue building on our solid foundations and will strive to achieve further excellence and innovation.



**COMPLETED,
WITH PRAISE BE TO GOD.**



لَا إِلَهَ إِلَّا اللَّهُ مُحَمَّدٌ رَسُوْلُهُ

أَسْمَنْتِ

أَسْمَنْتِ الْمَنْطِقَةَ الشَّمَالِيَّةَ