

**Audit Committee Report to the Shareholders of Arabian Cement Company
Regarding the Internal Control System for the Year 2025**

**71st Ordinary General Assembly Meeting
15 April 2026**

Dear Shareholders of Arabian Cement Company,

Pursuant to Article (88) of the Corporate Governance Regulations issued by the Capital Market Authority Board, the Audit Committee is pleased to present to the Company's esteemed shareholders, as part of the General Assembly documentation, its annual report for the fiscal year ended 31 December 2025. The report includes the Committee's opinion on the adequacy of the Company's internal control system and outlines the activities carried out within its scope of responsibilities.

The Committee has performed its duties, responsibilities, and exercised its authorities in accordance with the approved regulations. & submitted its reports to the Board of Directors in a manner that achieves the objectives set forth in the Corporate Governance Regulations. The Board of Directors approved all of its recommendations. The Committee also submits its report annually to the General Assembly of Shareholders.

The main duties, responsibilities, and authorities of the Audit Committee include reviewing and reporting on the following:

Financial Reports:

Including the review of interim and annual financial statements, verification of accounting estimates and policies, expressing its opinion thereon, and making recommendations accordingly.

Internal Audit Activities:

Including the review and assessment of internal control systems, risk management systems, internal audit reports, and corrective actions implemented.

External Auditor:

Recommending to the Board of Directors the nomination of the external auditor, determining their fees, evaluating their performance, verifying their independence, reviewing the audit plan, studying their reports and observations on the financial statements, and responding to their inquiries.

Compliance Assurance:

Including verifying compliance with applicable laws, regulations, and policies. The Committee also reviews related-party transactions and submits its recommendations to the Board regarding such transactions.





اسمنت العربية

Arabian Cement

The Committee held four (4) meetings during the year 2025, attended by both the external auditor and the internal auditor. The Committee confirms that there were no conflicts between its recommendations and the decisions of the Board of Directors. A mechanism is in place that enables Company employees to report any violations or concerns. The Committee exercised its authority, including the right to access the Company's records and documents.

Opinion on the Adequacy of the Internal Control System:

Based on the reports reviewed and discussions held, the Audit Committee believes that the Company's internal control system provides reasonable assurance regarding the achievement of control objectives. However, this does not preclude the possibility of certain non-material deficiencies, which are being addressed within continuous improvement plans. It should be noted that no internal control system, regardless of its level of efficiency and effectiveness, can provide absolute assurance regarding the effectiveness of the implemented internal control systems.

May Allah grant success.

Chairman of the Audit Committee

Mr. Mazen Hani Al-Tamimi

Singed





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LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF ARABIAN CEMENT COMPANY (A SAUDI JOINT STOCK COMPANY)

Scope

We have been engaged by Arabian Cement Company (A Saudi Joint Stock Company) (the “Company”) to perform a ‘limited assurance engagement,’ as defined by International Standards on Assurance Engagements endorsed in the Kingdom of Saudi Arabia, here after referred to as the engagement, to report on the Company’s compliance with the requirements of Article (71) of the Companies’ Law (the “Subject Matter”) contained in the Company’s attached notification (Appendix A) which is presented by the Company’s Board of Directors to the Ordinary General Assembly on the transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them for the year ended 31 December 2025.

Criteria Applied by the Company

In preparing the Subject Matter the Company applied the below criteria (the “Criteria”). Such Criteria were specifically designed for the notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A). As a result, the subject matter information may not be suitable for another purpose.

- Article (71) of the Companies’ Law issued by the Ministry of Commerce (“MOC”) 1444H/2023G.
- Notification presented by the Company’s Board of Directors to the Ordinary General Assembly (Appendix A).
- The Company’s accounting records from 1 January 2025 to 31 December 2025.
- Board of Directors minutes of meetings which include disclosures by some of the Company’s Board of Directors’ members regarding transactions and contracts in which some members of the Company’s Board of Directors have a direct or indirect personal interest in them.

Company’s Responsibilities

The Company’s management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

Our Responsibilities

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.



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LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF ARABIAN CEMENT COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Our Responsibilities (continued)

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (“ISAE 3000”) that is endorsed in the Kingdom of Saudi Arabia, and the terms of reference for this engagement as agreed with the Company on 25 February 2026. Those standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Our Independence and Quality Management

We have maintained our independence and confirm that we have met the requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) that is endorsed in the Kingdom of Saudi Arabia, and have the required competencies and experience to conduct this assurance engagement.

Our firm also applies International Standard on Quality Management 1, *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, that is endorsed in the Kingdom of Saudi Arabia, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of Procedures Performed

Procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management’s internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject matter and related information and applying analytical and other appropriate procedures.



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LIMITED ASSURANCE REPORT TO THE SHAREHOLDERS OF ARABIAN CEMENT COMPANY (A SAUDI JOINT STOCK COMPANY) (continued)

Description of Procedures Performed (continued)

Our procedures included:

- Obtained the notification presented the by the Company's Board of Directors to the Ordinary General Assembly (Appendix A) regarding the transactions and contracts entered between some of the Board of Directors' members directly or indirectly with the Company dated 27 Sha'aban 1447H (corresponding to 15 February 2026).
- Obtained Board of Directors minutes of meetings that discussed and approved transactions and contracts made with the Company in which respective members of the Company's Board of Directors have a direct or indirect personal interest in them.
- Obtained the Company's accounting records for the period from 1 January 2025 to 31 December 2025.
- Verified the transaction amounts included in the notifications match, where appropriate, the transaction amounts included in Note (35) of the company's audited consolidated financial statements for the year ended 31 December 2025.

We also performed such other procedures as we considered necessary in the circumstances.

Other Matter

The attached notification (Appendix A) is stamped by us for identification purposes only.

Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that need to be made to the Subject Matter, in order for it to be in accordance with the Criteria applied by the Company referred to above.

for Ernst & Young Professional Services



Ahmed Ibrahim Reda
Certified Public Accountant
License No. (356)

Jeddah: 09 Ramadhan 1447H

26 February 2026



تبليغ مجلس الإدارة للجمعية العامة العادية الحادية والسبعين
بتاريخ ٢٧ شعبان ١٤٤٧ هـ الموافق ١٥ فبراير ٢٠٢٦ م

حفظهم الله

السادة مساهمي شركة الأسمنت العربية
السلام عليكم ورحمة الله وبركاته،،،

بالإشارة إلى متطلبات المادة (٧١) من نظام الشركات الصادر بالمرسوم الملكي رقم م/١٣٢ لعام ١٤٤٣ هـ والتي تنص على أنه " يجب على عضو مجلس الإدارة فور علمه بأي مصلحة له سواء مباشرة أو غير مباشرة في الأعمال والعقود التي تكون لحساب الشركة، أن يبلغ المجلس بذلك، ويثبت هذا الإبلاغ في محضر إجتماع المجلس عند اجتماعه، ولا يجوز لهذا العضو الإشتراك في التصويت على القرار الذي يصدر في هذا الشأن في المجلس والجمعيات العامة، ويبلغ المجلس الجمعية العامة عند إنعقادها عن الأعمال والعقود التي يكون لعضو المجلس مصلحة مباشرة أو غير مباشرة فيها ، ويرفق بالإبلاغ تقرير خاص من مراجع حسابات الشركة يُعد وفق معايير المراجعة المعتمدة في المملكة.

عليه، نود تبليغكم بموجب خطابنا هذا عن أعضاء مجلس الإدارة ذوي المصلحة (أطراف ذوي مصلحة غير مباشرة) الذين توجد بينهم وبين الشركة أعمال أو عقود في العام 2025م، ونطلب التالي:

التصويت على الأعمال والعقود التي تمت بين الشركة وبنك الرياض، والتي لرئيس مجلس الإدارة المهندس/ معتز قصي العزاوي (عضو غير تنفيذي) مصلحة غير مباشرة فيها، حيث يشغل عضوية مجلس إدارة بنك الرياض، والأستاذ / فهد عبدالله العيسى (عضو غير تنفيذي) حيث يشغل والده المهندس / عبدالله محمد العيسى، رئاسة مجلس إدارة بنك الرياض، علماً بأن طبيعة هذا التعامل عبارة عن قرض قصير الأجل مدته (ثلاثة أشهر) بمبلغ ٦٥ مليون ريال للعام السابق ٢٠٢٥ م، علماً بأنه لا توجد شروط تفضيلية على هذا النوع من العقود.

والله الموفق،،،

أعضاء مجلس الإدارة

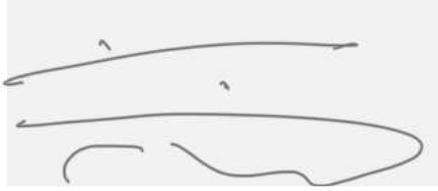
نائب رئيس مجلس الادارة
الأستاذ / سعود عبدالعزيز السليمان

عضو مجلس الادارة
الأستاذ / تركي عبدالله الراجحي

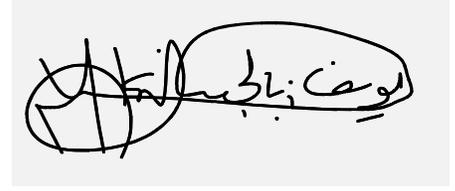
عضو مجلس الادارة
الأستاذ / فهد عبدالله العيسى



عضو مجلس الادارة
الأستاذ / خالد مالك الشريف



عضو مجلس الادارة
الأستاذ / عبد العزيز عبد الله الملحم



عضو مجلس الادارة
الأستاذ / يوسف صالح أبا الخيل



عضو مجلس الادارة
الأستاذ / مازن هاني التميمي



رئيس مجلس الادارة
المهندس / معتز قصي العزاوي



عضو مجلس الادارة
الأستاذ / طلال حسام الدين الرشيد