

Arabian Cement Company S.A.E.
Condensed Consolidated Interim Financial Statements
together with Limited Review Report
for the six months period ended June 30, 2025

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Limited Review Report

To: The Board of directors of Arabian Cement Company

Introduction

We have conducted the limited review of the accompanying condensed consolidated interim financial position of Arabian Cement Company S.A.E. as of June 30, 2025, and the related condensed consolidated Interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the six months period then ended, and a summary of significant accounting policies and other explanatory notes. Management is responsible for the preparation and fair presentation of these condensed consolidated interim financial statements in accordance with the Egyptian Accounting Standard No. (30) - Interim Financial Statements. Our responsibility is to express a conclusion on these condensed consolidated interim financial statements based on our review.

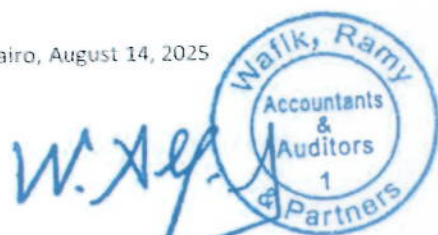
Scope of Review

We have conducted our limited review in accordance with the Egyptian Standard on Review Engagements (2410) – Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Egyptian Standards on Auditing and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on these condensed consolidated interim financial statements.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the accompanying condensed consolidated interim financial statements as of June 30, 2025, are not prepared, in all material respects, in accordance with Egyptian Accounting Standard No. (30) - Interim Financial Statements.

Cairo, August 14, 2025



Wafik Alfred Hanna
CPA, FESAA
F.R.A. No. (132)
R.A.A. No. (9176)

Arabian Cement Company (S.A.E.)
Condensed Consolidated Interim Statement of Financial Position
as of June 30, 2025

	Note No.	June 30, 2025 EGP	Dec 31, 2024 EGP
Assets			
Non-current assets			
Property, plant and equipment (net)	(10)	1 650 663 014	1 669 630 565
Assets under construction	(11)	765 660 553	706 855 633
Intangible assets (net)	(12)	120 993 452	134 955 866
Right of use assets (net)	(25.1)	2 826 630	4 436 332
Other assets (net)		--	--
Total non-current assets		2 540 143 649	2 515 878 396
Current assets			
Inventories	(13)	839 811 731	852 490 043
Trade receivables (net)	(14)	241 111 053	160 048 158
Debtors and other debit balances (net)	(15)	719 306 867	632 979 976
Due from related parties	(24)	--	156 657
Cash and bank balances	(16)	1 920 732 676	1 687 062 873
Total current assets		3 720 962 327	3 332 737 707
Total assets		6 261 105 976	5 848 616 103
Equity and liabilities			
Equity			
Issued and paid-up capital	(17)	757 479 400	757 479 400
Legal reserve	(18)	379 505 774	363 627 770
Retained earnings		2 556 910 925	1 182 365 129
Equity attributable to owners of the Parent Company		3 693 896 099	2 303 472 299
Non-controlling interest	(19)	135 882	53 721
Total Equity		3 694 031 981	2 303 526 020
Liabilities			
Non-current liabilities			
Borrowings	(20)	139 325 251	120 392 380
Deferred tax liabilities	(8-3)	249 176 662	241 146 994
Lease liabilities	(25-2)	1 599 380	1 642 532
Trade and notes payable	(21)	281 709 786	301 142 055
Total non-current liabilities		671 811 079	664 323 961
Current liabilities			
Trade and notes payable	(21)	709 961 666	839 311 693
Credit facilities	(20)	95 081 604	615 044 229
Current income tax liabilities	(8-2)	464 394 484	374 014 396
Current portion of long term borrowings	(20)	28 329 858	25 481 075
Lease liabilities	(25-2)	3 530 565	3 625 821
Creditors and other credit balances	(23)	521 901 839	345 087 344
Dividends payable		--	600 302 425
Provisions	(22)	72 062 900	77 899 139
Total current liabilities		1 895 262 916	2 880 766 122
Total Liabilities		2 567 073 995	3 545 090 083
Total equity and liabilities		6 261 105 976	5 848 616 103

- The accompanying notes form an integral part of the condensed consolidated interim financial statements and to be read therewith.

Sergio Alcantarilla Rodriguez
Chief Executive Officer

Arturo Gallart Mauri
Chief Financial Officer

- Auditor's limited review attached.




Arabian Cement Company (S.A.E)
Condensed Consolidated Interim Statement of Profit or Loss
for the six months period ended June 30, 2025

	Note No.	Three months period ended in		Six months period ended in	
		June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
		EGP	EGP	EGP	EGP
Sales (net)	(3)	2 945 463 526	2 007 744 648	5 499 911 617	3 945 509 026
Cost of sales	(4)	(1 744 647 189)	(1 677 597 393)	(3 404 816 990)	(3 097 984 708)
Gross profit		1 200 816 337	330 147 255	2 095 094 627	847 524 318
Add/(deduct):					
General and administrative expenses	(5)	(93 396 531)	(66 025 149)	(169 880 277)	(121 045 367)
Provisions	(22)	(3 350 000)	(2 218 201)	(6 550 000)	(5 673 201)
Reversal for impairment of investment in a joint venture		--	780 000	--	780 000
Gain on selling of investment in a joint venture		--	1 270 000	--	1 270 000
Gain on sale of property, plant and equipment		--	--	1 140 000	--
Interest income		36 443 755	9 833 150	54 742 425	22 398 991
Other income		2 622 361	5 338 104	5 615 745	7 212 449
Finance costs	(6)	(6 864 252)	(12 603 975)	(30 959 582)	(37 562 717)
Foreign currency exchange losses		(38 502 221)	(22 792 784)	(63 689 314)	(266 990 828)
Net profit for the period before tax		1 097 769 449	243 728 400	1 885 513 624	447 913 645
Income tax	(8-1)	(282 597 309)	(49 799 712)	(479 961 936)	(101 337 696)
Net profit for the period after tax		815 172 140	193 928 688	1 405 551 688	346 575 949
Profit attributable to:					
Owners of the Parent Company		815 122 394	193 925 456	1 405 469 527	346 564 724
Non-controlling interest	(19)	49 746	3 232	82 161	11 225
		815 172 140	193 928 688	1 405 551 688	346 575 949
Earnings per share for the period	(9)	2.14	0.50	3.69	0.90

- The accompanying notes form an integral part of the condensed consolidated interim financial statements and to be read therewith.

Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer



Arabian Cement Company (S.A.E)
Condensed Consolidated Interim Statement of Comprehensive Income
for the six months period ended June 30, 2025

	<u>For the three months period ended in</u>		<u>For the six months period ended in</u>	
	<u>June 30, 2025</u>	<u>June 30, 2024</u>	<u>June 30, 2025</u>	<u>June 30, 2024</u>
	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>	<u>EGP</u>
Net profit for the period after tax	815 172 140	193 928 688	1 405 551 688	346 575 949
Items of other comprehensive income	--	--	--	--
Comprehensive income for the period	<u>815 172 140</u>	<u>193 928 688</u>	<u>1 405 551 688</u>	<u>346 575 949</u>

- The accompanying notes form an integral part of the condensed consolidated interim financial statements and to be read therewith.



Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer

Arabian Cement Company (S.A.E)

**Condensed Consolidated Interim Statement of Changes in Shareholders' Equity
for the six months period ended June 30, 2025**

	Note No.	Issued and paid-up capital	Legal reserve	Retained earnings	Attributable to the owners of the Parent Company	Non-controlling interest	Total
		EGP	EGP	EGP	EGP	EGP	EGP
Balance as of January 1, 2024		757 479 400	294 829 534	701 912 725	1 754 221 659	48 010	1 754 269 669
Transferred to legal reserve		--	68 798 236	(68 798 236)	--	--	--
Dividends distributed to employees		--	--	(10 576 346)	(10 576 346)	--	(10 576 346)
Total comprehensive income for the period		--	--	346 564 724	346 564 724	11 225	346 575 949
Balance at June 30, 2024		757 479 400	363 627 770	969 102 867	2 090 210 037	59 235	2 090 269 272
Balance as of January 1, 2025		757 479 400	363 627 770	1 182 365 129	2 303 472 299	53 721	2 303 526 020
Transferred to legal reserve		--	15 878 004	(15 878 004)	--	--	--
Dividends distributed to employees	(26)	--	--	(15 045 727)	(15 045 727)	--	(15 045 727)
Total comprehensive income for the period		--	--	1 405 469 527	1 405 469 527	82 161	1 405 551 688
Balance at June 30, 2025		757 479 400	379 505 774	2 556 910 925	3 693 896 099	135 882	3 694 031 981

- The accompanying notes form an integral part of the condensed consolidated interim financial statements and to be read therewith.



Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer

Arabian Cement Company (S.A.E)
Condensed Consolidated Interim Statement of Cash flow
for the six months period ended June 30, 2025

	Note No.	June 30, 2025	June 30, 2024
		EGP	EGP
Cash flows from operating activities			
Net profit for the period before tax		1 885 513 624	447 913 645
Adjusted by:			
Finance costs	(6)	30 959 582	37 562 717
Interest income		(54 742 425)	(22 398 991)
Depreciation of property, plant and equipment	(10)	119 809 864	107 982 881
Amortization of intangible assets	(12)	13 962 414	14 001 195
Amortization of right of use assets	(25.1)	1 609 702	3 562 244
Gain on sale of property, plant and equipment		(1 140 000)	--
Unrealized foreign currency exchange losses from lease liabilities		--	2 215 431
Gain on selling of investment in a joint venture		--	(1 270 000)
Reversal for impairment of investment in a joint venture		--	(780 000)
Provisions formed	(22)	6 550 000	5 673 201
		2 002 522 761	594 462 323
Decrease in inventories		12 678 312	123 071 066
Increase in debtors and other debit balances		(145 090 510)	(32 303 198)
Increase in trade receivables		(81 062 895)	(364 379 089)
Decrease (Increase) in amounts due from related parties		156 657	(53 600)
Increase / (decrease) in creditors and other credit balances		176 814 495	(51 031 279)
(Decrease) / increase in trade and notes payables		(148 782 296)	9 675 428
Provisions used during the period	(22)	(12 386 239)	(2 728 659)
		1 804 850 285	276 712 992
Cash flows generated from operating activities			
Finance costs paid		(30 367 277)	(37 851 959)
Income tax paid		(337 834 288)	(229 504 118)
Net cash flows generated from operating activities		1 436 648 720	9 356 915
Cash flows from investing activities			
Payments for purchase of property, plant and equipment		(100 842 313)	(59 572 409)
Payments for assets under construction		(58 804 920)	(11 029 641)
Interest income received		54 742 425	22 398 991
Proceeds on selling of property, plant and equipment		1 140 000	--
Proceeds on selling of investment in a joint venture		--	2 050 000
Net cash flows (used in) investing activities		(103 764 808)	(46 153 059)
Cash flows from financing activities			
Net change in borrowings		21 781 654	--
Net change in credit facilities		(519 962 625)	185 751 122
Repayment for lease liabilities	(25.2)	(730 713)	(2 158 865)
Payments for dividends payable		(600 302 425)	(99 229 802)
Net cash flows (used in) / generated from financing activities		(1 099 214 109)	84 362 455
Net change in cash and cash equivalents during the period		233 669 803	47 566 311
Cash and cash equivalents at the beginning of the period		1 687 062 873	561 096 680
Cash and cash equivalents at the end of the period	(16)	1 920 732 676	608 662 991

- The accompanying notes form an integral part of the condensed consolidated interim financial statements and to be read therewith.

Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer



1. The Company's general information

Arabian Cement Company S.A.E. (The Company or the Parent Company), a joint stock Company incorporated in Cairo, Egypt, is a public company whose shares are traded at the EGX Egyptian Exchange. The Company was established on March 5, 1997 under the provisions of the Investment Law No. 230 of 1989 and the Capital Market Law No. 95 of 1992 and their Executive Regulations, according to the decree of the Chairman of the General Authority for Investment and Free Zone (GAFI) No. 167 of 1997.

The Company was registered in the Commercial Register under No. 13105 in Cairo, on April 3, 2005, which was changed to No. 53445 on August 16, 2011, as the Company changed its registered office from 72 Gameat El Dowal Street, Mohandiseen, Giza - Egypt to be Villa 56 El Gihaz Street, Fifth Settlement, New Cairo, Egypt. The admin office was then changed to be in Gamal Abdel Nasser square (west Arabella), Fifth Settlement Arabella Plaza, Office Building (A), 5th floor.

The Company's objective is the manufacturing and sale of clinker, cement and the other related products and the usage of mines and extraction of all mining materials required for the production of construction materials and road transportation for all the company's product. The Company may carry out other projects or amend its purpose according to the Investment Incentives and Guarantees Law.

The main shareholder of the Company is Aridos Jativa – Spanish Company, and it owns 60% of the Company's capital.

The Company's term is 25 years starting from the date of its registration at the Commercial Register.

The principal activities of the Company and its subsidiaries (the Group) are as follows:

Arabian Cement Company: a cement producer with a clinker capacity of 4.2 million tons per annum that can produce 5 million tons per annum of cement.

Andalus Concrete Company: a producer of concrete products and other constructions materials. The company owns 99.99% of the issued and paid-up capital of Andalus Concrete Company.

ACC Management and Trading Company: providing managerial restructuring services for companies, transportation of goods, projects management, general trading and preparation of feasibility studies. The Company owns 99% of the issued and paid-up capital of ACC Management and Trading Company.

Evolve for Investment and Project Management Principal Activities is Alternative Fuel - Construct and operate factories for recycling. The Company owns 99.99% of the issued and paid-up capital of Evolve for Investment and Project Management.

Egypt Green for Environmental Services, clean energy production and development: establish and operate a factory for the recycle of the wastes of production and services activities. The Company owns 99.99% of the issued and paid-up capital of Egypt Green.

The condensed consolidated interim financial statements were approved by the Board of Directors and authorized for issuance on August 14, 2024.

2. Significant accounting policies

2.1 Statement of compliance

The condensed consolidated interim financial statements have been prepared in accordance with Egyptian Accounting Standards (EASs) No. (30) Interim financial statements. These condensed consolidated interim financial statements do not include all the information required in the preparation of the full set annual consolidated financial statements and must be read in conjunction with the annual consolidated financial statements as of December 31, 2024.

2.2 Basis of preparation

The condensed consolidated interim financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair value or amortized cost, as appropriate. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. The principal accounting policies are set out below.

2.3 Basis of consolidation

The condensed consolidated interim financial statements of the Group incorporate the financial statements of the Parent Company and entities controlled by the Parent Company (its subsidiaries). Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of a group entity to bring its accounting policies into line with the Group's accounting policies.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. Sales (net)

An analysis of the Group's revenue for the period is as follows:

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Local				
Sales	2 063 580 439	737 073 944	3 828 617 220	1 736 892 682
Transportation services	65 169 636	98 109 784	127 753 131	128 863 403
	2 128 750 075	835 183 728	3 956 370 351	1 865 756 085
Export				
Sales	713 912 666	968 306 832	1 315 349 787	1 809 205 758
Transportation services	102 800 785	204 254 088	228 191 479	270 547 183
	816 713 451	1 172 560 920	1 543 541 266	2 079 752 941
TOTAL	2 945 463 526	2 007 744 648	5 499 911 617	3 945 509 026

4. Cost of sales

An analysis of the Group's cost of sales for the period is as follows:

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Raw materials	1 346 435 815	1 288 121 134	2 616 999 952	2 485 830 148
Manufacturing depreciation	59 846 954	53 895 711	117 420 578	106 155 840
Amortization of intangible assets	7 019 777	7 000 598	13 962 414	14 001 195
Amortization of right of use	797 376	1 693 824	1 609 702	3 562 244
Transportation cost	163 942 917	231 449 482	356 061 850	327 033 766
Overhead cost	166 604 350	95 436 644	298 762 494	161 401 515
TOTAL	1 744 647 189	1 677 597 393	3 404 816 990	3 097 984 708

5. General and administrative expenses

The analysis of the Group's general and administration expenses for the period is as follows:

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Professional fees	7 427 998	6 379 254	11 217 102	9 986 803
Salaries and wages	45 216 410	32 349 888	79 976 957	55 462 288
Security and cleaning services	489 566	449 161	1 090 920	1 419 853
Rentals	716 504	633 943	1 367 677	804 959
Transportation	5 960 666	5 655 352	8 379 542	7 256 199
Advertising	871 431	480 376	2 108 766	2 482 355
Administration depreciation	1 206 914	854 837	2 389 286	1 827 041
Other expenses	31 507 042	19 222 338	63 350 027	41 805 869
TOTAL	93 396 531	66 025 149	169 880 277	121 045 367

6. Finance costs

An analysis of the Group's finance costs for the period is as follows:

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Finance lease	282 462	248 525	592 305	525 657
Credit facilities interest expense	5 750 263	12 053 439	28 400 863	36 451 629
Finance interest on trade payables and long term notes payable	831 527	302 011	1 966 414	585 431
TOTAL	6 864 252	12 603 975	30 959 582	37 562 717

7. Compensation of key management personnel

An analysis of the Group's compensation of key management personnel for the period is as follows:

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Board of directors' salaries and allowances*	25 367 142	22 874 363	46 809 026	38 328 610
TOTAL	25 367 142	22 874 363	46 809 026	38 328 610

* Included in salaries and wages in general and administration expenses.

8. Income taxes

8.1 Income tax expense recognised in condensed consolidated interim statement of profit or loss

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
CURRENT TAX				
Current tax expenses for the current period	269 898 522	(17 801 820)	462 892 883	82 076 205
Current tax expenses related to prior years	9 039 385	12 788 222	9 039 385	12 788 222
TOTAL CURRENT TAX	278 937 907	(5 013 598)	471 932 268	94 864 427
DEFERRED TAX				
Net deferred tax recognized in the current period	3 659 402	54 813 310	8 029 668	6 473 269
TOTAL INCOME TAX RECOGNIZED IN THE CURRENT PERIOD	282 597 309	49 799 712	479 961 936	101 337 696

8.2 Current tax liabilities

EGP	June 30, 2025	December 31, 2024
Current tax liabilities	464 394 484	374 014 396
CURRENT TAX LIABILITIES	464 394 484	374 014 396

8.3 Deferred tax liabilities

Deferred tax liabilities arise from the following:

30 June 2025 EGP	Opening balance	Recognized in profit or loss	Closing balance
<i>Temporary differences</i>			
Depreciation of property, plant and equipment and intangible assets	(237 734 026)	(24 553 624)	(262 287 650)
Unrealized foreign currency exchange (gain) / loss	(3 412 968)	16 523 956	13 110 988
Deferred tax liabilities (net)	(241 146 994)	(8 029 668)	(249 176 662)

31 December 2024 EGP	Opening balance	Recognized in profit or loss	Closing balance
<i>Temporary differences</i>			
Depreciation of property, plant and equipment and intangible assets	(282 218 616)	44 484 590	(237 734 026)
Unrealized foreign currency exchange gain	-	(3 412 968)	(3 412 968)
Deferred tax liabilities (net)	(282 218 616)	41 071 622	(241 146 994)

9. Earnings per share

Basic earnings per share is calculated by dividing the earnings from continuing operations attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period. For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. As the company does not have any dilutive potential, the basic and diluted earnings per share are the same.

The earnings from continuing operations and weighted average number of ordinary shares used in the calculation of basic and diluted earnings per share are as follows:

EGP	Three months ended		Six months ended	
	June 30, 2025	June 30, 2024	June 30, 2025	June 30, 2024
Earnings for basic and diluted earnings per share				
Profit for the period attributable to owners of the parent	815 122 394	193 925 456	1 405 469 527	346 564 724
Employees share in distributable profits (note 15)	(6 283 256)	(3 754 944)	(9 302 589)	(7 045 257)
Distributable profit for the period	808 839 138	190 170 512	1 396 166 938	339 519 467
NUMBER OF SHARES (for basic and diluted earnings per share)				
Weighted average number of ordinary shares for the purposes of earning per share	378 739 700	378 739 700	378 739 700	378 739 700
EARNINGS PER SHARE FOR THE PERIOD	2.14	0.50	3.69	0.90

Arabian Cement Company S.A.E
Condensed Consolidated interim financial statements
together with limited review Report for the six months period ended June 30, 2025

10. Property, plant and equipment (net)

EGP	Freehold land	Buildings	Vehicles	Machinery and Equipment	Furniture and fixtures	Other installations	Computers and software	Total
COST								
Balance at January 1, 2024	50 243 436	695 148 822	67 485 657	2 903 406 606	17 375 697	308 453 384	28 093 778	4 070 207 380
Additions	--	20 709 234	25 985 930	4 539 274	1 550 345	4 429 059	2 358 567	59 572 409
Transferred from assets under construction	--	1 043 700	--	--	--	--	--	1 043 700
Balance at June 30, 2024	50 243 436	716 901 756	93 471 587	2 907 945 880	18 926 042	312 882 443	30 452 345	4 130 823 489
Balance at January 1, 2025	50 243 436	731 931 246	182 247 579	2 942 889 482	20 188 085	320 111 780	30 182 102	4 277 793 710
Additions	--	26 749 926	38 610 330	32 147 481	19 380	1 109 118	2 206 078	100 842 313
Disposals	--	(166 375)	--	--	--	--	--	(166 375)
Balance at June 30, 2025	50 243 436	758 514 797	220 857 909	2 975 036 963	20 207 465	321 220 898	32 388 180	4 378 469 548
ACCUMULATED DEPRECIATION								
Balance at January 1, 2024	--	358 985 496	42 982 928	1 762 441 704	12 553 665	185 879 501	23 756 987	2 386 600 281
Depreciation expense	--	14 875 889	4 659 275	78 403 776	564 580	8 216 900	1 262 461	107 982 881
Balance at June 30, 2024	--	373 861 385	47 642 203	1 840 845 480	13 118 245	194 096 401	25 019 448	2 494 583 162
Balance at January 1, 2025	--	388 891 342	55 563 186	1 920 700 864	13 639 763	202 851 441	26 516 549	2 608 163 145
Depreciation expense	--	14 807 161	13 020 029	80 916 577	516 837	8 676 811	1 872 449	119 809 864
Disposals	--	(166 375)	--	--	--	--	--	(166 375)
Balance at June 30, 2025	--	403 532 128	68 583 215	2 001 617 441	14 156 600	211 528 252	28 388 998	2 727 806 634
CARRYING AMOUNT								
At June 30, 2025	50 243 436	354 982 669	152 274 694	973 419 522	6 050 865	109 692 646	3 999 182	1 650 663 014
At June 30, 2024	50 243 436	343 040 371	45 829 384	1 067 100 400	5 807 797	118 786 042	5 432 897	1 636 240 327
At December 31, 2024	50 243 436	343 039 904	126 684 393	1 022 188 618	6 548 322	117 260 339	3 665 553	1 669 630 565

- The depreciation expense of furniture and computers is included in the item of general and administrative expenses, Note (5) amounted to EGP 2 389 286. The depreciation expense for the remaining assets is included in the cost of sales of Note (4) amounted to EGP 117 420 578.

11. Assets under construction

EGP	June 30, 2025	December 31, 2024
Balance as of January 1	706 855 633	2 426 563
Additions	58 804 920	705 472 770
Transferred to fixed assets		(1 043 700)
Ending balance for the period / year	765 660 553	706 855 633

Assets under construction are represented in the following categories:

EGP	June 30, 2025	31 December 2024
Machinery and equipment*	761 813 272	704 824 139
Other installations	3 847 281	2 031 494
Ending balance	765 660 553	706 855 633

* The machinery and equipment as of June 30, 2025, represents the following projects:

- Project of conversion of the Electrostatic Precipitators (Main ESP) to a cutting-edge Bag Filters for dust emission control amounted to EGP 293 743 548.
- Project of installing four units producing Hydrogen from water via electrolysis process amounted to EGP 468 069 724.

12. Intangible assets (net)

EGP	Operating license	Electricity contract	Total
Cost			
Cost as of January 1, 2025	563 204 713	225 200 000	788 404 713
Cost as of June 30, 2025	563 204 713	225 200 000	788 404 713
Accumulated amortization			
Accumulated amortization as of January 1, 2025	(428 248 847)	(225 200 000)	(653 448 847)
Amortization for the period	(13 962 414)	—	(13 962 414)
Total accumulated amortization as of June 30, 2025	(442 211 261)	(225 200 000)	(667 411 261)
Net book value as of June 30, 2025	120 993 452	—	120 993 452
Net book value as of December 31, 2024	134 955 866	—	134 955 866

Operating license

As per the country's policies to obtain a license for the cement factory, the General Industrial Development Association approved the issuing of a license to the company on May 21, 2008 in the amount to EGP 281.4 million for the 1st production line with related liability on the company to pay 15% as an advance payment and the residual amount will be paid over 5 equal annual instalments after 1 year from starting production with a maximum of 18 months according to interest rate determined by the Central Bank of Egypt (CBE).

The above-mentioned value will be also applied for the second line and a 25% will be paid as an advance payment and residual amount will be settled over a period of 3 years according to the interest rate determined by the Central Bank of Egypt (CBE).

13. Inventories

EGP	June 30, 2025	December 31, 2024
Raw materials	163 267 136	155 347 331
Fuel	300 310 723	374 392 183
Packing materials	54 895 582	49 406 144
Spare parts	75 738 095	70 811 159
Work in progress	3 034 760	4 629 032
Goods in transit	1 555 522	1 735 050
Finished goods	241 009 913	196 169 144
TOTAL	839 811 731	852 490 043

14. Trade receivables, net

EGP	June 30, 2025	December 31, 2024
Trade receivables	245 146 682	164 083 787
Less: Expected credit loss	(4 035 629)	(4 035 629)
TOTAL	241 111 053	160 048 158

15. Debtors and other debit balances, net

EGP	June 30, 2025	December 31, 2024
Advance to suppliers	475 318 466	337 937 203
Withholding tax	50 253 467	62 598 958
Prepaid expenses	21 235 698	28 900 619
Value added tax	4 189 606	3 603 571
Real estate tax	1 572 127	1 572 127
Deposit with others	3 553 453	3 582 653
Employees' dividends paid in advance	9 302 589	15 045 727
Letters of guarantee – cash margin	138 688 486	160 105 255
Unbilled receivables	9 229 916	12 445 359
Cash imprest funds	4 652 658	9 353 543
Other debit balances	3 506 491	31 051
Less: Impairment losses on other debit balances	(2 196 090)	(2 196 090)
TOTAL	719 306 867	632 979 976

16. Cash and bank balances

EGP	June 30, 2025	December 31, 2024
Cash in hand	12 665 058	11 916 374
Current account – local currency	1 242 787 935	845 120 286
Current account – foreign currency	660 003 411	824 749 941
Bank deposits	5 276 272	5 276 272
Total	1 920 732 676	1 687 062 873

17. Capital

EGP	June 30, 2025	December 31, 2024
Par value per share	2	2
Number of ordinary shares authorized, issued and fully paid	378 739 700	378 739 700
Issued and paid-up capital	757 479 400	757 479 400

18. Legal reserve

In accordance with the Companies Law No.159 of 1981 and the Company's Articles of Incorporation, 10% of annual net profit is transferred to legal reserve. The entity shall cease such transfer when the legal reserve reaches 50% of the issued capital. The legal reserve is not eligible for distribution to shareholders. The applied percentage of legal reserve for the Company and its subsidiaries as follow:

Description	%
Arabian Cement Company	10%
Andalus Concrete Company	10%
ACC for Management and Trading Company	5%
Evolve for Investment and Project Management	10%
Egypt Green for Environmental Services	5%

19. Non-controlling interests

EGP	June 30, 2025	December 31, 2024
Balance at beginning of period / year	53 721	48 010
Profit attributable to non-controlling interest	82 161	5 711
Balance at end of period / year	135 882	53 721

20. Borrowings and credit facilities

EGP	Current		Non-current	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
First: Credit facilities				
Credit facilities – CIB	95 081 604	615 044 229	--	--
Total Facilities	95 081 604	615 044 229	--	--
Second: Borrowings				
Bank loans – NBE	28 329 858	25 481 075	139 325 251	120 392 380
Total bank Loans	28 329 858	25 481 075	139 325 251	120 392 380

21. Trade and notes payable

EGP	Current		Non-current	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Local trade payables	560 069 548	368 420 410	--	--
Foreign trade payables**	149 374 457	469 102 287	281 709 786	301 142 055
Notes payable*	517 661	1 788 996	--	--
Total	709 961 666	839 311 693	281 709 786	301 142 055

* The value of the notes payable represents the value of the checks issued in favour of City Gas, which resulted from the settlement of the previous dispute with the company regarding the differences in gas consumption, and a settlement agreement in 2020 was reached whereby the company was charged by an amount of EGP 19 847 553, which was paid by notes payables until 2025 and is recognized at net present value. The undiscounted value of the notes payables obligation at the end of the period amounted to EGP 1 517 661.

** The foreign trade payables as of June 30, 2025, include the present value for installing four units producing green Hydrogen from water via electrolysis process. The undiscounted value for the project amounted to Euro 8 031 000 (equivalent to EGP 421 980 061), and the total present value for the project as of June 30, 2025 amounted to Euro 5 629 317 (equivalent to EGP 387 783 900). The non-current portion of the present value amounted to EGP 281 709 786.

22. Provision for claims

EGP	
Balance at January 1, 2025	77 899 139
Additional provisions recognized	6 550 000
Provisions used during the period	(12 386 239)
Balance at June 30, 2025	72 062 900
Management annually reviews and adjusts these provisions based on the latest developments, discussions and agreements with the involved parties.	

23. Creditors and other credit balances

EGP	June 30, 2025	December 31, 2024
Advances from customers	210 822 177	75 134 462
Accrued development fees	10 117 326	9 173 338
Accrued customers rebates	126 884 967	115 642 455
Accrued expenses	61 918 346	48 828 254
Retention	27 603 007	30 472 002
Accrued interest	670 178	12 334 452
Accrued taxes	70 859 086	41 798 685
Accrued revenue – Grant	8 677 904	9 466 637
Other	4 348 848	2 237 059
TOTAL	521 901 839	345 087 344

24. Related party transactions

During the period, group entities entered into the following transactions with related parties:

EGP	Nature of relationship	Nature of transaction	Amount of transaction	
			June 30, 2025	June 30, 2024
Cementos La Union – Spain Company	Ultimate Parent Company	Services	4 225 718	3 566 598

The following balances were outstanding at the end of the reporting period:

EGP	Due from related parties		Due to related parties	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Cementos la Union – Spain Company	---	156 657	---	---
Total	---	156 657	---	---

25. Lease contract

25.1 Right of use assets (net)

EGP	Land and buildings	Machinery & Equipment	Total
Cost			
Cost as of January 1, 2025	28 504 633	16 900 557	45 405 190
Cost as of June 30, 2025	28 504 633	16 900 557	45 405 190
Less: - Accumulated amortization			
Accumulated amortization as of January 1, 2025	(24 068 301)	(16 900 557)	(40 968 858)
Amortization for the period	(1 609 702)	---	(1 609 702)
Total accumulated amortization as of June 30, 2025	(25 678 003)	(16 900 557)	(42 578 560)
Net book value as of June 30, 2025	2 826 630	---	2 826 630
Net book value as of December 31, 2024	4 436 332	---	4 436 332

25.2 Lease liabilities

Lease liabilities recognized in the condensed consolidated interim statement of financial position

EGP	Current		Non-current	
	June 30, 2025	December 31, 2024	June 30, 2025	December 31, 2024
Lease liabilities	3 530 565	3 625 821	1 599 380	1 642 532
TOTAL	3 530 565	3 625 821	1 599 380	1 642 532

* The lease interest cost during the period ended June 30, 2025 amounted to EGP 592 305 (refer to note 6), and the movement during the period/year for the lease liabilities presented as follows:

Amount EGP	June 30, 2025	December 31, 2024
Beginning balance	5 268 353	11 220 907
Additions	---	2 719 197
Termination	---	(5 625 996)
Interest expenses	592 305	1 237 302
Repayment of finance leasing	(730 713)	(4 283 057)
Ending Balances	5 129 945	5 268 353

26. Dividends distribution

On April 29, 2025, the Ordinary General Assembly of the Company approved to distribute dividends for the employees amounted to EGP 15 045 727 for the results of 2024.

27. Significant events during the period

- On February 19, 2025, the Company has signed a loan agreement of EUR 25 million with the European Bank for Reconstruction and Development (EBRD) with interest rate calculated at the three-months Euribor plus margin of 4.35% to support its decarbonization efforts and enhance energy efficiency. The total loan amount of EUR 25 million consists of two tranches:
 - Tranche (1) not to exceed an amount of EUR 15,900,000 for the purpose of expanding the Alternative Fuel capacity for kiln 2 in addition to acquiring and installing Hydrogen injection system for kiln 1.
 - Tranche (2) not to exceed an amount of EUR 9,100,000 for the purpose of acquiring and installing Hydrogen injection system for kiln 2.

The Company shall repay the loan in 15 equal quarterly instalments commencing on the first interest payment date occurring 18 months after the date of the loan agreement.

- The Monetary Policy Committee of the Central Bank of Egypt decided in its meeting on April 17, 2025, to decrease the overnight deposit and lending rates and the central bank's main operation rate by 225 basis points to reach 25%, 26% and 25.5%, respectively. The discount rate was also reduced by 225 basis points to 25.5%.
- The Monetary Policy Committee of the Central Bank of Egypt decided in its meeting on May 22, 2025, to decrease the overnight deposit and lending rates and the central bank's main operation rate by 100 basis points to reach 24%, 25% and 24.5%, respectively. The discount rate was also reduced by 100 basis points to 24.5%.



Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer