Gulf Cement Company P.S.C.

Unaudited Interim Condensed Financial Information

For the Six-Month Period Ended 30 June 2026

Gulf Cement Company P.S.C.

Unaudited interim condensed financial information
For the six months period ended 30 June 2026
Table of contents

	Page(s)
Review report on interim condensed financial information	1
Interim condensed statement of profit or loss and other comprehensive income	2-3
Interim condensed statement of financial position	4
Interim condensed statement of changes in equity	5
Interim condensed statement of cash flows	6
Notes to the interim condensed financial information	7 – 23

Grant Thornton Audit & Accounting Limited - SHJ BR

Floor 5
City Gate Tower
Al Ittihad St, Al Mamzar Sharjah

T +971 6 525 9691
F +971 6 525 9690
www.grantthornton.ae

Report on Review of Interim Condensed Financial Information
To the Shareholders of Gulf Cement Company P.S.C.

Introduction

We have reviewed the accompanying interim condensed financial position of Gulf Cement Company P.S.C. (the "Company") as at 30 June 2026 and the related interim condensed statement of profit or loss and other comprehensive income for the three-month and six-month periods then ended, and the interim condensed statements of changes in equity and cash flows for the six months period then ended and other explanatory notes.

Management is responsible for the preparation and presentation of these interim condensed financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on the interim condensed financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim financial information 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 International 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.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim condensed financial information are not prepared, in all material respects, in accordance with International Accounting Standard 34 "Interim Financial Reporting".

GRANT THORNTON UAE

S. Anand Prabhu

جرانت ثورنتون للمحاسبة والمراجعة المحدودة فرع الشارقة
P.O. Box: 1968
Sharjah - U.A.E.
GRANT THORNTON Audit and Accounting Limited (Sharjah Branch)

Anand Prabhu
Registration No: 5567
Sharjah, United Arab Emirates

August 03, 2026

Interim condensed statement of profit or loss and other comprehensive income
For the six months period ended 30 June 2026

	Notes	*Three- month period ended*		*Six- month period ended*	
		30 June 2026	30 June 2025	**30 June 2026**	30 June 2025
		AED	AED	**AED**	AED
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
Revenue from contract with customers	4	**167,417,224**	136,048,918	**324,729,035**	276,012,815
Other operating income	5	**1,026,971**	3,633,735	**5,088,550**	8,080,541
Raw materials, supplies and consumables		**(106,812,177)**	(112,527,896)	**(217,046,560)**	(229,137,532)
Changes in inventories of finished goods and work in progress		**(24,160,723)**	8,008,702	**(9,081,749)**	8,066,347
Services		**(23,306,761)**	(12,640,269)	**(38,410,339)**	(25,721,291)
Staff cost		**(9,811,586)**	(8,265,413)	**(19,520,669)**	(17,397,736)
Other operating expenses		**(372,623)**	(239,328)	**(951,469)**	(516,383)
Depreciation and amortization expenses		**(13,213,598)**	(14,753,848)	**(27,289,473)**	(29,720,655)
Operating (loss)/ profit		**(9,233,273)**	(735,399)	**17,517,326**	(10,333,894)
Investment income	6	**-**	862,039	**-**	1,684,390
Finance revenues		**-**	49,397	**-**	1,026,420
Finance costs		**(1,030,147)**	(2,896,640)	**(2,971,360)**	(5,778,007)
(Loss)/ profit for the period before tax		**(10,263,420)**	(2,720,603)	**14,545,966**	(13,401,091)
Income tax credit/ (expense)	18	**897,934**	-	**(1,334,911)**	-
(Loss)/ profit for the period after tax		**(9,365,486)**	(2,720,603)	**13,211,055**	(13,401,091)
Earnings per share (EPS):					
Basic and diluted earnings/(loss) per share	19	**(0.02)**	(0.01)	**0.03**	(0.03)

Interim condensed statement of profit or loss and other comprehensive income (continued)
For the six months period ended 30 June 2026

		Three- months period ended		*Six- months period ended*	
	Note	**30 June 2026**	30 June 2025	**30 June 2026**	30 June 2025
		AED	AED	AED	AED
		(Unaudited)	*(Unaudited)*	***(Unaudited)***	*(Unaudited)*
(Loss)/ profit for the period after tax		**(9,365,486)**	(2,720,603)	**13,211,055**	(13,401,091)
Other comprehensive income:					
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods					
Gain on disposal of investments carried at fair value through other comprehensive income (FVTOCI)		-	-	-	-
Net change in fair value of investments carried at fair value through other comprehensive income (FVTOCI)	9(b)	-	134,694	-	316,932
Total other comprehensive income		-	134,694	-	316,932
Total comprehensive (loss)/ profit for the period		**(9,365,486)**	(2,585,909)	**13,211,055**	(13,084,159)

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

Interim condensed statement of financial position
As at 30 June 2026

	Notes	30 June 2026 AED *(Unaudited)*	31 December 2025 AED *(Audited)*
Assets			
Non-current			
Property, plant and equipment	7	**503,248,065**	526,943,036
Right of use asset	8(a)	**9,064,619**	3,848,196
Deferred tax asset		**3,961,290**	4,962,473
Investment carried at FVTOCI	9(a)	**48,471**	48,471
Trade and other receivables	11	**-**	406,061
		516,322,445	536,208,237
Current			
Inventories	10	**150,176,622**	171,070,993
Trade and other receivables	11	**144,407,817**	145,601,298
Cash and cash equivalents	12	**7,205,173**	2,216,644
		301,789,612	318,888,935
Total assets		**818,112,057**	855,097,172
Equity and liabilities			
Equity			
Share capital	13	**410,548,410**	410,548,410
Reserves	14	**166,482,312**	166,482,312
Fair value reserve	9(a)	**(12,827,850)**	(12,827,850)
Accumulated losses		**(52,040,498)**	(65,251,553)
Total equity		**512,162,374**	498,951,319
Liabilities			
Non-current			
Provision for employees' end of service indemnity		**8,463,019**	8,432,234
Lease liability	8(b)	**5,009,164**	2,208,249
		13,472,183	10,640,483
Current			
Bank borrowings	15	**96,092,622**	75,409,065
Trade and other payables	16	**167,905,459**	268,909,471
Lease liability	8(b)	**2,771,919**	1,186,834
Shareholder loan	17	**25,707,500**	-
		292,477,500	345,505,370
Total liabilities		**305,949,683**	356,145,853
Total equity and liabilities		**818,112,057**	855,097,172

Hussam Mohamed ElSayed Mohamed Hussein
Vice Chairman of Board of Directors

Interim condensed statement of changes in equity
For the six months ended 30 June 2026

	Share capital AED	**Reserves AED**	**Fair value reserve AED**	**Accumulated losses AED**	**Total equity AED**
Balance at 1 January 2026 (audited)	**410,548,410**	**166,482,312**	**(12,827,850)**	**(65,251,553)**	**498,951,319**
Profit for the period after tax	-	-	-	**13,211,055**	**13,211,055**
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive profit for the period	-	-	-	**13,211,055**	**13,211,055**
Balance at 30 June 2026 (unaudited)	**410,548,410**	**166,482,312**	**(12,827,850)**	**(52,040,498)**	**512,162,374**

	Share capital AED	Reserves AED	Fair value reserve AED	Accumulated losses AED	Total equity AED
Balance at 1 January 2025 (audited)	410,548,410	166,482,312	(12,947,338)	(57,483,000)	506,600,384
Loss for the period after tax	-	-	-	(13,401,091)	(13,401,091)
Other comprehensive income for the period	-	-	316,932	-	316,932
Total comprehensive loss for the period	-	-	316,932	(13,401,091)	(13,084,159)
Balance at 30 June 2025 (unaudited)	410,548,410	166,482,312	(12,630,406)	(70,884,091)	493,516,225

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

Gulf Cement Company P.S.C.
Interim condensed financial information (unaudited)

Interim condensed statement of cash flows
For the six months period ended 30 June 2026

	Notes	***Six months period ended*** **30 June 2026** **AED** ***(Unaudited)***	30 June 2025 AED *(Unaudited)*
OPERATING ACTIVITIES			
Profit/ (loss) for the period before tax		**14,545,966**	(13,401,091)
Adjustments for:			
Depreciation of property, plant and equipment	7	**26,380,904**	29,469,655
Amortisation of Right of use asset	8(a)	**908,569**	251,000
Finance costs		**2,971,360**	5,778,007
Provision for employees' end of service indemnity		**496,099**	592,154
Unrealised (gain) / loss on investments carried at FVTPL	6	**-**	(1,684,390)
Interest and dividend income		**(803)**	(1,048,221)
		45,302,095	19,957,114
Net changes in working capital:			
Trade and other receivables		**1,599,542**	(6,314,462)
Inventories		**20,894,371**	849,678
Trade and other payables		**(101,298,288)**	(5,222,265)
Cash (used)/generated from operating activities		**(33,502,280)**	9,270,065
Employees' end of service indemnity paid		**(465,314)**	(154,470)
Net cash (used)/ generated from operating activities		**(33,967,594)**	9,115,595
INVESTING ACTIVITIES			
Purchase of property, plant and equipment	7	**(3,663,992)**	(14,119,164)
Dividends received	6	**-**	1,047,818
Interest received	6	**803**	403
Net cash used in investing activities		**(3,663,189)**	(13,070,943)
FINANCING ACTIVITIES			
Net movement in short term borrowing		**20,683,557**	5,893,502
Net movement in shareholder loan		**25,707,500**	-
Repayment of lease liability		**(813,732)**	(237,635)
Finance cost paid		**(2,928,212)**	(1,417,262)
Dividends paid		**(29,801)**	(13,346)
Net cash generated from financing activities		**42,619,312**	4,225,259
Net change in cash and cash equivalents		**4,988,529**	269,911
Cash and cash equivalents as at the beginning of period		**2,216,644**	347,012
Cash and cash equivalents as at the end of the period	12	**7,205,173**	616,923

The accompanying notes 1 to 25 form an integral part of these interim condensed financial information

1. Corporate information

Gulf Cement Company P.S.C. (a Public Shareholding Company), Ras Al Khaimah (the "Company") having registration number 32 is incorporated as a public shareholding company by Emiri decree number 24/77 issued by His Highness, The Ruler of Ras Al Khaimah, U.A.E., in 1977. The address of the Company's registered office is P. O. Box 5295 Ras Al Khaimah, United Arab Emirates.

The principal activities of the Company are production and marketing of all types of cement.

The Company's shares are listed on Abu Dhabi Securities Exchange (ADX). In the General Assembly Meeting held on 02 April 2020, the shareholders approved the delisting of the Company's shares from Kuwait Stock Exchange (Boursa Kuwait). The last day of trading of the Company's shares in Boursa Kuwait was on 14 December 2020.

TC MENA Holdings Ltd ("TCM"), the parent company of the Company, holds a controlling interest in Gulf Cement Company P.S.C. TCM is a subsidiary of Buzzi S.p.A., an Italian listed company that owns 90% of TCM and is the ultimate parent company.

1.1 Going concern

Management has assessed the Company's ability to continue as a going concern for a period of at least twelve months from the reporting date and has concluded that the going concern basis of preparation is appropriate. This assessment reflects the continued strengthening of the Company's operating and financial position during the period. The Company generated EBITDA of AED 44.8 million for the six months period ended 30 June 2026, supported by sustained improvements in pricing, an enhanced domestic sales mix and ongoing operational efficiencies. Liquidity remained stable through access to AED 147.1 million of revolving banking facilities, of which approximately AED 51.1 million remained undrawn as of 30 June 2026, and the Company remained fully compliant with all banking covenants as at end of reporting period. The Company continues to meet its day-to-day working capital requirements through advance cash sales, disciplined inventory management, strong credit control processes, established banking facilities (including available and operational overdraft lines), and financial support from its shareholder through shareholder loan arrangements..

The Company has a three-year fuel supply arrangement in place, supporting continuity of a key production input. In the context of evolving global and geopolitical developments, including changes in energy market conditions, the Company has supplemented its fuel mix with alternative sources, including the use of coal alongside gas sourced from a key supplier, providing flexibility in managing its overall cost profile.

Sales arrangements remain largely market-linked, enabling pricing to reflect prevailing conditions over time. These factors have been considered in management's assessment of the Company's operations and financial position. Management's forecasts assume a normalisation of production activity and anticipate further domestic revenue growth supported by existing contracts, newly generated sales, and potential offtake arrangements. The Company also benefits from strengthened governance and oversight following the acquisition by TCM, with strategic support, operational expertise, and enhanced treasury monitoring contributing to financial discipline and continued execution of operational plans.

Management has prepared detailed cash-flow forecasts and conducted sensitivity analyses reflecting reasonably possible changes in trading conditions. The results indicate that the Company is expected to maintain sufficient liquidity headroom and meet its obligations as they fall due throughout the going-concern assessment period.

Considering these factors, together with the financing facilities currently in place and the enhanced strategic support following the recent change in ownership, management, with oversight from the Board of Directors, is confident that the Company has adequate financial and operational resources to continue as a going concern.

1. Corporate information (continued)

1.1 Going concern (continued)

Accordingly, the interim financial information have been prepared on that basis.

- Securing energy sources at competitive price, and consideration for implementation of alternative and renewable energy sources;
- Continuation of current sales contracts and the Company's ability to satisfy these from existing production;
- Continuation of existing pricing mechanism and growth in domestic market;
- Increased proportion of good margin product in diversified sales mix;
- Timing of expected sales receipts including collection from outstanding debtors;
- Timing and magnitude of maintenance capital expenditures; and
- The Company's level of indebtedness and the timing of when these liabilities are due.

Management has also identified mitigating actions to address potential downside scenarios, including the utilisation of available borrowing facilities, optimisation of existing sales arrangements, deferral of non-essential capital expenditures, reduction of overhead costs, and renegotiation of supplier terms.

2. Basis of preparation and material accounting policies

2.1 Basis of preparation

The interim condensed financial information of the Company for the six months period ended 30 June 2026 have been prepared in accordance with IAS 34 "Interim Financial Reporting".

The interim condensed financial information do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Company's annual financial statements as at 31 December 2025. In addition, results for the six months period ended 30 June 2026 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2026.

The interim condensed financial information have been prepared in United Arab Emirates Dirhams (AED), which is the Company's functional currency, and all values are rounded to the nearest Dirhams except where otherwise indicated.

The interim condensed financial information have been prepared on a historical cost basis except for investments carried at fair value through profit or loss (FVTPL), investments carried at fair value through other comprehensive income (FVTOCI) that have been measured at fair value.

2.2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026.

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 7 and 9)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and 7)
- Annual improvements to IFRS Accounting Standards - Volume 11

2. Basis of preparation and material accounting policies (continued)

2.2 New standards, interpretations and amendments adopted by the Company (continued)

This amendment did not have a significant impact on this interim condensed financial information. and therefore, the disclosures have not been made.

2.3 Standards, amendments and interpretations to existing Standards that are not yet effective and have not been adopted early by the Company

Other standards, amendments and interpretations that are not yet effective and have not been early adopted by the Company include:

- IFRS 19 Subsidiaries without Public Accountability: Disclosures
- IFRS 18 'Presentation and Disclosures in Financial Statements
- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates relating to translation to a Hyperinflationary Presentation Currency.
- Amendments to IFRS 10 Consolidated Financial statements and IAS 28 Investments in Associates and Joint Ventures

IFRS 18 introduces new presentation and disclosure requirements of additional totals in the statement of profit or loss, a new note which discloses management-defined performance measures and enhancements to the requirements for aggregation and disaggregation. Management is still in the process of assessing the impact of the new standard, particularly with respect to the structure of the Company's interim condensed financial information. These remaining above standards, amendments and interpretations are not expected to have a significant impact on the interim condensed financial information in the period of initial application and therefore no disclosures have been made.

3. Critical accounting judgements & key sources of estimates uncertainty

The preparation of interim condensed financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim condensed financial information, the significant judgements and estimated made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the year ended December 31, 2025.

Judgements

Determining the lease term of contracts with renewal and termination options – Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

Estimates

Allowance for expected credit losses

Loss allowance for financial assets is based as assumptions about rise of default and expected loss rates. The Company uses judgement in making this assumption and selecting the impacts to the impairment calculation, based on the Company's past history, existing market conditions as well as forward, looking estimates at the end of each reporting period.

Residual values and useful lives of property, plant and equipment

The Company has carried out a review of the residual values and useful lives of asset after considering the expected usage of the asset, physical wear and tear technical or commercial obsolescence. Management has not highlighted any requirement for an adjustment to the residual lives and remaining useful lives of the assets for the current or future periods

3. Critical accounting judgements & key sources of estimates uncertainty (continued)

Estimates (continued)

Impairment assessment of inventories

Impairment of inventories reflects estimates of losses arising from the presence of slow-moving items in the inventories. The charge is based on management discretion after analysing the inventory movement. Changes to the estimated provision may be required if the item of inventory already provided for is sold.

4. Revenue from contracts with customers

4.1 Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Three-month period ended		*Six-month period ended*	
	30 June 2026 AED (unaudited)	*30 June 2025 AED (unaudited)*	***30 June 2026 AED (unaudited)***	*30 June 2025 AED (unaudited)*
Type of revenue				
Sale of goods	**167,417,224**	136,048,918	**324,729,035**	276,012,815

	Three-month period ended		*Six-month period ended*	
	30 June 2026 AED (unaudited)	*30 June 2025 AED (unaudited)*	***30 June 2026 AED (unaudited)***	*30 June 2025 AED (unaudited)*
Geographical markets				
Within UAE	**135,669,654**	103,165,896	**259,747,894**	178,307,096
Outside UAE	**31,747,570**	32,883,022	**64,981,141**	97,705,719
	167,417,224	136,048,918	**324,729,035**	276,012,815

	Three-month period ended		*Six-month period ended*	
	30 June 2026 AED (unaudited)	*30 June 2025 AED (unaudited)*	***30 June 2026 AED (unaudited)***	*30 June 2025 AED (unaudited)*
Timing of revenue recognition				
Goods transferred at a point in time	**167,417,224**	136,048,918	**324,729,035**	276,012,815

Revenue includes AED 197.6 million for the six month period ended 30 June 2026, which represents 61% of total revenue from 7 customers (six months period ended 30 June 2025: AED 165.7 million which represents 60% of total revenue from 7 customers).

4.2 Contract balances

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Asset		
Trade receivables (note 11)	**125,090,620**	123,490,007
Liability		
Advances from customers (note 16)	**6,208,445**	22,069,885

4. Revenue from contracts with customers (continued)

4.3 Performance obligations

The performance obligation on sales of goods is satisfied upon delivery as per terms of underlying customer contract, and payment is generally due within 30 to 120 days (2025: 30 to 120 days) from delivery.

5. Other Operating Income

Other operating income consists of income earned on electricity generated by the Company and distributed to a customer and scrap sales. Income earned during the six months period ended 30 June 2026 amounted to AED 5 million (six-month period ended 30 June 2025: AED 8 million).

6. Net Investment Income

	Three-month period ended		*Six-month period ended*	
	30 June 2026 AED (unaudited)	*30 June 2025 AED (unaudited)*	***30 June 2026 AED (unaudited)***	*30 June 2025 AED (unaudited)*
Unrealised gain/(loss) on investments carried at FVTPL	-	862,039	-	1,684,390
	-	862,039	-	1,684,390

7. Property, plant and equipment

a) During the six months period ended 30 June 2026, additions to property, plant and equipment amounted to AED 3.7 million (30 June 2025: AED 14.1 million) and depreciation for the six months period ended 30 June 2026 amounted to AED 26.3 million (30 June 2025: AED 29.4 million).

b) The factory and its related buildings are constructed on plots of land owned by the Government of Ras Al Khaimah.

c) Included within property, plant and equipment is a plot of land valued at AED 8.27 million

d) All property, plant and equipment is located in the UAE.

e) There is a negative pledge over property, plant and equipment against borrowings (note 15).

f) Assignment of fire insurance policy over moveable property, plant and equipment in relation to banking facilities obtained by the Company (note 15).

8. Leases and right-of-use-asset

Company as a lessee

The Company has a lease contract for use of Vehicle and equipment for its operations with lease term of four years. The Company also has certain lease with lease term of 12 months or less. The Company applies the 'short-term lease' recognition exemption for this lease

8. Leases and right-of-use-asset (continued)

a) Set out below is the carrying amount of right-of-use asset recognized and the movements during the year:

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Balance at the beginning of the year	**3,848,196**	2,300,833
Additions during the period/year	**6,124,992**	2,107,916
Amortised during the period/year	**(908,569)**	(560,553)
Balance at the end of the period/year	**9,064,619**	3,848,196

b) Set out below is the carrying amount of lease liability recognised and the movements during the year/period:

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Balance at the beginning of the year	**3,395,083**	2,017,393
Additions during the period/ year	**5,032,994**	2,107,916
Accretion of interest during the period/ year	**166,738**	134,765
Payment during the period/year	**(813,732)**	(864,991)
Balance at the end of the period/year	**7,781,083**	3,395,083

Classified as:		
Current liabilities	**2,771,919**	1,186,834
Non-current liabilities	**5,009,164**	2,208,249
	7,781,083	3,395,083

c) Following are the amounts recognised in the condensed statement of profit or loss for the period ended 30 June 2026:

	30 June 2026 *AED* (unaudited)	30 June 2025 *AED* *(unaudited)*
Amortisation of right-of-use asset	**908,569**	251,000
Interest on lease liability	**166,738**	86,365
Expense relating to short-term lease	**660,935**	850,045
	1,736,242	1,187,410

9. Investment in securities

a) Investments carried at FVTOCI

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Quoted	**33,815**	33,815
Unquoted	**12,842,506**	12,842,506
Total gross investments at FVTOCI at cost	**12,876,321**	12,876,321
Less: accumulated fair value reserve, net	**(12,827,850)**	(12,827,850)
Fair value of investments at FVTOCI at period/year end	**48,471**	48,471

The geographical spread of the above investments is as follows:

	30 June 2026 (unaudited)			31 December 2025 (audited)		
	Concentration percentage on fair value	**Cost AED**	**Fair value AED**	Concentration percentage on fair value	Cost AED	Fair value AED
Kuwait	**100%**	**12,876,321**	**48,471**	100%	12,876,321	48,471

The cumulative change in fair value of investments carried at FVTOCI amounted to negative AED 12.8 million as at 30 June 2026 (31 December 2025: negative AED 12.8 million) and is shown under equity.

Equity instruments designated at FVTOCI include investments in equity shares of listed and non-listed companies. The Company holds non-controlling interests in these companies. These investments were irrevocably designated at FVTOCI as the Company considers these investments to be strategic in nature.

b) Investments carried at FVTPL

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Unquoted		
Opening balance cost	**8,299,928**	8,299,928
Cumulative fair value loss	**(8,299,928)**	(8,299,928)
Total	**-**	-

9. Investment in securities (continued)

b) Investments carried at FVTPL (continued)

The geographical spread of the above investments is as follows:

	30 June 2026 *(Unaudited)*			31 December 2025 *(Audited)*		
	Concentration percentage on fair value	**Cost AED**	**Fair value AED**	Concentration percentage on fair value	Cost AED	Fair value AED
Other GCC Countries	-	**8,299,928**	-	-	8,299,928	-
		8,299,928	-	-	8,299,928	-

Movement in investment in securities were as follows:

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Fair value of investments at the beginning of the period / year	**48,471**	15,509,100
Additions made during the period / year	-	-
Disposals made during the period / year	-	(15,487,800)
Change in the fair value of investments carried at FVTPL (note 6)	-	-
Change in the fair value of investments carried at FVTOCI	-	27,171
Fair value of investments at the end of the period / year	**48,471**	48,471

10. Inventories

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Finished goods	**6,435,470**	2,975,277
Raw materials	**3,951,999**	2,910,134
Work in progress	**27,316,851**	39,858,793
Bags, fuel and lubricants	**9,287,096**	22,844,956
Spare parts	**115,829,126**	116,544,020
Consumable items	**24,829,822**	23,442,919
Tools	**472,697**	441,333
	188,123,061	209,017,432
Less: provision for slow-moving inventories	**(37,946,439)**	(37,946,439)
	150,176,622	171,070,993

a) Assignment of fire insurance policy over inventories in relation to banking facilities obtained by the Company (note 15).

b) Inventories are pledged against banking facilities obtained by the Company (note 15).

11. Trade and other receivables

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Trade receivables	**127,682,420**	126,307,444
Less: provision for expected credit losses (note (b))	**(2,591,800)**	(2,817,437)
	125,090,620	123,490,007
Prepayments	**1,792,762**	3,475,793
Advance to suppliers	**12,502,888**	5,473,191
Other receivables	**4,115,486**	12,662,307
Relating to receivable from sale of an associate	**906,061**	906,061
	144,407,817	146,007,359
Relating to receivable from sale of an associate due after one year	**-**	(406,061)
	144,407,817	145,601,298

a) Trade receivables amounting to AED 31.9 million (31 December 2025: AED 37.8 million) are fully covered by unconditional bank guarantees or letter of credit from the customers to secure the collectability of these trade receivables.

b) Movement in provision for expected credit losses during the period was as follows:

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Balance at the beginning of the period / year	**2,817,437**	2,834,802
Charge/ (reversal) for the period / year	**(225,637)**	(17,365)
Balance at the end of the period / year	**2,591,800**	2,817,437

12. Bank balances and cash

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Cash on hand	**25,741**	5,327
Bank balances:		
Current accounts	**7,113,130**	2,178,535
Call deposits	**66,302**	32,782
Total bank balances	**7,179,432**	2,211,317
Total cash and bank balance	**7,205,173**	2,216,644

Call deposits carry interest at commercial rates per annum and are made for a period of less than three months.

13. Share capital

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Authorised, issued and fully paid:		
410,548,410 ordinary shares of AED 1 each	**410,548,410**	410,548,410

14. Reserves

According to the Company's Articles of Association and the requirements of the U.A.E. Federal Decree Law No. 32 of 2021, 10% of the profit of each year is transferred to the statutory reserve. The transfer to statutory reserve may be suspended when it reaches 50% of the paid-up share capital. Statutory reserve is not available for distribution except as stipulated by the Law.

According to the Company's Articles of Association, 10% of the profit for each year is transferred to the voluntary reserve. The transfer to voluntary reserve may be suspended by the ordinary general assembly at the recommendation of the Board of Directors or when it reaches 20% of the Company's paid-up share capital.

On 14 November 2023, the Company's Board of Directors has resolved to set off the accumulated losses of AED 182,180,729 by utilising an equivalent amount standing to the credit of available reserves, which is approved by the shareholders in the general meeting held on 20 December 2023 and Capital Market Authority (CMA). This resulted in a decrease in the accumulated losses and a corresponding reduction in the statutory and voluntary reserves of the Company.

15. Bank borrowings

	30 June 2026 AED (unaudited)	31 December 2025 AED (audited)
Bank overdraft facilities	**61,692,291**	41,734,347
Short term loan	**34,400,331**	33,674,718
	96,092,622	75,409,065

The Company's overdraft balances are repayable on demand and short-term loans are repayable within twelve months. The overdraft balances and short-term loan carries interest rates at market competitive variable rates based on EIBOR plus a spread and are secured against promissory note issued by the Company and certain other securities such as assignment of fire insurance policy over inventory (note 10 (a)) and movable property, plant and equipment (note 7(e)) and pledge over inventories (note 10(b)) and a negative pledge over property, plant and equipment (note 7(d)).

Bank overdrafts are considered a form of financing and hence not included as a component of cash and cash equivalents in the interim condensed statement of cash flows.

Short-term loans represent facilities obtained to meet operational requirements, including payments for raw materials, utilities, and essential services. These loans are primarily linked to letters of credit and guarantees issued to vendors and service providers to ensure uninterrupted production and supply chain continuity

16. Trade and other payables

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Trade payables	**89,810,789**	195,778,284
Dividend payable	**24,724,050**	24,753,851
Accrued expenses	**45,298,426**	24,212,557
Advances from customers (note 4.2)	**6,208,445**	22,069,885
Interest payable	**535,349**	1,235,025
VAT payable	**779,060**	668,056
Income tax payable (note 18)	**333,728**	-
Other payables	**215,612**	191,813
	167,905,459	268,909,471

17. Related party balances and transactions

Related parties include the Company's major Shareholders, directors and businesses controlled by them and their families over which they exercise significant management influence as well as key management personnel. All related party transactions for the period ended 30 June 2026, were conducted on an arm's length basis

a) Related party transactions

	Three months period ended		*Six months period ended*	
	30 June 2026 AED *(unaudited)*	30 June 2025 AED *(unaudited)*	**30 June 2026 AED *(unaudited)***	30 June 2025 AED *(unaudited)*
Other operating income				
TC MENA Holdings LTD (Parent)	**-**	-	**241,880**	-
Expenses				
Finance costs	**235,171**	-	**235,171**	-
Board of Directors and committees' meetings	**375,000**	896,922	**750,000**	1,112,562

Balances with related parties included in the condensed interim statement of financial position are as follows:

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Shareholder loan		
TC MENA Holdings LTD (Parent)	**25,707,500**	-

On 8 May 2026, the Company entered a three-year loan facility with its shareholder to finance general corporate and working capital requirements. The loan bears interest at a rate of 6.3% per annum.

Under the terms of the agreement, the lender may require repayment at any time, with the outstanding balance becoming payable within 30 days of such demand. Accordingly, the Company has presented the balance as a current liability.

17 Related party balances and transactions (continued)

b) Compensation of key management personnel

The remuneration of key management during the period was as follows:

	Three-month period ended		*Six-month period ended*	
	30 June 2026	*30 June 2025*	***30 June 2026***	*30 June 2025*
	AED	*AED*	***AED***	*AED*
	(unaudited)	*(unaudited)*	***(unaudited)***	*(unaudited)*
Salaries and other short-term benefits	**1,515,816**	1,223,202	**3,031,632**	2,444,093
Employees' end of service benefits	**107,275**	33,364	**214,550**	66,728
	1,623,091	1,256,566	**3,246,182**	2,510,821

The amounts disclosed in the table above relating to salaries and other short-term benefits are the amounts recognised as an expense during the period related to key management personnel.

18. Income tax

	Six months period ended	
	30 June 2026	30 June 2025
	AED	AED
	(unaudited)	*(unaudited)*
Current tax expense (note 16)	**333,728**	-
Deferred tax expense	**1,001,183**	-
Income tax expense	**1,334,911**	-

	Six months period ended	
	30 June 2026	30 June 2025
	AED	AED
	(unaudited)	*(unaudited)*
Accounting profit/ (loss) before tax	**14,545,966**	(13,401,091)
At United Arab Emirates' statutory corporate tax rate of 9%		
Adjustments for amounts which are non-deductible / (taxable) in calculating taxable income:		
Non-deductible expenses for tax purposes	**286,378**	14,875
Exempt income	**-**	(994,699)
Taxable profit/ (loss)	**14,832,344**	(14,380,915)
At the effective income tax rate of 9%	**1,334,911**	-

18. Income tax (continued)

International Tax Reform – Pillar Two (Global Minimum Tax)

The Organisation for Economic Co-operation and Development ("OECD") has issued the Global Anti-Base Erosion ("GloBE") Model Rules ("Pillar Two"), which introduce a global minimum effective tax rate of 15% applicable to multinational enterprise groups that meet the prescribed consolidated revenue threshold.

Management is currently assessing the potential applicability of Pillar Two to the Company, taking into account the Company's ownership structure, operations and the requirements of the applicable legislation. This assessment includes evaluating whether the Company and its group may qualify for any available transitional Safe Harbour reliefs or exemptions under the OECD Pillar Two framework.

As at 30 June 2026, management has not identified any current tax or deferred tax impacts arising from Pillar Two legislation. However, the assessment remains ongoing and management has not yet concluded whether the conditions for the available Safe Harbour provisions are met. Accordingly, the ultimate impact of Pillar Two, if any, cannot yet be reliably determined.

Management will continue to monitor developments relating to the implementation of Pillar Two legislation and will reassess any potential financial statement impact, including the availability of Safe Harbour reliefs, as further information becomes available

19. Basic and diluted loss per share

	Three-month period ended		***Six-month period ended***	
	30 June 2026	*30 June 2025*	***30 June 2026***	*30 June 2025*
	AED	*AED*	***AED***	*AED*
	(unaudited)	*(unaudited)*	***(unaudited)***	*(unaudited)*
(Loss)/ profit for the period (in AED)	**(9,365,486)**	(2,720,603)	**13,211,055**	(13,401,091)
Weighted average number of shares	**410,548,410**	410,548,410	**410,548,410**	410,548,410
Basic and diluted loss/ profit per share (in AED)	**(0.02)**	(0.01)	**0.03**	(0.03)

The Company has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

20 Segment information

The Company is organised into two main business segments. Manufacturing of all types of cement and investments incorporating investments in marketable equity securities, deposits with banks (excluding current accounts),

	Six months period ended 30 June 2026			Six months period ended 30 June 2025		
	Manufacturing	**Investments**	**Total**	Manufacturing	Investments	Total
	AED	**AED**	**AED**	AED	AED	AED
Segment revenue	**324,729,035**	**-**	**324,729,035**	276,012,815	-	276,012,815
Segment result	**13,211,055**	**-**	**13,211,055**	(16,133,702)	2,732,611	(13,401,091)

	30 June 2026			31 December 2025		
	Manufacturing	**Investments**	**Total**	Manufacturing	Investments	Total
	AED	**AED**	**AED**	AED	AED	AED
Segment assets	**818,063,586**	**48,471**	**818,112,057**	855,048,701	48,471	855,097,172
Segment liabilities	**305,949,683**	**-**	**305,949,683**	356,145,853	-	356,145,853

There are no transactions between the business segments.

Additional information required by IFRS 8 Segment Reporting relating to geographical segments and major customers are disclosed in note 4.1.

21. Contingent liabilities and commitments

	30 June 2026 AED *(unaudited)*	31 December 2025 AED *(audited)*
Letters of credit	**26,606,843**	21,380,008
Letters of guarantee	**36,725**	36,725

22. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, differences can arise between book values and the fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to materially curtail the scale of its operation or to undertake a transaction on adverse terms.

Fair value of financial instruments carried at amortised cost
Management considers that the carrying amounts of financial assets and financial liabilities recognised at amortised cost in the interim condensed financial information approximate their fair values.

Valuation techniques and assumptions applied for the purposes of measuring fair value
The fair values of financial assets and financial liabilities are determined using similar valuation techniques and assumptions as used in the audited annual financial statements for the year ended 31 December 2025.

Fair value of the Company's financial assets that are measured at fair value on recurring basis
Some of the Company's financial assets are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets are determined;

	Fair value					
Financial assets	**30 June 2026 AED (unaudited)**	31 December 2025 AED (audited)	**Fair value hierarchy**	**Valuation techniques and key inputs**	**Significant unobservable input**	**Relationship of unobservable inputs to fair value**
Quoted equity investments carried at FVTOCI	**48,471**	48,471	Level 1	Quoted bid prices in an active market	None	N/A
	48,471	48,471				

22. Fair value measurement (continued)

Fair value hierarchy
All financial instruments for which fair value is recognised or disclosed are categorised within the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole, as follows:

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

There were no changes in the Company's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

30 June 2026 (unaudited)

	Level 1 AED	**Level 2 AED**	**Level 3 AED**	**Total AED**
Investments carried at FVTOCI				
- Quoted equities	**48,471**	**-**	**-**	**48,471**
	48,471	**-**	**-**	**48,471**

31 December 2025 (audited)

	Level 1 AED	Level 2 AED	Level 3 AED	Total AED
Investments carried at FVTOCI				
- Quoted equities	48,471	-	-	48,471
	48,471	-	-	48.471

There were no transfers between the levels during the period. There are no financial liabilities which should be measured at fair value and accordingly no disclosure is made in the above table.

23. Comparative information

Certain corresponding figures for previous year have been reclassified in order to conform to the presentation for the current year. Such reclassifications do not affect previously reported profit or shareholder's equity.

These changes have been made to improve the quality of information presented.

24. Events during the reporting period

During the period ended 30 June 2026, ongoing geopolitical developments in parts of the Middle East contributed to uncertainty in the regional economic environment, including the United Arab Emirates. Such developments may affect energy markets, supply chains, transportation costs, construction activity and broader economic conditions relevant to the cement industry.

Management has assessed the potential impact of these developments on the Company's operations and financial position, including the procurement of fuel and raw materials, production activities, customer demand, trade receivable collections and financing arrangements. Management has also considered the impact of changes in energy and transportation costs, inflationary pressures and other market conditions relevant to the industry.

Management continues to monitor regional and global developments and will assess the impact of any future changes on the Company's operations, financial position and financial reporting estimates as further information becomes available.

25. Approval of interim condensed financial information

The interim condensed financial information were approved by the Board of Directors and authorised for issue on 03 August 2026.