

**National Cement Company**  
**(Public Shareholding Co.)**  
**UNAUDITED INTERIM CONDENSED**  
**FINANCIAL STATEMENTS**

**30 JUNE 2025**

## **Report on Review of Interim Condensed Financial Statements To the Shareholders of National Cement Company (Public Shareholding Co.)**

### *Introduction*

We have reviewed the accompanying interim condensed financial statements of National Cement Company (Public Shareholding Co.) (the "Company") comprising the interim statement of financial position as at 30 June 2025, 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 related interim condensed statements of changes in equity and cash flows for the six-month period then ended, and explanatory notes. Management is responsible for the preparation and fair presentation of these interim condensed financial statements in accordance with International Accounting Standard 34 *Interim Financial reporting* (IAS 34). Our responsibility is to express a conclusion on these interim condensed financial statements based on our review.

### *Scope of Review*

We conducted our review in accordance with International Standard on Review Engagements 2410, *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity"*. A review of interim condensed 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 statements are not prepared, in all material respects, in accordance with IAS 34.

### *Emphasis of Matter*

We draw attention to Note 11 to the interim condensed financial statements, which describes the current situation and environment in Sudan and the management's assessment thereon. Our conclusion is not modified in respect of this matter.

**GRANT THORNTON UAE**

**Dr. Osama El Bakry**  
**Registration No. 935**  
**Dubai, United Arab Emirates**

**August 12, 2025**



# National Cement Company (Public Shareholding Co.)

## INTERIM CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Notes	Six months ended		Three months ended	
		30 June 2025	30 June 2024	30 June 2025	30 June 2024
		AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)	AED'000 (Unaudited)
Revenue		109,425	91,271	57,824	35,962
Direct costs	3	(98,110)	(90,860)	(51,408)	(37,021)
<b>GROSS PROFIT</b>		<b>11,315</b>	<b>411</b>	<b>6,416</b>	<b>(1,059)</b>
Other operating income	4	5,702	4,865	2,947	2,273
Administration and general expenses	5	(10,298)	(11,327)	(3,275)	(5,390)
Selling and distribution expenses		(3,124)	(3,074)	(2,022)	(1,888)
<b>OPERATING PROFIT/(LOSS)</b>		<b>3,595</b>	<b>(9,125)</b>	<b>4,066</b>	<b>(6,064)</b>
Finance income	6	10,359	621	2,365	443
Finance cost		(21)	(346)	(21)	(264)
Dividend income from equity investments	9	154,535	135,978	3,656	4,118
Net change in fair value of debt instruments at FVTPL	9	600	1,570	1,048	961
Fair value of debt instruments at FVOCI recycled to profit and loss on derecognition		443	-	443	-
<b>PROFIT FOR THE PERIOD BEFORE TAX</b>		<b>169,511</b>	<b>128,698</b>	<b>11,557</b>	<b>(806)</b>
Income tax expense	17	(1,451)	-	(674)	-
<b>PROFIT FOR THE PERIOD</b>		<b>168,060</b>	<b>128,698</b>	<b>10,883</b>	<b>(806)</b>
<b>Other comprehensive income</b>					
<i>Item that will not be reclassified to profit or loss in subsequent periods (net of tax):</i>					
Net change in fair value of equity instruments at FVOCI	9	140,629	270,106	64,192	116,939
<i>Items that may be or have been reclassified to profit or loss in subsequent periods (net of tax):</i>					
Net change in fair value of debt instruments at FVOCI	9	563	(926)	224	240
Fair value of debt instruments at FVOCI recycled to profit and loss on disposal		(443)	-	(443)	-
<b>Other comprehensive income for the period</b>		<b>140,749</b>	<b>269,180</b>	<b>63,973</b>	<b>117,179</b>
<b>Total comprehensive income for the period</b>		<b>308,809</b>	<b>397,878</b>	<b>74,856</b>	<b>116,373</b>
<b>Earnings per share</b>					
Basic and diluted earnings per share (AED)	19	0.47	0.36	0.03	-

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

# National Cement Company (Public Shareholding Co.)

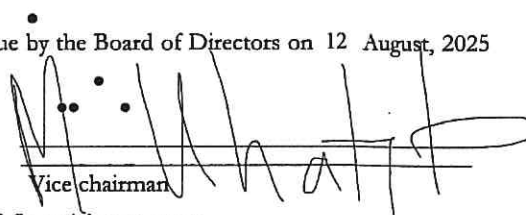
## INTERIM CONDENSED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

	Notes	30 June 2025 AED '000 (Unaudited)	31 December 2024 AED '000 (Audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	7	132,066	136,049
Intangible assets		243	295
Investment properties	8	2,924	2,924
Investments in financial assets	9	1,966,677	1,813,835
Loan receivable from an associate	11	288,213	288,213
<b>Total non-current assets</b>		<b>2,390,123</b>	<b>2,241,316</b>
<b>Current assets</b>			
Investments in financial assets	9	10,282	14,782
Inventories	12	74,000	73,476
Trade and other receivables	13	95,580	105,800
Advances and other receivables		6,672	1,640
Bank balances and cash	15	241,595	113,436
<b>Total current assets</b>		<b>428,129</b>	<b>309,134</b>
<b>TOTAL ASSETS</b>		<b>2,818,252</b>	<b>2,550,450</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		358,800	358,800
Share application money		26	26
Statutory reserve		179,402	179,402
General reserve	22	234,992	313,323
Fair value reserve of financial assets at FVOCI		1,614,704	1,473,955
Retained earnings		312,295	137,664
<b>Total equity</b>		<b>2,700,219</b>	<b>2,463,170</b>
<b>Non-current liabilities</b>			
Employees' end of service benefits		19,984	18,497
Deferred tax liability	17	50,380	36,061
<b>Total non-current liabilities</b>		<b>70,364</b>	<b>54,558</b>
<b>Current liabilities</b>			
Bank overdraft	15	4,405	-
Trade and other payables	16	42,142	32,722
Income tax provision	17	1,122	-
<b>Total current liabilities</b>		<b>47,669</b>	<b>32,722</b>
<b>Total liabilities</b>		<b>118,033</b>	<b>87,280</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>2,818,252</b>	<b>2,550,450</b>

These interim condensed financial statements were authorised for issue by the Board of Directors on 12 August, 2025 and signed by:

  
Chairman

  
Vice chairman

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

# National Cement Company (Public Shareholding Co.)

## INTERIM STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Share capital AED'000	Share application money AED'000	Statutory reserve AED'000	General reserve AED'000	Fair value reserve of financial assets at FV/OCI AED'000	Retained earnings AED'000	Total equity AED'000
Balance as at 1 January 2024 - <i>Audited</i>	358,800	26	179,402	313,323	1,106,541	56,621	2,014,713
Profit for the period	-	-	-	-	-	128,698	128,698
Other comprehensive income for the period	-	-	-	-	269,180	-	269,180
Total comprehensive income for the period	-	-	-	-	269,180	128,698	397,878
Dividend	-	-	-	-	-	(53,820)	(53,820)
As at 30 June 2024 - <i>Unaudited</i>	358,800	26	179,402	313,323	1,375,721	131,499	2,358,771
Balance as at 1 January 2025 - <i>Audited</i>	358,800	26	179,402	313,323	1,473,955	137,664	2,463,170
Profit for the period	-	-	-	-	-	168,060	168,060
Other comprehensive income for the period	-	-	-	-	140,749	-	140,749
Total comprehensive income for the period	-	-	-	-	140,749	168,060	308,809
Transfer from general reserve (Note 22)	-	-	-	(78,331)	-	78,331	-
Dividends (Note 22)	-	-	-	-	-	(71,760)	(71,760)
As at 30 June 2025 - <i>Unaudited</i>	358,800	26	179,402	234,992	1,614,704	312,295	2,700,219

The accompanying notes 1 to 23 form part of these interim condensed financial statements.

National Cement Company (Public Shareholding Co.)

INTERIM CONDENSED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

		Six-months ended 30 June	
	Notes	2025 AED '000 Unaudited	2024 AED '000 Unaudited
<b>OPERATING ACTIVITIES</b>			
Profit for the period before tax		169,511	128,698
Adjustments for:			
Depreciation and amortisation		9,009	9,260
Change in fair value of financial assets at fair value through profit or loss	9	(600)	(1,570)
Gain on disposal of property, plant and equipment		(19)	(2)
Gain on fair value of debt instruments at FVOCI recycled to profit and loss		(443)	-
Provision for employees' end of services benefits		2,041	794
Dividend income from equity investments	9	(154,535)	(135,978)
Finance income	6	(10,359)	(621)
Finance cost		21	346
<b>Operating profit before working capital changes</b>		<b>14,626</b>	<b>927</b>
Working capital changes:			
Inventories		(524)	(4,575)
Trade and other receivables		10,220	(8,328)
Advances and other receivables		(5,032)	(5,002)
Trade and other payables		9,443	(8,604)
<b>Cash from/(used in) operations</b>		<b>28,733</b>	<b>(25,582)</b>
Employees' end of service benefits paid		(554)	(1,407)
<b>Net cash from/(used in) operating activities</b>		<b>28,179</b>	<b>(26,989)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment	7	(4,972)	(2,525)
Proceeds from sale of property, plant and equipment		19	6
Investments in financial assets	9	-	(8,138)
Proceeds from maturity/disposals of financial assets	9	7,415	8,054
Fixed deposits (placed)/released		(140,000)	(70,000)
Dividend received	9	154,535	135,978
Interest received		10,359	621
<b>Net cash flows from investing activities</b>		<b>27,356</b>	<b>63,996</b>
<b>FINANCING ACTIVITIES</b>			
Proceed from bank borrowings		-	15,000
Repayment of bank borrowings		-	(20,000)
Finance cost paid		(21)	(346)
Dividend paid		(71,760)	(53,820)
<b>Net cash flows used in financing activities</b>		<b>(71,781)</b>	<b>(59,166)</b>
<b>Net change in cash and cash equivalents</b>		<b>(16,246)</b>	<b>(22,159)</b>
Cash and cash equivalents at the beginning of the period		13,436	20,894
<b>Cash and cash equivalents at the end of the period</b>	15	<b>(2,810)</b>	<b>(1,265)</b>

The accompanying notes 1 to 23 form part of these interim condensed financial statements.



# National Cement Company (Public Shareholding Co.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025

### 1 BACKGROUND AND PRINCIPAL ACTIVITIES

National Cement Company (Public Shareholding Co.) ("the Company"), is registered in accordance with the decree issued by His Highness Ruler of Dubai on 10 April 1968 establishing a cement company in the Emirate of Dubai, United Arab Emirates and is governed in accordance with the provisions of the UAE Federal Decree Law No 32. Of 2021. The Company is listed on the Dubai Financial Market ("DFM"). The registered address of the Company is P.O. Box 4041, Dubai, United Arab Emirates.

The principal activity of the Company is to manufacture and sell cement and cement related products

Federal Law by Decree no. 32 of 2021, which repeals and replaces Federal Law no. 2 of 2015 (as amended) on Commercial Companies, was issued on 20 September 2021, and is effective from 2 January 2022. The Company is still in the process of amending its Articles of Association in line with the new provisions as required by the Federal law by Decree no. 32 of 2021.

### 2 BASIS OF PREPARATION AND CHANGES TO ACCOUNTING POLICIES

#### 2.1 Basis of preparation

These interim condensed financial statements for the six-month ended 30 June 2025 have been prepared in accordance with IAS 34: *Interim Financial Reporting*.

The interim condensed financial statements 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 2024. In addition, the results for the six-month period ended 30 June 2025 may not be indicative of the results that may be expected for the financial year ending 31 December 2025.

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

The interim condensed financial statements have been prepared on a historical cost basis except for investments in financial assets at fair value through profit or loss and investments in financial assets at fair value through other comprehensive income, which have been measured at fair value.

When preparing the interim condensed financial statements, management undertakes a number of judgements, estimates, and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management.

#### 2.2 New standards, interpretations and amendments adopted by the Company

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024, except for the adoption of a new amendment effective as of 1 January 2025 as disclosed below. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### Lack of exchangeability - Amendments to IAS 21

The amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2025. When applying the amendments, an entity cannot restate comparative information.

The amendments did not have a material impact on the Company's interim condensed financial statements.

#### 2.3 Fair value measurement

All financial assets and liabilities are stated at amortized cost or historical cost except for investments in financial assets that are measured at fair value. The fair values of other financial assets and the financial liabilities are not materially different from their carrying values at the reporting date.

# National Cement Company (Public Shareholding Co.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025

### 3 DIRECT COSTS

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
Material cost	54,207	49,652
Utilities and other factory costs	23,544	20,835
Staff cost	11,720	11,771
Depreciation of property, plant and equipment	8,639	8,602
	<u>98,110</u>	<u>90,860</u>

### 4 OTHER OPERATING INCOME

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
Rental income from investment properties	2,146	1,946
Sale of scrap and other non-trading materials	2,100	1,534
Other rental income	1,198	1,172
Others	258	213
	<u>5,702</u>	<u>4,865</u>

### 5 ADMINISTRATION AND GENERAL EXPENSES

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
Staff cost	5,690	5,603
Directors' remuneration (Note 14)	1,950	2,450
Office expenses	1,153	1,591
Depreciation of property, plant and equipment	316	304
Bank charges	24	30
Amortisation of intangible assets	54	354
Others	1,111	995
	<u>10,298</u>	<u>11,327</u>



National Cement Company (Public Shareholding Co.)  
NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS  
30 June 2025

**6 FINANCE INCOME**

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
Interest income from loan to associate	6,416	-
Interest income from bank fixed deposits	3,686	-
Interest income on investments in financial assets (debt instruments)	257	621
	<u>10,359</u>	<u>621</u>

**7 PROPERTY, PLANT AND EQUIPMENT**

During the six-month period ended 30 June 2025, the Company purchased property, plant and equipment amounting to AED 4,972 thousand (2024: AED 2,525 thousand) and received proceeds amounting to AED 19 thousand (2024: AED 6 thousand) from the disposal of property, plant and equipment. Depreciation charge for the period amounted to AED 8,955 thousand (2024: AED 8,906 thousand).

**8 INVESTMENT PROPERTIES**

Investment properties comprise land and villas constructed thereon. No investment properties were acquired or sold during the current period and no depreciation was charged as the assets are fully depreciated. Land is not depreciated.

Management carried out an internal valuation to determine the fair value of investment properties at 31 December 2024. Accordingly, investment properties were valued at AED 53 million as of that date. Management assessed that the fair value of investment properties did not change significantly during the six-month period ended 30 June 2025.

**9 INVESTMENTS IN FINANCIAL ASSETS**

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
<b><i>Current assets</i></b>		
Investments at FVOCI	4,712	11,506
Investments at FVTPL	5,570	3,276
	<u>10,282</u>	<u>14,782</u>
<b><i>Non-current assets</i></b>		
Investments at FVOCI	1,962,402	1,807,866
Investments at FVTPL	4,275	5,969
	<u>1,966,677</u>	<u>1,813,835</u>
	<u>1,976,959</u>	<u>1,828,617</u>

The categories of investments in financial assets are as follows:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Quoted equity instruments – at fair value	1,960,519	1,805,986
Debt instruments – at fair value	16,440	22,631
	<u>1,976,959</u>	<u>1,828,617</u>

**National Cement Company (Public Shareholding Co.)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 June 2025**

**9 INVESTMENTS IN FINANCIAL ASSETS (continued)**

The Company has an investment, through an unquoted equity instrument, in a cement plant under construction outside the UAE. The investment is being carried at Fair Value through Other Comprehensive Income and is classified as Level 3 within the fair value hierarchy. The Company was not able to obtain a reliable fair valuation as per its accounting policies in order to determine the fair value of the investment due to the non-conductive situation in the country of investment. Accordingly, based on management's judgement, the fair value is fully written-down at 30 June 2025 (2024: fully written-down).

Investments in financial assets amounting to AED 108,054 thousand (2024: AED 1,107,714 thousand) are pledged with banks against unutilized banking facilities.

The Company has received dividend income amounting to AED 154,535 thousand from equity investments during the six-month period ended 30 June 2025 (2024: AED 135,978 thousand).

The movement in investments in financial assets during the period was as follows:

Six months ended 30 June 2025 (Unaudited)				
	Debt instruments at FVOCI AED'000	Debt instruments at FVTPL AED'000	Equity instruments at FVOCI AED'000	Total AED'000
At the beginning of the period	13,386	9,245	1,805,986	1,828,617
Matured/redeemed	(7,411)	-	(4)	(7,415)
Change in fair value	620	600	154,537	155,757
At the end of the period	6,595	9,845	1,960,519	1,976,959

Six months ended 30 June 2024 (Unaudited)				
	Debt instruments at FVOCI AED'000	Debt instruments at FVTPL AED'000	Equity instruments at FVOCI AED'000	Total AED'000
At the beginning of the period	13,591	11,353	1,396,252	1,421,196
Acquired during the period	-	4,495	3,643	8,138
Matured/redeemed	-	(8,054)	-	(8,054)
Change in fair value	(926)	1,570	270,106	270,750
At the end of the period	12,665	9,364	1,670,001	1,692,030

The investments in financial assets by geography are as follows:

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
United Arab Emirates	1,868,060	1,705,586
Saudi Arabia	103,329	118,061
Other countries	5,570	4,970
	<b>1,976,959</b>	<b>1,828,617</b>

**National Cement Company (Public Shareholding Co.)**  
**NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS**  
**30 June 2025**

**10 INVESTMENT IN AN ASSOCIATE**

Investment in an associate represents 25.43% (2024: 25.43%) share in Berber Cement Company Ltd, a limited liability company registered in the Republic of Sudan. The principal activity of the associate is to manufacture and sell cement. The Company's interest in Berber Cement Company Ltd is accounted for using the equity method in the interim condensed financial statements.

The Company has accounted for the investment after taking account of the effect of hyperinflationary economy and using uniform accounting policies while preparing the financial statements of the associate. Furthermore, the Company has fully provided for the investment in the associate. The Company has no further obligation towards the losses, exceeding the face value of equity shares held.

**11 LOAN RECEIVABLE FROM AN ASSOCIATE**

The loan of AED 288 million, net of AED 28 million reduction in value, as at 30 June 2025 and 31 December 2024 represents AED denominated loan given to the associate and was recoverable by October 2019, however, the associate has defaulted on several payments. The interest rate on this loan is charged at the rate of 3-month EIBOR + 3% per annum.

On 15 April 2023, an armed conflict between rival factions of the military government of Sudan began, where the associate of the Company is located, the impact of which has been devastating on the nation's economy. At the date of issuance of these interim condensed financial statements, the economic environment remains unstable and may pose serious consequences, as well as the possibility of further prolonged economic downturn.

At 31 December 2024, management had performed a remeasurement on the loan and evaluated the associate's ability to repay the loan based on the specific factors that includes an assessment of the associate's financial performance, the expected future payment pattern during and subsequent to the reporting period, existence of adequate and sufficient securities against the loan in the form of the pledge over the assets of the associate with the total fair value sufficiently exceeding the carrying amount of the loan receivable, and proposed amendment of the loan agreement with revised repayment schedule, which is expected to be formalized in the near future and not to have any impact on the carrying amount of loan. As per the Company's accounting policies, the management has considered the possible impact of the current conflict on delaying the future payments, and accordingly, disclosed the loan balance as a non-current asset in view of this consideration. Based on this assessment, and given that the facts and circumstances remain unchanged at the date of the issuance of these interim condensed financial statements, management concluded that no further reduction in the value of the loan is required at 30 June 2025.

Management has taken into account all indicators, future events and developments and assessed their impact on the associate's operations, cash flows, and financial condition. Management believes that these events had not changed the existence and valuation of the securities covering the loan amount as the factory is still operating and located far from the armed conflict area.

During the six-month period ended 30 June 2025, the Company received an amount of AED 6,416 thousand from the associate, which was recognized in profit or loss as interest income on the loan.

**12 INVENTORIES**

	<b>30 June 2025 AED '000 (Unaudited)</b>	<b>31 December 2024 AED '000 (Audited)</b>
Raw materials	13,933	13,268
Work in progress	30,544	29,148
Finished goods	2,755	2,051
Consumable and spare parts	28,213	30,454
Provision for slow moving inventories	(1,445)	(1,445)
	<b>74,000</b>	<b>73,476</b>

# National Cement Company (Public Shareholding Co.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

30 June 2025

### 13 TRADE AND OTHER RECEIVABLES

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Trade receivables		
Receivables from third party customers	95,917	106,391
Less: allowance for expected credit losses	(12,379)	(12,379)
	<u>83,538</u>	<u>94,012</u>
Other related parties (Note 14)	7,897	5,628
	<u>91,435</u>	<u>99,640</u>
Other receivables	4,145	6,160
	<u>95,580</u>	<u>105,800</u>

### 14 RELATED PARTY TRANSACTIONS AND BALANCES

The Company, in the ordinary course of its business, enters into trading and financing transactions with entities which fall within the definition of "related party" as contained in International Accounting Standard 24. Management believes that the terms of the trading transactions are not materially different from those that could have been obtained from unrelated parties. The significant related party transactions during the period are as follows:

#### a. Significant transactions with related parties:

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
<i>Associate</i>		
Interest income from loan to associate (Note 6)	6,416	-
Suspended interest	8,187	15,622
Payments on behalf of associate	-	9,836
<i>Other related parties</i>		
Sale of cement	8,562	8,272
Purchase of materials and services	-	(11)

#### b. Compensation of key management personnel

The remuneration of directors and other key members of management during the period was as follows:

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
Directors' remuneration (Note 5)	1,950	2,450
Salaries and other short-term benefits	1,781	1,417
End of service benefits	95	76
	<u>3,826</u>	<u>3,943</u>

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**14 RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

**c. Due from related parties**

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
<b>Loan receivable from an associate</b>		
Non-current portion of the loan due from an associate	316,000	316,000
Accrued interest on loan to the associate	83,719	75,532
Less: suspended interest and reduction in value	(111,506)	(103,319)
	<u>288,213</u>	<u>288,213</u>
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
<b>Trade and other receivables</b>		
Trade receivables - other related parties (Note 13)	7,897	4,694
Associate current account	-	934
	<u>7,897</u>	<u>5,628</u>

**15 BANK BALANCES AND CASH**

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Cash in hand	187	113
Cash at banks – fixed deposits	240,000	100,000
Cash at banks – current accounts	1,408	13,323
	<u>241,595</u>	<u>113,436</u>
<b>Bank balances and cash</b>		
Less: fixed deposits with initial maturity of more than 3 months*	(240,000)	(100,000)
Less: bank overdraft **	(4,405)	-
	<u>(2,810)</u>	<u>13,436</u>
<b>Cash and cash equivalents</b>		

\* Fixed deposits carry interest at commercial rates and have an initial maturity of 1 year.

\*\* The Company's bank overdraft facility has a limit of AED 30,000 thousand and carries interest at commercial rates.

**16 TRADE AND OTHER PAYABLES**

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Trade payables	31,332	25,479
Accrued expenses and other payables	4,352	1,252
Accruals for employee benefits	5,131	5,131
Advances	1,327	860
	<u>42,142</u>	<u>32,722</u>

# National Cement Company (Public Shareholding Co.)

## NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS

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### 17 INCOME TAX

The major components of income tax expense for the period:

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
<b>Current income tax</b>		
Current income tax expense	1,136	-
<b>Deferred income tax</b>		
Relating to origination and reversal of temporary differences	329	-
Relating to reversal of temporary difference on fair value gain recycled to profit or loss	(14)	-
Income tax expense	<u>1,451</u>	<u>-</u>

Deferred tax related to items recognised in OCI during the period:

	<i>Six months ended</i>	
	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>30 June 2024 AED '000 (Unaudited)</i>
Net gain on financial instruments designated at fair value through OCI	<u>13,965</u>	<u>-</u>

### 18 SEGMENT REPORTING

The Company's activities comprise two main business segments: (1) manufacturing and selling cement and related products and (2) investments in financial assets, properties and associate. The details of segment revenue, result, assets and liabilities have been provided below:

	<i>Six months ended 30 June 2025 (Unaudited)</i>			<i>Six months ended 30 June 2024 (Unaudited)</i>		
	<i>Cement AED '000</i>	<i>Investments AED '000</i>	<i>Total AED '000</i>	<i>Cement AED '000</i>	<i>Investments AED '000</i>	<i>Total AED '000</i>
Revenue	109,425	-	109,425	91,271	-	91,271
Direct costs	(89,471)	-	(89,471)	(81,293)	-	(81,293)
Depreciation and amortization	(9,009)	-	(9,009)	(9,261)	-	(9,261)
Administration, selling and general expenses	(13,052)	-	(13,052)	(14,708)	-	(14,708)
Other operating income	3,556	2,146	5,702	1,747	3,118	4,865
Finance cost	(21)	-	(21)	(346)	-	(346)
Finance income	-	10,359	10,359	-	621	621
Dividend income	-	154,535	154,535	-	135,978	135,978
Change in fair value of Financial assets	-	600	600	-	1,570	1,570
Recycled profit from OCI	-	443	443	-	-	-
Segment profit	<u>1,428</u>	<u>168,083</u>	<u>169,511</u>	<u>(12,590)</u>	<u>141,287</u>	<u>128,697</u>



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**18 SEGMENT REPORTING (continued)**

	<i>30 June 2025 (Unaudited)</i>			<i>31 December 2024 (Audited)</i>		
	<i>Cement</i>	<i>Investments</i>	<i>Total</i>	<i>Cement</i>	<i>Investments</i>	<i>Total</i>
	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>	<i>AED '000</i>
Segment assets*	308,561	2,268,096	2,576,657	317,260	2,119,754	2,437,014
Segment liabilities	118,033	-	118,033	87,280	-	87,280
Capital expenditure	4,978	-	4,978	10,278	-	10,278

\* Cash and bank balances are not allocated to individual segments as these are managed and utilized as needed.

Additional information required by IFRS 8 *Segment Reporting*, is disclosed below:

*a) Information about geographical segments*

All the sales of the Company for the six-month period ended 30 June 2025 and six-month period ended 30 June 2024 are within the UAE.

*b) Major customers*

During the six-month period ended 30 June 2025, there was one customer (2024: one customer) with revenue greater than 10% of the total revenue of the Company for the period.

**19 EARNINGS PER SHARE**

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the Company of AED 169,511 thousand (2024: AED 128,698 thousand) by the weighted average number of shares outstanding during the period of 358,800 thousand shares (2024: 358,800 thousand shares).

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

**20 CONTINGENCIES LIABILITIES**

	<i>30 June 2025 AED '000 (Unaudited)</i>	<i>31 December 2024 AED '000 (Audited)</i>
Bank guarantees	2,128	2,164

**21 FAIR VALUES OF FINANCIAL INSTRUMENTS**

The following table provides the fair value measurement hierarchy of the Company's financial assets that are carried at fair value at the reporting date:

<i>30 June 2025 (Unaudited)</i>	<i>Level 1 AED'000</i>	<i>Level 2 AED'000</i>	<i>Level 3 AED'000</i>	<i>Total AED'000</i>
Quoted equity instruments at FVOCI	1,960,519	-	-	1,960,519
Quoted debt instruments at FVOCI	-	6,595	-	6,595
Quoted debt instruments at FVTPL	-	9,845	-	9,845
Total	1,960,519	16,440	-	1,976,959

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**21 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)**

*31 December 2024 (Unaudited)*

	<i>Level 1</i> <i>AED'000</i>	<i>Level 2</i> <i>AED'000</i>	<i>Level 3</i> <i>AED'000</i>	<i>Total</i> <i>AED'000</i>
Quoted equity instruments at FVOCI	1,805,986	-	-	1,805,986
Quoted debt instruments at FVOCI	-	13,386	-	13,386
Quoted debt instruments at FVTPL	-	9,245	-	9,245
Total	<u>1,805,986</u>	<u>22,631</u>	<u>-</u>	<u>1,828,617</u>

**22 DIVIDENDS AND GENERAL RESERVE**

**Dividends**

In their general assembly meeting on 17 March 2025, the shareholders approved the Board of Directors' recommendation to distribute cash dividends of AED 71,760 thousand representing 20 fils per share, which were settled during the period.

**General reserve**

In their general assembly meeting on 17 March 2025, the shareholders approved the Board of Directors' proposal to transfer an amount of AED 78,331 thousand from the general reserve to retained earnings.

**23 COMPARATIVE INFORMATION**

Certain comparative information has been reclassified to conform the presentation adopted in these financial statements. Such reclassification did not have any impact on the previously reported net asset and the results of the Company.