

Arabian Cement Company S.A.E.
Condensed Separate Interim Financial Statements
together with Limited Review Report
for the three months ended March 31, 2025

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Limited Review Report
for the Condensed Separate Interim Financial Statements

To: The Board of Directors of Arabian Cement Company S.A.E.

Introduction

We have conducted our limited review of the accompanying condensed separate interim financial statements of Arabian Cement Company S.A.E. as of March 31, 2025, and the related condensed separate interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the three 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 separate interim financial statements in accordance with the Egyptian Accounting Standard No. (30) - Interim Financial Reporting. Our responsibility is to express a conclusion on these condensed separate interim financial statements based on our review.

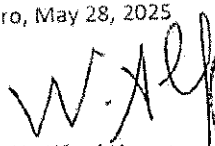
Scope of Review

We have conducted our limited review in accordance with the Egyptian Standard on Review Engagements No. (2410) – Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of condensed separate interim 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 separate interim financial statements.

Conclusion

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

Cairo, May 28, 2025



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



Arabian Cement Company (S.A.E.)
Condensed Separate Interim Statement of Financial Position
As of March 31, 2025

EGP	Note No.	March 31, 2025	December 31, 2024
Assets			
Non-current assets			
Property, plant, and equipment (net)	(10)	1 606 171 361	1 641 738 583
Assets under construction	(11)	735 907 286	706 855 633
Intangible assets (net)	(12)	128 013 229	134 955 866
Right of use assets (net)	(25.1)	3 624 006	4 436 332
Investments in subsidiaries (net)	(13)	30 315 214	30 315 214
Total non-current assets		2 504 031 096	2 518 301 628
Current assets			
Inventories	(14)	860 520 284	844 191 991
Trade receivables	(15)	299 871 652	106 464 102
Debtors and other debit balances (net)	(16)	561 658 622	605 665 790
Due from related parties	(24)	12 138 262	5 227 083
Cash and bank balances	(17)	1 130 114 646	1 656 432 457
Total current assets		2 864 303 466	3 217 981 423
Total assets		5 368 334 562	5 736 283 051
Equity and liabilities			
Equity			
Issued and paid-up capital	(18)	757 479 400	757 479 400
Legal reserve	(19)	378 739 700	363 501 231
Retained earnings		1 740 063 187	1 167 063 856
Total equity		2 876 282 287	2 288 044 487
Liabilities			
Non-current liabilities			
Borrowing	(21)	120 178 003	120 392 380
Deferred tax liabilities	(8-3)	243 780 457	239 016 635
Lease liabilities	(25.2)	1 743 551	1 642 532
Trade and notes payable	(20)	277 184 867	301 142 055
Total non-current liabilities		642 886 878	662 193 602
Current liabilities			
Trade and notes payable	(20)	769 915 664	795 402 836
Credit facilities	(21)	99 999 220	615 044 229
Current income tax liability	(8-2)	558 940 935	366 450 380
Current portion of long term borrowings	(21)	30 044 500	25 481 075
Lease liabilities	(25.2)	3 217 396	3 625 821
Creditors and other credit balances	(23)	328 673 501	319 328 507
Due to related parties	(24)	11 289 144	4 912 892
Dividends payable		..	600 302 425
Provisions	(22)	47 085 037	55 496 797
Total current liabilities		1 849 165 397	2 786 044 962
Total Liabilities		2 492 052 275	3 448 238 564
Total equity and liabilities		5 368 334 562	5 736 283 051

- The accompanying notes form an integral part of the condensed separate 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 Separate Interim Statement of Profit or Loss
for the three months ended March 31, 2025

<u>EGP</u>	<u>Note No.</u>	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Sales (net)	(3)	2 526 169 653	1 908 740 895
Cost of sales	(4)	(1 612 203 199)	(1 378 720 124)
Gross profit		<u>913 966 454</u>	<u>530 020 771</u>
<u>Add/(deduct):</u>			
General and administrative expenses	(5)	(97 599 777)	(70 033 928)
Provisions	(22)	(2 900 000)	(3 455 000)
Interest income		18 298 670	12 249 413
Gain on sale of property, plant, and equipment		1 140 000	--
Other income		1 869 253	1 657 285
Finance costs	(6)	(24 095 330)	(24 958 742)
Foreign currency exchange losses		(25 187 093)	(244 198 044)
Net profit for the period before tax		<u>785 492 177</u>	<u>201 281 755</u>
Income taxes	(8-1)	(197 254 377)	(50 743 487)
Net profit for the period after tax		<u>588 237 800</u>	<u>150 538 268</u>
Earnings per share for the period	(9)	<u>1.51</u>	<u>0.39</u>

- The accompanying notes form an integral part of the condensed separate interim financial statements and to be read ther



Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer

Arabian Cement Company (S.A.E)
Condensed Separate Interim Statement of Comprehensive Income
for the three months ended March 31, 2025

<u>EGP</u>	<u>March 31, 2025</u>	<u>March 31, 2024</u>
Net profit for the period after tax	588 237 800	150 538 268
Items of other comprehensive income	--	--
Comprehensive income for the period	<u>588 237 800</u>	<u>150 538 268</u>

- The accompanying notes form an integral part of the condensed separate 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 Separate Interim Statement of Cash flow
for the three months ended March 31, 2025

EGP	Note No.	March 31, 2025	March 31, 2024
Cash flows from operating activities			
Net profit for the period before tax		785 492 177	201 281 755
Adjusted by:			
Finance costs	(6)	24 095 330	24 958 742
Interest income		(18 298 670)	(12 249 413)
Depreciation of property, plant and equipment	(10)	57 395 946	51 916 255
Gain on sale of property, plant, and equipment		(1 140 000)	--
Amortization of intangible assets	(12)	6 942 637	7 000 597
Amortization of right of use assets	(25.1)	812 326	1 868 420
Unrealized foreign currency exchange losses from lease liabilities		--	2 034 721
Provisions formed during the period	(22)	2 900 000	3 455 000
		858 199 746	280 266 077
(Increase) / decrease in inventories		(16 328 293)	62 078 101
Decrease / (increase) in debtors and other debit balances		44 007 168	(74 468 749)
Increase in amounts due from related parties		(6 911 179)	(5 767 918)
Increase in trade receivables		(193 407 550)	(568 232 638)
(Decrease) / increase in trade and notes payables		(49 444 360)	630 873 692
Increase in amounts due to related parties		6 376 252	5 981 745
Increase / (decrease) in creditors and other credit balances		9 344 994	(80 972 474)
Provisions used during the period	(22)	(11 311 760)	--
Cash flows generated from operating activities		640 525 018	249 757 836
Finance costs paid		(23 785 487)	(24 681 610)
Net cash flows generated from operating activities		616 739 531	225 076 226
Cash flows from investing activities			
Payments for purchase of property, plant, and equipment		(21 828 724)	(18 048 726)
Proceeds from sale of property, plant, and equipment		1 140 000	--
Payments for assets under construction		(29 051 653)	(4 201 346)
Interest income received		18 298 670	12 249 413
Net cash flows used in investing activities		(31 441 707)	(10 000 659)
Cash flows from financing activities			
Net change in borrowings		4 349 048	--
Net change in credit facilities		(515 045 009)	(62 699 565)
Repayment for lease liabilities	(25.2)	(617 249)	(1 039 619)
Dividends paid		(600 302 425)	(99 229 802)
Net cash flows used in financing activities		(1 111 615 635)	(162 968 986)
Net change in cash and cash equivalents during the period		(526 317 811)	52 106 581
Cash and cash equivalents at the beginning of the period		1 656 432 457	544 635 150
Cash and cash equivalents at the end of the period	(17)	1 130 114 646	596 741 731

- The accompanying notes form an integral part of the condensed separate 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 Separate Interim Statement of Changes in Shareholders' Equity
for the three months ended March 31, 2025

<u>EGP</u>	<u>Issued and paid-up capital</u>	<u>Legal reserve</u>	<u>Retained earnings</u>	<u>Total</u>
Balance as of January 1, 2024	757 479 400	294 702 995	688 085 124	1 740 267 519
Transferred to legal reserve	--	68 798 236	(68 798 236)	--
Dividends distributed to employees	--	--	(10 576 346)	(10 576 346)
Total comprehensive income for the period	--	--	150 538 268	150 538 268
Balance as of March 31, 2024	757 479 400	363 501 231	759 248 810	1 880 229 441
Balance as of January 1, 2025	757 479 400	363 501 231	1 167 063 856	2 288 044 487
Transferred to legal reserve	--	15 238 469	(15 238 469)	--
Total comprehensive income for the period	--	--	588 237 800	588 237 800
Balance as of March 31, 2025	757 479 400	378 739 700	1 740 063 187	2 876 282 287

- The accompanying notes form an integral part of the condensed separate 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. (ACC or the 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 according to the decree of the Chairman of 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. The admin office changed to be on 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 usage of mines and extraction of all mining materials required for the production of construction materials and road transportation for all the company's products. The Company may carry out other projects or amend its purpose according to the Investment Law.

The Company produces cement with a clinker capacity of 4.2 million tonnes per annum that can produce 5 million tonnes per annum of cement.

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 condensed separate interim financial statements were approved by the Board of Directors and authorized for issue on May 28, 2025.

2. Significant accounting policies

2.1 Statement of compliance

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

2.2 Basis of preparation

The separate 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.

3. Sales (net)

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

EGP	March 31, 2025	March 31, 2024
Local		
Sales	1 736 758 343	970 795 255
Transportation Services	62 583 495	30 753 619
	1 799 341 838	1 001 548 874
Export		
Sales	601 437 121	840 898 926
Transportation Services	125 390 694	66 293 095
	726 827 815	907 192 021
TOTAL	2 526 169 653	1 908 740 895

4. Cost of sales

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

EGP	March 31, 2025	March 31, 2024
Raw materials	1 270 359 100	1 193 435 522
Manufacturing depreciation	56 231 465	50 944 396
Electricity supply agreement amortization	6 942 637	7 000 597
Right of use amortization	812 326	1 868 420
Transportation cost	187 652 984	93 835 328
Overhead cost	90 204 687	31 635 861
TOTAL	1 612 203 199	1 378 720 124

5. General and administrative expenses

An analysis of the Company's general and administration expenses for the period is as follows:

EGP	March 31, 2025	March 31, 2024
Professional services	25 943 254	20 360 457
Salaries and wages	34 760 547	23 112 400
Security and cleaning services	601 354	970 692
Rentals	651 173	171 016
Transportation	2 418 876	1 600 847
Advertising	1 237 335	2 001 979
Depreciation expense	1 164 481	971 859
Other	30 822 757	20 844 678
TOTAL	97 599 777	70 033 928

6. Finance costs

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

EGP	March 31, 2025	March 31, 2024
Finance lease interest	309 843	277 132
Finance interest on long term trade and notes payable	1 134 887	283 420
Credit facilities interest expense	22 650 600	24 398 190
TOTAL	24 095 330	24 958 742

7. Compensation of key management personnel *

An analysis of the Company's Compensation of key management personnel for the period is as follows:

EGP	March 31, 2025	March 31, 2024
Board of Directors salaries and allowance	21 441 884	15 454 247
TOTAL	21 441 884	15 454 247

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

8. Income taxes

8.1 Income tax recognised in separate interim statement of profit or loss

EGP	March 31, 2025	March 31, 2024
CURRENT TAX		
Current tax expense for the current period	192 490 555	98 845 117
DEFERRED TAX		
Deferred tax expense / (income) recognized in the current period	4 763 822	(48 101 630)
TOTAL INCOME TAX EXPENSE RECOGNIZED IN THE CURRENT PERIOD	197 254 377	50 743 487

8.2 Current tax liabilities

EGP	March 31, 2025	December 31, 2024
Current tax liabilities (note 8.1)	558 940 935	366 450 380
CURRENT TAX LIABILITIES	558 940 935	366 450 380

8.3 Deferred tax balances

EGP	March 31, 2025	Opening balance	Recognized in profit or loss	Closing balance
(Temporary differences)				
<u>Deferred Tax Liability</u>				
Property, plant & equipment	(235 603 667)	(7 393 236)	(242 996 903)	
Unrealized foreign currency exchange losses	(3 412 968)	2 629 414	(783 554)	
NET DEFERRED TAX LIABILITY	(239 016 635)	(4 763 822)	(243 780 457)	

Deferred tax liabilities arise from the following:

EGP	December 31, 2024	Opening balance	Recognized in profit or loss	Closing balance
(Temporary differences)				
<u>Deferred Tax Liability</u>				
Property, plant & equipment	(280 018 664)	44 414 997	(235 603 667)	
Unrealized foreign currency exchange gain	—	(3 412 968)	(3 412 968)	
NET DEFERRED TAX LIABILITY	(280 018 664)	41 002 029	(239 016 635)	

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.

Arabian Cement Company S.A.E

Condensed separate interim financial statements

Together with limited review Report for the three months ended March 31, 2025

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	March 31, 2025	March 31, 2024
EARNINGS (for basic and diluted earnings per share)		
Profit for the period	588 237 800	150 538 268
Employees' share in distributable profits (Note 16)	(18 065 060)	(3 290 313)
Distributable profit	570 172 740	147 247 955
NUMBER OF SHARES (for basic and diluted earnings per share)		
Weighted average number of ordinary shares for the purposes of EPS	378 739 700	378 739 700
EARNINGS PER SHARE	1.51	0.39

10. Property, plant and equipment (net)

EGP	Freehold land	Buildings and improvements	Vehicles	Machinery and equipment	Furniture and fixtures	Other installations	Computers and software	Total
COST								
Balance at January 1, 2024	50 243 436	687 413 257	41 180 330	2873 439 469	16 590 173	307 368 890	27 127 103	4 003 362 658
Additions	--	12 687 108	2 025 003	2 321 628	774 457	--	240 530	18 048 726
Balance at March 31, 2024	50 243 436	700 100 365	43 205 333	2 875 761 097	17 364 630	307 368 890	27 367 633	4 021 411 384
Balance at January 1, 2025	50 243 436	724 195 681	154 711 127	2 909 884 197	19 337 551	319 027 286	29 156 205	4 206 555 483
Additions	--	11 374 372	7 560 492	289 850	17 000	1 109 118	1 477 892	21 828 724
Disposals	--	--	(166 375)	--	--	--	--	(166 375)
Balance at March 31, 2025	50 243 436	735 570 053	162 105 244	2 910 174 047	19 354 551	320 136 404	30 634 097	4 228 217 832
ACCUMULATED DEPRECIATION								
Balance at January 1, 2024	--	358 487 222	25 315 722	1745 595 744	11 871 274	184 768 474	22 828 283	2 348 866 719
Depreciation expense	--	7 221 774	1 070 982	38 567 684	268 718	4 083 957	703 140	51 916 255
Balance at March 31, 2024	--	365 708 996	26 386 704	1 784 163 428	12 139 992	188 852 431	23 531 423	2 400 782 974
Balance at January 1, 2025	--	388 238 357	35 475 573	1 900 896 612	12 917 603	201 730 503	25 558 252	2 564 816 900
Depreciation expense	--	7 300 660	5 376 937	39 258 406	247 174	4 295 462	917 307	57 395 946
Disposals	--	--	(166 375)	--	--	--	--	(166 375)
Balance at March 31, 2025	--	395 539 017	40 686 135	1 940 155 018	13 164 777	206 025 965	26 475 559	2 622 046 471
CARRYING AMOUNT								
At March 31, 2025	50 243 436	340 031 036	121 419 109	970 019 029	6 189 774	114 110 439	4 158 538	1 606 171 361
At March 31, 2024	50 243 436	334 391 369	16 818 629	1091 597 669	5 224 638	118 516 459	3 836 210	1 620 628 410
At December 31, 2024	50 243 436	335 957 324	119 235 554	1 008 987 585	6 419 948	117 296 783	3 597 953	1 641 738 583

- According to the loans contracts granted by the Commercial International Bank (Security Agent), the Company issued an insurance policy for the benefit of the bank, an insurance policy against all
- The depreciation expense for the item of furniture and computers is included in the item of general and administrative expenses, Note (5) for an amount of EGP 1 164 481. The depreciation expense for the remaining assets is included in the cost of sales of Note (4) for an amount of EGP 56 231 465.

11. Assets under construction

EGP	March 31, 2025	December 31, 2024
Balance as of January 1	706 855 633	2 426 563
Additions	29 051 653	705 472 770
Transferred to fixed assets (Note no. 10)	--	(1 043 700)
TOTAL	735 907 286	706 855 633

Assets under construction are represented in the following categories:

Machinery and equipment	733 171 622	704 824 139
Technology equipment and installations	2 735 664	2 031 494
TOTAL	735 907 286	706 855 633

* The machinery and equipment as of March 31, 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 265 210 552.
- Project of installing four units producing Hydrogen from water via electrolysis process amounted to EGP 467 961 070.

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 March 31, 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	(6 942 637)	--	(6 942 637)
Total accumulated amortization as of March 31, 2025	(435 191 484)	(225 200 000)	(660 391 484)
Net book value March 31, 2025	128 013 229	--	128 013 229
Net book value 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 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 Central Bank of Egypt (CBE).

13. Investments in subsidiaries (net)

The Company has control over all the subsidiaries as listed below:

Company name EGP	Domicile	Share/ paid-in capital	March 31, 2025	December 31, 2024	Principal activities	Proportion of ownership interest and voting power held by the Company
Andalus Concrete Company	Egypt	99.99%	30 926 807	30 926 807	Concert products, mainly ready mix	99.99%
Evolve Investment & Projects Management Company	Egypt	99.99%	16 499 750	16 499 750	Alternative fuel and recycling	99.99%
ACC for Management and Trading Company	Egypt	99%	49 500	49 500	Providing managerial services	99%
TOTAL			47 476 057	47 476 057		
Less: Impairment losses on Investment in subsidiaries			(17 160 843)	(17 160 843)		
Net Balance			30 315 214	30 315 214		

14. Inventories

EGP	March 31, 2025	December 31, 2024
Raw materials	137 385 170	152 314 346
Fuel	276 846 063	374 070 114
Packing materials	97 216 701	49 406 144
Spare parts	66 404 313	65 883 236
Work in progress	5 068 274	4 629 032
Finished goods	276 303 863	196 154 069
Goods in transit	1 295 900	1 735 050
TOTAL	860 520 284	844 191 991

15. Trade Receivables

EGP	March 31, 2025	December 31, 2024
Trade Receivables	299 871 652	106 464 102
Total	299 871 652	106 464 102

Aging of receivables that are past due but not impaired:

EGP	March 31, 2025	December 31, 2024
Less than 30 days	299 871 652	106 464 102
Total	299 871 652	106 464 102

16. Debtors and other debit balances (net)

EGP	March 31, 2025	December 31, 2024
Advance to suppliers	326 308 370	337 240 599
Unbilled receivables	13 145 129	12 200 276
Withholding tax	45 824 416	41 462 579
Prepaid expenses	24 816 178	27 363 011
Value added tax	5 107 033	2 881 728
Real estate tax	1 572 127	1 572 127
Deposit with others	3 418 453	3 447 653
Employees' dividends paid in advance	18 065 060	15 045 727
Letters of guarantee – cash margin	118 245 438	159 800 453
Imprest funds	6 764 226	6 259 445
Less:- Impairment of debtors and other debit balances	(1 607 808)	(1 607 808)
TOTAL	561 658 622	605 665 790

17. Cash and bank balances

EGP	March 31, 2025	December 31, 2024
Cash on hand	13 228 028	11 171 854
Current account – local currency	419 916 464	815 334 732
Current account – foreign currency	691 793 882	824 749 599
Bank deposits	5 176 272	5 176 272
Total	1 130 114 646	1 656 432 457

18. Capital

EGP	March 31, 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 capital	757 479 400	757 479 400

19. 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.

20. Trade and notes payable

EGP	Current		Non-current	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Local trade payable	294 947 417	324 511 553	--	--
Foreign trade payable**	474 179 252	469 102 287	277 184 867	301 142 055
Notes payable*	788 995	1 788 996	--	--
Total	769 915 664	795 402 836	277 184 867	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 1 145 067.

** The foreign trade payables as of December 31, 2024, 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 31 March 2025 amounted to Euro 7 219 856 (equivalent to EGP 405 754 454). The non-current portion of the present value amounted to EGP 277 184 867.

21. Borrowings

EGP	Current		Non-current	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
First: Credit facilities				
Credit facilities – CIB	99 999 046	615 044 229	--	--
Credit facilities – NBE	174	--	--	--
Total Facilities	99 999 220	615 044 229	--	--
Second: Borrowings				
Bank loan – NBE	30 044 500	25 481 075	120 178 003	120 392 380
Total Borrowings	30 044 500	25 481 075	120 178 003	120 392 380

22. Provisions

EGP	Provision for claims
Balance at January 1, 2025	55 496 797
Formed provisions during the period	2 900 000
Used provisions during the period	(11 311 760)
Balance at March 31, 2025	47 085 037

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	March 31, 2025	December 31, 2024
Advances from customers	94 605 858	71 489 550
Accrued expenses	63 212 955	44 337 709
Accrued development fees	9 713 677	9 173 338
Accrued customers rebates	111 939 258	115 642 455
Accrued taxes	5 919 553	26 412 364
Accrued interest	1 266 822	12 334 452
Deferred revenue – Grant	9 071 813	9 466 637
Retention	32 943 565	30 472 002
TOTAL	328 673 501	319 328 507

24. Related party transactions

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

EGP	Relation type	Transaction nature	Volume of the transactions	
			March 31, 2025	March 31, 2024
Andalus Concrete Company	Subsidiary	Sales	23 703 853	2 630 760
ACC for Management and Trading Company	Subsidiary	Services	46 660 362	29 986 760
Evolve Investment & Projects Management Company	Subsidiary	Purchases	54 951 911	34 093 968
Cementos La Union – Spain	Ultimate parent	Services	2 045 072	--

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

EGP	Due from related parties		Due to related parties	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Andalus Concrete Company	9 655 843	5 070 425	--	--
Evolve Investment & Projects Management Company	--	--	11 289 144	4 684 137
ACC for Management and Trading Company	2 482 419	--	--	228 755
Cementos La Union – Spain	--	156 658	--	--
TOTAL	12 138 262	5 227 083	11 289 144	4 912 892

- Andalus Concrete Company purchases cement materials and products from Arabian Cement Company, which are used for manufacturing and trading concrete and construction materials.
- ACC for Management and Trading Company renders managerial services for Arabian Cement Company.
- Cementos La Union – Spain renders technical support services for Arabian Cement Company.
- Evolve Company supplied alternative fuel for Arabian Cement Company.

25. Lease contracts

25.1 Right of use assets

EGP	Land and buildings	Total
Cost		
Cost as of January 1, 2025	28 504 633	28 504 633
Addition during the period	--	--
Cost as of March 31, 2025	28 504 633	28 504 633
Less: - Accumulated amortization		
Accumulated amortization as of January 1, 2025	(24 068 301)	(24 068 301)
Amortization during the period	(812 326)	(812 326)
Total accumulated amortization as of March 31, 2025	(24 880 627)	(24 880 627)
Net book value March 31, 2025	3 624 006	3 624 006
Net book value December 31, 2024	4 436 332	4 436 332

25.2 Lease liabilities

Lease liabilities recognized in the condensed separate statement of financial position

EGP	Current		Non-current	
	March 31, 2025	December 31, 2024	March 31, 2025	December 31, 2024
Lease liabilities	3 217 396	3 625 821	1 743 551	1 642 532
TOTAL	3 217 396	3 625 821	1 743 551	1 642 532

The movement for the lease liabilities during the period as follows:

Amount EGP	March 31, 2025	December 31, 2024
Beginning balance	5 268 353	11 220 907
Additions during the period	--	2 719 197
Terminations during the period	--	(5 625 996)
Interest expenses	309 843	1 237 302
Repayment of lease liabilities	(617 249)	(4 283 057)
Ending Balances	4 960 947	5 268 353

26. 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 loan amount has not been disbursed by EBRD yet as Company is still fulfilling some conditions and documentation required by EBRD.

27. Significant events subsequent to the date of the condensed separate interim financial statements

- 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