

Arabian Cement Company S.A.E.
Condensed Separate Interim Financial Statements
together with Limited Review Report
for the nine months ended September 30, 2024

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Limited Review Report
For the Condensed Separate Interim Financial Statements

To: The Board of Directors of Arabian Cement Company
An Egyptian Joint Stock Company

Introduction

We have reviewed the accompanying condensed separate interim financial position of Arabian Cement Company SAE as of September 30, 2024, and the related condensed separate Interim statements of profit or loss, comprehensive income, changes in equity and cash flows for the nine 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

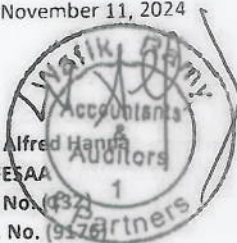
We have conducted our limited review in accordance with the Egyptian Standard on Review Engagements (2410) – Limited Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of condensed separate interim financial statements consists of making inquiries, primarily 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 do not present fairly, in all material respects, the interim separate financial position as of September 30, 2024, and the results of its interim separate operations and its interim separate cash flows for the nine months then ended, in accordance with Egyptian Accounting Standard No. (30) - Interim Financial Reporting.

Cairo, November 11, 2024

Wafik Alfred
CPA, FESAA
F.R.A. No. (432)
R.A.A. No. (9576)



*Translation of the separate financial statements
originally issued in Arabic*

Arabian Cement Company (S.A.E)
Condensed Separate Interim Statement of Financial Position
as of September 30, 2024

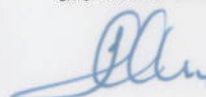
EGP	Note No.	September 30, 2024	December 31, 2023
Assets			
Non-current assets			
Property, plant and equipment (net)	(10)	1 574 411 219	1 654 495 939
Assets under construction	(11)	71 197 850	2 426 563
Intangible assets (net)	(12)	142 033 393	163 117 115
Right of use assets (net)	(26-1)	7 340 838	12 901 506
Investment in subsidiaries (net)	(13)	30 315 214	30 315 214
Investment in a joint venture (net)	(14)	--	--
Total non-current assets		1 825 298 514	1 863 251 337
Current assets			
inventories	(15)	755 623 381	976 873 736
Trade receivables	(16)	270 371 039	185 976 365
Debtors and other debit balances (net)	(17)	425 882 917	231 138 947
Due from related parties	(25)	14 962 312	8 481 160
Cash and bank balances	(18)	1 040 115 938	544 635 150
Total current assets		2 506 955 587	1 947 105 353
Total assets		4 332 254 101	3 810 356 690
Equity and liabilities			
Equity			
Issued and paid-up capital	(19)	757 479 400	757 479 400
Legal reserve	(20)	363 501 231	294 702 995
Retained earnings		1 259 314 722	688 085 174
Total equity		2 380 295 353	1 740 267 519
Liabilities			
Non-current liabilities			
Borrowings	(22)	31 529 319	--
Deferred tax liabilities	(8-3)	269 304 114	280 018 664
Lease liabilities	(26-2)	469 833	1 739 258
Notes payable	(21)	--	1 788 996
Total non-current liabilities		301 303 266	283 546 918
Current liabilities			
Trade and notes payable	(21)	668 484 149	1 018 864 857
Credit facilities	(22)	460 896 283	90 074 273
Current income tax liability	(8-2)	184 336 409	215 862 692
Current portion of long term borrowings	(22)	4 699 411	--
Lease liabilities	(26)	9 752 625	9 481 649
Creditors and other credit balances	(24)	255 235 717	296 756 219
Due to related parties	(25)	10 276 475	5 543 349
Dividends payable		--	99 229 807
Provisions	(23)	56 984 413	50 729 412
Total current liabilities		1 650 655 482	1 786 542 253
Total Liabilities		1 951 958 748	2 070 089 171
Total equity and liabilities		4 332 254 101	3 810 356 690

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

Limited review report attached

*Translation of the separate financial statements
originally issued in Arabic*

Arabian Cement Company (S.A.E)

**Condensed Separate Interim Statement of Profit or Loss
for the nine months ended September 30, 2024**

EGP	Note No.	For the three months ended in			For the nine months ended in		
		September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023		
Sales (net)	(3)	2 400 999 326	1 387 993 883	6 282 833 478	4 525 982 884		
Cost of sales	(4)	(1 871 937 586)	(1 110 869 642)	(4 881 281 509)	(3 581 163 185)		
Gross profit		529 061 740	277 124 241	1 401 551 969	944 819 699		
Add/(deduct):							
General and administrative expenses	(5)	(97 080 182)	(65 938 767)	(251 976 854)	(173 623 310)		
Provisions	(23)	(2 250 000)	(3 000 000)	(7 422 650)	(9 000 000)		
Interest income		8 501 736	5 212 320	30 087 661	22 533 858		
Other income		5 009 112	7 881 156	11 867 918	10 859 858		
Reversal of impairment of investment in joint venture	(14)	-	-	125 000	-		
Gain on selling of investment in joint venture	(14)	-	-	1 925 000	-		
Finance costs	(6)	(23 661 137)	(17 931 406)	(61 223 854)	(72 623 520)		
Foreign currency exchange losses		(20 929 101)	(343 056)	(287 919 929)	(105 414 998)		
Net profit for the period before tax		398 652 168	203 004 488	837 014 261	617 551 587		
Income taxes	(8-1)	(87 939 770)	(40 868 421)	(186 410 081)	(114 856 918)		
Net profit for the period after tax		310 712 398	162 136 067	650 604 180	502 694 669		
Earnings per share for the period	(9)	0.81	0.42	1.69	1.31		

- 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



*Translation of the separate financial statements
originally issued in Arabic*

Arabian Cement Company (S.A.E)
Condensed Separate Interim Statement of Comprehensive Income
for the nine months ended September 30, 2024

EGP	for the three months ended in		for the nine months ended in	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Net profit for the period after tax	310 712 398	162 136 067	650 604 180	502 694 669
Items of other comprehensive income				
Comprehensive income for the period	<u>310 712 398</u>	<u>162 136 067</u>	<u>650 604 180</u>	<u>502 694 669</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 Changes in Shareholders' Equity
for the nine months ended September 30, 2024

<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, 2023	757 479 400	260 452 502	140 646 840	1 158 578 742
Transferred to legal reserve	--	34 250 493	(34 250 493)	--
Dividends distributed to employees	--	--	(7 063 780)	(7 063 780)
Total comprehensive income for the period	--	--	502 694 669	502 694 669
Balance as of September 30, 2023	757 479 400	294 702 995	602 027 236	1 654 209 631
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	--	--	650 604 180	650 604 180
Balance as of September 30, 2024	757 479 400	363 501 231	1 259 314 722	2 380 295 353

- 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 nine months ended September 30, 2024

<u>EGP</u>	<u>Note No.</u>	<u>For the nine months ended</u> <u>September 30, 2024</u>	<u>For the nine months ended</u> <u>September 30, 2023</u>
<u>Cash flows from operating activities</u>			
Net profit for the period before tax		83/ 014 261	617 551 587
<u>Adjusted by:</u>			
Finance costs	(6)	61 223 854	72 623 520
Interest income		(30 087 661)	(22 533 858)
Depreciation of property, plant and equipment	(10)	159 341 884	153 602 780
Amortization of intangible assets	(12)	21 078 727	21 059 332
Amortization of right of use assets	(26-1)	5 158 834	5 032 848
Reversal of impairment of investment in joint venture	(14)	(125 000)	--
Gain on selling of investment in joint venture	(14)	(1 925 000)	--
Unrealized foreign currency exchange losses from lease liabilities	(26-2)	2 260 652	--
Provisions	(23)	7 422 650	9 000 000
		<u>1061 363 196</u>	<u>856 336 209</u>
Decrease / (increase) in inventories		221 250 355	(172 623 662)
(Increase) / decrease in debtors and other debit balances		(205 320 321)	23 104 244
(Increase) / decrease in amounts due from related parties		(6 481 152)	2 777 304
Increase in trade receivables		(84 394 674)	(81 071 751)
(Decrease) / increase in trade and notes payables		(352 169 704)	49 510 274
Increase in amounts due to related parties		4 733 126	2 786 037
Decrease in creditors and other credit balances		(41 520 502)	(48 097 672)
Provisions used	(23)	(1 167 649)	(23 463 618)
Cash flows generated from operating activities		<u>596 292 675</u>	<u>608 757 365</u>
Finance costs paid		(61 323 388)	(71 728 656)
Income tax paid		(228 650 914)	(187 976 308)
Net cash flows generated from operating activities		<u>306 318 373</u>	<u>349 052 391</u>
<u>Cash flows from investing activities</u>			
Payments for purchase of property, plant and equipment		(78 213 464)	(28 936 654)
Payments for assets under construction		(69 814 987)	--
Proceeds from selling of investment in a joint venture		2 050 000	--
Interest income received		30 087 661	22 533 858
Net cash flows used in investing activities		<u>(115 890 790)</u>	<u>(6 402 796)</u>
<u>Cash flows from financing activities</u>			
Net change in borrowings		36 228 730	(341 010 870)
Net change in credit facilities		370 812 010	(265 701 437)
Repayment for lease liabilities	(26-2)	(2 757 733)	(4 383 582)
Dividends paid		(99 229 802)	(249 968 203)
Net cash flows generated from / (used in)		<u>305 053 205</u>	<u>(861 064 092)</u>
Net change in cash and cash equivalents during the period		495 480 788	(518 414 497)
Cash and cash equivalents at the beginning of the period		544 635 150	797 971 564
Cash and cash equivalents at the end of the period	(18)	<u>1040 115 938</u>	<u>279 557 067</u>

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

Sergio Alcantarilla Rodríguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer



Arabian Cement Company S.A.E

Notes to the condensed separate interim financial statements

For the nine months ended September 30, 2024

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 Law No. 230 of 1989 and 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 product. The Company may carry out other projects or amend its purpose according to the Investment Incentives and Guarantees 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 November 11, 2024.

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, 2023.

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 revenue for the period is as follows:

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
<u>Local</u>				
Sales	1 118 262 442	968 381 162	2 855 613 375	2 730 020 623
Services	46 596 108	22 169 084	111 326 386	53 253 394
Total Local Sales	1 164 858 550	990 550 246	2 966 939 761	2 783 274 017
<u>Export</u>				
Sales	997 820 829	312 898 604	2 807 026 587	1 376 528 568
Services	238 319 947	84 545 033	508 867 130	366 180 299
Total Export Sales	1 236 140 776	397 443 637	3 315 893 717	1 742 708 867
Total Sales	2 400 999 326	1 387 993 883	6 282 833 478	4 525 982 884

Arabian Cement Company S.A.E

Notes to the condensed separate interim financial statements

For the nine months ended September 30, 2024

4. Cost of sales

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

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Raw material	1 475 176 889	898 020 211	3 950 409 602	2 893 495 529
Manufacturing depreciation	53 366 731	51 255 721	156 627 918	151 672 558
Electricity supply agreement amortization	7 077 527	7 096 918	21 078 722	21 059 332
Right of use amortization	1 596 591	1 818 851	5 158 835	5 032 848
Transportation cost	282 482 516	90 421 299	605 607 092	354 631 349
Overhead cost	52 237 332	62 256 642	142 399 340	155 271 569
Total	1 871 937 586	1 110 869 642	4 881 281 509	3 581 163 185

5. General and administration expenses

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

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Professional services	6 444 116	5 220 961	15 608 376	17 438 552
Salaries and wages*	56 807 630	35 196 601	149 383 305	90 411 546
Security and cleaning services	1 067 144	984 952	2 486 997	1 870 186
Rentals	646 883	50 914	1 451 842	118 201
Transportation	8 876 465	3 389 129	16 131 579	9 517 088
Advertising	595 365	85 688	3 077 720	2 249 511
Administrative depreciation	741 755	657 767	2 713 966	1 930 222
Other expenses	21 900 824	20 352 755	61 123 069	50 088 004
Total	97 080 182	65 938 767	251 976 854	173 623 310

* Salaries and wages include amounts charged by related parties amounted to EGP 61 032 063 for the period ended September 30, 2024.

6. Finance costs

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

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Interest expense on loans	15 822	8 678 603	15 822	32 100 606
Lease liability interest	189 707	414 069	715 364	894 854
Note payables interest	320 517	243 855	905 948	669 920
Credit facilities interest expense	23 135 091	8 594 879	59 586 720	38 958 140
Total	23 661 137	17 931 406	61 223 854	72 623 520

7. Compensation of key management personnel *

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

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Board of Directors allowances and salaries	21 551 626	13 224 780	59 880 236	34 149 993
TOTAL	21 551 626	13 224 780	59 880 236	34 149 993

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

Arabian Cement Company S.A.E

Notes to the condensed separate interim financial statements

For the nine months ended September 30, 2024

8. Income taxes

8.1 Income tax recognised in separate statement of profit or loss

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
CURRENT TAX				
Current tax expense for the current period	105 183 095	37 532 113	184 336 409	134 182 183
Current tax expense related to prior year	--	--	12 788 222	--
Total Current TAX	105 183 095	37 532 113	197 124 631	134 182 183
DEFERRED TAX				
Net deferred tax recognized in the current period	(17 243 325)	3 336 308	(10 714 550)	(19 325 265)
TOTAL INCOME TAX	87 939 770	40 864 21	186 410 081	114 856 918

8.2 Current income tax liabilities

EGP	September 30, 2024	December 31, 2023
Current income tax liabilities (note 8.1)	184 336 409	215 862 692
CURRENT INCOME TAX LIABILITIES	184 336 409	215 862 692

8.3 Deferred tax liabilities

Deferred tax liabilities arise from the following:

September 30, 2024	Opening balance	Recognized in profit or loss	Closing balance
EGP			
(Temporary differences)			
Deferred Tax Liability			
Property, plant & equipment	(280 018 664)	21 459 008	(258 559 656)
Unrealized foreign currency exchange gains	--	(10 744 458)	(10 744 458)
NET DEFERRED TAX LIABILITY	(280 018 664)	10 714 550	(269 304 114)
December 31, 2023			
EGP			
(LIABILITIES)			
Temporary differences			
Property, plant & equipment	(264 257 505)	(15 761 159)	(280 018 664)
NET DEFERRED TAX LIABILITY	(264 257 505)	(15 761 159)	(280 018 664)

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

Notes to the condensed separate interim financial statements

For the nine months ended September 30, 2024

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

EGP	Three months ended		Nine months ended	
	September 30, 2024	September 30, 2023	September 30, 2024	September 30, 2023
Earnings for basic and diluted earnings per share:				
Profit for the period	310 712 398	162 136 067	650 604 180	502 694 669
Employees' share in distributable profits (note 17)	(3 947 584)	(2 705 336)	(10 992 841)	(7 902 932)
Distributable profit	306 764 814	159 430 731	639 611 339	494 791 737
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	378 739 700	378 739 700
PROFIT PER SHARE	0.81	0.42	1.69	1.31

Arabian Cement Company S.A.E

Condensed separate interim financial statements for the nine months ended September 30, 2024

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, 2023	50 243 436	663 352 417	38 134 002	2 857 479 064	15 110 765	302 978 330	22 589 172	3 949 887 186
Additions	--	14 201 596	1 836 017	8 452 820	2 062 779	432 204	1 951 238	28 936 654
Transferred from assets under construc	--	--	--	--	--	3 261 312	--	3 261 312
Adjustments	--	--	--	(217 225)	--	--	--	(217 225)
Balance at September 30, 2023	50 243 436	677 554 013	39 970 019	2865 714 659	17 173 544	306 671 846	24 540 410	3 981 867 927
Balance at January 1, 2024	50 243 436	687 413 257	41 180 330	2 873 439 469	16 590 173	307 368 890	27 127 103	4 003 362 658
Additions	--	29 857 048	31 247 059	6 617 133	1 955 410	7 052 291	1 484 523	78 213 464
Transferred from assets under construc	--	1 043 700	--	--	--	--	--	1 043 700
Balance at September 30, 2024	50 243 436	718 314 005	72 427 389	2880 056 602	18 545 583	314 421 181	28 611 626	4 082 619 822
ACCUMULATED DEPRECIATION								
Balance at January 1, 2023	--	329 992 464	21 627 974	1 587 595 726	10 785 432	168 726 921	21 336 993	2 140 065 510
Depreciation expense	--	21 259 956	2 864 447	115 614 827	802 341	11 933 328	1 127 881	153 602 780
Adjustments	--	--	--	(217 225)	--	--	--	(217 225)
Balance at September 30, 2023	--	351 252 420	24 492 421	1702 993 328	11 587 773	180 660 249	22 464 874	2 293 451 065
Balance at January 1, 2024	--	358 487 222	25 315 722	1 745 595 744	11 871 274	184 768 474	22 828 283	2 348 866 719
Depreciation expense	--	21 961 937	5 643 315	116 534 843	813 881	12 487 823	1 900 085	159 341 884
Balance at September 30, 2024	--	380 449 159	30 959 037	1862 130 587	12 685 155	197 256 297	24 728 368	2 508 208 603
CARRYING AMOUNT								
At September 30, 2024	50 243 436	337 864 846	41 468 352	1 017 926 015	5 860 428	117 164 884	3 883 258	1 574 411 219
At September 30, 2023	50 243 436	326 301 593	15 477 598	1 162 721 331	5 585 771	126 011 597	2 075 536	1 688 416 862
At December 31, 2023	50 243 436	328 926 035	15 864 608	1 127 843 725	4 718 899	122 600 416	4 298 820	1 654 495 939

The depreciation expense of furniture and computers is presented as a part of general and administrative expenses (Note 5) with an amount of EGP 2 713 966 while the depreciation expense of all other assets is presented as a part of cost of sales (Note 4) with an amount of EGP 156 627 918.

Arabian Cement Company S.A.E

Notes to the condensed separate interim financial statements

For the nine months ended September 30, 2024

11. Projects under construction

EGP	September 30, 2024	December 31, 2023
Balance as of January 1	2 426 563	3 952 133
Additions	69 814 987	1 735 742
Transferred to property, plant and equipment (Note No. 10)	(1 043 700)	(3 261 312)
TOTAL	71 197 850	2 426 563
<u>Assets under construction are represented in the following categories:</u>		
Machinery and equipment	69 166 356	1 735 742
Technology equipment and installations	2 031 494	690 821
TOTAL	71 197 850	2 426 563

12. Intangible assets (net)

EGP	Operating license	Electricity contract	Total
Cost			
Cost as of January 1, 2024	563 204 713	225 200 000	788 404 713
Cost as of September 30, 2024	563 204 713	225 200 000	788 404 713
<u>Accumulated amortization</u>			
Accumulated amortization as of January 1, 2024	(400 092 598)	(225 200 000)	(625 292 598)
Amortization for the period	(21 078 722)	--	(21 078 722)
Accumulated amortization as of September 30, 2024	(421 171 320)	(225 200 000)	(646 371 320)
Net book value September 30, 2024	142 033 393	--	142 033 393
Net book value December 31, 2023	163 112 115	--	163 112 115

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).

Electricity contract

Intangible assets represent the value of the contract concluded with the Ministry of Electricity on March 11, 2010, where the Ministry of Electricity identifies the needs of heavy industrial projects and arranges their needs, either through the establishment of new stations or already established ones. The cost of investments will be paid by the company according to what has been determined by the Ministry, which amounted to EGP 217.2 million, where payment has been agreed to be paid as follows:

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15% advance payment equivalent to EGP 32.58 million.

120 monthly instalments due on the first of every month from April 2010 amounted by EGP 1.220 million per each instalment.

120 monthly instalments due on the first of every month from February 2011 amounted by EGP 1.342 million per each instalment.

In addition to EGP 8 million for the allocation of two cells of the traditional type, to be paid in four quarterly instalments and the last instalment was due on 1 February 2011.

13. Investments in subsidiaries, net

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

Company name EGP	Domicile	Share/ paid- in capital	September 30, 2024	December 31, 2023	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)		
TOTAL			30 315 214	30 315 214		

14. Investments in a joint venture (net)

Details of the Company's joint venture at the end of the reporting period are as follows:

Name of joint venture EGP	Place of incorporation	Proportion of ownership interest and voting power held by the company	September 30, 2024	December 31, 2023
Andalus Reliance for Mining Company	Egypt	50%	--	125 000
Less: impairment losses on investment in a joint venture*			--	(125 000)
TOTAL			--	--

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*The movement during the period for the impairment losses in investment in a joint venture analysed as follows:

EGP	September 30, 2024	December 31, 2023
Opening balance	125 000	--
Formed during the period/year	--	125 000
Reversed during the period/year	(125 000)	--
Ending balance	--	125 000

**During the period the company have sold its share in Andalus Reliance for Mining Company and the gain of the selling of investment in a joint venture amounted EGP 1 925 000. Has been recognized in the statement of profit or loss

15. Inventories

EGP	September 30, 2024	December 31, 2023
Raw materials	97 408 056	67 730 295
Fuel	383 645 545	198 647 084
Packing materials	58 652 065	60 632 591
Spare parts	37 277 585	25 988 452
Work in progress	4 023 213	3 078 115
Finished goods	174 017 167	620 797 199
Goods in transit	599 750	--
TOTAL	755 623 381	976 873 736

16. Trade Receivables

EGP	September 30, 2024	December 31, 2023
Trade Receivables	270 371 039	185 976 365
Total	270 371 039	185 976 365

17. Debtors and other debit balances (net)

EGP	September 30, 2024	December 31, 2023
Advance to suppliers	324 524 953	146 461 127
Unbilled receivables	13 020 139	19 713 183
Withholding tax	26 047 415	17 727 035
Prepaid expenses	9 371 850	17 742 064
Value added tax	20 780 634	2 881 728
Real estate tax	1 572 127	1 572 127
Deposit with others	3 418 453	3 418 453
Employees' dividends in advance	10 992 841	10 576 346
Letters of guarantee – cash margin	9 201 458	8 378 849
Cash imprest	8 560 855	4 275 838
Less:- Impairment of debtors and other debit balances	(1 607 808)	(1 607 808)
TOTAL	425 882 917	231 138 942

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18. Cash and bank balances

EGP	September 30, 2024	December 31, 2023
Cash on hand	5 525 413	5 626 062
Current account – local currency	116 744 839	454 198 012
Current account – foreign currency	912 669 413	35 933 804
Bank deposits	5 176 273	48 877 272
Total	1 040 115 938	544 635 150

19. Capital

EGP	September 30, 2024	December 31, 2023
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

20. 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.

21. Trade and notes payable

EGP	Current		Non-current	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
Local trade payable	448 956 917	279 597 606	--	--
Foreign trade payable	217 076 770	736 511 733	--	--
Notes payable*	2 450 462	2 755 518	--	1 788 996
Total	668 484 149	1 018 864 857	--	1 788 996

22. Borrowings

EGP	Current		Non-current	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
First: Credit facilities				
CIB	407 181 160	73 528 497	--	--
NBE	53 705 023	16 545 438	--	--
EG	100	338	--	--
Total Facilities	460 886 283	90 074 273	--	--
Second: Bank loans				
Bank loans – NBE*	4 699 411	--	31 529 319	--
Total bank Loans	4 699 411	--	31 529 319	--

* On July 23, 2024, a facility agreement have been signed between the Company (the "borrower") and the National Bank of Egypt (the "lender") for the Anti - Industrial Pollution Program "third phase", and under the grant from KfW Development bank's grant for industrial pollution control projects with a total amount of Euro 3 090 000 equivalent to EGP 242 000 000 to be paid over five years in 20 quarterly installments at an interest rate of 3% above the Euribor rate for 6 months. The monthly commission is calculated at a rate of one per mille on the highest debit balance for the amounts withdrawn or used from the facility agreement. The financing amount shall be utilized as follows:

- Pay the amounts due to contractors and/ or local and foreign suppliers through making banking transfers in favor of the Project's contractors and suppliers by virtue of supply agreements approved by the Egyptian Environmental Affairs Agency's (EEAA) Project Implementation Unit (PIU) supported by invoices, progress payments and/ or claims approved by the Borrower.

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- Open irrevocable at-sight / deferred letters of credit (LCs) and/ or accept incoming documentary related to the Project, and
- Refinance or pay the shipping documents received under opened LCs and/ or issued LGs, and/ or pay the value of the documentary collections related to the project.

To guarantee the facility including principal amount, interests, commissions, expenses and fees and/or any other due amounts under this facility, and as a guarantee for the borrower performance of the obligations subject to this Contract, the Borrower presents to the Bank to increase the existing commercial mortgage in favor of the Bank in the amount of the tangible assets contemplated herein. In case of canceling the mortgages made on the Borrower's assets, a first-degree commercial mortgage shall be taken out on the tangible assets, subject of the Facility within 3 months from the Project's completion date.

The pledges in the financing agreement other than the guarantees referred to earlier included the followings:

- Not incur any indebtedness and/or loans or facilities from the banking sector whether inside or outside of Egypt unless a prior written consent from the Bank is obtained.
- Obtain the required certificate from EEAA, which shall indicate pollution abatement as per the relevant study.
- Not to pay any dividends except after repaying any amounts due under the Facility.
- The leverage ratio shall not exceed 2.5 times during the fiscal year ended 31/12/2023.
- The Borrower shall take out an insurance on all relevant works and property forming part of the Project, in the range of 110% of the full amount of facility.

According to the terms of the facility agreement, the borrower enjoys a grant provided by the bank at different percentages of the value of the facility, determined according to several conditions stipulated in the financing contract, where no return is calculated on those percentages and/or is reduced from the value of the facility.

23. Provisions

EGP	Provision for claims
Balance at January 1st 2024	50 729 412
Formed provisions during the period	7 422 650
Provisions used during the period	(1 167 649)
Balance at September 30, 2024	56 984 413

Management annually reviews and adjusts these provisions based on the latest developments discussions and agreements with the involved parties.

24. Creditors and other credit balances

EGP	September 30, 2024	December 31, 2023
Advances from customers	58 989 025	112 670 427
Accrued expenses	34 773 177	29 800 287
Accrued development fees	8 392 959	9 862 067
Accrued customers rebates	111 002 093	97 341 140
Accrued taxes	16 009 900	31 292 927
Accrued interest	7 250 234	--
Deferred revenue – Grant	9 854 630	10 959 070
Retention	8 963 699	4 830 301
TOTAL	255 235 717	296 756 219

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25. Related parties' transactions

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

EGP	Relation type	Transaction nature	Volume of the transactions	
			September 30, 2024	September 30, 2023
Andalus Concrete Company	Subsidiary	Sales	26 382 706	7 228 790
ACC for Management and Trading Company	Subsidiary	Services	106 526 737	67 559 337
Evolve Investment & Projects Management Company	Subsidiary	Purchases	120 364 212	21 179 058
Cementos La Union – Spain	Subsidiary of the parent	Services	5 624 277	3 815 574

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

EGP	Due from related parties		Due to related parties	
	September 30, 2024	December 31, 2023	September 30, 2024	December 31, 2023
Andalus Concrete Company	8 463 111	5 826 297	--	--
Evolve Investment & Projects Management Company	--	--	10 276 475	5 543 349
ACC for Management and Trading Company	6 350 344	2 559 495	--	--
Cementos La Union –Spain	148 857	95 368	--	--
TOTAL	14 962 312	8 481 160	10 276 475	5 543 349

- 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.

26. Lease contracts

26.1 Right of Use

EGP	Land and buildings	Total
Cost		
Cost as of January 1 st 2024	29 887 393	29 887 393
Additions	764 966	764 966
Disposal	(1 166 800)	(1 166 800)
Cost as of September 30, 2024	29 485 559	29 485 559
Less: - Accumulated amortization		
Accumulated amortization as of January 1, 2024	(16 985 887)	(16 985 887)
Amortization for the period	(5 158 834)	(5 158 834)
Total accumulated amortization as of September 30, 2024	(22 144 721)	(22 144 721)
Net book value September 30, 2024	7 340 838	7 340 838
Net book value December 31, 2023	12 901 506	12 901 506

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26.2 Lease liabilities

Lease liabilities recognized in the condensed separate statement of financial position

EGP	Current		Non-current	
	September 30 2024	December 31 2023	September 30 2024	December 31 2023
Lease liabilities	9 752 625	9 481 649	469 833	1 739 258
TOTAL	9 752 625	9 481 649	469 833	1 739 258

The lease interest cost during period amounted to EGP 715 365 (refer to note 6).

Amount EGP	September 30 2024	December 31 2023
Beginning balance	11 220 907	13 135 634
Additions	764 966	7 400 643
Disposal	(1 981 699)	(784 140)
Unrealized foreign currency exchange losses	2 260 652	--
Interest expenses	715 365	1 296 489
Repayment of lease liabilities	(2 757 733)	(9 827 719)
Ending Balances	10 222 458	11 220 907

27. Significant events during the period ended September 30, 2024

- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on February 1, 2024, to increase the overnight deposit and lending rates and the central bank's main operation rate by 200 basis points to reach 21.25%, 22.25% and 21.75%, respectively. The discount rate was also increased by 200 basis points to 21.75%.
- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on March 6, 2024, to increase the overnight deposit and lending rates and the central bank's main operation rate by 600 basis points to reach 27.25%, 28.25% and 27.75%, respectively. The discount rate was also increased by 600 basis points to 27.75%.
- The Monetary Policy Committee of the Central Bank of Egypt decided at its meeting on March 6, 2024, to allow the exchange rate of the Egyptian pound to be determined according to market mechanisms.
- On March 3, 2024, the Prime Minister's Decision No. (636) of 2024 was issued and included the replacement of the provisions of some Egyptian Accounting Standards with amended ones. Below is the list of Egyptian Accounting Standards that were replaced with amended ones:
 - Egyptian Accounting Standard No. 32 "impacts of changes in Foreign Currency Exchange Rates"
 - Egyptian Accounting Standard No. 17 "Separate Financial Statements"
 - Egyptian Accounting Standard No. 34 "Real Estate Investment"
 - The Decree also introduced the Accounting Interpretation No. 2 "Certificates of Reducing Carbon Emissions".
- On 23 May, 2024, the Prime Minister issued the Ministerial Decree No. 1711 for the year 2024 to amend some provisions of the Egyptian Accounting Standards by adding annex (E) to the Egyptian Accounting Standard No. 13 "The Effects of Changes in Foreign Exchange Rates". The annex aims to introduce a special and optional accounting treatment for the implications resulted from the movement of the foreign currency exchange rates. The special accounting treatment that is introduced in this annex is not considered an amendment to the Egyptian Accounting Standards that are currently in place. The annex includes the following two options:

First option:

Applying the provisions of the amended Egyptian Accounting Standard No. 13 "The Effects of Changes in Foreign Exchange Rates" that was issued in 2024. When applying the amended Egyptian Accounting Standard No. 13, the entity should not restate comparative information.

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Instead:

- A) When the entity reports foreign currency transactions in its functional currency, and, at the date of initial application (which is the beginning of the annual reporting period in which an entity first applies the amendments), concludes that its functional currency is not exchangeable into the foreign currency or, if applicable, concludes that the foreign currency is not exchangeable into its functional currency, the entity should, at the date of initial application:
- 1) Translate affected foreign currency monetary items, and non-monetary items measured at fair value in a foreign currency, using the estimated spot exchange rate at that date; and
 - 2) Recognize any effect of initially applying the amendments as an adjustment to opening retained earnings.
- B) When the entity uses a presentation currency other than its functional currency, or translates the results and financial position of a foreign operation, and, at the date of initial application, concludes that its functional currency (or the foreign operation's functional currency) is not exchangeable into its presentation currency or, if applicable, concludes that its presentation currency is not exchangeable into its functional currency (or the foreign operation's functional currency), the entity should, at the date of initial application:
- 1) Translate affected assets and liabilities using the estimated spot exchange rate at that date;
 - 2) Translate affected equity items using the estimated spot exchange rate at that date if the entity's functional currency is hyperinflationary and recognize any effect of initially applying the amendments as an adjustment to the cumulative amount of translation differences, accumulated in a separate component of equity.

Second option:

Setting additional option to paragraph (28) of the Egyptian Accounting Standard No. 13 "The Effects of Changes in Foreign Exchange Rates" which requires the recognition of the foreign exchange differences in the statement of profit or loss for the period in which they incur. Alternatively, an entity that has outstanding liabilities in foreign currency on the date of the movement of the exchange rates that are related to:

- Preparty, plant, and equipment or investment property or intangible assets (other than goodwill) or mining assets or and right of use assets for lease contracts, to recognize within the cost of those assets the debit currency differences resulting from the paid part of these obligations during the financial period of applying this special accounting treatment in addition to the foreign currency differences resulting from translating the remaining balance of these liabilities as at March 6, 2024 or at the end of the closing date of the financial statements for the financial period of applying this special accounting treatment.
- Also, this treatment permits an entity to recognize foreign exchange gain or loss resulting from the revaluation of monetary balances in foreign currencies that are outstanding as at March 6, 2024 or at the end of the closing date of the financial statements for the financial period of applying this special accounting treatment to be recognized in the statement of other comprehensive income.

The company's management has decided not to apply any of the optional treatments mentioned above for the period ended September 30, 2024.

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

On October 23, 2024, The Prime Minister issued Decree No.3527 for the year 2024 to amend some provisions of the Egyptian Accounting Standards by adding the Accounting Standards No. (51) "Financial Reporting in Hyperinflationary Economies".

The effective date of applying this new Accounting Standards is pending the issuance of the application guidelines by the Prime Minister or his authorized representative.

Sergio Alcantarilla Rodriguez
Chief Executive Officer



Arturo Gallart Mauri
Chief Financial Officer

