أسمنت الرياض
RIYADH CEMENT

Our Path to Sustainability

Riyadh Cement Annual Report

2024 - 2025



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The Custodin of The Two Holy Mosques

KING SALMAN BIN ABDULAZIZ AL SAUD

(may Allah Preserve him)



His Royal Highness

MOHAMMED BIN SALMAN BIN ABDULAZIZ AL SAUD

The Crown Prince & Prime Minister
(may Allah Preserve him)

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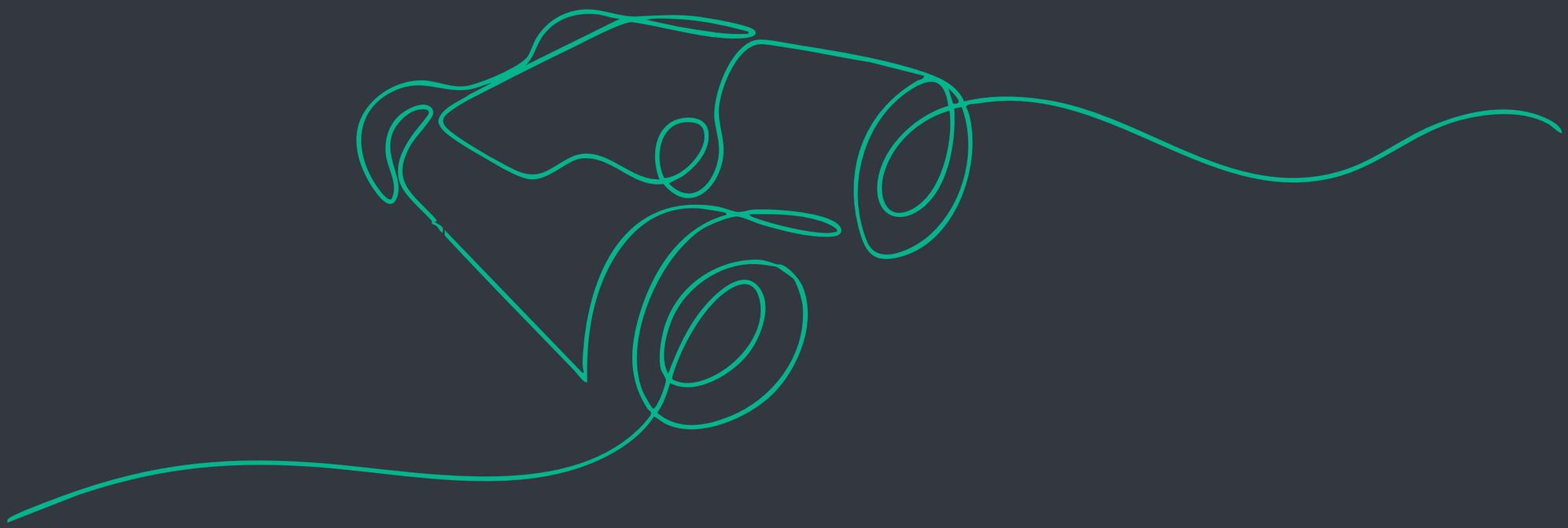


Overview



“A Unique and Unparalleled Status”

“Building on Riyadh Cement’s proven and active leadership in the industrial sector, and with a strong focus on technology and sustainability, the company has established a lasting value that has secured its unique position among industry peers.”

Board of Directors



Mr. Salah bin Rashed Al Rashed

Chairman



Eng. Khalid bin Abdullah Al Melhem

Deputy Chairman



Mr. Fahad bin Hizam Al Nabit

Board Member



Dr. Nasser bin Fadl Aqeel

Board Member



Mr. Abdullah bin Ateeq Al Fawaz

Board Member



Eng.Mohaamed bin Khalifa Almelhem

Board Member



Eng. Shoeil bin Jarallah Al Ayed

Board Member & CEO



Mr. Salah bin Rashed Al Rashed

Chairman

Chairman's Message

I am pleased, first and foremost, to extend my deepest gratitude and appreciation to the Custodian of the Two Holy Mosques, King Salman bin Abdulaziz, and His Royal Highness Crown Prince Mohammed bin Salman—may Allah protect them—for their continuous support and commitment to the industrial sector, strengthening its role in achieving the Kingdom's Vision 2030. I would also like to express my sincere appreciation to the Ministry of Industry and Mineral Resources and the Ministry of Energy for their significant efforts in supporting the industrial sector through regulations and initiatives that undoubtedly contribute to enhancing operational mechanisms and fulfilling the wise leadership's aspirations for sustainable development.

The year 2024 has been filled with remarkable achievements, as the company has made significant strides in enhancing its production capabilities and developing its products to meet the needs of both the local and regional markets while adhering to the highest quality standards. Additionally, the company has placed great emphasis on its social and environmental programs, which form a core part of its strategy to reinforce its role in sustainable development. The company's listing on the main market (TASI) has been a positive step toward ensuring its sustainability, strengthening its position, and opening new opportunities for all investor categories, thereby enhancing future growth prospects. I take this opportunity to warmly welcome our new investors to Riyadh Cement and sincerely thank them for their valued trust, which further solidifies the company's path toward continued growth and prosperity.

I would also like to extend my heartfelt gratitude to my fellow Board members and all company employees for their dedicated efforts in achieving our corporate objectives. My deepest appreciation goes to our esteemed shareholders for their trust in the company as we work toward realizing its vision and strategic goals.



Eng. Shoeil bin Jarallah Al Ayed

Board Member & CEO

CEO's Message

I am pleased to present the 2024 Annual Report of Riyadh Cement, which reflects the outstanding results achieved by the company, further strengthening its leadership position in the industry.

The year 2024 has been a remarkable milestone in the company's journey, marked by numerous achievements and notable successes:

- The company received the Silver Social Responsibility Award in the Practices category from the Ministry of Human Resources and Social Development.
- Riyadh Cement was honored by the National Center for Vegetation Development and Combating Desertification in recognition of its initiatives and participation in the **2024 National Afforestation Season**.
- The company was awarded the Golden Excellence Shield in the Economic and Social Initiatives category in the United Arab Emirates, acknowledging its contributions to economic and social development.
- *Implementation of a project to recycle iron slag in cement production in collaboration with the*National Center for Waste Management, aiming to enhance sustainability and reduce emissions.
- Launching a waste heat recovery project using Organic Rankine Cycle (ORC) technology, in partnership with Turbodion Japan, to boost operational and environmental efficiency.
- Expanding exports to neighboring countries to strengthen the company's regional competitive presence.
- Signing a collaboration agreement with A'mal Family Development Association to support family businesses and drive sustainable development.
- The company was certified under the Industrial Sector Competitiveness Program, aiming to improve operational efficiency and strengthen its market position.
- Joining the Future Factories Program, an initiative by the Ministry of Industry, to adopt the latest manufacturing technologies.
- Signing strategic agreements with Saudi Aramco and Saudi Electricity Company to supply gas and electricity under the Liquid Fuel Displacement Program, with implementation set for the next two years.
- Launching the company's new website to enhance communication and transparency with customers and partners.

As part of our commitment to operational efficiency and sustainability, we have introduced a new strategy aimed at integrating sustainability across various company operations, aligning with national economic development goals and income diversification objectives. Based on this strategy, the company has launched several key programs, including:

- Million Tree Program: Aiming to plant one million trees by 2030, contributing to desertification mitigation, improving environmental quality, and expanding green spaces in support of the Green Riyadh Initiative, in line with the company's social and environmental responsibility.
- Himma Program: A specialized initiative designed to support and develop national talent by empowering and training young Saudi professionals for technical roles. More than 150 Saudi youth have been trained and employed through this program.
- Community Service Program: Reflecting the company's dedication to supporting local communities through initiatives that enhance quality of life. This commitment earned the company two awards in 2024.

All these achievements would not have been possible without the grace of Allah, followed by the guidance and support of the esteemed Board of Directors, which has enabled the company to successfully achieve its goals.

I extend my sincere gratitude and appreciation to my colleagues at Riyadh Cement for their dedication and hard work in realizing the company's objectives. I also thank our valued customers and suppliers for their trust and ongoing collaboration. May Allah grant us continued success.

Vision

We strive for excellence and leadership in the cement industry to be the environmental development choice in the Kingdom of Saudi Arabia.

Mission

Providing high-quality, eco-friendly white and grey cement products to meet our customers› needs through optimal resource utilization, energy efficiency enhancement, environmental protection, job localization, and sustainability.

Values

Innovation and Creativity:

We foster innovation to develop new products and utilize advanced solutions and technologies to reduce costs, improve processes, and enhance product quality.

Collaboration and Integration:

Creating a healthy and motivating work environment that empowers all employees with the necessary tools to enhance their capabilities, positively impacting performance and efficiency.

Growth:

Adopting best practices to ensure the sustainability of governance processes, supporting the company's growth, and achieving better profitability for investors.

Quality:

Commitment to adhering to quality standards and ensuring their application at all levels to meet customer requirements and satisfaction.

Transparency:

Establishing a culture of transparency and maintaining open communication channels with stakeholders.

Origins and History

In 1997، the foundation stone for Riyadh Cement Company was laid as the first white cement production plant in the Kingdom of Saudi Arabia (First Production Line). Commercial production began in 2001 with an annual capacity of 230،000 tons of white clinker، which was later upgraded to 320،000 tons per year.

In 2005، Riyadh Cement expanded its operations by establishing the Second Production Line for grey cement production. Commercial production commenced in 2007، with an annual capacity of 1.7 million tons of grey clinker.

Driven by rapid growth and increasing demand، the company launched its Third Production Line in 2007 for grey cement production، which began commercial operations in 2010 with an additional 1.7 million tons per year. This brought the total capacity of the Second and Third Production Lines to 3.4 million tons of grey clinker annually. To keep pace with the Kingdom's rapid urban development، the company continued upgrading its plants in 2019 by converting one of the grey cement production lines into a dual production line for both white and grey cement، enhancing production flexibility and increasing white cement capacity to one million tons per year.

Strengthening its position in the industry، the company was listed on the Saudi Stock Exchange (Nomu) in 2020، enhancing corporate governance، financial efficiency، and market presence.

The first quarter of 2021 marked a historic milestone as the company changed its name from Saudi White Cement to Riyadh Cement، introducing a new identity aligned with its future vision and development plans.

In 2022، Riyadh Cement took another transformative step by rebranding and unveiling its new corporate identity، featuring a distinctive logo that reflects the company's leadership and strong national presence.

In 2023، the company transitioned from the Parallel Market (Nomu) to the Main Market (TASI)، positioning itself to explore new growth opportunities، expand its operations، and meet the expectations of shareholders، partners، and customers alike.

Construction and Development Phases

1997 The foundation stone of Riyadh Cement Company (formerly White Cement) was laid as the first white cement production plant in the Kingdom of Saudi Arabia (First Production Line).

2001 Commercial production of the white cement line (First Production Line) began in 2001 with an annual clinker capacity of 230.000 tons.

2005 The establishment of the **Second Production Line** for the production of grey cement.

2007 Commercial production of the Second Production Line began with an annual grey clinker capacity of 1.7 million tons. In the same year، the Third Production Line for grey cement production was established.

2010 Commercial production of the Third Production Line began with an annual capacity of 1.7 million tons، bringing the total production capacity of the Second and Third Production Lines to 3.4 million tons of grey clinker per year.

2011 The performance of the grey cement production lines was enhanced، increasing the total capacity to 11.000 tons of grey clinker per day، equivalent to 3.4 million tons per year.

2012 The merger of the two companies resulted in Riyadh Cement becoming a subsidiary of Saudi White Cement Company.

2013 Due to the increasing demand for white cement، the white cement plant was renovated and upgraded، increasing its capacity to 320،000 tons of white clinker per year.

2019 White cement production was expanded by modifying the Second Production Line (the first grey cement line) into a dual production line، increasing white clinker production to one million tons per year.

2020 The company was listed on the Saudi Stock Exchange (Nomu).

2021 The company name was changed from Saudi White Cement to Riyadh Cement Company.

2022 It was another turning point in the history of Riyadh Cement Company، as it rebranded and launched its new identity with a distinctive logo that reflects the company's current reality.

2023 The transition from the Parallel Market (Nomu) to the Main Market (TASI).

2024 A year of record achievements and sustainable growth.

Company Activity

The company conducts its activities in accordance with the following documents:

The company conducts its activities in accordance with the following documents:

- Commercial Registration No. 1010146169، dated 25/02/1418H (corresponding to 01/07/1997).
- Industrial License issued by the Ministry of Industry and Mineral Resources No. 666، dated 08/03/1439H (corresponding to 27/11/2017).
- Industrial Facility License issued by the Ministry of Industry and Mineral Resources، Decision No. 411102105227، dated 11/11/1441H (corresponding to 02/07/2020).
- Raw Materials Quarry License No. 58/M، dated 13/09/1429H (corresponding to 13/09/2008).

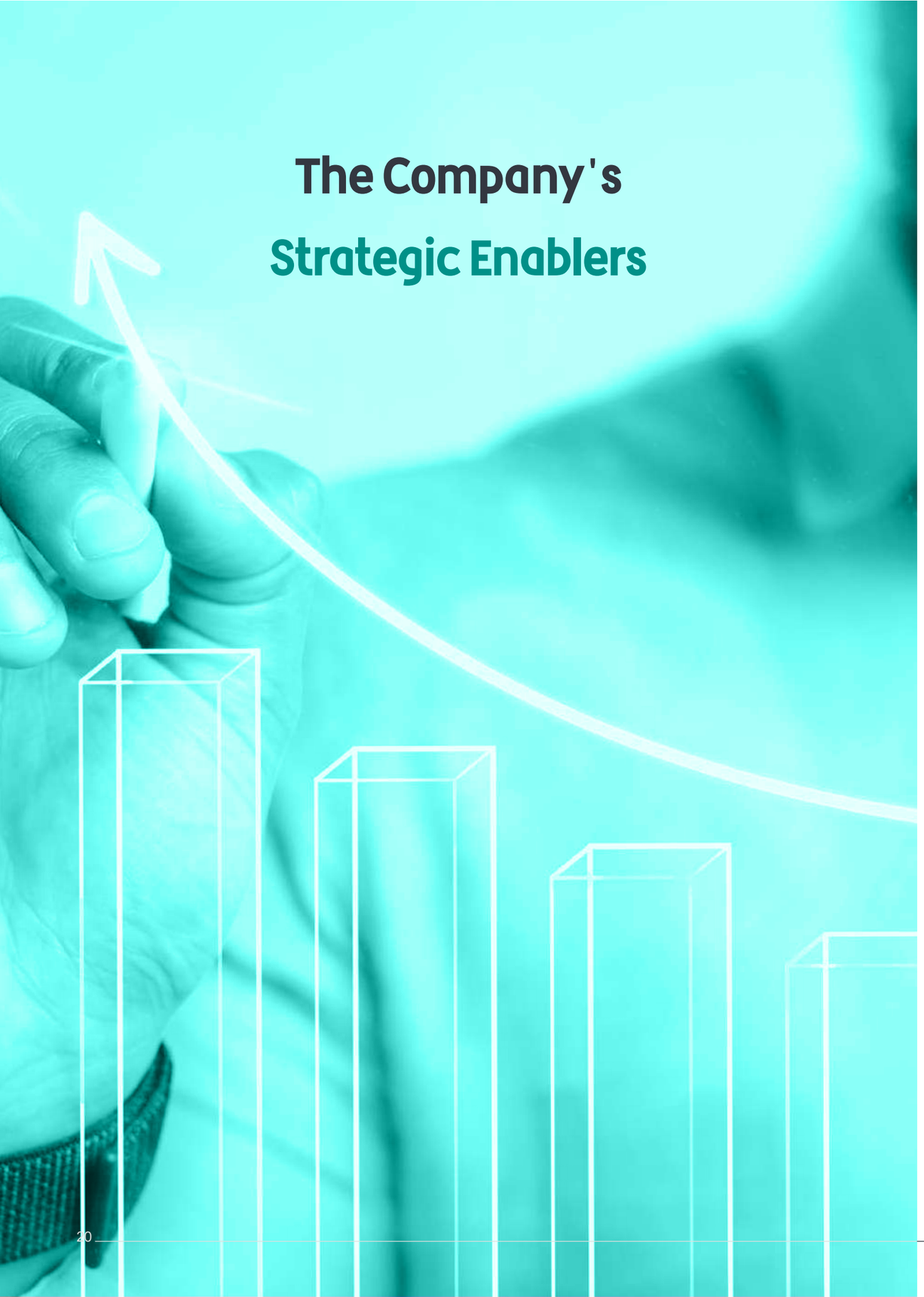
The company's activities، as stated in its Commercial Registration، include the production of white and grey cement under Ministerial Industrial Decision No. 494، dated 25/06/1414H، as well as the management، operation، and maintenance of cement plants for both types of cement.

The company's main activities، as stated in the articles of association، are to practice and implement the following purposes

- Production of white cement in accordance with Industrial Ministerial Resolution No. 494 / AM dated 06/25/1414، and production of ordinary and resistant Portland cement.
- Wholesale and retail trade in the company's products and building materials.
- Establishing or participating in establishing industrial services companies for the purpose of providing maintenance and services to plants inside and outside the Kingdom.
- Management and operation of both types of cement plants.
- Owning land، real estate، and patents and benefiting from them to achieve its industrial purposes inside and outside the Kingdom.
- Establishing or participating in establishing companies that complement or complement the company's activity.
- Commercial agencies.

The company does not carry out its activities except after obtaining the statutory licenses، if any، required by the prevailing regulations in force in the Kingdom of Saudi Arabia. The company has obtained all the statutory licenses and all of those licenses are still in effect until the date of this document.





The Company's Strategic Enablers

A Board of Directors with diverse specializations and expertise

A reliable customer database

Strong financial solvency

Modern tech_ nology systems

Prime geographical location

The Company's Strategic Goals

Improving internal processes

- Enhancing operational effi_ ciency
- Reducing strategic and opera_ tional risks

Learning and growth

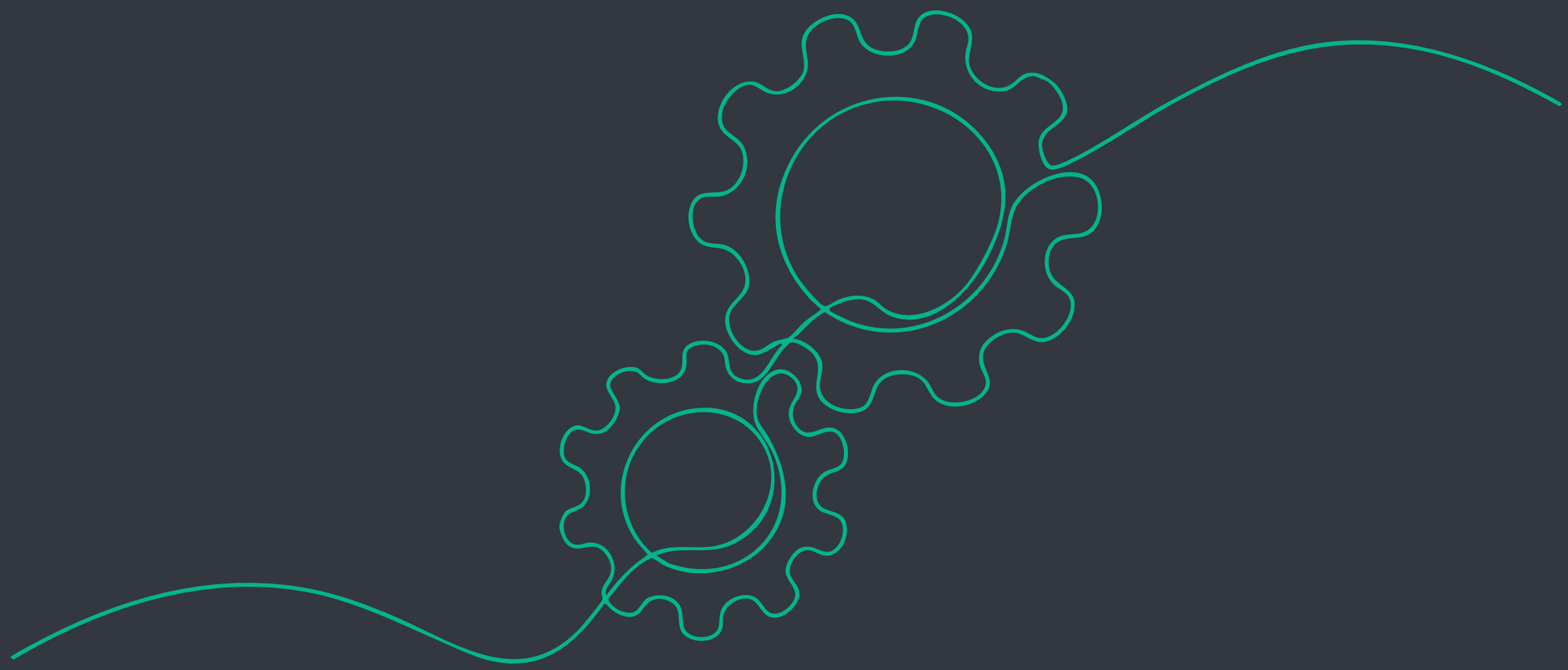
- Developing and retaining hu_ man capital within an attrac_ tive work environment
- Achieving excellence in digital transformation

Customer service

- Enhancing customer satisfac_ tion، experience، and corpo_ rate reputation
- Improving and developing ser_ vice quality

Financial expansion

- Increasing market share
- Achieving revenue and profit growth



Plants and Production Lines

Plants and Production Lines

Riyadh Cement Company owns a grey cement plant and a white cement plant in a strategic location in Al_Mu_zahimiyah, northwest of Riyadh. The area is rich in high_quality raw materials, including limestone and other essential components known for their purity. The company operates three highly efficient cement production lines, supported by state_of_the_art equipment and artificial intelligence technologies.



Grey Cement Plant

The plant includes several essential and supporting facilities for cement production and features two production lines with a designed capacity of 3.4 million tons of grey clinker annually.

First Production Line

A dual_process production line for manufacturing both grey and white clinker in various types. Commercial pro_duction began in 2007 with a designed capacity of 1.7 million tons of grey clinker annually. In 2019, it was upgrad_ed to produce white clinker with a designed capacity of 660,000 tons per year.

Second Production Line

A production line for grey clinker, which began commercial production in 2010 with a designed capacity of 1.7 million tons of grey clinker annually.

Products

- **Ordinary Portland Cement (OPC)**

Uses: Reinforced concrete, concrete pipe manufacturing, precast concrete structures, block manufacturing.

- **Sulfate_Resistant Portland Cement (SRC)**

Uses: basements, coastal structures, sewage systems, dam and bridge construction.

- **Finishing Portland Cement (FC)**

Uses: Plastering and finishing works, foam concrete (floor screed before tiling).

White cement plant

The company owns the white cement plant, which is the first plant in the Kingdom to produce white cement. It was established in 1997.

Its production capacity reaches 320,000 tons of clinker annually. By adding the output of the first production line, if operated for white clinker production, the company can produce approximately one million tons of white clinker per year.

Products

- **White Portland Cement Type I (CEM I 52.5N)**

Uses: Reinforced concrete, concrete pipe manufacturing, precast concrete structures, and block manufacturing.

- **White Portland Cement Type II (CEM II 42.5N)**

Uses: Grouts, marble installation fillers, colored plastering, and profile painting on exterior facades.

2024

A year of record achievements and sustainable growth.

The year 2024 marks an exceptional milestone in the company's journey, as it witnessed the highest levels of financial and operational performance in the past nine years. This achievement is the result of a well-thought-out strategy adopted by the Board of Directors, which focused on enhancing operational efficiency, increasing production rates, and achieving sustainable growth in sales and profits.

This positive approach has reflected in the company's financial performance, as it achieved record sales growth and a significant increase in average prices, contributing to unprecedented profits since 2016.

Monthly Sales (Tons)

46
Thousand Tons of White Cement
Highest Sales In One Month

330
Thousand Tons of Grey Cement
Highest Sales In One Month since 2016

Sales (SAR)

Total company sales
789
Million SAR

White cement
161
Million SAR

Grey cement
628
Million SAR

Record profits

Gross Profit
329
Million SAR

Total Comprehensive Income
311
Million SAR

Profit
34
Million SAR

The highest since 2016



2024... Responsibility and Future

Our journey towards community and environmental commitment 2024

Reducing environmental and social impacts

In an effort to enhance sustainability and reduce environmental impact, the company has implemented a number of effective initiatives that reflect its commitment to environmental responsibility. These initiatives include a range of measures aimed at improving resource efficiency, reducing emissions, and promoting sustainable practices within the workplace:

- 1. Reliability-Based Maintenance: Implementing reliability-based maintenance for equipment and bag filters to reduce emissions and ensure operational efficiency.
- 2. Relying on Modern Technology: We have adopted several advanced technologies, including automated production systems, real-time monitoring, and data analysis. These innovations have significantly improved production efficiency and product quality, while contributing to the reduction of waste and emissions.
- 3. Scientific Research and Development: Strengthening scientific research and development in the use of alternative materials and waste to reduce the carbon footprint while ensuring the highest quality of products.

Transitioning to sustainable energy practices

As part of its commitment to sustainability, the company has adopted sustainable energy practices aimed at reducing its carbon footprint and improving energy efficiency. This includes implementing innovative solutions and adopting cutting-edge technologies:

- 1. Organic Rankine Cycle Power Plant: Collaboration with Turboden to establish a power generation plant. This plant uses waste heat from cement production to generate electricity, significantly improving energy efficiency and reducing greenhouse gas emissions.
- 2. Energy Efficiency Technologies: Adopting high-efficiency energy furnaces and other production technologies to reduce energy consumption and environmental impact.

Empowering competencies and sustaining institutional growth.

In the business world, sustainability in human resources has become a critical factor for ensuring the continuity of institutions and enhancing their competitiveness. At Riyadh Cement, we are committed to building a strong and qualified workforce through specialized training programs aimed at improving efficiency and enhancing the technical and managerial skills of our employees. Our strategies in this area include:

- Internal and External Training Programs: We focus on developing employees through internal training courses held within the company's facilities, as well as providing external training opportunities in collaboration with global training institutions.
- Training on the Latest Technologies: Given the rapid advancements in the cement industry, we are committed to equipping our team with the latest skills in production management, sustainable manufacturing technologies, and best practices in safety and quality.
- Leadership and Management Programs: We believe that effective leadership contributes to institutional sustainability. Therefore, we offer training programs that focus on developing leadership and management skills to empower employees to take on greater responsibilities within the company.
- On-the-Job Training (OJT): Employees are trained while performing their daily tasks, helping them gain hands-on experience directly and improving their performance quickly.
- Establishment of an Internal Training Center: As part of Riyadh Cement's commitment to developing its human resources and enhancing sustainability, the company has established the "Skills Development Center" at its plant facilities. This center aims to improve employee efficiency, contribute to the training of new personnel, and foster innovation in the cement industry, reflecting our ambitious vision to achieve leadership and sustainability in the sector.
- Graduate Qualification Program "Himma _ Batch 3": As part of Riyadh Cement's commitment to developing national talents and supporting sustainability in the cement industry, the "Himma" employment-focused training program has been highly successful. It has contributed to qualifying new graduates from universities, technical colleges, and high schools, and employing them after successfully completing the training program.

Investment in minds, relationships, and technologies.

In 2024, Riyadh Cement made significant progress in strengthening its organizational framework and empowering its workforce, reflecting its strong commitment to both internal development and broader economic goals within Saudi Vision 2030.

The company continued to improve its organizational structure by relying on strong design principles that ensure smooth functional performance and clarity. This structure aims to increase the number of departments and divisions to enhance operations and create a more efficient work environment, ensuring the availability of the appropriate capabilities and competencies to implement the company's ambitious strategy.

Regarding professional development, which is a key area of focus within the company's strategy, a large number of employees participated in professional certification programs. The wide-ranging training initiatives reflect the company's investment in continuous learning and skill enhancement.

Enhancing societal impact.

Driven by our core values in social responsibility and a commitment to enhancing positive impact on both society and the environment, the company continues to implement several initiatives aimed at achieving social and environmental sustainability. Our efforts have focused on adopting practices that contribute to improving the quality of life for the local community, alongside supporting initiatives that balance institutional growth with social responsibility. This reflects our commitment to our role in improving the environment and developing the community. In this context, the company has launched several qualitative initiatives, including:

- **Tree Planting Initiative:** We have planted 3,000 saplings in the areas surrounding our facilities, contributing to improving air quality and providing a healthy environment for the local community.
-
- **Establishment of an Agricultural Nursery within the Company's Factories:** This initiative aims to support afforestation and increase green spaces, enhancing the quality of the surrounding environment and contributing to creating a healthy and sustainable work environment. It also supports the Riyadh Green Initiative, which aims to expand green spaces and improve air quality in the city. Through this project, we reaffirm our continuous commitment to contributing to the achievement of the initiative's goals and supporting environmental sustainability in the Kingdom.
- **Social Solidarity Support:** By organizing trips for Umrah and visits to the Prophet's Mosque, we strengthen social connections between our employees and the local community.
- **Seasonal Vaccination Initiative:** To ensure a healthier and safer work environment, this initiative aims to reduce the spread of seasonal illnesses among employees, contributing to a stable work environment.
- **Partnership with the Business Family Development Association:** By signing an agreement with the association, we have expanded our support for and economic empowerment of productive families, leading to the launch of several initiatives aimed at improving the living conditions of these families and enhancing their role in society.
- **Maysour Initiative:** We donated surplus furniture and electronic devices to support needy families. This initiative not only provides support but also promotes sustainability values through recycling.
- **Support for Productive Families:** We allocated a part of our events to showcase products from productive families, offering them a unique marketing opportunity and enhancing their economic and social standing, opening new horizons for growth and prosperity.



Riyadh Cement obtains ISO certification in Energy Management System

In 2024, Riyadh Cement Company achieved a significant milestone, reinforcing its leadership in sustainability and energy efficiency by obtaining the ISO 50001:2018 Energy Management System certification. This accomplishment came after the company successfully met all global standards for energy management, reflecting its strong commitment to implementing best practices in this field.

The ISO 50001 certification marks a strategic step for Riyadh Cement Company in enhancing energy efficiency across its industrial projects and managed facilities. The company has demonstrated excellence in adopting sustainable solutions that contribute to reducing energy consumption. This achievement also underscores its dedication to providing innovative energy management solutions that maximize resource utilization and improve environmental performance.

Earning this certification adds substantial value to the company's record of accomplishments, highlighting its ongoing commitment to adhering to global quality standards across all operations. It also strengthens Riyadh Cement Company's vision of contributing to sustainable energy efficiency and supporting the industrial sector's long-term growth through innovation and the adoption of international best practices.



Riyadh Cement Company has obtained the ISO 27001:2013 certification for Information Governance and Security

As part of its continuous efforts to enhance its security systems and elevate information protection standards, Riyadh Cement Company obtained the ISO 27001:2013 certification for Information Governance and Security across all its services in 2024. This certification is a significant international recognition of the company's commitment to implementing the highest standards of information security and adhering to both local and global regulations governing this field.

Achieving this certification marks a major milestone, reflecting Riyadh Cement Company's ongoing dedication to developing security systems and adopting best practices in information security management and data governance. This aligns with modern-day requirements and the evolving needs of the industrial sector.

Riyadh Cement Company successfully obtained this certification by accomplishing several key objectives, including:

1. **Developing and Implementing an Information Security Management System:** A comprehensive information security management system was established within the company and is continuously developed and improved to ensure its effectiveness.
2. **Risk Management:** Information security risks were assessed and addressed with high efficiency, ensuring the protection of data from potential threats that could impact business operations.
3. **Compliance with International and Local Standards:** The company ensured that its systems align with the highest international and local information security standards, strengthening trust with its customers and partners.

This certification is an integral part of Riyadh Cement Company's strategy to enhance a secure and reliable corporate environment. It reflects the company's commitment to delivering high-quality products within a framework of security and data protection. This achievement reaffirms the company's position as a leading player in the industry, continuously striving for excellence in all aspects of its operations while maintaining the highest security standards to safeguard the interests of all stakeholders.





Our Targets for 2025

Improving financial performance and enhancing growth by sustaining revenue development while strengthening market share locally and regionally.

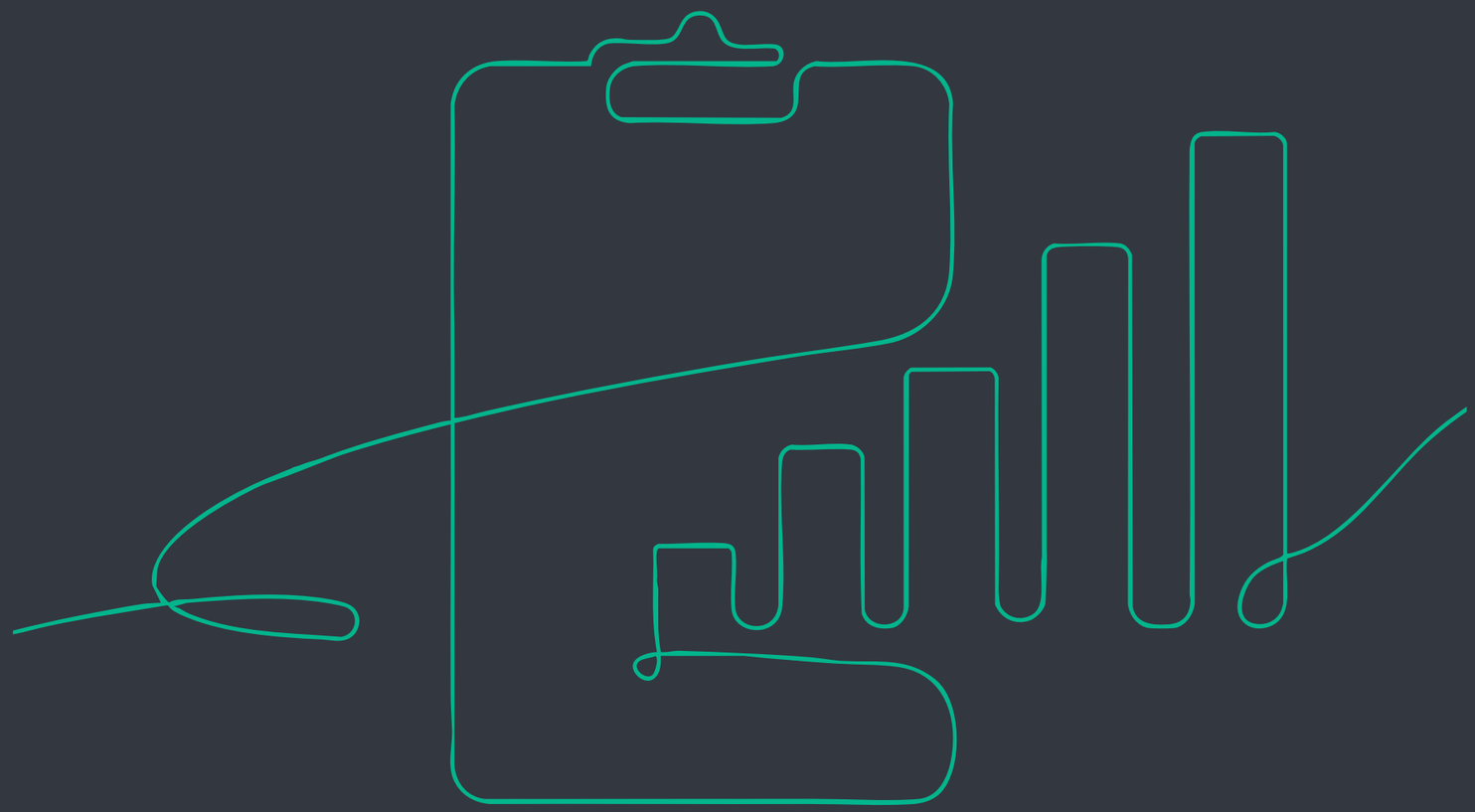
Enhancing operational efficiency and resilience by reducing production costs and strengthening supply chain flexibility through strategic partnerships with raw material suppliers to ensure continuity.

Accelerating digital transformation and innovation by implementing an integrated digital system for production and logistics, alongside developing new eco-friendly cement products to meet market demands and environmental standards.

Enhancing sustainability and environmental responsibility by reducing carbon emissions through the adoption of energy efficiency technologies and the use of alternative materials, in alignment with national and global environmental goals.

Improving customer service and strengthening stakeholder relationships by increasing customer satisfaction index, enhancing strategic partnerships, and solidifying the company's market position.

Developing human capital and increasing localization through advanced training programs for the workforce, in alignment with Vision 2030 and sustainable development goals.

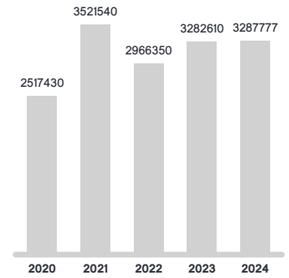


Operational Performance

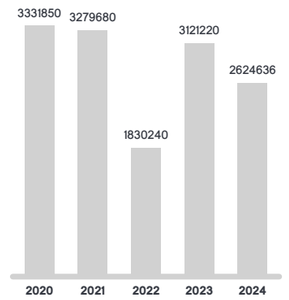
Production and sales over the past five years.

Sales (tons) Grey Cement (tons)	Production (tons)		year
	Grey Cement	Grey Clinker	
2,517,429	3,331,847	3,331,847	2020
3,521,539	3,279,680	3,279,680	2021
2,966,354	1,830,238	1,830,238	2022
3,282,610	3,289,067	3,121,222	2023
3,287,777	3,291,516	2,624,636	2024

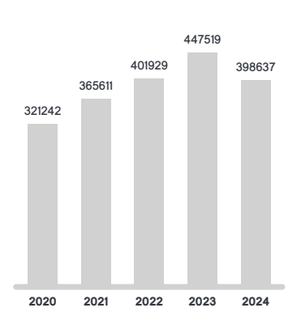
Sales (tons)		Production (tons)		year
White Clinker	White Cement	White Cement	White Clinker	
-	321,242	318,737	267,004	2020
2,892	365,611	373,058	252,175	2021
9,122	401,929	406,277	596,002	2022
14,929	447,519	444,481	250,739	2023
4,283	398,637	397,768	588,547	2024



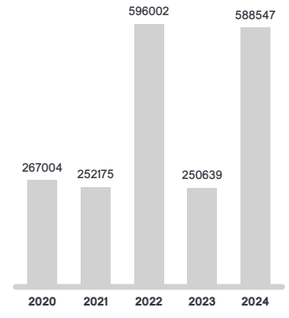
Sales of Grey Cement (tons)



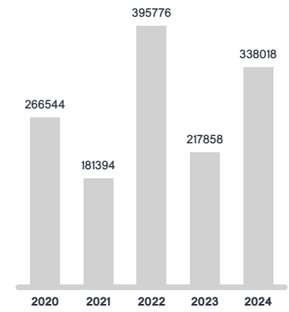
Production of Grey Clinker (tons)



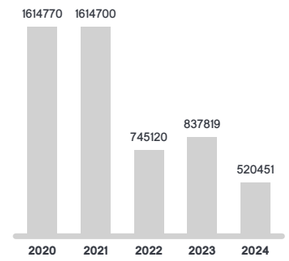
Sales of White Cement (tons)



Production of White Clinker (tons)



Ending Stock of White Clinker (tons)



Ending Stock of Grey Clinker (tons)

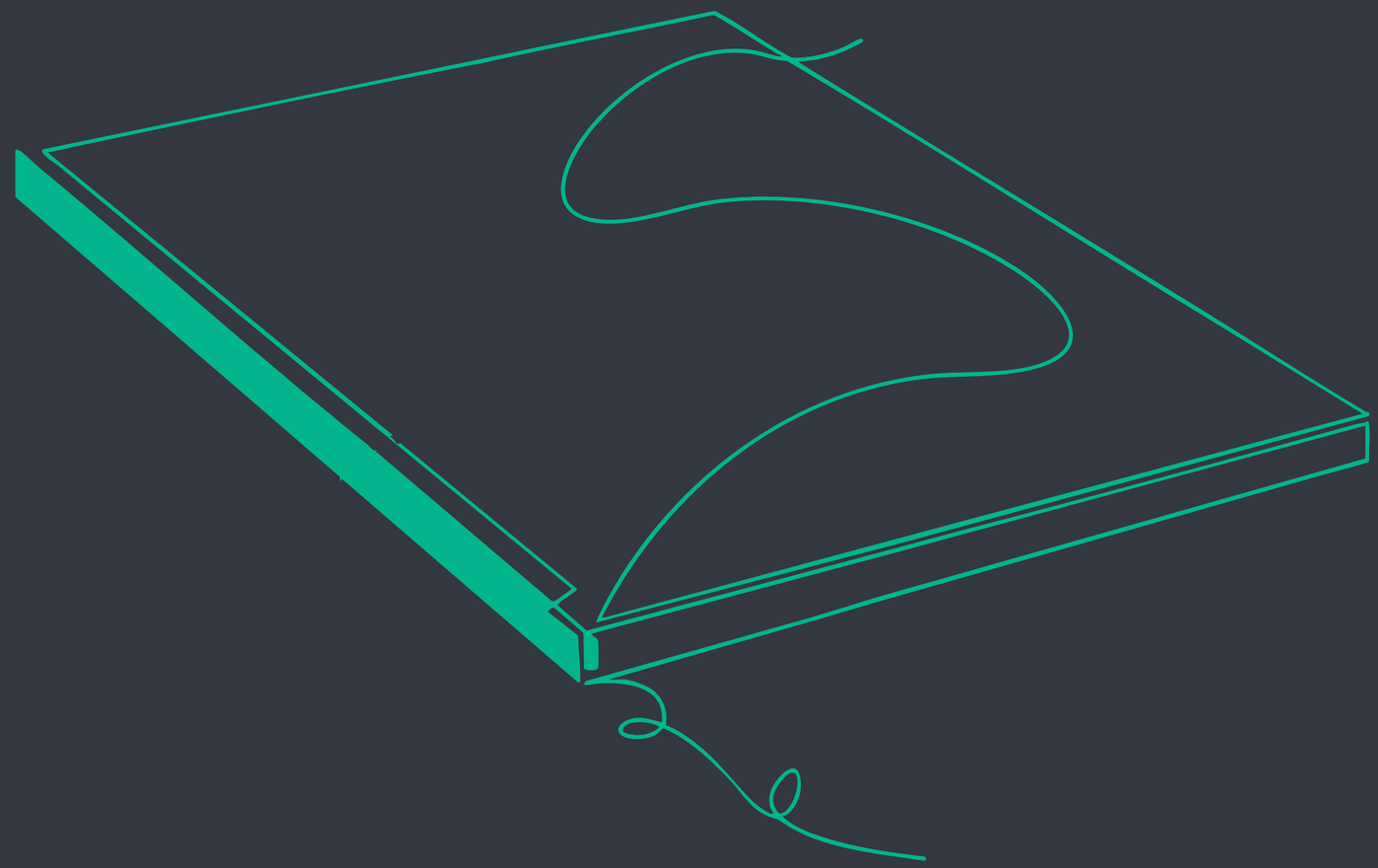
Double Production Line

140.839 tons in 2019

362.299 tons in 2022

327.749 tons in 2024

of white clinker produced through the double production line No. 1



Corporate Governance

Board of Directors



Mr. Salah bin Rashed Al Rashed

Chairman

Academic Qualifications:

- He holds a Bachelor's degree in Civil Engineering from the University of Washington، USA، in 1977.

Professional Experience:

- He has held the position of General Manager at Rashid Al Abdulrahman Al Rashed & Sons Company since 1977 and continues in this role to date.
- He has also been serving as the Chairman of the Board of Directors at Riyadh Cement Company since 2016 and continues in this position.

Memberships in Other Boards of Directors:

- He has held the position of Chairman of the Board of Directors of the Arab National Bank since 2017 to present.
- He has held the position of Chairman of the Board of Directors of Technical Investments Company since 2016 to present.
- He has held the position of Chairman of the Board of Directors of Al_Rashed A. Betong Company since 2015 to present.
- He has held the position of Chairman of the Board of Directors of Trade and Contracting Company since 2016 to present.
- He has held the position of Chairman of the Board of Directors of Golden Chicken Farms Company since 2013 to present.
- He has held the position of Chairman of the Board of Directors of Saudi Electrical Business Services Company since 2013 to present.
- He has held the position of Chairman of the Board of Directors of Care and Medical Sciences Company since 2015 to present.
- He has held the position of Chairman of the Board of Directors of Al_Rashed & Al_Omran Company since 1970 to present.
- He has held the position of Board Member of Gulf Applications Company since 2007 to present.
- He has held the position of Board Member of Imdad Solutions for Information Technology Company since 2014 to present.
- He has held the position of Board Member of Al_Yamama Medical Company since 2010 to present.
- He has held the position of Board Member of Al_Malz Financial Company since 2008 to present.



Eng. Khalid bin Abdullah Al Melhem

Deputy Chairman

Academic Qualifications:

- He holds a Bachelor's degree in Science in Engineering Management from the University of Evansville، USA، in 1981.
- He also holds a Bachelor's degree in Science in Electrical Engineering from the University of Evansville، USA، in 1981.

Professional Experience:

- He has held the position of Vice Chairman of the Board of Directors of Riyadh Cement Company since 2016 to present.
- He served as General Manager at Saudi Arabian Airlines from 2006 to 2014.
- He was the CEO of Saudi Telecom Company from 2001 to 2006.
- He served as Vice President of Finance at Saudi Telecom Company from 1998 to 2001.
- He was the CEO of Almarai Dairy Company from 1997 to 1998.
- He held several positions at the Saudi British Bank (SABB) between 1989 and 1997، including Senior Manag_er of Retail Banking، Executive Director of Investment Banking، Regional Manager، and Executive Director of Investment.
- He was Head of the Task Force at the Saudi Industrial Development Fund from 1983 to 1989.
- He worked as an Engineer at King Abdulaziz Airbase _ Royal Saudi Air Force from 1981 to 1983.

Memberships in Other Boards of Directors:

- He serves as a Board Member of the MBC Group.
- He serves as a Board Member of Kadana Development and Real Estate.
- He serves as a Board Member of the Al_Aqeer Development Company.
- He serves as a Board Member of Al_Awwal Investment Company.



Mr. Fahad bin Hizam Al Nabit

Board Member

Academic Qualifications:

- He holds a Bachelor's degree in Law from King Saud University، Saudi Arabia، in 1992.

Professional Experience:

- He has been the General Manager of Heritage Buildings Company since 2018.
- He has been the General Manager of National Food Investment Company since 1998.
- He has been the General Manager of Mawarid Holding Company since 1997.

Memberships in Other Boards of Directors:

None



Dr. Nasser bin Fadl Aqeel

Board Member

Academic Qualifications:

- Holds a Ph.D. in Civil Engineering from the University of Colorado Boulder، USA، in 1989.
- Holds a Master's degree in Civil Engineering _ Construction Engineering and Management from the Univer_ sity of Colorado Boulder، USA، in 1985.
- Holds a Bachelor's degree in Civil Engineering _ Construction Engineering and Management from King Saud University، Saudi Arabia، in 1981.

Professional Experience:

- He served as the CEO of Riyadh Cement Company from 1997 to 2016.
- He served as General Manager of Riyadh Cement Company from 2006 to 2011.
- He served as Coordinator of the Engineering Management Sector and a member of the Training Board at the Institute of Public Administration from 1989 to 1995.
- He worked as a Graduate Researcher at the University of Colorado Boulder from 1987 to 1989.
- He worked as a Teaching Assistant at the University of Colorado Boulder from 1981 to 1982.

Memberships in Other Boards of Directors:

- He has served as the Chairman of the Board of TOWA Development Company to present.



Mr. Abdullah bin Ateeq Al Fawaz

Board Member

Academic Qualifications:

- He holds a Master's degree in Law from Indiana University، 1988.
- He holds a Bachelor's degree in Law from King Saud University in Saudi Arabia، 1985.

Professional Experience:

- He served as a Legal Advisor at the Expert Committee of the Council of Ministers from 1988 until 2016.

Memberships in Other Boards of Directors:

- Chairman of the Board of Directors of Faza Industrial Company.



Eng.Mohaamed bin Khalifa Almelhem

Board Member

Academic Qualifications:

- He holds a master's degree in Banking and Finance from Queen Mary University of London in 2011.
- He holds a bachelor's degree in Civil Engineering from Concordia University in 2014.

Professional Experience:

- He served as a Civil Engineer at Aramco from 2014 to 2017.
- He has been the Business Development Manager at Modular Concrete Buildings Systems Company since 2017.

Memberships in Other Boards of Directors:

- Independent member in a personal capacity at Al_Etefaq Steel Company.
- Independent member in a personal capacity at Advanced Petrochemical Company.
- Independent member in a personal capacity at Al_Jazeera Support Services Company.



Eng. Shoeil bin Jarallah Al Ayed

Board Member & CEO

Academic Qualifications:

- He holds a Master's degree in Engineering Management from Florida Institute of Technology، USA، in 1985.
- He holds a Bachelor's degree in Physical Engineering from Jacksonville University، USA، in 1983.
- He holds a Bachelor's degree in Electrical Engineering from Jacksonville University، USA، in 1983.

Professional Experience:

- He has been the CEO of Saudi White Cement Company since 2017.
- He served as CEO of Sabic Steel from 2013 to 2016.
- He was the Vice President of Southern Cement Company from 2010 to 2013.
- He served as General Manager of Hif Southern Region from 2007 to 2010.
- He was the Distribution Engineering Manager at Saudi Electricity Company _ Southern Region from 2005 to 2007.
- He served as Electrical Manager at Saudi Electricity Company in the Asir region from 2003 to 2005.
- He was the Distribution and Transmission Manager at Saudi Electricity Company in the Asir Region from 1987 to 2003.
- He worked as a Project Engineer at Saudi Electricity Company from 1985 to 1987.
- He was the Chairman of the National Steel Committee at the Saudi Chamber of Commerce Council from 2014 to 2016.

Memberships in Other Boards of Directors:

- Vice Chairman of the Board of Directors of First Copper Company since 2016.
- Board Member of Rummat Company، affiliated with the Ministry of Municipal and Rural Affairs and Housing، since 2023.
- Board Member of the National Company for Metal Recycling from 2013 to 2016.

Board Secretariat



Dr. Sultan Bin Saad Alowies

Secretary of the Board of Directors

Academic Qualifications:

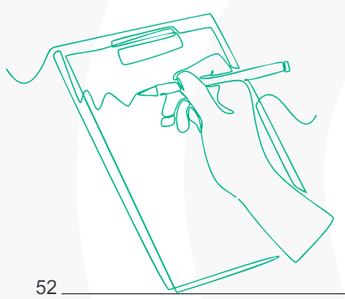
- He holds a Ph.D. in Media، specializing in Public Relations، from Imam Muhammad bin Saud Islamic University in 2025.
- He holds a Master's degree in Media، specializing in Public Relations، from Imam Muhammad bin Saud Islamic University in 2016.
- He holds a Higher Diploma in Business Administration from Imam Muhammad bin Saud Islamic University in 2012.
- He holds a Bachelor's degree in Media from King Saud University in 2007.

Professional Experience:

- He has served as the Secretary of the Board of Directors of Riyadh Cement Company since 2023 to present.
- He has served as the Public Relations Manager at Riyadh Cement Company since 2023 to present.
- He served as the Director of Media Affairs at Riyadh Municipality from 2021 to 2023.
- He served as the Public Relations Manager at the Municipal Council from 2016 to 2021.
- He served as the Media Officer in the Public Relations Department at Riyadh Municipality from 2007 to 2016.

Memberships in Other Boards of Directors:

- He has been a member of the Board of the Saudi Public Relations and Advertising Association since 2023 to present.



The members of the Nominations and Compensation Committee

Name	Current Positions	Qualifications	The previous positions
Mr. Fahad bin Hizam Al Nabit	Chairman of the Nominations & Remunerations Committee		
Mr. Salah bin Rashed Al Rashed	Non-Executive Member	It was mentioned previously	
Eng. Khalid bin Abdullah Al Melhem	Non-Executive Member		

Members of the audit committee

Abdullah bin Atiq bin Abdulrahman Al-Fawaz

Chairman of the Audit Committee

IThe previous positions It was mentioned previously

Qualifications It was mentioned previously

Dr. Abdullah bin Sagheer bin Mohammed Al-Hussaini

Member of the audit committee

- Academic Qualifications:
- He holds a Ph.D. in Financial Accounting and Auditing from Kent University in 2015.
- He holds a Master's degree in Accounting from King Saud University in 1997.
- He holds a Bachelor's degree in Accounting from King Abdulaziz University in 1995.

- Professional Experience:
- He served as a Professor of Accounting and Auditing - Dean at Prince Sultan University in Riyadh from 2010 to present.
- He served in Financial Management - Human Resources Management from 2005 to 2010.
- He served in Financial and Administrative Consultations - Zakat and Taxes from 2000 to 2005.
- He served in Accounting and Auditing from 1990 to 2000.
- He served as the Chairman of the Board of Directors of Faza Industrial Company from 1437 AH to 1443 AH.

Memberships in Other Boards of Directors: None

Mohammed bin Abdulaziz bin Abdulrahman Al-Shaya

Member of the audit committee

Academic Qualifications:

- He holds a Certified Internal Auditor (CIA) certification from the Institute of Internal Auditors in the United States in 2003.
- He holds a Certified Public Accountant (SCOPA) certification from the Saudi Organization for Certified Public Accountants in Saudi Arabia in 2000.
- He holds a Certified Public Accountant (CPA) certification from the American Institute of Certified Public Accountants in the United States in 1999.
- He holds a Bachelor's degree in Accounting from Imam Muhammad bin Saud Islamic University in Saudi Arabia in 1990.
- He holds a Master's degree in Accounting from the University of Illinois in the United States in 1998.

Professional Experience:

- Chairman of the Board - SAB Takaful.
- CEO - Medgulf Insurance Company.
- General Manager of Supervision of Financing Companies - Saudi Central Bank (SAMA).

Memberships in Other Boards of Directors: None

Members of executive management



Eng. Shoeil bin Jarallah Al Ayed

Board Member & CEO

Academic Qualifications:

It was mentioned earlier.

Professional Experience:

It was mentioned earlier.

Memberships in Other Boards of Directors:

It was mentioned earlier.



Eng. Girish Kumar

Plant Manager

Academic Qualifications:

- Executive Master of Business Administration (MBA) from CMJ University, India.

Professional Experience:

- More than 28 years in the cement and lime industry.
- Factory Manager at Riyadh Cement Company since 2024 to present.
- Head of Manufacturing at several global cement companies, such as:
- (ARM Cement, FLSmidth O&M, Kanodia, Ultratech Cement, Lafarge Cement, Ambuja Cement, Andhra Cement, Pioneer Cement, J P Cement).



Mr. Muhannad Muhammad Melhem

Director of Finance

Academic Qualifications:

- He holds a Master's degree in Accounting from the Arab Academy University in Jordan in 2006.
- He holds a Bachelor's degree in Accounting from Al_Zaytoonah University in Jordan in 2003.

Professional Experience:

- He has been the Director of Financial Management at Riyadh Cement Company (operating in the cement industry) since 2018.
- He served as the Financial Manager at Umm Al_Qura Cement Company (operating in the cement industry) from 2016 to 2018.
- He was the Financial Manager at Northern Cement Company (operating in the cement industry) from 2012 to 2016.
- He held the position of Financial Manager at Fawaz Al_Hokair Company from 2008 to 2012.

Membership Classification of Board Members

The Board of Directors consists of seven members، and their classification for the year 2024 is as follows:

Member Name	(Membership Classification (Executive _ Non_Executive _ Independent
Mr. Salah bin Rashed Al Rashed	Non_Executive
Eng. Khaled bin Abdullah Al Melhem	Non_Executive
Dr. Nasser bin Fadl Aqeel	Non_Executive
Eng. Mohammed Khalifa Al Melhem	Independent
Mr. Abdullah bin Ateeq Al Fawaz	Independent
Mr. Fahad bin Hizam Al Nabit	Independent
Eng. Shoeil bin Jarallah Al Ayed	Executive

The actions taken by the Board of Directors to inform its members، particularly the non_executive members، of the shareholders› suggestions and comments regarding the company and its performance:

The Board of Directors has not received any comments from the shareholders regarding the company and its performance. It is worth noting that all shareholder inquiries and questions were addressed during the General Assembly meetings، and the questions and answers are documented in the minutes of the meetings.

The number of Board of Directors meetings held during the year 2024، along with the dates and attendance record for each meeting، including the names of attendees:

No.	Name	Board Meeting No (112) 18/ 03/ 2024	Board Meeting No (113) 19/ 05/ 2024	Board Meeting No (114) 07/ 08/ 2024	Board Meeting No (115) 06/ 11/ 2024	Attendance Percentage
1	Mr. Salah bin Rashed Al Rashed	Attended	Attended	Attended	Attended	٪ 100
2	Eng. Khaled bin Abdullah Al Melhem	Attended	Attended	Attended	Attended	٪ 100
3	Dr. Nasser bin Fadl Aqeel	Attended	Attended	Attended	Attended	٪ 100
4	Mr. Fahad bin Hizam Al Nabit	Attended	Attended	Attended	Attended	٪ 100
5	Eng. Shoeil bin Jarallah Al Ayed	Attended	Attended	Attended	Attended	٪ 100
6	Eng. Mohammed Khalifa Al Melhem	Attended	Attended	Attended	Attended	٪ 100
7	Mr. Abdullah bin Ateeq Al Fawaz	Attended	Attended	Attended	Attended	٪ 100

Committees› Competencies، Tasks، Chairpersons، Members، Number of Meetings، Dates of Meetings، and Attendance Data for Each Member per Meeting

1. Remuneration and Nominations Committee

A brief description of the duties and responsibilities of the Remuneration and Nominations Committee:
The Remuneration and Nominations Committee consists of three members as listed below. The committee carried out its duties and responsibilities through meetings held during 2024، with the details as follows:

٫o	Name	Nature of Membership	Committee Meeting 20/ 02/ 2024	Committee Meeting 01/ 04/ 2024	Attendance Percentage
1	Mr. Fahad bin Hizam Al Nabit	The committee chairman is an independent member	Attended	Attended	٪ 100
2	Mr. Salah bin Rashed Al Rashed	Non_executive member	Attended	Attended	٪ 100
3	Eng. Khalid bin Abdullah Al Melhem	Non_executive member	Attended	Attended	٪ 100

The key tasks and responsibilities are summarized as follows:

- The key tasks and responsibilities include:
-
- Recommending to the Board of Directors candidates for board membership.
- Reviewing the Board's structure، conducting an annual review of the members' capabilities and qualifica_ tions، and proposing changes that align with the company's best interests.
- Establishing clear policies for board member compensation، as well as for senior executives، based on performance_related criteria، ensuring that these compensations are sufficient to retain skilled individuals and attract qualified personnel، aligning with the competitive compensation structures in the market.
- Ensuring annually the independence of independent members and confirming there are no conflicts of interest if a member holds directorship positions in other companies.
- Preparing a policy for the compensation of board members، committees، and executive management، including recommendations to the Board.

- **Compensation Policy and the Relationship Between the Granted Compensation and the Applicable Compensation Policy:**
- An amount of SAR 300،000 is granted annually to each Board member. The executive management، including the CEO، is granted an annual compensation that aligns with the efforts exerted and the level of commitment to achieving the company's goals، subject to approval by the Board of Directors. The com_ pensation has been granted based on the established mechanism، and there are no material deviations from this mechanism.

Statement of Rewards for the Chairman and Board Members for the Year 2024

The Board of Directors consists of seven members، classified for the year 2024 as follows:

Board Members	Fixed Rewards						Variable bonuses						End of service reward	Total sum	Expense allowance
	A Specific Amount	Allowance for attending board meetings	Total allowance for attending committee meetings	Non-monetary benefits	Reward for the Chairman, Managing Director, or Secretary if they are members	Total	Percentage of profits	Periodic bonuses	Short-term incentive plans	Long-term incentive plans	The granted shares are entered at their value	Total			
First: Independent Members															
Mr. Fahad bin Hizam Al Nabit		20,000	10,000		300,000	330,000									
Eng. Mohammed Khalifa Al Melhem		20,000			300,000	320,000									
Mr. Abdullah bin Ateeq Al Fawaz		20,000	40,000		300,000	360,000									
Second: Non_Executive Members															
Mr. Salah bin Rashed Al Rashed		20,000	10,000		300,000	330,000									
Eng. Khaled bin Abdullah Al Melhem		20,000	10,000		300,000	330,000									
Dr. Nasser bin Fadl Aqeel		20,000			300,000	320,000									
Third: Executive Members															
Eng. Shoeil bin Jarallah Al Ayed		20.000			300,000	320,000									

Statement of Rewards for Committee Members During the Year 2024:

Committee Members	Fixed Rewards (excluding attendance allowance)	Attendance allowance	Total
Audit Committee Members			
Mr. Abdullah bin Ateeq Al Fawaz	77,459 SR	40,000 SR	117,459 SR
Mohammed bin Abdulaziz Al_Shaya	97,404 SR	40,000 SR	137,404 SR
Dr. Abdullah bin Sagheer Al_Hussaini	97,404 SR	40,000 SR	137,404 SR
Nomination and Remuneration Committee Members			
Mr. Fahad bin Hizam Al Nabit	50,000 SR	10,000 SR	60,000 SR
Mr. Salah bin Rashed Al Rashed	50,000 SR	10,000 SR	60,000 SR
Eng. Khaled bin Abdullah Al Melhem	50,000 SR	10,000 SR	60,000 SR

Statement of Bonuses and Compensation Paid to Key Executives During the Year 2024

The following is a statement of the total payments made by the company to its key executives:

The statement	Bonuses of key executives who received the highest rewards and compensations
Salaries and compensations	5,031,267 SR
Allowances	1,760,943 SR
Periodic and annual bonuses and incentive plans	2,637,089 SR
Total	9,429,299 SR

Audit Committee

A brief description of the duties and responsibilities of the Audit Committee.

The Audit Committee consists of one member from the Board of Directors، in addition to two members from outside the board. The committee carried out its duties and responsibilities through five meetings held during 2024، with the details as follows:

	Name	Type of membership	Meeting No. (49)	Meeting No. (50)	Meeting No. (51)	Meeting No. (52)	Meeting No. (53)	Meeting No. (54)	Meeting No. (55)	Meeting No. (56)	Attendance Percentage
1	Abdullah Atiq Al_Fawaz	Independent	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	٪ 100
2	Abdullah Saghir Al_Husseini	From outside the board	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	٪ 100
3	Mohammed Abdulaziz Al_Shaya	From outside the board	Attended	Attended	Attended	Attended	Attended	Attended	Attended	Attended	٪ 100

- The Audit Committee is responsible for overseeing the company's activities and ensuring the accuracy and integrity of its financial reports، financial statements، and internal control systems. The key duties and responsibilities are summarized as follows:
-
- Reviewing the preliminary and annual financial statements before presenting them to the Board of Direc_ tors for approval.
- Recommending the appointment، dismissal، and determination of fees for external auditors.
- Monitoring the work of appointed external auditors، including reviewing their plans، comments on the financial statements، and ensuring the implementation of any suggested actions (if applicable).
- Reviewing the internal control system and providing a written report on its opinion and recommendations، including reviewing the accounting policies followed by the company.
- Reviewing the company's internal audit unit، studying its reports، and following up on the implementation of any corrective actions mentioned therein.
- Reviewing the results of reports from regulatory authorities (if applicable) and examining the contracts and transactions the company plans to conduct with related parties (if applicable)، ensuring the compa_ ny's compliance with laws، regulations، and policies.

Results of the annual review of the effectiveness of the company's internal control procedures, and the Audit Committee's opinion on the adequacy of the company's internal control system:

The Internal Audit Department of the company carries out continuous operational audits to assess the effectiveness and efficiency of the internal control system and procedures in safeguarding the company's assets, evaluating the risks associated with the internal control system, and providing recommendations to the Board of Directors aimed at enhancing the system in a way that positively impacts the company and efficiently protects the interests of the organization.

The Audit Committee's opinion on the adequacy of the internal control system in the company:

Based on the annual audit plan approved by the Audit Committee, the company's internal audit department conducts regular review and examination operations for various departments, including the internal control system. According to the results of the review and examination processes during the year 2022 and previous years, the Audit Committee's evaluation of the company's internal and financial control systems did not reveal any significant weaknesses, and it showed that the implementation of internal control procedures is effective. On the other hand, the external auditor typically conducts an evaluation of the internal control system as part of their audit of the company's annual financial statements. The company allows the external auditor access to all documents, systems, policies, procedures, minutes of Audit Committee meetings, and internal audit reports for the relevant period/financial year under review.

Recommendations of the Audit Committee:

The Audit Committee's recommendation regarding the need to appoint an internal auditor in the company if one is not present:
There is an internal audit unit.

Recommendations of the Audit Committee that conflict with the decisions of the Board of Directors, or those that the Board refused to implement regarding the appointment of the company's external auditor, determining their fees, evaluating their performance, or appointing the internal auditor, and the rationale behind those recommendations, as well as the reasons for not adopting them:
There is no conflict between the Audit Committee's recommendations and the Board of Directors' decisions regarding the appointment, dismissal, fees, or performance evaluation of the external auditor, or the appointment of the internal auditor, and the reasons for not adopting any recommendations.

Corporate Governance Regulations – What has been applied and what has not been applied, along with the reasons for non-compliance:

Governance aims to establish rules and standards to ensure adherence to the best governance practices that protect shareholders and stakeholders. Accordingly, Riyadh Cement Company is committed to adopting the highest standards of governance. This system aligns with the company's commitment to quality in all its operations, activities, and products.

The company acknowledges that it has applied all the provisions of the Corporate Governance Regulations issued by the Capital Market Authority, except for the provisions listed below:

Article Number	Article/Paragraph Text	Reasons for non-compliance
Non-applied Advisory Provisions	Articles: 28, 39, 41, 54 (B), 70, 71, 72, 76, 77, 88, 89 (3), 95.	Advisory provisions to be applied when they become mandatory.
Mandatory provisions that were not applied:	There is none.	

A description of the company's important plans and decisions (including structural changes, business expansion, or cessation of operations) and future expectations for the company's activities:

Plans, Decisions, and Future Expectations:
The company is currently studying the changes in the business environment surrounding the cement sector to quickly respond to any opportunities that may contribute to the long-term growth of the company or any risks that could negatively impact its operations, in order to mitigate or prevent their effect.
Riyadh Cement Company's management is focused on implementing measures to enhance the company's leading position in its natural market (the central region) and growth through creating a competitive advantage in the Saudi market.

The company's general future plan includes the following objectives:

- Building strategic relationships with customers to achieve growth in the cement manufacturing and marketing sector.
- Marketing different types of cement and raising awareness about the appropriate uses for each type.
- Working on studying available and cost-effective alternative fuels and the financial, environmental, and logistical impacts associated with them.

Information regarding any risks faced by the company (whether operational, financial, or market risks), along with the risk management and monitoring policies.

The risks faced by the company:

- 1- Risks related to the raw materials quarry license:
- The company operates under Raw Materials Quarry License No. 85/M, dated 13/09/1429 H (corresponding to 13/09/2008), granted by the Ministry of Industry and Mineral Resources. This license is for the exploitation of limestone ore for the production of white cement and Portland cement in the area of Khushm Mu'dad in Jabal Tuwaq, Al-Muzahimiyah Governorate, Riyadh Region. The duration of this license is thirty lunar years, meaning it will expire in 1459 H. According to the terms and conditions of the quarry license, the Ministry of Industry and Mineral Resources may terminate the quarry license in the following cases:
-
- - The company fails to pay the amounts due to the Ministry of Industry and Mineral Resources for a period of one hundred and fifty days.
- - The company provides false information to the Ministry.
- - The company fails to implement the obligations imposed by the Mining Investment Law, its executive regulations, or the quarry license within sixty days after receiving written notice from the Ministry of Industry and Mineral Resources. Additionally, if the company delays for more than sixty days after receiving written notice to correct any procedure that endangers the health and safety of its employees or others, or poses a threat to mineral formations.
- - The company fails to take necessary measures to protect the environment, wildlife, archaeological sites, or tourist areas within sixty days after receiving written notice from the Ministry of Industry and Mineral Resources.
-
- If the company fails to comply with the terms and conditions of the quarry license in the future, it will be at risk of having its quarry license revoked. This would prevent the company from continuing its activities, which would have a negative impact on the company's operations, financial position, and future expectations.

2- Risks related to the inability to execute the strategy:
The company's ability to increase its revenue and improve profitability depends on the effective execution of its business plans and the successful implementation of its strategy to enhance current production lines or expand by adding new production lines. The company's ability to expand its operations in the future depends on its capacity to continue executing and improving operational, financial, and administrative information systems efficiently and on time, as well as its ability to increase, train, motivate, and manage its workforce.
Moreover, any future expansion plans the company intends to undertake will be subject to estimated costs and a specific implementation timeline. The company may need to secure additional funding to complete any expansion plans. If the company is unable to execute these plans according to the specified timeline and estimated project costs, or if it fails to achieve the anticipated profitability from these projects due to various reasons, such as changes in the market conditions during project execution or flaws in the feasibility study, this will negatively impact the company's competitive position, as well as its business results, profitability, and future expectations.

3- Risks related to potential liabilities:
The company may incur certain potential liabilities, such as costs related to zakat, taxes, and lawsuits, as well as any other liabilities or costs associated with its business activities. If these liabilities materialize, they will negatively impact the company's financial position, financial standing, operational results, and future expectations.

4- Risks related to the failure to obtain or renew licenses, permits, and certificates:
The company is required to obtain and maintain various licenses, permits, and regulatory approvals related to its activities. These include, but are not limited to, the national manufacturer license issued by the Ministry of Industry and Mineral Resources, company registration certificates issued by the Ministry of Commerce, trademark registration certificates, Saudization certificates, zakat certificates, VAT registration certificates, social insurance certificates, and an environmental operating license from the General Authority of Meteorology and Environmental Protection.
If the company fails to renew its current licenses, permits, and certificates, or fails to obtain any necessary licenses for its operations, or if any of its licenses are suspended or expire, or if any of these licenses are renewed under terms unfavorable to the company, or if the company is unable to obtain additional licenses, permits, and certificates that may be required in the future, this may expose the company to disruptions in its operations. These could include business closure, suspension of all services provided by regulatory authorities (such as renewing licenses, certificates, obtaining visas, residence permits, sponsorship transfers, etc.), or incurring financial penalties imposed by the relevant authorities responsible for licenses, permits, and certificates. Such events would result in operational disruptions and additional costs, which would negatively impact the company's business, operational results, financial position, and future expectations.

5- Risks related to reliance on key employees and executive management:
The company's future success and plans depend on the expertise and competencies of its executive management and key employees. The company aims to attract and hire qualified individuals to ensure efficiency and quality in its operations through effective management and proper execution. Additionally, the company will need to increase employee salaries to retain them or attract new personnel with appropriate qualifications and experience. Therefore, if the company loses any of its senior executives or qualified employees and is unable to hire suitable replacements with the same level of experience and qualifications at an appropriate cost, it will have a significant negative impact on the company's operations, results, and future expectations.

6- Risks related to employee misconduct or errors:
The company may face misconduct or errors by employees. The company cannot guarantee that it will avoid employee misconduct or mistakes such as fraud, intentional misconduct, embezzlement, theft, forgery, abuse of its assets, or unauthorized actions on behalf of the company. Such actions may result in consequences and responsibilities that the company must bear, including legal penalties or financial liabilities, which could negatively affect the company's reputation, financial position, operational results, and future expectations.

7- Risks related to future funding availability:
The company may need to obtain loans and banking facilities to finance future expansion plans. It is important to note that securing financing depends on the company's capital, financial position, cash flows, collateral provided, and credit history. The company does not provide any assurance or guarantee regarding its ability to secure appropriate financing if needed. Therefore, the company's inability to obtain the necessary financing from funding sources or financing on acceptable terms could negatively impact its performance, operations, and future plans.

General Disclosures

1. Here are some disclosures about the company, the board of directors, and executive management:
2. There is no interest in the class of voting shares held by individuals (other than the members of the Board of Directors, senior executives, and their relatives) who have notified the company of such rights under Article 45 of the Registration and Listing Rules, and any changes in those rights during the last financial year.
3. There is no interest, contractual securities, or subscription rights held by members of the Board of Directors, senior executives, or their relatives in the company's shares or debt instruments, nor any changes in such interests or rights during the last financial year.Description of interests and rights held by the members of the Board of Directors and their relatives in the shares of Riyadh Cement Company:

Name	The number of shares/debt instruments		The change	
	Beginning of the year	End of 2024	Share	The percentage change
Mr. Salah bin Rashed Al Rashed	27,856,198	27,856,198	-	٪0,00
Eng. Khaled bin Abdullah Al Melhem	2,425,675	2,275,675	0	٪6,18
Dr. Nasser bin Fadl Aqeel	2,240,000	2,261,666	(390.000)	٪0,97
Eng. Mohammed Khalifa Al Melhem	25,176	25,176	3.371	٪0,00
Mr. Abdullah bin Ateeq Al Fawaz	1,020,000	1,020,000	0	٪0,00
Mr. Fahad bin Hizam Al Nabit	0	0	0	٪0,00
Eng. Shoeil bin Jarallah Al Ayed	1,057,569	1,080,000	11.190	٪2,12

4. Description of any interests and rights of senior executives and their relatives in the shares of Riyadh Cement Company

Name	Number of shares/debt instruments	
	Beginning of the year	End of the year
Girish Kumar	Not available	
Mohanned Mohammed Diab Melhem		

5. Information related to any loans on the company, a statement of the total indebtedness of the company and its subsidiaries, any amounts paid by the company in repayment of loans during the year, the principal loan amount, the name of the lending party, its duration, and the remaining amount:
6.
7. - The company did not borrow from banks during 2024.
8. - There are no convertible debt instruments, contractual securities, subscription rights, or similar rights issued or granted by the company during the fiscal year.
9. - There are no conversion or subscription rights under convertible debt instruments, contractual securities, subscription rights, or similar rights issued or granted by the company.
10. - There is no redemption, repurchase, or cancellation by the company of any redeemable debt instruments, and the value of remaining securities, with a distinction between listed securities purchased by the company and those purchased by its subsidiaries.
11. Description of any transaction between Riyadh Cement Company and a related party, or contracts in which the company is a party, and in which there is an interest for any member of the Board of Directors, the CEO, the CFO, or any person related to any of them:
12. - Al-Rashed Cement Company: for the member Salah Abdulrahman Al-Rashed.
13. - Tuwai Company – related member: Dr. Nasser bin Fadhel Aqeel.
14. - Precast Building Systems Company – related member: Eng. Mohammed bin Khalifa Al-Mulhim.
15. There are no arrangements or agreements where any board member or senior executive has waived any rewards.
16. There are no arrangements or agreements where any shareholder of the company has waived any rights to profits.
17. A statement of the value of the regulatory payments made and due to pay any zakat, taxes, fees, or any other dues that have not been settled by the end of the fiscal year.

The company's assets, liabilities, and results of operations for the last five fiscal year

1. Comparison of Business Results:

Statement	Years				
	2020	2021	2022	2023	2024
Revenue	590,290,688	671,065,997	598,006,116	643,383,248	789,396,360
Cost of Revenue	336,194,989	404,515,767	366,460,481	406,484,085	460,629,498
Gross Profit	254,095,699	266,550,230	231,545,635	236,899,163	328,766,862
Operating Profit	288,020,820	233,303,333	201,935,542	201,063,809	296,786,469
Net Profit	219,953,200	213,730,732	189,839,971	188,772,499	310,439,020
Total Comprehensive Income	220,861,887	211,766,104	193,105,477	190,582,081	311,481,184
Earnings per Share	1.83	1.78	1.58	1.57	2.59

2. Comparison of Assets and Liabilities

Statement	Years				
	2020	2021	2022	2023	2024
Current Assets	493,818,358	550,396,994	601,950,165	611,607,071	758,487,015
Non-Current Assets	1,411,369,740	1,337,396,439	1,289,041,451	1,226,901,140	1,211,982,949
Total Assets	1,905,188,098	1,887,793,433	1,890,991,616	1,838,508,211	1,970,469,964
Current Liabilities	171,018,164	190,508,060	182,811,797	125,987,836	155,974,135
Non-Current Liabilities	37,471,730	35,205,110	32,994,079	32,752,554	33,246,824
Shareholders' Equity	1,696,698,204	1,662,080,263	1,675,185,740	1,679,767,821	1,781,249,005
Total Liabilities and Shareholders' Equity	1,905,188,098	1,887,793,433	1,890,991,616	1,838,508,211	1,970,469,964

Geographical Analysis of the Company's Total Revenues for 2024

Type of Cement	Geographical Analysis of the Company's Total Revenue		Total
	Saudi Market	External Market	
Grey Cement	628,253,736	146,538	628,400,274
White Cement	156,977,634	4,018,452	160,996,086

Explanation of Any Significant Differences in Operational Results Between the Current Year 2024 and the Previous Financial Year 2023

The statement	2023	2024	Changes (+) or (-)	Percentage change
Sales/Revenue	643,383,248	789,396,360	146,013,112	23٪
Cost of Sales/Revenue	406,484,085	460,629,498	54,145,413	13٪
Gross Profit	236,899,163	328,766,862	91,867,699	39٪
Net Operating Expenses	35,835,354	31,980,393	-3,854,961	-11٪
Operating Profit (Loss)	201,063,809	296,786,469	95,722,660	48٪

Explanation of Any Deviations from the Accounting Standards Adopted by the Saudi Organization for Certified Public Accountants

There are no deviations from the accounting standards issued by the Saudi Organization for Certified Public Accountants.

Names of affiliate/subsidiary companies

Name of each subsidiary/affiliate company، its capital، the company's ownership percentage، its main activity، the country of its primary operations، and the country of its establishment:

Company name	Capital	Ownership percentage	Main activity	Main location of the company's operations	Country of establishment

Not applicable

Details of the shares and debt instruments issued for each subsidiary:

There are no shares or debt instruments issued for any subsidiary.

Branches of the company

- Saudi White Cement Company.
- Branch of Saudi White Cement Company.

Profit Distribution Policy

The company's annual net profits، after deducting all general expenses، other costs، and provisions for zakat، are distributed as follows:

The ordinary general assembly، based on a proposal from the Board of Directors، may allocate 5٪ of the net profits to form a discretionary reserve، which will be allocated for purposes decided by the assembly.
The ordinary general assembly can also decide to create other reserves in a manner that benefits the company or ensures the distribution of consistent dividends to shareholders.
Additionally، the assembly can allocate amounts from the net profits to establish social institutions for the company's employees or to support existing institutions.
The remaining profits are then distributed to the shareholders at a rate of 5٪ of the company's paid-up capital.
In accordance with the provisions of Article 19 of the company's bylaws and Article 70 of the Companies Law، after making the aforementioned allocations، 10٪ of the remaining amount is dedicated as compensation for board members، with the eligibility for this compensation being proportional to the number of meetings attended by each member.
The remaining profits can be distributed in any manner decided by the ordinary general assembly.
The company may also distribute interim dividends to its shareholders on an annual، semi-annual، or quarterly basis، in accordance with the guidelines issued by the Capital Market Authority، based on a mandate given by the ordinary general assembly to the Board of Directors to distribute interim dividends.

The Statement	Dividends Distributed for the First Half of 2024	Recommended Dividends for the Second Half of 2024	Total
Date of Payment	2024/04/23		
Percentage	% 10.00	% 12.5	% 22.50
Total	120,000,000	150,000,000	270,000,000

Statement of Dates of General Assemblies of Shareholders Held During the Last Fiscal Year and the Names of Board Members Attending These Assemblies

No.	Name	Ordinary General Assembly Meeting 2024/04/13	Ordinary General Assembly Meeting 2024/06/11
1	Mr. Salah bin Rashed Al Rashed	Attended	Attended
2	Eng. Khaled bin Abdullah Al Melhem	Attended	Did not attend
3	Dr. Nasser bin Fadl Aqeel	Attended	Did not attend
4	Mr. Fahad bin Hizam Al Nabit	Attended	Attended
5	Eng. Shoeil bin Jarallah Al Ayed	Attended	Attended
6	Eng. Mohammed Khalifa Al Melhem	Attended	Attended
7	Mr. Abdullah bin Ateeq Al Fawaz	Attended	Attended

Number of the company's requests for the shareholders' register، the dates of those requests، and their reasons

NO.	Request Date	Reason for Request
1	2024/01/02	Other
2	2024/04/23	General Assembly
3	2024/04/25	Profit File
4	2024/06/11	General Assembly
5	2024/07/17	Other
6	2024/08/06	Other
7	2024/08/20	Profit File

Board of Directors' Declarations

The board declares the following:

A. The accounting records have been properly prepared.
B. The internal control system has been established on sound principles and implemented effectively.
C. There is no doubt about the company's ability to continue its operations.
D. There are no loans against the company as of December 31، 2023.
E. There are no competing businesses being carried out or previously carried out by any member of the Board of Directors.

If the auditor's report includes reservations regarding the annual financial statements، the board of directors' report must clarify those reservations، their reasons، and any related information.

There are no reservations in the auditor's report regarding the annual financial statements.

In the case where the Board of Directors recommends changing the auditor before the end of the appointed term، the report should include this، along with the reasons for the recommendation for the change.

There is no recommendation from the Board of Directors to change the auditor before the end of the appointed term.

Disclosure of the details of treasury shares held by the company and details of the use of these shares:

There are no treasury shares held by the company.

Agenda of the General Assembly

1. To review and discuss the Board of Directors' report for the fiscal year ending on 31/12/2024.
2. To review and discuss the financial statements for the fiscal year ending on 31/12/2024.
3. To vote on the auditor's report for the fiscal year ending on 31/12/2024 and discuss it.
4. To vote on the discharge of the Board of Directors from liability for the fiscal year ending on 31/12/2024.
5. To vote on the appointment of the company's auditor from among the candidates based on the recommendation of the Audit Committee، to review and audit the company's financial statements for the first، second، and third quarters of the fiscal years 2025، 2026، and 2027، and the first quarter of 2028، and to determine their fees.
6. To vote on the Board of Directors' recommendation to distribute cash dividends amounting to SAR 150،000،000 to shareholders for the second half of 2024، at a rate of SAR 1.25 per share، representing 12.5٪ of the capital، with the right for shareholders owning shares at the end of the trading day of the General Assembly and registered in the company's shareholder register with the Securities Depository Center at the end of the second trading day following the eligibility date. The dividend distribution date will be announced later.
7. To vote on the transactions and contracts between the company and Towa Company، in which Board Member Dr. Nasser Aqeel has a direct interest، involving the sale of cement during 2024 valued at SAR 40،876،786، based on prevailing commercial terms.
8. To vote on the transactions and contracts between the company and Al-Rashed Cement Company، in which Chairman Mr. Salah Al-Rashed has a direct interest، involving the sale of cement during 2024 valued at SAR 129،826،390، based on prevailing commercial terms.
9. To vote on the transactions and contracts between the company and Precast Concrete Systems for Cement Company، in which Board Member Mr. Mohammad Al-Mulhim has a direct interest، involving the sale of cement during 2024 valued at SAR 505،781، based on prevailing commercial terms.
10. To vote on the payment of SAR 2،100،000 as bonuses to the Board Members for the fiscal year ending on 31/12/2024.
11. To vote on authorizing the Board of Directors to distribute interim dividends semi-annually or quarterly for the fiscal year 2025.
12. To vote on electing the members of the Board of Directors from among the candidates for the upcoming term starting on 15/06/2025، for a duration of 3 years، ending on 14/06/2028.

Conclusion

The Chairman and members of the Board of Directors are pleased to extend their sincere gratitude and appreciation to the Ministry of Industry and Mineral Resources، the Ministry of Energy، and all their affiliated entities for their conti uous support and active contribution to the development of the sector.

We also extend our thanks to the Capital Market Authority and all relevant government sectors for their fruitful cooperation، which has played a pivotal role in the company's growth and development.

Furthermore، we express our deep appreciation to our valued clients and suppliers for their genuine support and unwavering trust، which have significantly contributed to strengthening our journey.

Lastly، we would like to extend our heartfelt thanks to all the company's employees for their dedicated efforts، which have always been and continue to be a fundamental pillar in achieving the company's goals and ensuring its sustainability.

أسمنت الريـاض
RIYADH CEMENT

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