

**SOCIETE DES CEMENTS LIBANAIS SAL
(PREVIOUSLY HOLCIM LIBAN SAL)**

SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2025



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Ernst & Young p.c.c.
Starco Building
South Block B - 9th Floor
Mina El Hosn, Omar Daouk Street
P.O. Box: 11-1639, Riad El Solh
Beirut - 1107 2090, Lebanon

Tel: +961 1 760 800
Fax: +961 1 372 981
beirut@lb.ey.com
ey.com/mena

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SOCIETE DES CEMENTS LIBANAIS SAL (PREVIOUSLY HOLCIM LIBAN SAL)

Adverse Opinion

We have audited the separate financial statements of Societe des Ciments Libanais SAL (Previously Holcim Liban SAL) (the "Company"), which comprise the separate statement of financial position as at 31 December 2025, and the separate statement of comprehensive income, separate statement of changes in equity and separate statement of cash flows for the year then ended, and notes to the separate financial statements, including material accounting policy information.

In our opinion, because of the significance of the matters discussed in the "Basis for Adverse Opinion" section of our report, the accompanying separate financial statements do not present fairly the financial position of the Company as at 31 December 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB).

Basis for Adverse Opinion

1. As disclosed in Note 2.1 to the separate financial statements, the Company has not applied IAS 29 - Financial Reporting in Hyperinflationary Economies ("IAS 29") in the accompanying separate financial statements for the periods in which that economy was hyperinflationary, including the year ended 31 December 2025. The Company also did not reflect the effects of hyperinflation in the forecasts and discount rates used in accounting estimates. This is a material and pervasive departure from IFRS Accounting Standards. Had the Company applied IAS 29, the amounts and related disclosures in the separate financial statements, including the comparative information, would have been materially and pervasively different. Our opinion on the separate financial statements for the year ended 31 December 2024 was modified in respect of the same matter.
2. As disclosed in Note 27 to the separate financial statements, the Company recorded adjustments to the carrying amounts of tangible assets and intangible assets based on Law 330 dated 4 December 2024. These adjustments included remeasurement of land and buildings, investment in subsidiaries and other tangible and intangible assets, and were applied retrospectively, with corresponding figures restated and a third statement of financial position presented as at 1 January 2024.
 - Land and buildings, included in property and equipment and investment properties, carried at LL (000) 18,270,999,275 and LL (000) 4,736,851,493 respectively in the separate statement of financial position as at 31 December 2025 (31 December 2024: LL (000) 18,465,702,542 and LL (000) 4,736,851,493 respectively; 1 January 2024: LL (000) 16,629,886,429 and LL (000) 4,316,640,311) were adjusted based on a valuation performed by an independent external valuer in US Dollars and then translated into Lebanese Pounds at LBP 89,500, with a corresponding adjustment to accumulated depreciation;
 - Investment in subsidiaries carried at LL (000) 8,244,080,363 in the separate statement of financial position as at 31 December 2025 (31 December 2024: LL (000) 2,767,165,310; 1 January 2024: LL (000) 2,650,089,888) were adjusted based on a valuation performed by an independent external valuer in US Dollars and then translated into Lebanese Pounds at LBP 89,500;



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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SOCIETE DES CEMENTS LIBANAIS SAL (PREVIOUSLY HOLCIM LIBAN SAL) (continued)**

Basis for Adverse Opinion (continued)

- Tangible assets other than land and buildings, included in property and equipment and intangible assets carried at LL (000) 1,841,847,129 and LL (000) 721,719,938 respectively in the separate statement of financial position as at 31 December 2025 (31 December 2024: LL (000) 2,195,922,106 and LL (000) 782,694,549 respectively; 1 January 2024: LL (000) 2,670,406,271 and LL (000) 843,669,160 respectively) were adjusted by retranslating historical cost and accumulated depreciation at LBP 89,500 to the US Dollar; and
- The adjustments were applied retrospectively, with corresponding figures as at and for the year ended 31 December 2024 restated and, a third statement of financial position presented as at 1 January 2024.

In our opinion, these accounting adjustments constitute a material and pervasive departure from IAS 16 – Property, Plant and Equipment, IAS 27 – Separate Financial Statements, IAS 38 – Intangible Assets, IAS 40 – Investment Property and IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. Had these matters been accounted for in accordance with IFRS Accounting Standards, including the application of IAS 29 where relevant, amounts recognised in respect of property and equipment, intangible assets, investment properties, investment in subsidiaries and affiliates, equity, profit or loss, other comprehensive income, comparative information and related disclosures would have been materially and pervasively different.

3. As disclosed in Note 2.2 to the separate financial statements, the corresponding figures for the year ended 31 December 2024 have not been restated to reflect the effect of using exchange rates compliant with IAS 21 - The Effects of Changes in Foreign Exchange Rates for the translation of monetary assets and liabilities denominated in foreign currencies and foreign currency transactions during prior periods. As further disclosed in Note 2.2, from January 2024 the official published exchange rate was set at LBP 89,500 to the US Dollar, and the Company recorded the effect of that change in the income statement for the year ended 31 December 2024. The Company did not restate comparative amounts, which is a departure from IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors ("IAS 8"). Accordingly, the corresponding figures remain affected by the prior-year departures from IAS 21 and IAS 8, and our opinion on the current year financial statements is modified because of the effects of this unresolved matter on the comparability of the current year figures and the corresponding figures.
4. The Company has not prepared consolidated financial statements, which constitutes a departure from IFRSs. We were unable to determine the amounts that should have been presented had consolidated financial statements been prepared. Our opinion for the year ended 31 December 2024 was modified for same reasons.
5. The Company has foreign currencies bank balances in Lebanon amounting to LL (000) 8,979,320 as at 31 December 2025 (2024: LL (000) 9,136,700). It is not possible to determine the future effects that the restructuring plan and the economic crisis could have on the expected credit losses and thus the carrying amount of these assets. The accompanying financial statements do not include adjustments that could result from the resolution of these uncertainties. Our opinion for the year ended 31 December 2024 was modified for same reasons.



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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF SOCIETE DES CEMENTS LIBANAIS SAL (PREVIOUSLY HOLCIM LIBAN SAL) (continued)

Basis for Adverse Opinion (continued)

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate Financial Statements" section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), as applicable to audits of financial statements of public-interest entities, together with the ethical requirements that are relevant to our audit of the separate financial statements in Lebanon, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate financial statements for the year ended 31 December 2025. Except for the matters described in the "Basis for Adverse Opinion" section of our report, we have determined that there are no other key audit matters to communicate in our report.

Responsibilities of Management and those Charged with Governance for the Separate Financial Statement

Management is responsible for the preparation and fair presentation of the separate financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



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**INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF
SOCIETE DES CEMENTS LIBANAIS SAL (PREVIOUSLY HOLCIM LIBAN SAL) (continued)**

Auditor 's Responsibilities for the Audit of the Separate Financial Statements (continued)

- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ▶ Evaluate the overall presentation, structure and content of the separate financial statements, including the disclosures, and whether the separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The partner in charge of the audit resulting in this independent auditor's report is Sabine Doumit.


Ernst & Young

25 September 2026
Beirut, Lebanon

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

SEPARATE STATEMENT OF INCOME

For the year ended 31 December 2025

	Notes	2025 LL (000)	2024 LL (000) <i>Restated (*)</i>
Sales	3	7,489,223,869	4,719,829,937
Cost of sales	4	(7,704,343,103)	(4,540,935,708)
GROSS (LOSS) PROFIT		(215,119,234)	178,894,229
Distribution expenses	4	(525,954,014)	(373,922,880)
General and administrative expenses	4	(551,970,860)	(556,257,423)
Write-back of allowance for expected credit loss on accounts receivable	11	2,998,250	-
Allowance for expected credit loss on due from related parties	19	-	(2,050,450)
Provision for slow moving and obsolete inventory	12	(36,371,013)	(19,462,924)
Provision for site restoration	17	(66,715,214)	(85,054,054)
Finance costs	5	(734,535,205)	(829,683,554)
Finance income	5	661,578,887	7,407,775
Dividend income	19	1,785,280,256	1,454,064,442
Foreign exchange, net		16,905,517	13,017,691
		551,216,604	(391,941,377)
PROFIT (LOSS) BEFORE INCOME TAX		336,097,370	(213,047,148)
Income tax credit	6	11,341,590	14,459,190
PROFIT (LOSS) FOR THE YEAR		347,438,960	(198,587,958)
Profit (loss) for the year		347,438,960	(198,587,958)
Number of ordinary shares in issue		19,516,040	19,516,040
Profit (loss) per share in LL		17,803	(10,176)

(*) Restated for the effects of the matters disclosed in Note 27

The attached notes 1 to 28 form part of these separate financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

SEPARATE STATEMENT OF COMPREHENSIVE INCOME

As at 31 December 2025

	Notes	2025 LL (000)	2024 LL (000) Restated (*)
PROFIT (LOSS) FOR THE YEAR		347,438,960	(198,587,958)
Other comprehensive income for the year:			
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Remeasurement of defined benefit obligations	18	(1,459,867)	(507,754,726)
Revaluation of property and equipment	7	(71,429,359)	1,958,220,026
Revaluation of investment properties		-	420,211,183
Revaluation of subsidiaries	10	5,476,915,053	117,075,422
Deferred tax	6	5,623,727	-
Total items that will not be reclassified subsequently to profit or loss		5,409,649,554	1,987,751,905
Total other comprehensive income for the year		5,409,649,554	1,987,751,905
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		5,757,088,514	1,789,163,947

The attached notes 1 to 28 form part of these separate financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

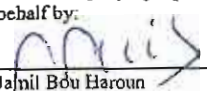
SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2025

	Notes	2025 LL (000)	2024 LL (000) Restated (*)	1 January 2024 LL (000) Restated (*)
ASSETS				
Non-current assets				
Property and equipment	7	20,112,846,401	20,661,624,648	19,300,292,701
Intangible assets	8	721,719,938	782,694,549	843,669,160
Investment properties	9	4,736,851,493	4,736,851,493	4,316,640,311
Investment in subsidiaries and affiliates	10	8,244,080,363	2,767,165,310	2,650,089,888
Deferred tax asset	6	66,188,361	49,223,045	34,763,855
Notes receivable	11	585,858,936	532,571,365	76,799,969
Total non-current assets		34,467,545,492	29,530,130,410	27,222,255,884
Current assets				
Inventories	12	1,654,690,116	2,174,959,619	1,656,139,621
Other assets	13	133,375,641	263,138,584	809,186,277
Accounts and notes receivable	11	1,260,768,879	564,662,734	294,237,168
Cash and cash equivalents	14	1,053,782,882	764,896,428	1,455,852,873
Total current assets		4,102,617,518	3,767,657,365	4,215,415,939
TOTAL ASSETS		38,570,163,010	33,297,787,775	31,437,671,823
EQUITY AND LIABILITIES				
Equity				
Share capital	15	97,580,200	97,580,200	97,580,200
Legal reserve	16	32,527,000	32,527,000	32,527,000
Other reserves	16	34,949,376,898	29,538,267,477	27,042,760,846
Re-measurement of defined benefit obligations		(655,971,615)	(654,511,748)	(146,757,022)
Accumulated losses		(4,735,695,537)	(5,083,134,498)	(4,884,546,540)
Total equity		29,687,816,946	23,930,728,431	22,141,564,484
Non-current liabilities				
Long term provision	17	382,303,909	315,588,695	230,534,642
Retirement benefits obligations	18	475,299,027	595,318,779	151,206,468
Loans from related parties – non-current portion	19	6,870,263,993	6,872,110,486	6,498,114,385
Notes payable – non-current portion		-	-	150,126
Total non-current liabilities		7,727,866,929	7,783,017,960	6,880,005,621
Current liabilities				
Loans from related parties – current portion	19	-	447,500,000	1,031,134,188
Dividend payable	22	139,000	139,000	212,047
Notes payable- current portion		150,126	150,126	450,380
Accounts payable	20	608,649,585	653,750,232	462,594,275
Accrued expenses and other liabilities	21	545,540,424	482,502,026	688,363,588
Current income tax liability	6	-	-	233,347,240
Total current liabilities		1,154,479,135	1,584,041,384	2,416,101,718
Total liabilities		8,882,346,064	9,367,059,344	9,296,107,339
TOTAL EQUITY AND LIABILITIES		38,570,163,010	33,297,787,775	31,437,671,823

(*) Restated for the effects of the matters disclosed in Note 27

The accompanying separate financial statements were approved for issue by the Board of Directors on 25/12/2025 and were signed on its behalf by:


Japhil Bôu Haroun
Chief Executive Officer


Mario Dib
Chief Financial Officer

The attached notes 1 to 28 form part of these separate financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

SEPARATE STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2025

	<i>Share capital LL (000)</i>	<i>Legal reserve LL (000)</i>	<i>Other reserves LL (000)</i>	<i>Re-measurement of defined benefit obligations LL (000)</i>	<i>Accumulated losses LL (000)</i>	<i>Total LL (000)</i>
Balance at 1 January 2024 as previously reported	97,580,200	32,527,000	50,613,023	(146,757,022)	1,009,659,631	1,043,622,832
Effect of restatement (note 27)	-	-	26,992,147,823	-	(5,894,206,171)	21,097,941,652
Balance at 1 January 2024 - restated	97,580,200	32,527,000	27,042,760,846	(146,757,022)	(4,884,546,540)	22,141,564,484
Total comprehensive income for the year- restated	-	-	2,495,506,631	(507,754,726)	(198,587,958)	1,789,163,947
Balance at 31 December 2024- restated	97,580,200	32,527,000	29,538,267,477	(654,511,748)	(5,083,134,498)	23,930,728,431
Total comprehensive income for the year	-	-	5,411,109,421	(1,459,867)	347,438,960	5,757,088,515
Balance at 31 December 2025	97,580,200	32,527,000	34,949,376,898	(655,971,615)	(4,735,695,537)	29,687,816,946

The attached notes 1 to 28 form part of these separate financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

SEPARATE STATEMENT OF CASH FLOWS

For the year ended 31 December 2025

	Notes	2025 LL (000)	2024 LL (000) Restated
OPERATING ACTIVITIES			
Profit (loss) for the year before income tax		336,097,370	(213,047,148)
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation	7	658,963,020	738,326,405
Amortization	8	60,974,611	60,974,611
Dividend income		(1,785,280,256)	(1,454,064,442)
Provision for slow moving and obsolete inventory	12	36,371,013	19,462,924
Write-back of allowance of expected credit losses		(2,998,250)	-
Allowance for expected credit loss on due from related parties	19	-	2,050,450
Provision for site restoration	17	66,715,214	85,054,054
Provision for retirement benefit obligations	18	52,447,003	7,240,746
Interest expense on related party loans	5	652,218,044	800,788,299
Interest income	5	(661,578,887)	(7,407,775)
		(586,071,118)	39,378,124
Working capital changes:			
Increase in accounts and notes receivables		(72,306,726)	(662,345,866)
Decrease/ (increase) in inventories		483,898,490	(538,282,922)
Decrease in other assets		129,762,943	546,047,693
Net change in related parties balances		(70,958,800)	(60,463,320)
Increase in accounts payables		7,753,396	185,762,427
Increase (decrease) in accrued expenses and other liabilities		50,252,916	(127,580,853)
Increase in deferred income		14,561,532	1,556,582
Decrease in notes payable		-	(450,380)
Cash used in operations		(43,107,367)	(616,378,515)
End of service benefits paid	18	(173,926,622)	(70,883,161)
Income tax paid	6	-	(233,347,240)
Interest received		5,594,902	7,407,775
Net cash used in operating activities		(211,439,087)	(913,201,141)
INVESTING ACTIVITIES			
Purchase of property and equipment	7	(181,614,130)	(141,438,326)
Dividends received from subsidiaries	19	1,785,280,256	1,454,064,442
Net cash from investing activities		1,603,666,126	1,312,626,116
FINANCING ACTIVITIES			
Payment of loans to related parties		(447,500,000)	(698,100,000)
Interest paid		(655,840,585)	(392,208,373)
Dividends paid		-	(73,047)
Net cash used in financing activities		(1,103,340,585)	(1,090,381,420)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		288,886,454	(690,956,445)
Cash and cash equivalents at 1 January		764,896,428	1,455,852,873
CASH AND CASH EQUIVALENT AT 31 DECEMBER	14	1,053,782,882	764,896,428

The attached notes 1 to 28 form part of these separate financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

1 CORPORATE INFORMATION

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL) ("the Company") is a joint stock company registered at the Beirut Commercial Court in 1929 under commercial register number 140. The Company's head office is in Dbayeh, Metn and the plant is located on plots that are situated within the municipalities of Chekka, Hery and Kefraya in the North of Lebanon.

The shares of the Company are listed on the Beirut Stock Exchange.

The principal activity of the Company consists of producing, selling and exporting cement and related products.

The Company is owned to the extent of 52% by Holcibel S.A, Belgium, the parent Company as at 31 December 2025 and 2024. The ultimate parent company is Holcim Ltd. and the address of its registered office is Grafenauweg 10-6300 Zug-Switzerland.

Subsequent to 31 December 2025, the 52% ownership interest previously held by Holcibel S.A., Belgium, was transferred to North Pine SAL Holding and BZL Cement Holding SAL, following the purchase of such interest from Holcibel S.A. In addition, the Company changed its legal name from "Holcim Liban SAL" to "Société des Ciments Libanais SAL."

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation

The separate financial statements have been prepared in accordance with IFRS accounting standards as issued by the International Accounting Standards Board (IASB).

The separate financial statements have been presented in thousands of Lebanese Lira (LL (000)) which is the functional currency. The Company accounted for the effects of hyperinflation on investment properties, intangible assets and property and equipment as at 31 December 2024 and 31 December 2023 as disclosed in note 27.

The separate financial statements have been prepared for statutory purposes. Consolidated financial statements are prepared at the level of the parent company, Holcim Ltd, Switzerland and are available at its offices.

Non-application of International Accounting Standard 29, 'Financial Reporting in Hyperinflationary Economies
From periods ending on or after 31 December 2020, the Lebanese economy have been considered hyperinflationary based on the criteria established by International Accounting Standard 29, 'Financial Reporting in Hyperinflationary Economies' ('IAS 29'). This designation is determined following an assessment of a series of qualitative and quantitative circumstances, including the presence of a cumulative inflation rate of more than 100% over the previous three years. The Lebanese Central Administration of Statistics reported 3-year and 12-month cumulative increase of consumer of 287% and 12% respectively, as of December 2025 (2024: 666% and 18%, respectively)

IFRS requires that financial statements (including prior year comparatives) of any entity whose functional currency is the currency of a hyperinflationary economy be restated into the current purchasing power at the end of the reporting period. Such restatement shall be made as if the Lebanese economy has always been hyperinflationary; using a general price index that reflects the changes in the currency's purchasing power.

As of the date of the accompanying financial statements, management did not apply the above mentioned standard nor is it able of quantifying the effect that the application of IAS 29 would have on the presented financial statements as management believes such application would not provide the users with more relevant information. Management estimates such effects to be significant on several line items in the financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.2 Operating environment of the Company

Lebanon has been witnessing, since the last quarter of 2019, severe events that have set off an interconnected fiscal, monetary and economic crisis as well as deep recession that have reached unprecedented levels. Sovereign credit ratings have witnessed a series of downgrades by all major rating agencies and reached the level of default when, on 7 March 2020, the Lebanese Republic announced that it will withhold payment on the bonds due on 9 March 2020, which was followed by another announcement on 23 March 2020, for the discontinuation of payments on all of its USD denominated Eurobonds.

Throughout this sequence of events, the ability of the Lebanese government and the banking sector in Lebanon to borrow funds from international markets was significantly affected. Banks have imposed de-facto capital controls, restricted transfers of foreign currencies outside Lebanon, significantly reduced credit lines to companies and withdrawals of cash to private depositors, all of which added to the disruption the country's economic activity, as the economic model of Lebanon relies mainly on imports and consumption.

Lebanon's government foresees cancelling "a large part" of the central bank's foreign currency obligations to commercial banks and dissolving non-viable banks. It includes several measures that are prerequisites to unlock funds from a preliminary deal with the International Monetary Fund that could help pull the country out of a three-year financial meltdown.

Foreign currencies and exchange rates

Since the last quarter of 2019, several exchange rates have emerged that differ significantly from one another and from the officially published exchange rate. New terminology has emerged in the Lebanese market, including "local Dollars," which refers to local US Dollar bank accounts that are subject to de facto capital controls, and "fresh funds/accounts," which refers to foreign currency cash and foreign currency bank accounts that are exempt from capital controls (as they originate from foreign currency cash and/or incoming transfers from abroad).

In February 2023, the official exchange rate was changed from LBP 1,507.5 to LBP 15,000 per US Dollar, and then further changed to LBP 89,500 per US Dollar in January 2024. Parallel market rates and Sayrafa rates have remained highly volatile and inconsistent with the official published exchange rates from the last quarter of 2019 until the latest change in January 2024, leading to a convergence of these rates.

Assets and liabilities in foreign currency and transactions in foreign currency were reflected in these separate financial statements at the exchange rates communicated by the Holcim Group Management:

	<i>Rate as at 31 December 2025</i>	<i>Average rate for the year ended 31 December 2025</i>	<i>Rate as at 31 December 2024</i>	<i>Average rate for the year ended 31 December 2024</i>
	<i>LL</i>	<i>LL</i>	<i>LL</i>	<i>LL</i>
US Dollar	89,702	89,702	89,702	89,702
Suisse Franc	113,071	108,260	99,394	101,926
Euro	105,266	101,402	93,452	97,057
Turkish Lira	2,083	2,273	2,537	2,735

Law 330 dated 4 December 2024

Law 330 enacted on 4 December 2024 (amending Article 45 of Income Tax Law 144 and its subsequent amendments), authorized taxpayers to conduct a nontaxable exceptional revaluation of fixed assets and inventory, and an exceptional adjustment concerning the negative and positive foreign exchange differences resulting from receivables, payables, and financial accounts balances that are denominated in foreign currency. These accounts are classified under classes 4 and 5 of the Lebanese Chart of Accounts. On 12 March 2025, the Ministry of Finance issued the decisions 338, 339 and 340 related to the mechanism of application of Law 330. The Company applied the exceptional adjustments as disclosed in Note 27.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.3 New and amended standards and interpretations

The accounting policies adopted in the preparation of the separate financial statements are consistent with those used in the previous year, except for the adoption of the new and amended IFRS effective as of 1 January 2025:

- *Amendments to IAS 21 - Lack of Exchangeability*

The adoption of the above new and amended standard did not materially impact the financial position or performance of the Company.

2.4 Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Company's separate financial statements are disclosed below. The Company intends to adopt these standards, if applicable, when they become effective.

- *IFRS 18 Presentation and Disclosure in Financial Statements*
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures*
- *Amendments to IFRS 9 and IFRS 7- Classification and Measurement of Financial Instruments*
- *Amendments to IFRS 9 and IFRS 7- Contracts Referencing Nature-dependent Electricity*
- *Amendments to IAS 21- Translation to a Hyperinflationary Presentation Currency*
- *Annual Improvements to IFRS Accounting Standards- Volume 11*

Except for IFRS 18, the Management does not expect these amendments to have a significant impact on the Company's financial statements. The Management is assessing the impact of IFRS 18.

2.5 Material accounting policies

Revenue recognition

Revenue from sale of goods is recognized when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company has generally concluded that it is the principal in its revenue arrangements. Revenue is recognized at the point in time when the control of the asset is transferred to the customer, generally on delivery of the goods. Interest income is recorded using the effective interest rate by reference to the net carrying amount of the financial assets.

Contract liabilities, reflecting the Company's obligation to transfer to a customer goods or services for which the Company has already received consideration, relate mainly to deferred income and advance payments from customers, which are disclosed in note 21. As of 31 December 2025, contract liabilities amounted to LL (000) 33,638,694 (2024: LL (000) 16,441,486). A trade receivable is recognized when the products are delivered to a customer, as this is the point in time when the consideration becomes unconditional because only the passage of time is required before the payment is due.

Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined on the basis of the weighted average cost method. The cost of finished and work in progress includes cost of materials, direct labor and manufacturing overheads. Net realizable value represents the estimated selling price less all estimated costs to be incurred in marketing, selling, and distribution.

Accounts receivable

Accounts receivables are stated at original invoice amount less a provision for credit losses.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and bank balances with a maturity of three months or less.

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Pensions and other post-employment benefits

The Company provides retirement benefits obligation to its employees under defined benefit plans which requires contributions to be made to separately administered funds. The cost of providing these benefits is determined using the projected unit credit method which involves making actuarial assumptions about discount rates and future salary increases. Those assumptions are unbiased and mutually compatible.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding net interest and the return on plan assets (excluding net interest), are recognized immediately in the separate statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the income statement in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises restructuring-related costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under "personnel expenses" in the separate statement of income:

- Service costs comprising and current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income.

Taxes

Taxation is provided in accordance with Lebanese fiscal regulations.

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the date of the separate statement of financial position.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences at the date of the separate statement of financial position between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the date of the separate statement of financial position. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The carrying amount of deferred tax assets is reviewed at each date of the separate statement of financial position and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each date of the statement of financial position and are recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Taxes (continued)

Value added tax

Revenues, expenses and assets are recognized net of the amount of value added tax except:

- Where the value added tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the value added tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of value added tax included.

The net amount of value added tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the separate statement of financial position.

Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for all financial assets not held at fair value through profit or loss.

The Company always recognises lifetime ECL for trade and other receivables and contract assets. For all other financial instruments, such as bank balances, the Company recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

Measurement and recognition of expected credit losses

For trade receivables and other contract assets, the Company has chosen the simplified method approach. Short credit terms and settlement processes significantly limit the credit risk. The expected credit losses on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information.

As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate.

The Company considers a financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Property and equipment

Property and equipment is stated at cost less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets as follows:

	<i>Rate</i>
Buildings	6%
Industrial machinery and equipment	8%
Vehicles	25%
Furniture, fixtures and office equipment	8%

Expenditure incurred to replace a component of an item of property, plant and equipment that is accounted for separately is capitalized and the carrying amount of the component that is replaced is written off. Other subsequent expenditure is capitalized only when it increases future economic benefits of the related item of property, plant and equipment. All other expenditure is recognized in the separate statement of comprehensive income as the expense is incurred.

Any item of property and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss in the expense category that is consistent with the function of the intangible assets. Extraction rights are amortized over the period of the lease, client list is amortized over 10 years and computer software are amortized over their estimated useful lives between 5 to 10 years.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis. An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit or loss.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Investment in subsidiaries and affiliates

The Company's investment in subsidiaries is accounted for under the cost method of accounting. Subsidiaries are entities that the Company controls. Control is achieved when the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specially, the Company controls an investee if and only if the Company has:

- Power over the investee (i. e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

Investment properties

Investment properties are stated at cost, net of accumulated impairment, if any. The carrying amount includes the cost of replacing part of an existing investment property at the time that cost is incurred if the recognition criteria are met and excludes the costs of day to day servicing of an investment property.

Investment properties are derecognized when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in the statement of income in the period of derecognition.

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset or a CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets excluding goodwill, an assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company estimates the asset's or cash-generation unit's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of income unless the asset is carried at revalued amount, in which case the reversal is treated as a revaluation increase.

Accounts payable and accruals

Liabilities are recognized for amounts to be paid in the future for goods or services received, whether billed by the supplier or not.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

When the effect of the time value of money is material, the Company determines the level of provision by discounting the expected cash flows at a pre-tax rate reflecting the current rates specific to the liability. The expense relating to any provision is presented in the income statement net of any reimbursement.

When the Company can reliably measure the outflow of economic benefits in relation to a specific case and considers such outflows to be probable, the Company records a provision against the case. Where the probability of outflow is considered to be remote, or probable, but a reliable estimate cannot be made, a contingent liability is disclosed. However, when the Company is of the opinion that disclosing these estimates on a case-by-case basis would prejudice their outcome, then the Company does not include detailed, case-specific disclosures in its separate financial statements. Given the subjectivity and uncertainty of determining the probability and amount of losses, the Company takes into account a number of factors including legal advice, the stage of the matter and historical evidence from similar incidents.

Provision for environmental restoration

The Company provides for the costs of restoring a site where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a site-by-site basis and are calculated based on the present value of estimated future costs. Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to or deducted from the provision. All provisions are discounted to their present value.

Foreign currencies

Transactions denominated in foreign currencies are translated into Lebanese Lira at the exchange rates as disclosed in note 2.2, prevailing at the dates of the transactions. Monetary assets and liabilities stated in foreign currencies are retranslated at the rates of exchange as disclosed in note 2.2, prevailing at the end of the year. The resulting exchange gain or loss is reflected in the separate statement of comprehensive income. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.6 Material accounting judgments, estimates and assumptions

The preparation of the Company's separate financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The Company also makes estimates and assumptions concerning the future, including climate-related matters. There is considerable uncertainty over these assumptions and how they will impact the Company's business operations and the cash flow projections.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.5 Material accounting policies (continued)

2.6 Material accounting judgments, estimates and assumptions (continued)

Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimations, which have the most significant effect on the amounts recognized in the separate financial statements:

Going concern

The Company's management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as going concern. Therefore, the separate financial statements continue to be prepared on the going concern basis.

Income tax

Significant judgment is required in determining the provision for income tax. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Company recognizes liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the date of the separate statement of financial position, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Expected credit losses

An impairment analysis is performed at each reporting date to measure expected credit losses. The calculation reflects the probability weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors and changes which can result in different levels of allowances. For trade receivables, the assessment of the correlation between historical observed default rates, forecast economic conditions and ECLs is a significant estimate.

The Company's historical credit loss experience and forecast of economic conditions may also not be representative of actual defaults in the future. It is the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary. Any difference between the amounts actually realized in future periods and the amounts expected will be recognized in the income statement.

Impairment of inventories

Inventories are held at the lower of cost and net realizable value. When inventories become old or obsolete, an estimate is made of their net realizable value. For individually significant amounts this estimation is performed on an individual basis. Amounts which are not individually significant, but which are old or obsolete, are assessed collectively and a provision applied according to the inventory type and the degree of ageing or obsolescence, based on anticipated selling prices. Any difference between the amounts actually realized in future periods and the amounts expected will be recognized in the statement of income.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

2 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICIES (continued)

2.6 Material accounting judgments, estimates and assumptions (continued)

Estimates and assumptions (continued)

Provision for employees' end of service benefits

The cost of defined end of service benefits as well as the present value of the obligation is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, expected rates of return of assets, future salary increases and mortality rates. All assumptions are reviewed at each reporting date. Further details about the assumptions used are given in note 18.

Environmental restoration

As disclosed in note 2, environmental restoration provision is determined based on the present value of estimated futures costs. Estimates and assumptions used in the determination of the provision are revised at each reporting date.

3 SALES

	2025 LL (000)	2024 LL (000)
Cement	8,114,744,498	4,916,178,033
Discounts	(625,520,629)	(196,348,096)
	<u>7,489,223,869</u>	<u>4,719,829,937</u>

4 EXPENSES BY NATURE

	2025		
	Cost of sales LL (000)	Distribution expenses LL (000)	General and administrative expenses LL (000)
			Total LL (000)
Combustibles	558,741,530	-	-
Raw materials	280,916,359	-	-
Salaries and related charges	376,246,159	59,309,814	237,960,613
Spare parts, consumables and maintenance expense	147,443,776	13,588,614	5,188,055
Depreciation charge (note 7)	640,174,734	15,119,065	3,669,221
Transportation	-	104,761,527	-
Packing materials	-	308,439,115	-
Other taxes	429,890,849	-	188,141,091
Contractual employees	38,399,044	14,435,000	464,199
Rent charges	11,837,877	-	18,630,958
Other third party services	28,979,865	8,847,119	4,215,188
Amortization charge (note 8)	60,974,611	-	-
Professional fees	-	-	25,957,762
Changes in inventories of finished goods and work in progress	463,819,441	-	-
Purchases of goods	4,613,096,978	-	-
Other expenses	53,821,880	1,453,760	67,743,773
	<u>7,704,343,103</u>	<u>525,954,014</u>	<u>551,970,860</u>
			<u>8,782,267,977</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

4 EXPENSES BY NATURE (continued)

	2024 Restated			
	Cost of sales LL (000)	Distribution expenses LL (000)	General and administrative expenses LL (000)	Total LL (000)
Combustibles	967,206,328	-	-	967,206,328
Raw materials	369,450,532	-	-	369,450,532
Salaries and related charges	372,555,821	56,089,990	212,693,443	641,339,254
Spare parts, consumables and maintenance expense	207,713,969	20,585,728	6,575,714	234,875,411
Depreciation charge (note 7)	720,139,393	14,635,215	3,551,797	738,326,405
Transportation	-	62,900,132	-	62,900,132
Packing materials	-	200,092,221	-	200,092,221
Other taxes	241,403,596	705	169,806,110	411,210,411
Contractual employees	28,285,844	10,070,067	389,347	38,745,258
Rent charges	10,580,662	39,612	16,054,241	26,674,515
Other third party services	33,793,284	8,668,641	3,912,786	46,374,711
Amortization charge (note 8)	60,974,611	-	-	60,974,611
Professional fees	120,314	-	23,213,808	23,334,122
Changes in inventories of finished goods and work in progress	(224,310,898)	-	-	(224,310,898)
Purchases of goods	1,707,979,605	-	-	1,707,979,605
Other expenses	45,042,647	840,569	120,060,177	165,943,393
	<u>4,540,935,708</u>	<u>373,922,880</u>	<u>556,257,423</u>	<u>5,471,116,011</u>

Salaries and related charges consist of the following:

	2025 LL (000)	2024 LL (000)
Salaries	449,814,018	443,216,218
National social security contributions	48,775,975	49,786,263
Costs recharged from a related party (note 19)	37,765,619	42,653,552
Transportation	18,241,650	16,492,080
Other benefits	118,919,324	89,191,141
	<u>673,516,586</u>	<u>641,339,254</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

5 FINANCE COSTS, NET

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Finance costs:		
Interest expense on loan from a related party (note 19)	652,218,044	800,788,299
Other charges	82,317,161	28,895,255
	<u>734,535,205</u>	<u>829,683,554</u>
Finance income:		
Interest income on notes receivable (note 11)	655,983,985	1,303,275
Interest income on bank accounts	5,594,902	6,104,500
	<u>661,578,887</u>	<u>7,407,775</u>
	<u>72,956,318</u>	<u>822,275,779</u>

6 INCOME TAX CREDIT

	2025 LL (000)	2024 LL (000)
Current income tax:		
Current income tax charge	-	-
Deferred tax:		
Relating to origination and reversal of temporary differences	11,341,590	14,459,190
	<u>11,341,590</u>	<u>14,459,190</u>

The income tax expense for the year is determined as follows:

	2025 LL (000)	2024 LL (000)
Accounting profit (loss) before tax	336,097,370	(213,047,148)
Expense not deductible for tax purpose:		
Provision for slow moving and obsolete inventory	36,371,012	19,462,924
Provision for risk and charges	66,715,214	85,054,053
Non-resident tax	8,670,280	7,305,053
Allowance for expected credit loss on due from related parties	-	2,050,453
Other non-deductible expenses	402,664,880	491,042,582
Revenue not taxable for tax purposes:		
Dividend income	(1,785,280,256)	(1,454,064,441)
Other income	-	(1,024,129)
Total taxable losses	<u>(934,761,500)</u>	<u>(1,063,220,653)</u>
Income tax expense reported in the separate statement of comprehensive income	<u>-</u>	<u>-</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

6 INCOME TAX CREDIT (continued)

Movement in the current income tax liability is as follows:

	<i>2025</i> <i>LL (000)</i>	<i>2024</i> <i>LL (000)</i>
Balance at 1 January	-	233,347,240
Payments	-	(233,347,240)
Balance at 31 December	-	-

The following table shows deferred tax recorded on the separate statement of financial position and changes recorded in the income tax expense:

	<i>2025</i>		
	<i>Deferred tax</i>	<i>Income statement</i>	<i>Other comprehensive income</i>
	<i>LL (000)</i>	<i>LL (000)</i>	<i>LL (000)</i>
Tax on land revaluation surplus	-	-	5,623,727
Tax on environmental restoration provision	66,188,361	11,341,590	-
	<u>66,188,361</u>	<u>11,341,590</u>	<u>5,623,727</u>
	<i>2024</i>		
	<i>Deferred tax</i>	<i>Income statement</i>	<i>Other comprehensive income</i>
	<i>LL (000)</i>	<i>LL (000)</i>	<i>LL (000)</i>
Tax on land revaluation surplus	(5,623,727)	-	-
Tax on environmental restoration provision	54,846,772	14,459,190	-
	<u>49,223,045</u>	<u>14,459,190</u>	<u>-</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

7 PROPERTY AND EQUIPMENT

	<i>Land</i> <i>LL (000)</i>	<i>Buildings</i> <i>LL (000)</i>	<i>Installations</i> <i>and equipment</i> <i>LL (000)</i>	<i>Vehicles</i> <i>LL (000)</i>	<i>Furniture and</i> <i>fixtures</i> <i>LL (000)</i>	<i>Total</i> <i>LL (000)</i>
Cost or valuation:						
Balance at 1 January 2025	17,023,841,235	3,975,419,950	9,711,078,716	3,906,426	21,026,819	30,735,273,146
Additions	-	2,384,825	179,229,305	-	-	181,614,130
Revaluation	(71,429,359)	-	-	-	-	(71,429,359)
Disposals	-	-	-	-	(39,193)	(39,193)
Balance at 31 December 2025	16,952,411,876	3,977,804,775	9,890,308,021	3,906,426	20,987,626	30,845,418,724
Accumulated depreciation						
Balance at 1 January 2025	-	(2,533,558,643)	(7,524,347,685)	(3,887,488)	(11,854,682)	(10,073,648,498)
Charge for the year (note 4)	-	(125,658,735)	(529,637,707)	-	(3,666,578)	(658,963,020)
Related to disposals	-	-	-	-	39,195	39,195
Balance at 31 December 2025	-	(2,659,217,378)	(8,053,985,392)	(3,887,488)	(15,482,065)	(10,732,572,323)
Net book value						
31 December 2025	16,952,411,876	1,318,587,397	1,836,322,630	18,938	5,505,561	20,112,846,401

Depreciation expense is included in cost of sales to the extent of LL (000) 640,174,734 (2024: LL (000) 720,139,393), distribution expenses to the extent of LL (000) 15,119,065 (2024: LL (000) 14,635,215) and general and administrative expenses to the extent of LL (000) 3,669,221 (2024: LL (000) 3,551,797).

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

7 PROPERTY AND EQUIPMENT (continued)

	<i>Land LL (000)</i>	<i>Buildings LL (000)</i>	<i>Installations and equipment LL (000)</i>	<i>Vehicles LL (000)</i>	<i>Furniture and fixtures LL (000)</i>	<i>Total LL (000)</i>
Cost						
Balance 1 January 2024 as previously reported	66,873,553	186,925,971	789,762,774	3,906,426	21,026,819	1,068,495,543
Effect of revaluation (Note 27)	15,086,133,247	3,494,201,869	8,779,877,616	-	-	27,360,212,732
At 1 January 2024- restated	15,153,006,800	3,681,127,840	9,569,640,390	3,906,426	21,026,819	28,428,708,275
Additions	-	-	141,438,326	-	-	141,438,326
Effect of revaluation (Note 27)	1,870,834,435	294,292,110	-	-	-	2,165,126,545
Balance at 31 December 2024- restated	17,023,841,235	3,975,419,950	9,711,078,716	3,906,426	21,026,819	30,735,273,146
Accumulated depreciation						
At 1 January 2024 as previously reported	-	(158,262,906)	(442,106,076)	(3,889,390)	(8,190,536)	(612,448,908)
Effect of revaluation (Note 27)	-	(2,045,985,305)	(6,469,983,263)	1,902	-	(8,515,966,666)
At 1 January 2024- restated	-	(2,204,248,211)	(6,912,089,339)	(3,887,488)	(8,190,536)	(9,128,415,574)
Charge for the year (note 4)	-	(39,014,523)	(695,647,736)	-	(3,664,146)	(738,326,405)
Effect of revaluation (Note 27)	-	(290,295,909)	83,389,390	-	-	(206,906,519)
Balance at 31 December 2024- restated	-	(2,533,558,643)	(7,524,347,685)	(3,887,488)	(11,854,682)	(10,073,648,498)
Net book value						
31 December 2024- restated	17,023,841,235	1,441,861,307	2,186,731,031	18,938	9,172,137	20,661,624,648

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

8 INTANGIBLE ASSETS

	<i>Extraction rights LL (000)</i>	<i>Client list LL (000)</i>	<i>Other LL (000)</i>	<i>Total LL (000)</i>
Cost:				
At 1 January and 31 December 2025	1,829,238,322	58,340,250	73,482,562	1,961,061,134
Amortization:				
At 1 January 2025	(1,061,038,154)	(58,340,250)	(58,988,181)	(1,178,366,585)
Charge for the year (note 4)	(60,974,611)	-	-	(60,974,611)
At 31 December 2025	(1,122,012,765)	(58,340,250)	(58,988,181)	(1,239,341,196)
Net carrying amount:				
At 31 December 2025	707,225,557	-	14,494,381	721,719,938
	<i>Extraction rights LL (000)</i>	<i>Client list LL (000)</i>	<i>Other LL (000)</i>	<i>Total LL (000)</i>
Cost:				
At 1 January 2024 as previously reported	33,520,569	58,340,250	867,546	92,728,365
Effect of revaluation (Note 27)	1,795,717,753	-	72,615,016	1,868,332,769
At 1 January and 31 December 2024 - restated	1,829,238,322	58,340,250	73,482,562	1,961,061,134
Amortization:				
At 1 January 2024 as previously reported	(19,555,127)	(58,340,250)	(623,408)	(78,518,785)
Effect of revaluation (Note 27)	(980,508,417)	-	(58,364,772)	(1,038,873,189)
At 1 January 2024- restated	(1,000,063,544)	(58,340,250)	(58,988,180)	(1,117,391,974)
Charge for the year (note 4)	(60,974,611)	-	-	(60,974,611)
At 31 December 2024- restated	(1,061,038,155)	(58,340,250)	(58,988,180)	(1,178,366,585)
Net carrying amount:				
At 31 December 2024- restated	768,200,167	-	14,494,382	782,694,549

9 INVESTMENT PROPERTIES

	<i>2025 LL (000)</i>	<i>2024 LL (000) Restated</i>
Property location		
Hery	3,947,061,875	3,947,061,875
Hamat	515,719,585	515,719,585
Kefraya	274,070,033	274,070,033
	<u>4,736,851,493</u>	<u>4,736,851,493</u>

Investment properties consist of 42 plots of land not used in the Company's operations segregated by location as disclosed above. Management estimates that the fair value of investment properties approximates its carrying value at year end.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

10 INVESTMENT IN SUBSIDIARIES AND AFFILIATES

As at 31 December 2025

	Country of incorporation	Percentage of legal ownership %	Cost of investment LL (000)	Provision for impairment of investment LL (000)	Net investment LL (000)
Societe Libanaise des Ciments Blancs SAL (a)	Lebanon	65.99	846,216,593	-	846,216,593
Bogaz Enddtrive Madencilik Limited (b)	Turkish republic Limited of North Cyprus	99.90	7,397,824,770	-	7,397,824,770
Holcim Béton	Lebanon	97.82	5,604,406	(5,604,406)	-
Energis Liban SAL	Lebanon	100.00	352,441	(313,441)	39,000
EDP Centre SARL (under liquidation)	Lebanon	91.80	151	(151)	-
			8,249,998,361	(5,917,998)	8,244,080,363

As at 31 December 2024

	Country of incorporation	Percentage of legal ownership %	Cost of investment LL (000)	Provision for impairment of investment LL (000) Restated	Net investment LL (000)
Societe Libanaise des Ciments Blancs SAL (a)	Lebanon	65.99	1,618,753,295	-	1,618,753,295
Bogaz Enddtrive Madencilik Limited (b)	Turkish republic Limited of North Cyprus	99.90	1,148,373,015	-	1,148,373,015
Holcim Béton	Lebanon	97.82	5,604,406	(5,604,406)	-
Energis Liban SAL	Lebanon	100.00	352,441	(313,441)	39,000
EDP Centre SARL (under liquidation)	Lebanon	91.80	151	(151)	-
			2,773,083,308	(5,917,998)	2,767,165,310

The movement of the investment in subsidiaries and affiliates is summarized as follows:

	2025 LL (000)	2024 LL (000) Restated
Balance at 1 January- restated	2,767,165,310	2,650,089,888
Revaluation of subsidiaries	5,476,915,053	117,075,422
Balance at 31 December	8,244,080,363	2,767,165,310

Individually Material Subsidiaries

The Company has 65.99% interest in Societe Libanaise des Ciments Blancs SAL which is involved in producing, selling and exporting white cement and related products. In addition, the Company has also a 99.90% interest in Bogaz Enddtrive Madencilik Limited which is involved in grey cement grinding, production and packaging, including the sale and shipment of bulk and bagged cement.

During

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

11 ACCOUNTS AND NOTES RECEIVABLE

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Notes receivable	696,823,080	604,986,882
Notes receivable - due and unpaid	901,672,744	337,524,957
Due from related parties (note 19)	169,791,121	151,686,366
Trade receivables	80,598,757	69,386,749
Value added tax receivable	54,315,550	5,666,330
Checks under collection	14,853,793	2,408,295
	<u>1,918,055,045</u>	<u>1,171,659,579</u>
Less: Non-current portion of notes receivable	(585,858,936)	(532,571,365)
	<u>1,332,196,109</u>	<u>639,088,214</u>
Less: Allowance for expected credit losses	(71,427,230)	(74,425,480)
	<u>1,260,768,879</u>	<u>564,662,734</u>

The breakdown of allowance for expected credit losses is as follows:

	2025 LL (000)	2024 LL (000)
Allowance for expected credit losses – Credit impaired	(48,952,543)	(51,950,793)
Allowance for expected credit losses – Not credit impaired	(9,969,576)	(9,969,576)
Allowance for expected credit losses – Related parties (note 19)	(12,505,111)	(12,505,111)
	<u>(71,427,230)</u>	<u>(74,425,480)</u>

The aging of trade receivables as at 31 December 2025 and 2024 is detailed as follows:

	2025 LL (000)	2024 LL (000)
Not due	13,522,430	9,751,133
Up to 3 months	16,054,094	1,985,585
Over 3 months	51,022,233	57,650,031
	<u>80,598,757</u>	<u>69,386,749</u>

The movement of the allowance for credit loss (non-related parties) is summarized as follows:

	2025 LL (000)	2024 LL (000)
Balance at 1 January	61,920,369	61,920,369
Write-back during the year	(2,998,250)	-
Balance at 31 December	<u>58,922,119</u>	<u>61,920,369</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

11 ACCOUNTS AND NOTES RECEIVABLE (continued)

The maturity of the notes receivables is as follows:

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Due	901,672,744	337,524,957
Within 1 year	110,964,143	72,415,517
Between 1 year and 5 years	277,009,857	236,782,997
Over 5 years and up to 10 years	308,849,080	295,788,368
Balance at 31 December	<u>1,598,495,824</u>	<u>942,511,839</u>

Notes receivable are denominated in US Dollar. The effective interest rate on the notes receivable is set at a fixed rate of 5%. Interest income on notes receivable for the year 2025 amounted to LL (000) 29,575,633 (2024: LL (000) 1,303,275). On 31 December 2025, the Company agreed with the related party to charge the latter with late payment interest of 1% on overdue notes (which was previously not applied in mutual agreement). As a result, the Company recorded under finance income in the separate statement of income for the year ended 31 December 2025, an amount of LL (000) 626,408,352 representing late payment interest on overdue notes receivable. Notes receivables are recoverable and therefore no impairment was set up against these notes receivable as at 31 December 2025 and 2024 (note 19).

12 INVENTORIES

	2025 LL (000)	2024 LL (000)
Combustibles	954,340,871	1,009,619,100
Spare parts	296,924,741	251,246,205
Finished goods –cement	256,566,045	298,539,368
Raw material	125,000,917	141,644,553
Work in progress	64,110,502	488,134,644
Goods in transit	26,910,657	18,568,353
	<u>1,723,853,733</u>	<u>2,207,752,223</u>
Less: Provision for slow moving and obsolete inventory	<u>(69,163,617)</u>	<u>(32,792,604)</u>
	<u>1,654,690,116</u>	<u>2,174,959,619</u>

The movement of the provision for slow moving and obsolete inventory during the year was as follows:

	2025 LL (000)	2024 LL (000)
Balance at 1 January	32,792,604	13,329,680
Provision during the year	36,371,013	19,462,924
Balance at 31 December	<u>69,163,617</u>	<u>32,792,604</u>

Provision for slow moving and obsolete inventory is determined according to the Group policy defined as follows:

- 30% for inventory aging bracket between 365 and 729 days
- 50% for inventory aging bracket between 730 and 1,095 days
- 80% for inventory aging bracket more than 1,095 days.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

13 OTHER ASSETS

	2025 LL (000)	2024 LL (000)
Advances to suppliers	112,831,475	240,290,953
Prepayments	14,750,047	7,860,044
Advances to employees	853,521	493,290
Advances to a related party (note 19)	-	9,553,698
Other receivables	4,940,598	4,940,599
	<u>133,375,641</u>	<u>263,138,584</u>

14 CASH AND CASH EQUIVALENTS

	2025 LL (000)	2024 LL (000)
Cash in transit	40,724,794	-
Bank's current accounts	1,013,058,088	764,896,428
	<u>1,053,782,882</u>	<u>764,896,428</u>

Bank's current accounts are segregated as follows by currency:

	2025 LL (000)	2024 LL (000)
Unrestricted US Dollar (fresh)	915,472,380	654,571,653
Lebanese Lira	129,108,732	99,731,811
Restricted US Dollar (local) (*)	54,480,086	54,637,466
Unrestricted Euro (fresh)	222,450	1,456,264
Less: Expected credit losses on restricted US Dollar (local) (*)	(45,500,766)	(45,500,766)
	<u>1,053,782,882</u>	<u>764,896,428</u>

(*) Restricted US Dollar (local) as at 31 December 2025 and 2024, consist of balances with Lebanese banks that are subject to de-facto capital controls and restricted transfers outside Lebanon.

15 SHARE CAPITAL

At 31 December 2025 and 2024, the Company's capital amounts to LL (000) 97,580,200 which consists of 19,516,040 shares with a nominal value of LL 5,000 each, fully paid.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

16 RESERVES

Legal reserve

In accordance with the Lebanese Code of Commerce and the Company's articles of association, 10% of the annual net income is required to be transferred to legal reserve until this reserve equals one third of the capital. This limit was attained in prior years and no further transfer is required. This reserve is not available for distribution to the shareholders.

Other reserves

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Property and equipment		
Land	16,941,775,075	17,007,580,705
Buildings	1,482,437,602	1,482,437,602
Installations and equipment	2,728,513,190	2,728,513,190
	<u>21,152,725,867</u>	<u>21,218,531,497</u>
Investment properties		
Land	<u>4,724,774,326</u>	<u>4,724,774,326</u>
Intangible assets	<u>857,045,507</u>	<u>857,045,507</u>
Investment in subsidiaries and affiliates		
<i>Société Libanaise des Ciments Blancs SAL</i>	836,349,139	1,608,885,841
<i>Bogaz Enddtrive Madencilik Limited</i>	7,378,482,059	1,129,030,306
	<u>8,214,831,198</u>	<u>2,737,916,147</u>
Balance at 31 December	<u>34,949,376,898</u>	<u>29,538,267,477</u>

17 LONG TERM PROVISION

	2025 LL (000)	2024 LL (000)
Environmental restoration	<u>382,303,909</u>	<u>315,588,695</u>
The movement of the provision is as follows:		
	2025 LL (000)	2024 LL (000)
Balance at 1 January	315,588,695	230,534,641
Provision during the year	66,715,214	85,054,054
Balance at 31 December	<u>382,303,909</u>	<u>315,588,695</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

17 LONG TERM PROVISION (continued)

The Company extracts mineral resources from its quarries as part of its ongoing production. A provision is made for the present value of costs to be incurred for the restoration of the extraction sites and is calculated based on the following assumptions:

	2025	2024
Discount rate	5.31%	10.18%
Expected timing of restoration	41 years	41 years
Estimated area to be restored	847,397 m ²	847,397 m ²
Cost of restoration	Average of \$4.5 / m ²	Average of \$4.5 / m ²

18 RETIREMENT BENEFIT OBLIGATIONS

The Company is subject to the NSSF defined benefit plan which is in the nature of an end-of-service indemnity for the benefit of its employees.

The movement in the retirement benefit obligations during the year was as follows:

	2025 LL (000)	2024 LL (000)
Balance at 1 January	595,318,779	151,206,468
Current service cost	5,649,019	2,165,467
Interest expense	46,797,984	5,075,279
Total amount recognized in profit or loss	52,447,003	7,240,746
Remeasurement:		
Experience loss	1,459,867	507,754,726
Total amount recognized in other comprehensive income	1,459,867	507,754,726
Benefit payments during the year	(173,926,622)	(70,883,161)
Balance at 31 December	475,299,027	595,318,779

The provisions at the respective reporting rates have been calculated based on the following actuarial assumptions:

	2025	2024
Discount rate	13.58%	13.58%
Expected rate of return on contribution	5.00%	5.00%
Salary growth rate	4.00%	4.00%
Mortality rate	None	None
Turnover rate	1.00%	1.00%
Retirement age	Earliest of 64 or completion of 35 years of contribution	Earliest of 64 or completion of 35 years of contribution

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

19 RELATED PARTY BALANCES AND TRANSACTIONS

Related parties represent associated companies, major shareholders, directors and key management personnel of the Company, and entities controlled, jointly controlled or significantly influenced by such parties. Pricing policies and terms of these transactions are approved by the Company's management. Balances with related parties included in the separate statement of financial position are as follows:

	2025		2024	
	<i>Due from LL (000)</i>	<i>Due to LL (000)</i>	<i>Due from LL (000)</i>	<i>Due to LL (000)</i>
Ultimate parent company				
Holcim Ltd	-	-	-	52,326,157
	-	-	-	52,326,157
Subsidiaries and affiliates:				
Societe Libanaise de Ciments Blancs SAL	151,530,849	-	110,393,651	-
Holcim Beton SAL*	11,414,275	-	10,904,451	-
Energis Liban SAL	105,546	-	105,546	-
EDP Centre SARL (under liquidation)	1,600,660	-	1,600,660	-
	164,651,330	-	123,004,308	-
Entities under common directorship				
Societe Pour le Commerce de L'Immobilier SAL	5,139,791	-	8,251,099	-
Entities associated with the Company:				
Holcim EMEA Digital Center S.L.	-	-	-	4,569,072
Holcim Haut Rhin	-	-	-	1,880,554
Lafarge Cement Egypt SAE	-	26,910,657	-	-
Holcim Int Service Singapore	-	-	-	1,544,030
Holcim Group Services Ltd	-	-	-	19,018,802
Holcim Technology Ltd	-	-	20,162,720	-
LaFarge Service Algerie	-	-	268,239	-
LaFarge MEA Building Materials S.A.E	-	-	-	426,085
	-	-	20,430,959	27,438,543
	169,791,121	26,910,657	151,686,366	79,764,700
Less: Allowance for impairment:				
Cemix SAL (previously Holcim Beton SAL)	(10,904,451)	-	(10,904,451)	-
EDP Centre SARL (under liquidation)	(1,600,660)	-	(1,600,660)	-
	(12,505,111)	-	(12,505,111)	-
	157,286,010	26,910,657	139,181,255	79,764,700

* The General Assembly meeting of Holcim Beton SAL dated 20 July 2018 resolved to temporarily discontinue the Company's operations and lease or sell part of its property and equipment.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

19 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Above related parties balances are current in nature, do not carry any interest and are denominated as follows by currency:

	2025		2024	
	<i>Due from LL (000)</i>	<i>Due to LL (000)</i>	<i>Due from LL (000)</i>	<i>Due to LL (000)</i>
Non-resident entities (fresh foreign currencies)	-	26,910,657	20,430,959	79,764,700
Resident entities (fresh US\$)	61,459,771	-	56,258,057	-
Resident entities (Lebanese Lira)	95,826,239	-	62,492,239	-
	<u>157,286,010</u>	<u>26,910,657</u>	<u>139,181,255</u>	<u>79,764,700</u>

Movement on allowance for impairment on due from related parties for the year ended 31 December 2025 and 2024 was as follow:

	2025 <i>LL (000)</i>	2024 <i>LL (000)</i>
Balance at 1 January	(12,505,111)	(10,454,661)
Provided during the year	-	(2,050,450)
Balance at 31 December	<u>(12,505,111)</u>	<u>(12,505,111)</u>

Notes receivable from related parties:

In prior years, Societe Pour le Commerce de L'Immobilier SAL, a related party, acquired plots of land from the Company against interest bearing notes receivable.

Notes receivable amounted to LL (000) 1,598,495,824 as at 31 December 2025 (2024: LL (000) 942,511,839) (note 11). Related interest income on these notes amounted to LL (000) 29,575,633 for the year ended 31 December 2025 (2024: LL (000) 1,303,275). On 31 December 2025, the Company agreed with the related party to charge the latter with late payment interest of 1% on overdue notes (which was previously waived in mutual agreement). As a result, the Company recorded under finance income in the separate statement of income for the year ended 31 December 2025, an amount of LL (000) 626,408,352 representing late payment interest on overdue notes receivable. Notes receivables are recoverable and therefore no impairment was set up against these notes receivable as at 31 December 2025 and 2024 (note 19).

Loan from a related party is as follows:

	2025 <i>LL (000)</i>	2024 <i>LL (000)</i> <i>Restated</i>
Loan from ultimate parent company		
Holcim Ltd	6,870,263,993	7,319,610,485
Accrued interest payable (note 21)	26,278,760	28,054,808
	<u>6,896,542,753</u>	<u>7,347,665,293</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

19 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

The loan from the ultimate parent company is detailed as follows:

	2025		2024 Restated	
	US\$	LL (000)	US\$	LL (000)
US\$ 50,000,000 – 15 December 2028 – 9%	45,000,000	4,027,500,000	50,000,000	4,475,000,000
Capitalized interest – net	31,762,227	2,842,763,993	31,762,227	2,844,610,485
Balance as at 31 December	76,762,227	6,870,263,993	81,762,227	7,319,610,485
<i>Out of which current:</i>				
US\$ 50,000,000 – 15 December 2028 – 9%	-	-	5,000,000	447,500,000
Total current	-	-	5,000,000	447,500,000
Total non-current	76,762,227	6,870,263,993	76,762,227	6,872,110,486
Accrued interest payable - net (note 21)	293,617	26,278,760	312,742	28,054,808

US\$ 50,000,000 – 15 December 2028 – 9%

During 2019, Holcim Investments S.A.S., a related party, granted the Company a loan denominated in US\$ amounting to US\$ 50,000,000 (recorded at LL (000) 4,475,000,000 in the Company's books and records) subject to interest at the rate of 6 months Libor plus 7% and matures on 17 April 2021. On 3 August 2020, Holcim Investments S.A.S. transferred the above loan and related interest to Holcim Ltd, the ultimate parent company, with continuity according to signed assignment agreements. This agreement was renewed for an additional year during 2022 and 2023 with same terms except for the change of the interest rate to SOFR 6 month plus 7%. During 2024, the Company signed an amended facility agreement with Holcim Ltd, fixing the interest rate at 9% and specifying that the Company should repay a minimum amount of US\$ 5,000,000 before 15 December 2025 and fixing the final maturity of the loan on 15 December 2028.

Interest related to the ultimate parent company loan is capitalized into the principal on each interest payment date based on the ultimate parent company instructions. These interests are capitalized net of 10% tax withheld. Total interest expense on the above loans during the year ended 31 December 2025 amounted to US\$ 7.35 million (LL (000) 652,218,044) (2024: US\$ 9.81 million (LL (000) 800,788,299)).

During the year, the Company carried out the following major transactions with related parties:

	2025 LL (000)	2024 LL (000)
Transactions with ultimate parent company, subsidiaries and affiliates		
Sales of goods	7,933,120	5,767,629
Income from services	-	2,113,574
Interest expense on loans (note 5)	652,218,044	800,788,299
Service fees charged to a subsidiary	13,268,493	19,492,390
Recharged costs to subsidiaries	15,168,022	17,861,256
Salaries recharged from related parties (note 4)	37,765,619	42,653,552
Costs recharged from related parties	29,325,147	22,319,212
Interest income on notes receivable (note 5)	655,983,985	1,303,275
Rent expense	13,500,179	13,339,276
Transactions with entities associated with the Company:		
Purchase of goods	1,044,284,269	1,284,704,165
Income from services	17,757,216	15,669,838

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

19 RELATED PARTY BALANCES AND TRANSACTIONS (continued)

Recharges costs to subsidiaries represent salaries, rent, combustibles and other expenses recharged to the Company's subsidiaries.

	2025 LL (000)	2024 LL (000)
Key management remuneration:		
Key management personnel	89,109,336	90,755,634
Dividend income from subsidiaries		
Bogaz Endutri ve Madencilik Limited	1,785,280,256	1,454,064,442

Dividends collected during 2025 amounted to LL (000) 1,785,280,256 (2024: LL (000) 1,454,064,442). There were no dividends receivable outstanding as at 31 December 2025 (2024: the same).

Extraction rights under intangible assets in the net carrying value of LL (000) 707,225,557 as at 31 December 2025 (2024: LL (000) 768,200,168) were acquired from a related party and paid for in advance and are being amortized over the life of the lease agreements (note 8).

Advances to a related party in the amount of LL (000) 9,553,698 as at 31 December 2024 (2025: nil) represent advance payments to Holcim Trading Ltd and Lafarge Cement Egypt SAE and recorded under "Other assets" in the separate statement of financial position (note 13).

Holcim Liban SAL has joined the Master Industrial Intellectual Property Agreements (MIIPA) mechanism of Holcim Group during 2020. Holcim Technology Ltd, a subsidiary of the ultimate parent company Holcim Ltd, charges the Company fees that varies between 0.5% to 4.1% of consolidated net sales to third parties based on a special calculation formula related to profitability. Holcim Group Services Ltd also charges the Company administrative support fees. No amount was charged in 2025 (2024: the same). Subsequent to 31 December 2025, these fees were waived following the change in the Company's ownership structure, as disclosed in Note 1.

20 ACCOUNTS PAYABLE

	2025 LL (000)	2024 LL (000)
Trade payables	581,738,928	573,985,532
Due to related parties (note 19)	26,910,657	79,764,700
	<u>608,649,585</u>	<u>653,750,232</u>

Trade payables consist of current trade suppliers' balances, are non-interest bearing and segregated into the following currencies:

	2025 LL (000)	2024 LL (000)
US Dollar (fresh)	428,470,374	361,865,614
Euro (fresh)	129,295,326	177,810,861
Lebanese Lira	20,729,294	32,249,697
Sterling Pound (fresh)	3,243,934	2,059,360
	<u>581,738,928</u>	<u>573,985,532</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

21 ACCRUED EXPENSES AND OTHER LIABILITIES

	2025 LL (000)	2024 LL (000)
Taxes payable	223,150,243	178,253,527
Accrued rebates	136,420,620	141,849,962
Accrued expenses	118,163,247	96,367,754
Accrued interest payable (note 19)	26,278,760	28,054,808
Deferred income	18,631,114	4,069,582
Advances from customers	15,074,474	12,371,904
Other liabilities	7,821,966	21,534,489
	<u>545,540,424</u>	<u>482,502,026</u>

22 DIVIDENDS PAYABLE

On 19 June 2019, the Ordinary General Assembly approved the distribution of dividends to Shareholders in the amount of LL (000) 7,600,000 (390 per share). An amount of LL (000) 139,000 is outstanding as dividends payable as at 31 December 2025 (2024: the same).

23 COMMITMENTS AND CONTINGENCIES

The Company had the following commitments and liabilities as at 31 December 2025 and 2024:

	2025 LL (000)	2024 LL (000)
Bank guarantees	<u>5,316,543</u>	<u>5,316,543</u>

Tax and National Social Security Fund

Certain areas of the Lebanese tax legislation are subject to different interpretations in respect of the taxability of certain types of transactions and activities.

The Company's accounting records were examined by the National Social Security Fund ("NSSF") for the period from 1 January 1982 to 30 September 2007. The review resulted in an assessment and in additional subscription due of LL (000) 5,300,000 which are covered by bank guarantees. An objection was submitted in respect of the assessment which was rejected by the Labour Council of Beirut. The Company has since filed an appeal.

During 2015, the Company availed itself of the opportunity

- (i) to settle the amount due by installments.
- (j) to benefit from an exemption from delay penalties whilst maintaining its appeal against the assessment.

The exemption from delay penalties is not considered final until the entire social security debt is settled. The period up to April 2016 was cleared by the Social Security Fund.

The Company's books for the period from April 2016 up to 31 December 2025 (inclusive) remain subject to review by the National Social Security Fund. Management does not believe that the ultimate outcome of any such reviews can have a material effect on the separate financial statements.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

23 COMMITMENTS AND CONTINGENCIES (continued)

The Company's books and records from the years 2015 to 2018 are currently being reviewed by the Department of Income Tax. The Companies books and records from the years 2019 to 2025 remain subject to review. Management does not believe that the ultimate outcome of any such reviews can have a material effect on the separate financial statements.

The Company's books and records from the years 2018 to 2025 remain subject to review by the Department of Value Added Tax. Management does not believe that the ultimate outcome of any such reviews can have a material effect on the separate financial statements.

Other matters

The Company is defendant in some legal cases in front of the labor court, in addition to other civil and penal cases within the normal course of business. Management does not believe that the ultimate outcome of these legal cases can have a material effect on the separate financial statements.

24 RISK MANAGEMENT

Interest rate risk

The Company's interest rate risk arises from the possibility that changes in market interest rates will affect the value of interest-earning assets and interest-bearing liabilities and related interest amounts. The Company has no significant assets subject to interest. The Company is not exposed to significant interest rate risk on its liabilities as at 31 December 2025 and 2024 as the interest rate on the loan from the parent company and notes receivables was fixed during 2025.

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company. Financial assets which potentially subject the Company to credit risk consist mainly of cash at banks, notes receivables and trade receivables. The Company limits credit risk with regard to bank deposits by only dealing with reputable banks. The Company's onshore liquid funds are placed with Lebanese banks and are subject to de-facto capital control imposed by banks. As a result of the current financial and economic crisis in Lebanon, credit rating agencies have downgraded the credit rating for Lebanon to default category with little recovery, which resulted in an increase in significant credit risk for the Company's exposure to Lebanese banks. The Company's offshore liquid funds with Lebanese banks are not subject to de-facto capital control and are placed with reputable banks.

Liquidity risk

Liquidity risk is the risk that an entity will be unable to meet its net funding requirements. The Company manages liquidity risk by maintaining adequate resources and ensuring the availability of necessary facilities, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

24 RISK MANAGEMENT (continued)

Liquidity risk (continued)

The maturities of the Company's financial liabilities at 31 December 2025 and 2024 are as follows:

	2025			
	Less than 1 year LL (000)	1 to 5 years LL (000)	Over 5 years LL (000)	Total LL (000)
FINANCIAL ASSETS				
Cash and cash equivalents	1,053,782,882	-	-	1,053,782,882
Accounts and notes receivable	1,260,768,879	585,858,936	-	1,846,627,815
Other assets	3,531,809	-	-	3,531,809
TOTAL	2,318,083,570	585,858,936	-	2,903,942,506
FINANCIAL LIABILITIES				
Accounts payable	608,649,585	-	-	608,649,585
Notes payable	150,126	-	-	150,126
Dividends payable	139,000	-	-	139,000
Loan from related parties	-	6,870,263,993	-	6,870,263,993
Accrued expenses and other liabilities	254,988,664	-	-	254,988,664
TOTAL	863,927,375	6,870,263,993	-	7,734,191,368
Liquidity gap	1,454,156,195	(6,284,405,057)	-	(4,830,248,863)
	2024			
	Less than 1 year LL (000)	1 to 5 years LL (000)	Over 5 years LL (000)	Total LL (000)
FINANCIAL ASSETS				
Cash and cash equivalents	764,896,428	-	-	764,896,428
Accounts and notes receivable	564,662,734	532,571,365	-	1,097,234,099
Other assets	14,987,587	-	-	14,987,587
TOTAL	1,344,546,749	532,571,365	-	1,877,118,114
FINANCIAL LIABILITIES				
Accounts payable	653,750,232	-	-	653,750,232
Notes payable	150,126	-	-	150,126
Dividends payable	139,000	-	-	139,000
Loan from related parties	447,500,000	6,872,110,486	-	7,319,610,486
Accrued expenses and other liabilities	227,775,934	-	-	227,775,934
TOTAL	1,329,315,292	6,872,110,486	-	8,201,425,778
Liquidity gap	15,231,457	(6,339,539,121)	-	(6,324,307,664)

Currency risk

Currency risk arises from currency fluctuation effects on the monetary assets and liabilities denominated in foreign currencies. The Company undertakes transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Company's monetary assets and liabilities are mostly denominated in Euro, US Dollar and Lebanese Lira. The de-facto capital control imposed by banks in Lebanon since October 2019 mainly on movement of funds in foreign currencies, caused a wide range of price variance between the official rates and the market rates from the last quarter of 2019 until the latest change in January 2024, leading to a convergence of these rates. Management is taking steps to address currency risk by matching sources and applications of funds, as applicable.

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

24 RISK MANAGEMENT (continued)

Capital management

The primary objective of the Company's capital management is to ensure that it maintains healthy capital ratios in order to support its business and maximize shareholder value. The Company manages its capital structure and makes adjustments to it in light of changes in business conditions. No changes were made in the objectives, policies or processes during the years ended 31 December 2025 and 31 December 2024. Equity comprises of paid capital, accumulated losses, share premium, reserves and defined benefits obligations and is measured at a surplus of LL (000) 29,687,816,946 as at 31 December 2025 (2024: LL (000) 23,930,728,431).

25 FAIR VALUES

Fair value is the amount for which an asset could be exchanged, or a liability settled between knowledgeable, willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates. The carrying book values of financial assets and liabilities are not materially different from their fair values applicable at the reporting date.

26 SEGMENT INFORMATION

For management purposes, the Company is organized into business units based on their geographical location and has one reportable operating segment "Local sales".

Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the separate financial statements. However, financing (including finance costs and interest income) and income taxes are managed on a Company basis and are not allocated to operating segments.

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Sales	7,489,223,869	4,719,829,937
Cost of sales	(7,704,343,103)	(4,540,935,708)
GROSS (LOSS) PROFIT	(215,119,234)	178,894,229
Distribution expenses	(525,954,014)	(373,922,880)
General and administrative expenses	(551,970,860)	(556,257,423)
Write-back for expected credit loss on accounts receivable	2,998,250	-
Provisions for site restoration	(66,715,214)	(85,054,054)
Allowance for expected credit loss on due from related parties	-	(2,050,450)
Provision for slow moving and obsolete inventory	(36,371,013)	(19,462,924)
Foreign exchange, net	16,905,517	13,017,691
Segment loss	(1,376,226,568)	(844,835,811)
Operating assets	30,259,894,286	30,481,399,420
Operating liabilities	2,011,792,945	2,047,159,732

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

26 SEGMENT INFORMATION (continued)

Adjustments

1. Profit for each operating segment does not include interest income, share of profit of subsidiaries or finance costs as these are managed on a Company basis.
2. Segment assets do not include investments in subsidiaries or deferred tax assets as these assets are managed on a Company basis.
3. Segment liabilities do not include current tax payable, loans and borrowings, dividends payable and notes payable as these liabilities are managed on a Company basis.

Reconciliation of profit

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Segment loss	(1,376,226,568)	(844,835,811)
Dividend income	1,785,280,256	1,454,064,442
Finance costs, net	(72,956,318)	(822,275,779)
Income tax credit	11,341,590	14,459,190
Company profit (loss)	347,438,960	(198,587,958)

Reconciliation of assets

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Segment assets	30,259,894,286	30,481,399,420
Investments in subsidiaries	8,244,080,363	2,767,165,310
Deferred tax assets	66,188,361	49,223,045
Company assets	38,570,163,010	33,297,787,775

Reconciliation of liabilities

	2025 LL (000)	2024 LL (000) <i>Restated</i>
Segment liabilities	2,011,792,945	2,047,159,732
Loans and borrowings	6,870,263,993	7,319,610,486
Dividend payable	139,000	139,000
Notes payable	150,126	150,126
Company liabilities	8,882,346,064	9,367,059,344

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

27 RESTATEMENT OF COMPARATIVE FIGURES

a) Restatement to the carrying amounts of assets

The Company recorded adjustments to the carrying amounts of property and equipment, intangible assets, investment properties and investment in subsidiaries and affiliates based on Law 330 dated 4 December 2024.

- Land and buildings in Lebanon, included in property and equipment and investment properties were adjusted based on a valuation performed by an independent external valuer, with a corresponding adjustment to accumulated depreciation;
- Tangible assets other than land and buildings, and intangible assets were adjusted by retranslating historical cost and accumulated depreciation at LBP 89,500 to the US Dollar; and
- Investment in subsidiaries and affiliates were adjusted based on a valuation performed by an independent external valuer. With respect to "Bogaz Enddrive Madencilik Limited" and "Societe Libanaise des Ciments Blancs SAL", the valuator applied the discounted cash flow method.

The adjustments were applied retrospectively, with corresponding figures as at and for the year ended 31 December 2024 restated and, a third statement of financial position presented as at 1 January 2024. The effect of these adjustments on the financial statements is presented in Column A below.

(b) Restatement to account for the application of the correct exchange rates on transactions and balances in foreign currencies from 1 January 2024 to 31 December 2024

The Company had previously prepared its financial statements for the years 2022, 2023, and 2024 using the official published exchange rate on certain financial assets and financial liabilities in foreign currencies, which did not represent a reasonable estimate of expected cash flows in Lebanese Pounds that would have to be generated/used from the realisation of financial assets or the payment of financial liabilities at the date of the transaction or at the date of the financial statements. On 1 January 2024, the Company remeasured these financial assets and liabilities in foreign currencies at market rates. Accordingly, the Company restated the figures as of 1 January 2024 and 31 December 2024. The effect of these restatements on the financial statements is presented in Column B below.

Statement of Financial Position as at 1 January 2024:

	1 January 2024 as previously reported LL (000)	Column A LL (000)	Column B LL (000)	1 January 2024 as restated LL (000)
Assets				
Property and equipment	456,046,635	19,209,698,447	(365,452,381)	19,300,292,701
Intangible assets	14,209,580	857,045,507	(27,585,927)	843,669,160
Investment properties	12,077,167	4,304,563,144	-	4,316,640,311
Investment in subsidiaries and affiliates	29,249,163	2,620,840,725	-	2,650,089,888
Notes receivable	12,872,590	-	63,927,379	76,799,969
Other assets	160,559,551	-	648,626,726	809,186,277
Accounts and notes receivable	228,709,845	-	65,527,323	294,237,168
	<u>913,724,531</u>	<u>26,992,147,823</u>	<u>385,043,120</u>	<u>28,290,915,474</u>
Liabilities				
Provision for risk and charges	258,847,134	-	(28,312,492)	230,534,642
Loans from related parties	1,241,825,421	-	6,287,423,152	7,529,248,573
Accrued expenses and other liabilities	668,224,957	-	20,138,631	688,363,588
	<u>2,168,897,512</u>	<u>-</u>	<u>6,279,249,291</u>	<u>8,448,146,803</u>

Societe des Ciments Libanais SAL (Previously Holcim Liban SAL)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

27 RESTATEMENT OF COMPARATIVE FIGURES (continued)

Statement of Financial Position as at 1 January 2024: (continued)

	<i>1 January 2024 as previously reported LL (000)</i>	<i>Column A LL (000)</i>	<i>Column B LL (000)</i>	<i>1 January 2024 as restated LL (000)</i>
Equity				
Other reserves	50,613,023	26,992,147,823	-	27,042,760,846
Retained earnings (accumulated losses)	1,009,659,631	-	(5,894,206,171)	(4,884,546,540)
	<u>1,060,272,654</u>	<u>26,992,147,823</u>	<u>(5,894,206,171)</u>	<u>22,158,214,306</u>

Statement of Financial Position as at 31 December 2024:

	<i>31 December 2024 as previously reported LL (000)</i>	<i>Column A LL (000)</i>	<i>Column B LL (000)</i>	<i>31 December 2024 as restated LL (000)</i>
Assets				
Property and equipment	556,148,737	21,167,918,477	(1,062,442,566)	20,661,624,648
Intangible assets	13,181,724	857,045,504	(87,532,679)	782,694,549
Investment properties	12,077,167	4,724,774,326	-	4,736,851,493
Investment in subsidiaries and affiliates	29,249,163	2,737,916,147	-	2,767,165,310
Notes receivable	89,258,858	-	443,312,507	532,571,365
Other assets	256,606,267	-	6,532,317	263,138,584
Accounts and notes receivable	223,420,882	-	341,241,852	564,662,734
	<u>1,179,942,798</u>	<u>29,487,654,454</u>	<u>(358,888,569)</u>	<u>30,308,708,683</u>
Liabilities				
Provision for risk and charges	342,636,724	-	(27,048,029)	315,588,695
Loans from related parties	1,807,761,362	-	5,511,849,124	7,319,610,486
Accounts payable	647,284,803	-	6,465,429	653,750,232
Accrued expenses and other liabilities	465,666,776	-	16,835,250	482,502,026
	<u>3,263,349,665</u>	<u>-</u>	<u>5,508,101,774</u>	<u>8,771,451,439</u>
Equity				
Other reserves	50,613,023	29,487,654,454	-	29,538,267,477
Retained earnings (accumulated losses)	783,855,845	-	(5,866,990,343)	(5,083,134,498)
	<u>834,468,868</u>	<u>29,487,654,454</u>	<u>(5,866,990,343)</u>	<u>24,455,132,979</u>

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS

31 December 2025

27 RESTATEMENT OF COMPARATIVE FIGURES (continued)

Statement of Other Comprehensive Income for the year ended 31 December 2024:

	31 December 2024 as previously reported LL (000)	Column A LL (000)	Column B LL (000)	31 December 2024 as restated LL (000)
Income statement				
Depreciation	(41,336,224)	-	(696,990,181)	(738,326,405)
Amortization	(1,027,854)	-	(59,946,756)	(60,974,610)
Foreign exchange, net	(771,135,074)	-	784,152,765	13,017,691
	(813,499,152)	-	27,215,828	(786,283,324)
Other comprehensive income				
Revaluation of property and equipment	-	1,958,220,026	-	1,958,220,026
Revaluation of investment properties	-	420,211,183	-	420,211,183
Revaluation of subsidiaries	-	117,075,422	-	117,075,422
	-	2,495,506,631	-	2,495,506,631

28 EVENTS AFTER THE REPORTING PERIOD

Subsequent to the reporting date, geopolitical tensions in parts of the Middle East have increased. Starting February 2026, Lebanon experienced armed attacks that have escalated, causing widespread displacement and extensive damage to local establishments and infrastructure.

This armed conflict, along with its spillover effects, has further strained Lebanon's already crisis-affected economy, negatively impacting business operations, as well as the income and revenues of both the private and public sectors and individuals. A temporary partial ceasefire was declared on 16 April 2026 and has since been extended beyond the initial timeframe.

These developments arose after the reporting period and have therefore been assessed as non-adjusting events in accordance with IAS 10 Events after the Reporting Period.

Accordingly, no adjustments have been made to the amounts recognised in the financial statements as at 31 December 2025, which reflect conditions existing at that date.

The Company has assessed the potential implications of these events on its operations, financial position and performance. Based on information currently available, including the continuation of core business activities, it is not practicable to reliably estimate the full financial effect of these non-adjusting events on future periods.

Management has also considered the impact of these events on the Company's ability to continue as a going concern and has concluded that the going concern basis of preparation remains appropriate.