



## HEAD OFFICE

P.O. Box : 600, FUJAIRAH  
UNITED ARAB EMIRATES  
Tel.: 09-2223111  
Fax: 09-2227718  
Email:hofci79@fciho.ae  
Email:hofci79@fujairahcement.com

Web Site: www.fujairahcement.com : موقع على الإنترنت

## المكتب الرئيسي

ص.ب: ٦٠٠ - الفجيرة  
الإمارات العربية المتحدة  
تليفون: ٠٩-٢٢٢٣١١١  
فاكس: ٠٩-٢٢٢٧٧١٨  
البريد الإلكتروني: hofci79@fciho.ae  
البريد الإلكتروني: hofci79@fujairahcement.com

## Detailed analysis of accumulated losses

Date	14/05/2024
Name of the Listed Company	Fujairah Cement Industries PJSC.
Define the period of the financial statements	Q1-2024
Value of the Accumulated losses	AED. 168,862,575
Accumulated losses to capital ratio	47.45 %
The main reasons leading to these accumulated losses and their history	<p>Company is accumulating losses continuously from the financial year 2020.</p> <p>In the year 2022 and 2023 company reported significant losses due to increased cost of coal / energy, lower selling prices of clinker, decline in revenue, increased logistics cost, increased finance cost, provision taken for obsolete / slow-moving inventory, write down of the inventory of finished &amp; semi-finished products to the net realizable value, impairment on PPE of the subsidiary etc.</p> <p>In Q1-2024 company's operations were suspended from 01.01.2024 due to major refurbishment activities and the suspension extended due to financial liquidity constraints</p>
Measures to be taken to address accumulated losses:	<p>Board of directors of the company engaged EY Consulting LLC as financial advisor to assist in accessing the options and support in the restructuring process. Management along with newly appointed financial consultant EY Consultant LLC undertaking strategic review of options and related working capital requirements to assess resumption of company's operations.</p>

Chairman

Mohamed Bin Hamad Bin Saif Alsharqi

