

**Fujairah Cement Industries PJSC and its  
subsidiary  
Fujairah, United Arab Emirates  
Independent auditor's review report and  
condensed consolidated interim financial  
statements  
For the nine months period ended September 30,  
2024 (Unaudited)**

**Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates**

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**Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates**

**General information**

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P. O. Box: 600  
Fujairah, United Arab Emirates  
T: +971 9 222 3111  
website: www.fujairahcement.com

Other office address : P. O. Box: 11477  
Dibba, Fujairah, United Arab Emirates  
T: +971 9 244 4011  
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The Directors	<u>Name</u>	<u>Nationality</u>
	Sheikh Mohammed Bin Hamad Saif Al Sharqi (Representative of Govt. Fujairah)	Emirati
	Mr. Abdul Ghafour Hashem Abdul Ghafour Behroozian Alawadhi (Representative of Govt. Fujairah)	Emirati
	Mr. Mohamed Sharief Habib Mohamed Alawadhi	Emirati
	Mr. Dhari Selfeeq Alshammary (Representative of ISDB-KSA)	Saudi
	Mr. Mohammad Saeed Aldowaisan	Kuwaiti
	Mr. Saad Abdullah Hussain Al Hanyan	Kuwaiti
	Mr. Yagoub Musaad Yagoub Albujjan	Kuwaiti
	Mr. Abdul Latif Saad Abdul Latif Al Dosary	Kuwaiti
	Mrs. Maryam Abdulla Mohamed Obaid Al Matrooshi	Emirati
	Mr. Salem Mohamed Abdulla Mohamed Al Zahmi	Emirati

The Auditor : Crowe Mak  
P.O. Box: 6747  
Dubai, United Arab Emirates

The Banks : National Bank of Fujairah  
Dubai Islamic Bank  
Emirates NBD  
Abu Dhabi Commercial Bank  
Commercial Bank of Dubai  
First Abu Dhabi Bank  
Burgan Bank

**Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates**

**Directors' report**

The Directors have pleasure in presenting their report and the reviewed condensed consolidated interim financial statements for the period ended September 30, 2024.

**Principal activities of the Group**

The principal activities of Fujairah Cement Industries PJSC (the "Parent Entity") and its subsidiary (collectively referred to as the "Group") are clinkers and hydraulic cement manufacturing, ready - mix and dry - mix concrete and mortars manufacturing, exporting and sand and pebble mines operation - crushers.

It was decided to cease the operations of the subsidiary by the Board of Directors at the meeting held on January 09, 2024, and the operations of the subsidiary has been discontinued completely from February 01, 2024 and accordingly the results of the subsidiary has been shown as discontinued operations in this condensed consolidated interim financial statements.

**Financial review**

The table below summarizes the results of nine months period ended September 30, 2024 and September 30, 2023 denoted in Arab Emirates Dirham (AED).

	<b>Nine months period ended September 30,</b>		<b>Three months period ended September 30,</b>	
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)	<b>(Unaudited)</b>	(Unaudited)
<b>Continuing operations</b>				
Revenue	<b>1,636,214</b>	274,000,150	<b>853,434</b>	99,884,862
Cost of sales	<b>(1,746,455)</b>	(312,870,041)	<b>(826,151)</b>	(119,029,452)
Gross loss	<b>(110,241)</b>	(38,869,891)	<b>27,283</b>	(19,144,590)
Gross loss %	<b>-6.74%</b>	-14.19%	<b>3.20%</b>	-19.17%
Net loss	<b>(145,332,950)</b>	(100,734,765)	<b>(57,836,070)</b>	(41,503,654)
<b>Discontinued operations</b>				
Revenue	<b>519,047</b>	8,680,763	-	2,960,190
Cost of sales	<b>(878,428)</b>	(11,500,886)	-	(4,004,543)
Gross loss	<b>(359,381)</b>	(2,820,123)	-	(1,044,353)
Gross loss %	<b>-69.24%</b>	-32.49%	<b>0.00%</b>	-35.28%
Net loss	<b>(1,153,856)</b>	(4,958,796)	<b>(27,869)</b>	(2,134,079)
Basic and diluted loss per share from continuing operations	<b>(0.408)</b>	(0.283)	<b>(0.163)</b>	(0.117)
Basic and diluted loss per share from discontinued operations	<b>(0.003)</b>	(0.014)	<b>(0.000)</b>	(0.006)

**Role of the Directors**

The Directors are the Group's principal decision-making forum. The Directors have the overall responsibility for leading and supervising the Group for delivering sustainable shareholder value through its guidance and supervision of the Group's business. The Directors set the strategies and policies of the Group. They monitor performance of the Group's business, guide and supervise its management.

**Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates**

**Directors' report (continued)**

**Going concern**

These condensed consolidated interim financial statements have been prepared under the going concern basis for the nine months period ended September 30, 2024, despite the fact that the Group has incurred a loss of AED 146,486,806, accumulated losses of AED 115,257,117 and the current liabilities exceeded the current assets by AED 474,955,648 as at that date. These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

The Board of Directors resolved to temporarily suspend cement and clinker sales and production activities for 45 to 60 days, starting from January 01, 2024, due to a major refurbishment activity decided at the meeting held on December 19, 2023. This suspension was extended for an additional 60 days, starting from March 01, 2024, due to unforeseen technical delays, decided at the meeting held on February 19, 2024. At the Annual General Meeting held on April 25, 2024, the decision was made to further extend the temporary suspension of sales and production activities until further notice, effective from May 1, 2024, due to the Parent Entity's financial liquidity constraints.

Management, together with newly appointed financial consultant, is conducting a strategic review of options and related working capital requirements to evaluate the resumption of the Group's operations. Hence, the accompanying condensed consolidated interim financial statements have been prepared on a going concern basis. However, the management of the Group had decided to cease the operations of the subsidiary and the results of the operations of the subsidiary have been disclosed as discontinued operations.

**Events after period end**

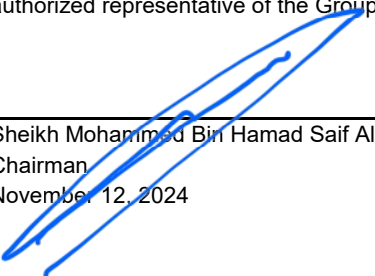
In the opinion of the Directors, no transactions or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial period and the date of the report, that is likely to affect, substantially the result of the operations or the financial position of the Group.

**Statement of Directors' responsibilities**

The applicable requirements require the Directors to prepare the condensed consolidated interim financial statements for each financial period which presents fairly in all material respects, the consolidated financial position of the Group and its consolidated financial performance for the period then ended.

The condensed consolidated interim financial statements for the period under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the consolidated financial position of the Group and enables them to ensure that the condensed consolidated interim financial statements comply with the requirements of applicable statute. The Directors also confirm that the accounting policies and methods of computation adopted in preparing these condensed consolidated interim financial information are consistent with those used in the audited consolidated financial statements for the year ended December 31, 2023, which are the latest audited consolidated financial statements available, that reflect fairly the form and substance of the transactions carried out during the period under review and reasonably present the Group's financial conditions and results of its operations.

These condensed consolidated interim financial statements were approved by the Board and signed on behalf by the authorized representative of the Group.

  
\_\_\_\_\_  
Sheikh Mohammed Bin Hamad Saif Al Sharqi  
Chairman  
November 12, 2024

  
\_\_\_\_\_  
Board Member

Ref: BN/A2983/November 2024

**Independent auditor's report on review of condensed consolidated interim financial statements**

To,  
**The Board of Directors**  
**Fujairah Cement Industries PJSC**  
**P. O. Box: 600**  
**Fujairah, United Arab Emirates**

**Introduction**

We have reviewed the accompanying condensed consolidated interim financial statements of **Fujairah Cement Industries PJSC** (the "Parent Entity") **and its subsidiary** (together referred to as the "Group") which comprise the condensed consolidated interim statement of financial position as at **September 30, 2024**, and the condensed consolidated interim statement of profit or loss and other comprehensive income, condensed consolidated interim statement of changes in equity, condensed consolidated interim statement of cash flows for the nine months period then ended and the explanatory notes. Management is responsible for the preparation and presentation of these condensed consolidated interim financial statements in accordance with the IAS 34 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed consolidated interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with International Standards on Review Engagements 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards of Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Basis for Adverse Conclusion**

1. We refer to Note 2 to the condensed consolidated interim financial statements which states that the Group incurred a loss of AED 146,486,806 for the nine months period ended September 30, 2024 (September 30, 2023: AED 105,693,561 and December 31, 2023: AED 265,532,928), accumulated losses aggregated AED 115,257,117 (December 31, 2023: AED 130,520,723) and the current liabilities continue to exceed the current assets and were in excess by AED 474,955,648 as at that date (December 31, 2023: AED 304,875,684).

The Parent Entity's inability to meet certain financial covenants as per bank facility letters continued in the nine months period ended September 30, 2024.

Further, as explained in Note 2, during the period ended September 30, 2024, the Group's management suspended the operations of the plant and as at the date of this report, the operations remain suspended until further notice.

These events or conditions indicate that the use of going concern assumption in the preparation of these condensed consolidated interim financial statements continues to be not appropriate.

2. The Group incurred production idle costs of AED 72,652,455 for the nine months period ended September 30, 2024. The Group has not estimated and accounted for further production idle costs for the period starting October 1, 2024, and until the date when the operations of the plant is expected to resume.

**Adverse Conclusion**

Our review indicates that, because of the significance of matters described in the 'Basis for Adverse Conclusion' paragraph above, these condensed consolidated interim financial statements do not presents fairly, in all material respects, the financial position of the Group as on September 30, 2024, and its financial performance and its cash flows for nine months period then ended in accordance with IAS 34 'Interim Financial Reporting'.

For, **Crowe Mak**

Zayd Khalid Maniar

Registered Auditor Number: 579

Dubai, United Arab Emirates

November 12, 2024



**Fujairah Cement Industries PJSC and its subsidiary**  
**Fujairah - United Arab Emirates**

**Condensed consolidated interim statement of financial position as at September 30, 2024 (Unaudited)**  
**In Arab Emirates Dirham**

	<u>Notes</u>	<u>September 30, 2024</u>	<u>December 31, 2023</u>
		<u>(Unaudited)</u>	<u>(Audited)</u>
<b>Assets</b>			
<i>Non-current assets</i>			
Property, plant and equipment	4	998,321,137	1,055,255,800
Intangible assets	5	-	-
Right-of-use assets	7	77,841,276	89,595,495
<b>Total non-current assets</b>		<b>1,076,162,413</b>	<b>1,144,851,295</b>
<i>Current assets</i>			
Inventories	8	96,768,626	128,449,618
Trade receivables	9	13,895,174	51,726,138
Advances, deposits and other receivables	10	6,163,948	9,195,373
Cash and bank balances	11	642,592	7,041,775
Net assets relating to discontinued operations	20	11,887,514	-
<b>Total current assets</b>		<b>129,357,854</b>	<b>196,412,904</b>
<b>Total assets</b>		<b>1,205,520,267</b>	<b>1,341,264,199</b>
<b>Equity and liabilities</b>			
<i>Equity</i>			
Share capital	12	355,865,320	355,865,320
Statutory reserve	13	-	161,750,412
Revaluation reserve		34,747,500	34,747,500
Voluntary reserve	14	-	-
Accumulated losses	15	(115,257,117)	(130,520,723)
<b>Total equity</b>		<b>275,355,703</b>	<b>421,842,509</b>
<i>Non-current liabilities</i>			
Lease liabilities	7	87,654,701	98,391,019
Bank borrowings	16	227,221,884	301,583,958
Employees' end of service benefits	17	5,584,959	10,073,845
Trade and other payables	18	5,389,518	8,084,280
<b>Total non-current liabilities</b>		<b>325,851,062</b>	<b>418,133,102</b>
<i>Current liabilities</i>			
Lease liabilities	7	48,332,610	40,812,593
Bank borrowings	16	305,867,439	230,131,635
Trade and other payables	18	250,113,453	230,344,360
<b>Total current liabilities</b>		<b>604,313,502</b>	<b>501,288,588</b>
<b>Total liabilities</b>		<b>930,164,564</b>	<b>919,421,690</b>
<b>Total equity and liabilities</b>		<b>1,205,520,267</b>	<b>1,341,264,199</b>

The accompanying notes form an integral part of these condensed consolidated interim financial statements.  
The review report of the auditor is set out on page 4.

The condensed consolidated interim financial statements on pages 5 to 20 were approved on November 12, 2024 and signed on behalf of the Group, by:

\_\_\_\_\_  
Sheikh Mohammed Bin Hamad Saif Al Sharqi  
Chairman

\_\_\_\_\_  
Board Member

Condensed consolidated interim statement of profit or loss and other comprehensive income for the nine months period ended September 30, 2024  
(Unaudited)  
In Arab Emirates Dirham

	Notes	Nine months period ended September 30,		Three months period ended September 30,	
		2024 (Unaudited)	2023 (Unaudited)	2024 (Unaudited)	2023 (Unaudited)
<b>Continuing operations</b>					
Revenue	19	1,636,214	274,000,150	853,434	99,884,862
Cost of sales		(1,746,455)	(312,870,041)	(826,151)	(119,029,452)
Gross (loss) / profit		(110,241)	(38,869,891)	27,283	(19,144,590)
Other income		2,001,133	1,900,508	698,777	244,113
Selling and distribution expenses		(1,033,295)	(24,523,088)	(269,286)	(9,407,292)
General and administrative expenses		(8,565,116)	(7,578,401)	(2,324,063)	(2,224,420)
Production idle cost		(72,652,455)	-	(24,112,136)	-
Provision for slow moving inventories		(30,064,704)	-	(20,043,136)	-
Finance costs - bank borrowings		(32,338,170)	(28,885,429)	(10,983,493)	(10,070,357)
Finance costs - lease liabilities		(2,570,102)	(2,778,464)	(830,016)	(901,108)
<b>Loss for the period from continuing operations</b>		<b>(145,332,950)</b>	<b>(100,734,765)</b>	<b>(57,836,070)</b>	<b>(41,503,654)</b>
<b>Discontinued operations</b>					
Loss for the period from discontinued operations		(1,153,856)	(4,958,796)	(27,870)	(2,134,079)
<b>Loss for the period from discontinued operations</b>	20	<b>(1,153,856)</b>	<b>(4,958,796)</b>	<b>(27,870)</b>	<b>(2,134,079)</b>
<b>Net loss for the period</b>		<b>(146,486,806)</b>	<b>(105,693,561)</b>	<b>(57,863,940)</b>	<b>(43,637,733)</b>
Other comprehensive loss		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>(146,486,806)</b>	<b>(105,693,561)</b>	<b>(57,863,940)</b>	<b>(43,637,733)</b>
<b>Total comprehensive loss for the period attributable to:</b>					
Owners of the Group		(146,486,806)	(105,693,561)	(57,863,940)	(43,637,733)
<b>Total comprehensive loss for the period</b>		<b>(146,486,806)</b>	<b>(105,693,561)</b>	<b>(57,863,940)</b>	<b>(43,637,733)</b>
<b>Basic and diluted loss per share from continuing operations</b>	21	<b>(0.408)</b>	<b>(0.283)</b>	<b>(0.163)</b>	<b>(0.117)</b>
<b>Basic and diluted loss per share from discontinued operations</b>	21	<b>(0.003)</b>	<b>(0.014)</b>	<b>(0.000)</b>	<b>(0.006)</b>

The accompanying notes form an integral part of these condensed consolidated interim financial statements.  
The review report of the auditor is set out on page 4.



Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates

Condensed consolidated interim statement of changes in equity for the nine months period ended September 30, 2024 (Unaudited)  
In Arab Emirates Dirham

	Share capital	Statutory reserve	Revaluation reserve	Voluntary reserve	Accumulated losses	Attributable to owners of the Group	Total equity
Balance as at December 31, 2022 (Audited)	355,865,320	161,750,412	34,747,500	135,012,205	-	687,375,437	687,375,437
(Loss) for the period	-	-	-	-	(105,693,561.00)	(105,693,561)	(105,693,561)
Offsetting of loss for the period against voluntary reserve	-	-	-	(105,693,561)	105,693,561.00	-	-
Balance as at September 30, 2023 (Unaudited)	355,865,320	161,750,412	34,747,500	29,318,644	-	581,681,876	581,681,876
Balance as at December 31, 2023 (Audited)	355,865,320	161,750,412	34,747,500	-	(130,520,723.00)	421,842,509	421,842,509
(Loss) for the period from continuing operations	-	-	-	-	(145,332,960.00)	(145,332,960)	(145,332,960)
(Loss) for the period from discontinued operations	-	-	-	-	(1,153,856.00)	(1,153,856)	(1,153,856)
Offsetting of loss for the period against statutory reserve	-	(161,750,412)	-	-	161,750,412.00	-	-
<b>Balance as at September 30, 2024 (Unaudited)</b>	<b>355,865,320</b>	<b>-</b>	<b>34,747,500</b>	<b>-</b>	<b>(115,257,117.00)</b>	<b>275,355,703</b>	<b>275,355,703</b>

The accompanying notes form an integral part of these condensed consolidated interim financial statements.  
The review report of the auditor is set out on page 4.

**Fujairah Cement Industries PJSC and its subsidiary**  
**Fujairah - United Arab Emirates**

**Condensed consolidated interim statement of cash flows for the nine months period ended September 30, 2024**  
**(Unaudited)**

In Arab Emirates Dirham

	Nine months period ended September 30,	
	2024 (Unaudited)	2023 (Unaudited)
<b>Cash flows from operating activities</b>		
Loss for the period from continuing operations	(145,332,950)	(100,734,765)
Loss for the period from discontinued operations	(1,153,856)	(4,958,796)
<i>Adjustments for:</i>		
Loss on sale of property, plant and equipment	891,644	-
Gain on termination of lease liability	4,254	-
Depreciation on property, plant and equipment	40,086,901	42,720,055
Depreciation on right-of-use assets	7,162,953	7,636,042
Allowance for slow moving inventories	30,064,704	-
Amortization of intangible assets	-	37,427
Finance costs - bank borrowings	32,350,802	28,909,061
Finance costs - lease liabilities	2,689,027	2,915,319
Provision for employees' end of service benefits	715,248	1,153,759
	<u>(32,521,273)</u>	<u>(22,321,898)</u>
<i>(Increase) / decrease in current assets</i>		
Inventories	1,403,396	(11,236,068)
Trade receivables	37,379,271	(1,785,488)
Advances, deposits and other receivables	1,701,883	(3,630,188)
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	<u>(5,891,363)</u>	118,869,658
<b>Cash generated from operations</b>	<u>2,071,914</u>	79,896,016
Employees' end-of-services benefits paid	<u>(5,185,102)</u>	<u>(2,618,172)</u>
<b>Net cash (used in) / generated from operating activities</b>	<u>(3,113,188)</u>	<u>77,277,844</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(17,393)	(1,527,434)
Proceeds from disposal of property, plant and equipment	8,659,575	-
<b>Net cash generated from / (used) in investing activities</b>	<u>8,642,182</u>	<u>(1,527,434)</u>
<b>Cash flows from financing activities</b>		
Proceeds from term loans	33,348	-
Repayment of term loans	(160,359)	(22,982,926)
Proceeds/ (repayment) from bank borrowings	1,500,740	(4,826,191)
Repayment of lease liabilities	(945,186)	(2,903,569)
Finance cost paid on bank borrowings	(3,158,228)	(28,608,999)
Payment of interest on lease liabilities	-	(1,712,991)
<b>Net cash (used) in financing activities</b>	<u>(2,729,685)</u>	<u>(61,034,676)</u>
<b>Net increase in cash and cash equivalents</b>	<u>2,799,309</u>	14,715,734
Cash and cash equivalents, beginning of the period	7,041,775	1,323,554
<b>Cash and cash equivalents, end of the period</b>	<u>9,841,084</u>	16,039,288
Cash and cash equivalents included in discontinued operations	<u>(9,198,492)</u>	-
<b>Cash and cash equivalents for continuing operations</b>	<u>642,592</u>	16,039,288
<b>Cash and cash equivalents</b>		
Cash in hand	410,534	161,192
Cash at banks	<u>232,058</u>	15,878,096
	<u>642,592</u>	16,039,288

The accompanying notes form an integral part of these condensed consolidated interim financial statements.

The review report of the auditor is set out on page 4.

**Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates**

**Notes to the condensed consolidated interim financial statements for the nine months period ended September 30, 2024 (Unaudited)**

**1 Legal status and business activities**

- 1.1 Fujairah Cement Industries PJSC - Fujairah (the "Parent Entity") is a public joint stock company incorporated in the Emirate of Fujairah - United Arab Emirates by an Amiri Decree issued by His Highness the Ruler of Fujairah on December 20, 1979. The Parent Entity's ordinary shares are listed in the Abu Dhabi Securities Exchange.
- 1.2 The principal activities of Parent Entity and its subsidiary (collectively referred to as the "Group") are clinkers and hydraulic cement manufacturing, ready - mix and dry - mix concrete and mortars manufacturing, exporting and sand and pebble mines operation - crushers.
- 1.3 The Parent Entity is domiciled in Fujairah and its registered address is P.O. Box: 600, Fujairah - United Arab Emirates.
- 1.4 The management is vested with Mr. Saeed Ahmed Ghareib Howaishil Alsereidi, General Manager, Emirati National.
- 1.5 These condensed consolidated interim financial statements incorporate the operating results of the industrial license no. 80001.
- 1.6 These condensed consolidated interim financial statements of the Parent Entity as at and for the period ended September 30, 2024 comprise the Parent Entity and its subsidiary. The details of the subsidiary is as follows.

Name of subsidiary	Country of incorporation	Principal activities	Commercial license no.	Legal and effective interests	
				September 2024	December 2023
Fujairah Cement Industries P.J.S.C FZE	United Arab Emirates	Ready mixed concrete manufacturing	4203	100%	100%

**2 Going concern**

These condensed consolidated interim financial statements have been prepared under the going concern basis for the nine months period ended September 30, 2024, despite the fact that the Group has incurred a loss of AED 146,486,806, accumulated losses of AED 115,257,117 and the current liabilities exceeded the current assets by AED 474,955,648.

Additionally, the Board of Directors resolved to temporarily suspend cement and clinker sales for 45 to 60 days, starting from January 01, 2024, due to a major refurbishment activity decided at the meeting held on December 19, 2023 meeting. This suspension was extended for an additional 60 days, starting from March 01, 2024, due to unforeseen technical delays decided at the meeting held on February 19, 2024 meeting. At the Annual General Meeting on April 25, 2024, the decision was made to further extend the temporary suspension of sales and production activities until further notice, effective from May 1, 2024, due to the Parent Entity's financial liquidity constraints.

The Board of Directors, at the meeting held on 09 January 2024, had resolved to terminate the operations of the subsidiary with effect from 01 February 2024. The results for the period and balances as of September 30, 2024 related to the subsidiary are disclosed as discontinued operations.

These events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern.

Management, together with newly appointed financial consultant, is engaged in conducting a strategic review of options and related working capital requirements to evaluate the resumption of the Group's operations. Hence, the accompanying condensed consolidated interim financial statements have been prepared on a going concern basis. However, the management of the Group had decided to cease the operations of the subsidiary and the results of the operations of the subsidiary have been disclosed as discontinued operations.

### **3 Material accounting policy information**

#### **3.1 Basis of preparation**

##### **3.1 Statement of compliance**

These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' and is presented in Arab Emirates Dirham (AED) which is the functional currency of the Group.

These condensed consolidated interim financial statements have been prepared on the historical cost basis.

The accounting policies and methods of computation adopted in preparing these condensed consolidated interim financial statements are consistent with those used in the audited consolidated financial statements for the year ended December 31, 2023 which are the latest audited consolidated financial statements available.

All aspects of the financial risk management objectives and policies are consistent with those disclosed in the audited consolidated financial statements for the year ended December 31, 2023.

These condensed consolidated interim financial statements do not include all the information required for full annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended December 31, 2023.

The condensed result for the nine months period ended September 30, 2024 is not necessarily indicative of the result that may be expected for the financial year ending December 31, 2024.

The preparation of these condensed consolidated interim financial statements require the management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, incomes and expenses. Actual results may differ from these estimates.

In preparing this condensed consolidated interim financial statements, the significant judgements made by management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited consolidated financial statements as at and for the year ended December 31, 2023.

Except as described below, the accounting policies used in the preparation of condensed consolidated interim financial statements are consistent with those used in the preparation of the annual consolidated financial statements for the year ended December 31, 2023. Certain amendments to accounting standards and annual improvements, as disclosed in the Group's most recent annual consolidated financial statements for the year ended December 31, 2023, are applicable to the Group but do not have any material impact on these condensed consolidated interim financial statements.

##### **Assets held-for-sale**

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets, investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for distribution and subsequent gains and losses on remeasurement are recognized in profit or loss.

Once classified as held-for-sale, property, plant and equipment are no longer amortized or depreciated, and any equity accounted investee is no longer equity accounted.

##### **Corporate Tax**

The income tax expense for the period is the tax payable on the estimated average annual tax rate applied on current period's taxable profits. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

**3 Material accounting policy information**

**3.1 Basis of preparation (continued)**

**Corporate Tax (Continued)**

Deferred tax is accounted for using the asset and liability method. Deferred tax assets and liabilities are recognised for the full tax consequences of all temporary differences between the financial statements carrying amounts of existing assets and liabilities and their respective tax bases. Recognition of deferred tax assets are, however, restricted to the extent that it is probable that sufficient taxable profits will be available against which the deductible temporary differences can be utilised. Deferred tax assets and liabilities are measured using tax rates that are expected to apply to the period in which the asset is expected to be realised or the liability is expected to be settled.

As per the Group's assessment, there is no deferred tax impact on account of the CT Law in the condensed interim financial statements for the period ended 30 September 2024. However, the Group will continue to monitor the publication of subsequent decisions and related guidelines, as well as continuing its more detailed review of its financial matters, to consider any changes to this position at subsequent reporting dates.

**3.2 Basis of consolidation**

The condensed consolidated interim financial statements consolidate the unaudited interim financial statements of the subsidiary referred to in Note 1.6, on line by line basis, with the unaudited interim financial statements of the Parent Entity for the period. All significant inter group investments, receivables, payables and other such transactions are eliminated on consolidation.

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4 Property, plant and equipment

	Land	Factory buildings and leasehold improvements	Plant and machinery	Furniture and fixtures	Vehicles and mobile plant	Tools and equipment	Quarry assets	Factory civil structures	Capital work-in-progress	Total
<b>Cost</b>										
As at December 31, 2022 (Audited)	34,997,500	31,075,132	2,039,508,659	4,402,789	38,937,861	13,526,370	31,949,125	129,286,686	13,052,346	2,336,736,468
Additions during the year	-	-	940,142	33,989	279,426	105,939	-	-	1,552,506	2,912,002
Disposals during the year	-	-	(349,349)	-	(2,787,350)	-	-	-	-	(3,136,739)
Transfers	-	(362,382)	605,065	-	-	-	-	1,075,382	(1,318,065)	-
As at December 31, 2023 (Audited)	34,997,500	30,712,750	2,040,704,517	4,436,778	36,429,897	13,632,309	31,949,125	130,362,068	13,286,787	2,336,511,731
Additions during the period	-	-	-	4,680	-	12,713	-	-	-	17,393
Disposal during the period	-	-	(15,910,749)	-	(210,500)	-	-	-	-	(16,121,249)
Transfers related to discontinued operations	-	-	(4,430,595)	(18,027)	(11,905,129)	(129,108)	-	(1,075,382)	(12,189,888)	(29,748,129)
<b>As at September 30, 2024 (Unaudited)</b>	<b>34,997,500</b>	<b>30,712,750</b>	<b>2,020,363,173</b>	<b>4,423,431</b>	<b>24,314,268</b>	<b>13,515,914</b>	<b>31,949,125</b>	<b>129,286,686</b>	<b>1,096,899</b>	<b>2,290,659,746</b>
<b>Accumulated depreciation</b>										
As at December 31, 2022 (Audited)	-	17,048,021	1,084,299,143	3,908,409	27,390,441	13,208,216	26,751,283	41,938,377	-	1,214,543,890
Disposal during the year	-	-	(349,349)	-	(2,787,390)	-	-	-	-	(3,136,739)
Depreciation expense	-	746,323	47,526,289	234,388	3,107,330	137,482	926,081	4,208,161	-	56,886,054
Transfers	-	(2,082,511)	278,501	-	-	-	-	1,804,010	-	-
Impairment	-	-	1,001,811	8,676	2,031,658	58,838	-	630,863	9,230,880	12,962,726
As at December 31, 2023 (Audited)	-	15,711,833	1,132,756,395	4,151,473	29,742,039	13,404,536	27,677,364	48,581,411	9,230,880	1,281,255,931
Charge for the period	-	559,746	35,011,761	165,620	500,848	68,377	694,561	3,085,988	-	40,086,901
Disposal during the period	-	-	(10,808,046)	-	(210,500)	-	-	-	-	(11,018,546)
Transfer of assets related to discontinued operations	-	-	(1,841,811)	(18,027)	(5,989,689)	(129,106)	-	(776,164)	(9,230,880)	(17,985,677)
<b>As at September 30, 2024 (Unaudited)</b>	<b>-</b>	<b>16,271,579</b>	<b>1,155,118,299</b>	<b>4,299,066</b>	<b>24,042,698</b>	<b>13,343,807</b>	<b>28,371,925</b>	<b>50,891,235</b>	<b>-</b>	<b>1,292,338,609</b>
<b>Carrying value as at September 30, 2024 (Unaudited)</b>	<b>34,997,500</b>	<b>14,441,171</b>	<b>865,244,874</b>	<b>124,365</b>	<b>271,570</b>	<b>172,107</b>	<b>3,577,200</b>	<b>78,395,451</b>	<b>1,096,899</b>	<b>998,321,137</b>
Carrying value as at December 31, 2023 (Audited)	34,997,500	15,000,917	907,948,122	285,305	6,687,858	227,773	4,271,761	81,780,657	4,055,907	1,055,255,800

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**4 Properties, plant and equipment (continued)**

Notes:

- a) Land amounting to AED 34,997,500 is stated at fair value based on valuation by Land and Property Management, Dibba Municipality, Government of Fujairah, and the difference amounting to AED 34,777,500 was credited to revaluation reserve.
- b) Part of the factory buildings and improvements, factory civil structures and plant and machinery are constructed/erected on leased land obtained from the Dibba Municipality, Government of Fujairah.
- c) There is a registered chattel mortgage (being executed) over the Waste Heat Recovery based captive power plant expansion project included in plant and machinery mentioned above and an assignment of insurance policy covering the project in favour of the bank against bank borrowings (Note 16).
- d) Insurance policy covering movable assets is assigned in favor of a bank against bank borrowings (Note 16).
- e) Commercial mortgage over thermal power plant included in plant and machinery mentioned above, assignment of insurance policies covering the cement factory and thermal power plant and assignment of leasehold rights over the land on which the thermal power plant is located are provided as securities against bank borrowings (Note 16).
- f) There is a registered mortgage and assignment of insurance policy over specific machinery upgraded (Note 16) included in plant and machinery mentioned above.
- g) Cost of fully depreciated property, plant and equipment that was still in use, at the end of the reporting period amounted to AED 372,669,467 (2023 : AED 356,509,950).
- h) Registered mortgage and assignment of a part of the insurance policy on equipment and heavy machinery located on plot no.2 at Dibba Al Fujairah with a value of AED 151,647,137 (Note 16).

**5 Intangible assets**

	<b>September 30, 2024</b>	<b>December 31, 2023</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
The carrying value of the intangible assets are as follows:		
Software	-	-
	<u>-</u>	<u>-</u>
		<b>Software</b>
<b>Cost</b>		
As at December 31, 2022 (Audited)		249,517
As at December 31, 2023 (Audited)		<u>249,517</u>
<b>As at September 30, 2024 (Unaudited)</b>		<b><u>249,517</u></b>
<b>Accumulated amortisation</b>		
As at December 31, 2022 (Audited)		38,795
Charge for the year		49,903
Impairment		<u>160,819</u>
As at December 31, 2023 (Audited)		<u>249,517</u>
<b>As at September 30, 2024 (Unaudited)</b>		<b><u>249,517</u></b>
<b>Carrying value as at September 30, 2024 (Unaudited)</b>		<u>-</u>
Carrying value as at December 31, 2023 (Audited)		<u>-</u>

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**6 Related party transactions**

The Group enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24 'Related party disclosures'. Such transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions (except revenue related transactions) with third parties. Related parties comprise entities under common ownership and/or common management and control, their partners and key management personnel.

The management decides on the terms and conditions of the transactions and services received/rendered from/to related parties as well as other charges, if applicable.

	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
<b>a) Due from related parties</b>		
Balances due from related parties (included in trade receivables)	<b>160,827</b>	1,261,378
	<b>160,827</b>	1,261,378
<b>b) Due to related parties</b>		
Balances due to related parties (included in trade and other payables)	<b>132,693</b>	480,000
	<b>132,693</b>	480,000

**c) Transactions with related parties**

The nature of significant related party transactions and the amounts involved were as follows:

	<b>Nine months period ended September 30,</b>		<b>Three months period ended September 30,</b>	
	<b>2024</b>	2023	<b>2024</b>	2023
	<b>(Unaudited)</b>	(Unaudited)	<b>(Unaudited)</b>	(Unaudited)
Sales	<b>109,785</b>	2,412,094	-	633,360
Purchases/service contracts	-	375,304	-	90,000
Construction of property, plant and equipment	-	315,000	-	-

**d) Key management personnel compensations**

The compensation of key management personnel is as follows:

Salaries and other benefits of key management staff	<b>1,500,125</b>	2,093,262	<b>492,000</b>	602,011
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**7 Leases**

**a) Right-of-use assets**

The carrying value of the right-of-use assets is as follows:

<b>Cost</b>	<b>Plots of land</b>
As at December 31, 2022 (Audited)	139,213,632
Additions during the year	67,642
As at December 31, 2023 (Audited)	139,281,274
Terminated during the year	(185,202)
Less: Transfers related to discontinued operations	(6,692,849)
<b>As at September 30, 2024 (Unaudited)</b>	<b>132,403,223</b>



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<b>7 Leases (continued)</b>	<b>Plots of land</b>
<b>Accumulated depreciation</b>	
As at December 31, 2022 (Audited)	39,435,079
Charge for the year	10,250,700
As at December 31, 2023 (Audited)	49,685,779
Charge for the period	7,162,953
Less: Transfers related to discontinued operations	(2,286,785)
<b>As at September 30, 2024 (Unaudited)</b>	<b>54,561,947</b>
<b>Carrying value as at September 30, 2024 (Unaudited)</b>	<b>77,841,276</b>
Carrying value as at December 31, 2023 (Audited)	89,595,495

<b>b) Lease liabilities</b>	<b>September 30, 2024 (Unaudited)</b>	<b>December 31, 2023 (Audited)</b>
Balance at the beginning of the period / year	139,203,612	141,554,939
Additions during the period / year	-	67,642
Add: Interest charge during the period / year	2,689,027	3,879,862
Less: payments during the period / year	(945,186)	(6,298,831)
Less : terminated during the period	(180,949)	-
Less: Transfers related to discontinued operations	(4,779,194)	-
Balance at the end of the period / year	<b>135,987,311</b>	<b>139,203,612</b>
<b>Comprising:</b>		
Current portion	48,926,809	40,812,593
Transfers related to discontinued operations	(594,199)	-
Non-current portion	91,839,696	98,391,019
Transfers related to discontinued operations	(4,184,995)	-
	<b>135,987,311</b>	<b>139,203,612</b>

**8 Inventories**

Spare parts	130,428,810	130,405,278
Semi-finished products	31,332,765	31,511,864
Burning media	60,911,355	60,969,167
Raw materials	10,129,013	10,271,537
Finished products	1,471,105	2,591,295
Bags and packing materials	473,893	598,218
	<b>234,746,941</b>	<b>236,347,359</b>
Less: Allowance for slow moving inventories	(140,581,233)	(110,516,529)
	<b>94,165,708</b>	<b>125,830,830</b>
Inventories in transit	2,602,918	2,618,788
	<b>96,768,626</b>	<b>128,449,618</b>

*Movement in allowance for slow moving inventories as at reporting date is as follows:*

Balance at the beginning of the period / year	110,516,529	26,816,605
Charge during the period / year	30,064,704	83,699,924
Balance at the end of the period / year	<b>140,581,233</b>	<b>110,516,529</b>

Insurance policy against the inventories is assigned against bank borrowings. (Note 16).

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<b>9 Trade receivables</b>	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
Trade receivables	<b>70,106,698</b>	109,759,851
Less: Allowance for expected credit losses	<b>(56,211,524)</b>	(58,033,713)
	<b><u>13,895,174</u></b>	<u>51,726,138</u>

Trade receivables are assigned against bank borrowings (Note 16).

The movements in the allowance for expected credit losses as at reporting date are as follows:

Balance at the beginning of the period / year	<b>58,033,713</b>	52,712,662
Charge during the period / year	-	5,325,409
Amounts written off during the period / year	<b>(118,916)</b>	(4,358)
Transfers related to discontinued operations	<b>(1,703,273)</b>	-
Balance at the end of the year	<b><u>56,211,524</u></b>	<u>58,033,713</u>

**10 Advances, deposits and other receivables**

Advances to suppliers	<b>1,175,597</b>	3,627,331
VAT receivable-net	<b>2,521,354</b>	3,266,548
Prepayments	<b>1,075,667</b>	1,182,988
Deposits	<b>337,575</b>	467,001
Staff loans and advances	<b>8,620</b>	22,936
Other receivables	<b>1,045,135</b>	628,569
	<b><u>6,163,948</u></b>	<u>9,195,373</u>

**11 Cash and bank balances**

Cash in hand	<b>410,534</b>	479,515
Cash at banks	<b>232,058</b>	6,562,260
	<b><u>642,592</u></b>	<u>7,041,775</u>

The bank balances are also subject to impairment requirements of IFRS 9, however, balances with banks are assessed to have low credit risk of default.

**12 Share capital**

Authorised, issued and paid up capital of the Parent Entity is AED 355,865,320 divided into 355,865,320 shares of AED 1 each fully paid.

**13 Statutory reserve**

Balance at the beginning of the period / year	<b>161,750,412</b>	161,750,412
Offsetting of loss for the period against statutory reserve	<b>(161,750,412)</b>	-
Balance at the end of the period / year	<b><u>-</u></b>	<u>161,750,412</u>

According to the Articles of Association of the Parent Entity and UAE Federal Law No. 32 of 2021, 10% of annual net profits is allocated to the statutory reserve. The transfer to statutory reserve may be suspended, when the reserve reaches 50% of the paid up capital. In the current period, since the Group has incurred loss, no transfer has been made. This reserve is not available for distribution.

The Board of Directors resolved to offset the losses and/or the accumulated losses of the Group against the statutory reserve as on September 12, 2024. The reserve has been completely utilized to offset the partial loss as on September 30, 2024.

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<b>14 Voluntary reserve</b>	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
Balance at the beginning of the period / year	-	135,012,205
Offsetting of loss for the period / year	-	(135,012,205)
Balance at the end of the period / year	<u>-</u>	<u>-</u>

In prior years, 10% of the profits were appropriated to a voluntary reserve. As per Article 59 of the Articles of Association of the Parent Entity, the voluntary reserve may be used according to a resolution of the Board of Directors in the aspects that achieve the interests of the Parent Entity.

The Board of Directors resolved to offset the losses and/or the accumulated losses of the Group against the voluntary reserve as at December 31, 2022, and thereafter in the future in the event that the Group is reporting losses. The reserve has been completely utilized to offset the partial loss as on December 31, 2023.

**15 Accumulated losses**

Balance at the beginning of the period / year	<b>(130,520,723)</b>	-
Net loss for the period / year	<b>(146,486,806)</b>	(265,532,928)
Offsetting of loss for the period against statutory reserve	<b>161,750,412</b>	-
Offsetting of loss for the period / year against voluntary reserve	-	135,012,205
Balance at the end of the period / year	<u><b>(115,257,117)</b></u>	<u>(130,520,723)</u>

**16 Bank borrowings**

**a) Long - term borrowings:**

Balance at the beginning of the period / year	<b>376,948,178</b>	269,838,162
Transfer from short term borrowings / received during the period / year	<b>33,348</b>	135,042,864
Repaid during the period / year	<b>(160,359)</b>	(27,932,848)
<b>Total</b>	<u><b>376,821,167</b></u>	<u>376,948,178</u>
Current portion of long - term borrowings	<u><b>149,599,284</b></u>	<u>75,364,220</u>
Non-current portion of long - term borrowings	<u><b>227,221,884</b></u>	<u>301,583,957</u>

**b) Other bank borrowings:**

Trust receipts	<b>82,357,603</b>	97,145,612
Short term loans	<b>40,000,000</b>	40,000,000
Bank overdrafts	<b>33,910,552</b>	17,621,803
	<u><b>156,268,155</b></u>	<u>154,767,415</u>

**c) Details of bank borrowings are as follows :**

**i) Non-current portion**

In the second year	<b>99,913,075</b>	108,689,432
In the third to fifth year	<b>122,775,679</b>	182,630,094
After five years	<b>4,533,130</b>	10,264,431
<b>Total</b>	<u><b>227,221,884</b></u>	<u>301,583,957</u>

**ii) Current portion**

Bank borrowings	<b>149,599,284</b>	75,364,220
Other bank borrowings	<b>156,268,155</b>	154,767,415
	<u><b>305,867,439</b></u>	<u>230,131,635</u>

*Bank borrowings are presented in condensed consolidated interim statement of financial position as:*

Current portion	<b>305,867,439</b>	230,131,635
Non-current portion	<b>227,221,884</b>	301,583,958
	<u><b>533,089,323</b></u>	<u>531,715,593</u>

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**16 Bank borrowings (continued)**

Securities:

- a). Registered charge over thermal power plant (including machinery) (Note 4).
- b). Registered chattel mortgage (to be executed) over the waste heat recovery based captive power plant expansion project (Note 4).
- c). Assignment of insurance policy for AED 437,363,133 covering factory on a pari passu basis (Note 4).
- d). Assignment of insurance policy for AED 236,891,000 covering the thermal power plant on a pari passu basis (Note 4).
- e). Assignment of insurance policy for AED 124,400,000 covering the waste heat recovery based captive power plant expansion project (Note 4).
- f). Assignment of insurance policies covering moveable assets on pari passu basis (Note 4).
- g). Assignment of leasehold rights (between the Group & Dibba Municipality) over the land on which the thermal power plant is located (Note 7).
- h). Assignment of insurance policy over inventories on pari passu basis (Note 8).
- i). General assignments of trade receivables in favor of the bank (Note 9).
- j). Registered mortgage and assignment of insurance policy over specific machinery upgraded (Note 4).
- k). Promissory note.

As at September 30, 2024, the Group failed to meet the below financial covenants as per bank facility letters.

*Dubai Islamic Bank*

- a). To maintain minimum tangible net worth of not less than AED 780 million.
- b). To maintain leverage ratio not exceeding 1.5:1 at all times.

*Emirates NBD PJSC*

- a). The ratio of EBITDA to debt services in respect of any relevant testing period shall not be less than 1.1 :1.

*Natioanl bank of Fujairah*

- a). To maintain leverage ratio not exceeding 1.5:1 or below.

*Abu Dhabi Commercial Bank*

- a). Tangible net worth must not be less than AED 830 million.
- b). Total liabilities to tangible net worth ratio must not be more than 1.20:1.
- c). Total debt to EBITDA ratio must not be more than 8:1.

<b>17 Employees' end of service benefits</b>	<b>September 30, 2024</b>	December 31, 2023
	<b>(Unaudited)</b>	(Audited)
Balance at the beginning of the period / year	<b>10,073,845</b>	13,081,321
Add: charge for the period / year	<b>715,248</b>	1,407,184
Less: paid during the period / year	<b>(5,185,102)</b>	(4,414,660)
Less: Transfers related to discontinued operations	<b>(19,032)</b>	-
Balance at the end of the period / year	<b><u>5,584,959</u></b>	<u>10,073,845</u>

Amounts required to cover end of service indemnity at the condensed consolidated interim statement of financial position date are computed pursuant to the applicable labour law based on the employees' accumulated period of service and current basic remuneration at the end of reporting period.

**18 Trade and other payables**

Trade payables	<b>214,352,178</b>	221,210,634
Interest payable	<b>34,834,823</b>	5,642,249
Accrued expenses	<b>1,944,247</b>	6,580,933
Dividends payable	<b>3,158,634</b>	3,158,634
Advances from customers	<b>1,115,655</b>	1,712,825
Other payables	<b>97,434</b>	123,365
	<b><u>255,502,971</u></b>	<u>238,428,640</u>

*Trade and other payables are presented in condensed consolidated interim statement of financial position as:*

Current portion	<b>250,113,453</b>	230,344,360
Non-current portion	<b>5,389,518</b>	8,084,280
	<b><u>255,502,971</u></b>	<u>238,428,640</u>

**Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates**

**Notes to the condensed consolidated interim financial statements for the nine months period ended September 30, 2024  
(Unaudited)**

In Arab Emirates Dirham

19 Revenue	Nine months period ended		Three months period ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenue recognized at a point in time</b>				
<b>Sales:</b>				
Within U.A.E.	1,380,568	88,719,314	812,418	28,235,911
Other GCC countries	255,646	83,523,086	41,016	30,535,497
Other countries	-	101,757,750	-	41,113,454
	<b>1,636,214</b>	<b>274,000,150</b>	<b>853,434</b>	<b>99,884,862</b>

**20 Discontinued operations**

The Board of Directors has decided to terminate the operations of its 100% subsidiary Fujairah Cement Industries PJSC FZE which provides ready mixed concrete manufacturing services with effective from 01 February 2024, at the meeting held on 09 January 2024 and having registered office at Umm Al Qwain Bank Building, Mezzanine Floor-2(M2), Office No-203, Hamad Bin Abdulla Road, Fujairah, United Arab Emirates. Revenue and expenses, gains and losses relating to the discontinuation of this subsidiary have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item in the consolidated statement of profit or loss.

	Nine months period ended		Three months period ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	519,047	8,680,763	-	2,960,190
Cost of sales	(878,428)	(11,500,886)	-	(4,004,543)
Gross loss	<b>(359,381)</b>	<b>(2,820,123)</b>	<b>-</b>	<b>(1,044,353)</b>
Other income	329,746	-	261,438	-
General and administrative expenses	(688,539)	(1,978,186)	(241,403)	(1,032,920)
Production idle cost during stoppage	(304,124)	-	(1,700)	-
Finance costs - bank borrowings	(12,632)	(23,632)	(3,173)	(6,974)
Finance costs - lease liabilities	(118,926)	(136,855)	(43,031)	(49,832)
Net (loss) for the period from discontinued operations	<b>(1,153,856)</b>	<b>(4,958,796)</b>	<b>(27,869)</b>	<b>(2,134,079)</b>
<b>Cash flows from discontinued operations</b>				
Net cash outflows from operating activities	275,851	(2,234,631)	238,745	(490,764)
Net cash outflows from investing activities	4,690,000	(573,373)	4,690,000	(103,841)
Net cash inflows from financing activities	3,642,023	3,101,661	3,348,630	751,449
<b>Net cash outflows</b>	<b>8,607,874</b>	<b>293,657</b>	<b>8,277,375</b>	<b>156,844</b>

The carrying amounts of assets and liabilities in the discontinued operations are summarized as follows:

	September 30, 2024 (Unaudited)
<b>Assets</b>	
Property, plant and equipment	7,313,936
Right-of-use assets	4,406,064
Inventories	212,892
Trade receivables	451,698
Other receivables	1,329,542
Cash and bank balances	9,198,492
<b>Liabilities</b>	
Employees' end of service benefits	(19,032)
Lease liabilities	(4,779,194)
Trade and other payables	(6,226,884)
<b>Net assets relating to discontinued operations</b>	<b>11,887,514</b>

Fujairah Cement Industries PJSC and its subsidiary  
Fujairah - United Arab Emirates

Notes to the condensed consolidated interim financial statements for the nine months period ended September 30, 2024  
(Unaudited)  
In Arab Emirates Dirham

21 Basic and diluted loss per share	Nine months period ended		Three months period ended	
	September 30,		September 30,	
	2024	2023	2024	2023
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Continuing operations</b>				
Loss for the period (AED)	(145,332,950)	(100,734,765)	(57,836,070)	(41,503,654)
Weighted average number of shares	355,865,320	355,865,320	355,865,320	355,865,320
Basic and diluted loss per share (AED)	(0.408)	(0.283)	(0.163)	(0.117)
<b>Discontinued operations</b>				
Loss for the period (AED)	(1,153,856)	(4,958,796)	(27,870)	(2,134,079)
Weighted average number of shares	355,865,320	355,865,320	355,865,320	355,865,320
Basic and diluted loss per share (AED)	(0.0032)	(0.0139)	(0.0001)	(0.0060)

Basic loss per share is calculated by dividing the loss for the period by the weighted average number of shares outstanding at the end of the reporting period. The Group has not issued any instruments which would have a dilutive impact on earnings per share when exercised.

**22 Tax expenses**

The Group has computed its income tax expense for the period in accordance with IAS 34. However, because the Group incurred a loss during the period, no income tax expense was recognized.

**23 Contingencies and commitments**

	September 30, 2024	December 31, 2023
	(Unaudited)	(Audited)
Capital commitment on capital work-in-progress	-	2,097,250

Except for the above, and ongoing business obligations which are under normal course of business, there has been no other known contingent liabilities and commitments on the Group's condensed consolidated interim financial statements as of reporting date.