

**Fujairah Cement Industries PJSC and its  
subsidiary  
Fujairah, United Arab Emirates  
Independent auditor's review report and  
condensed consolidated interim financial  
statements  
For the six months period ended June 30,  
2025 (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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Fujairah, United Arab Emirates  
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	<u>Name</u>	<u>Nationality</u>
The Manager	Mr. Saeed Ahmed Ghareib Howaishil Alsereidi	Emirati

	<u>Name</u>	<u>Nationality</u>
The Directors	H.E. Mohamed 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. Saad Abdullah Hussain Al Hanyan	Kuwaiti
	Mr. Yagoub Musaad Yagoub Albuaijan	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

**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 June 30, 2025.

**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. 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 six months period ended June 30, 2025 and June 30, 2024 denoted in Arab Emirates Dirham (AED).

	<b>Six months period ended June 30,</b>		<b>Three months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Continuing operations</b>				
Revenue	<b>1,436,933</b>	782,780	<b>825,709</b>	504,186
Cost of sales	<b>(1,433,330)</b>	(920,304)	<b>(834,018)</b>	(546,860)
Gross profit / (loss)	<b>3,603</b>	(137,524)	<b>(8,309)</b>	(42,674)
Gross profit / (loss) %	<b>0.25%</b>	-17.57%	<b>-1.01%</b>	-8.46%
Net loss	<b>(68,316,896)</b>	(87,496,880)	<b>(33,619,498)</b>	(50,132,541)
Net loss %	<b>-4754.36%</b>	-11177.71%	<b>-4071.59%</b>	-9943.26%
<b>Discontinued operations</b>				
Revenue	-	519,047	-	-
Cost of sales	-	(878,428)	-	-
Gross loss	-	(359,381)	-	-
Gross loss %	<b>0.00%</b>	-69.24%	<b>0.00%</b>	0.00%
Net loss	<b>(1,063,042)</b>	(1,125,987)	<b>71,118</b>	(148,474)
Net loss %	<b>0.00%</b>	-216.93%	<b>0.00%</b>	0.00%
Basic and diluted loss per share from continuing operations	<b>(0.192)</b>	(0.246)	<b>(0.094)</b>	(0.141)
Basic and diluted loss per share from discontinued operations	<b>(0.003)</b>	(0.003)	<b>0.000</b>	(0.000)

**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 six months period ended June 30, 2025, despite the fact that the Group has incurred a loss of AED 69,379,938, accumulated losses of AED 221,401,959 and the current liabilities exceeded the current assets by AED 625,615,231 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 Group had earlier declared the temporary suspension of sales and production until further notice effective from May 1, 2024, declared by the Board of Directors at the Annual General Meeting held on April 25, 2024 due to the Parent Entity's ongoing financial liquidity challenges. However, the Board of Directors, in their meeting held on June 17, 2025, announced that the Parent Entity had resumed production activities on June 14, 2025, and commenced cement dispatches on June 23, 2025. Hence, the accompanying condensed consolidated interim financial statements have been prepared on a going concern basis.

**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, 2024, 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.

  
\_\_\_\_\_  
H.E. Mohammed Bin Hamad Saif Al Sharqi  
Chairman  
August 14, 2025

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

Ref: BN/A2983/August 2025

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

To,  
The Shareholders  
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 **June 30, 2025**, 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 six 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**

We refer to Note 2 to the condensed consolidated interim financial statements which states that the Group incurred a loss of AED 69,379,938 for the six months period ended June 30, 2025 (June 30, 2024: AED 88,622,867 and December 31, 2024: AED 183,251,710), accumulated losses aggregated AED 221,401,959 (December 31, 2024: AED 152,022,021) and the current liabilities continue to exceed the current assets and were in excess by AED 625,615,231 (December 31, 2024: AED 539,262,130) as at that date and the Parent Entity's inability to meet certain financial covenants as per bank facility letters continued in the six months period ended June 30, 2025. This situation indicates that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Further, we have not been provided with the management's business plan that supports the viability of the Group's going concern and address its loss position.

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.

Additionally, the Group has not performed impairment assessment on its plant, despite the presence of indicators of impairment, as the plant has become idle for most part of the period with a minimal revenue generating activity. These factors trigger an impairment assessment under IAS 36 – Impairment of Assets and indicates that the recoverable amount of Property, Plant and Equipment and Right of Use assets might be lower than the carrying amount as stated in the condensed consolidated interim financial statements. Absence of formal impairment assessment represents a departure from the requirements of IAS 36 - Impairment of Assets and the effect of the departure on the condensed consolidated interim financial statements have not been determined.

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

**To the Shareholders of Fujairah Cement Industries PJSC and its subsidiary**  
**Report on the review of condensed consolidated interim financial statements (continued)**

**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 June 30, 2025, and its financial performance and its cash flows for six months period then ended in accordance with IAS 34 'Interim Financial Reporting'.

For, Crowe Mak



Basil Naser

Partner

Registration Number: 5507

Dubai, United Arab Emirates

August 14, 2025

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

**Condensed consolidated interim statement of financial position as at June 30, 2025 (Unaudited)**  
**In Arab Emirates Dirham**

	Notes	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Assets</b>			
<i>Non-current assets</i>			
Property, plant and equipment	4	959,092,391	985,158,189
Right-of-use assets	6	70,724,499	75,469,017
<b>Total non-current assets</b>		<b>1,029,816,890</b>	<b>1,060,627,206</b>
<i>Current assets</i>			
Inventories	7	111,207,841	95,989,551
Trade receivables	8	1,197,676	4,613,012
Advances, deposits and other receivables	9	7,126,631	5,616,659
Cash and bank balances	10	1,440,707	792,807
Net assets relating to discontinued operations	19	-	4,855,922
<b>Total current assets</b>		<b>120,972,855</b>	<b>111,867,951</b>
<b>Total assets</b>		<b>1,150,789,745</b>	<b>1,172,495,157</b>
<b>Equity and liabilities</b>			
<i>Equity</i>			
Share capital	11	355,865,320	355,865,320
Statutory reserve	12	-	-
Revaluation reserve	13	34,747,500	34,747,500
Accumulated losses	14	(221,401,959)	(152,022,021)
<b>Total equity</b>		<b>169,210,861</b>	<b>238,590,799</b>
<i>Non-current liabilities</i>			
Lease liabilities	6	85,258,657	85,258,657
Bank borrowings	15	146,833,809	192,894,526
Employees' end of service benefits	16	203,576	129,830
Trade and other payables	17	2,694,756	4,491,264
<b>Total non-current liabilities</b>		<b>234,990,798</b>	<b>282,774,277</b>
<i>Current liabilities</i>			
Lease liabilities	6	53,152,620	51,558,670
Bank borrowings	15	386,544,402	340,190,398
Trade and other payables	17	304,312,957	259,381,013
Net liabilities relating to discontinued operations	19	2,578,107	-
<b>Total current liabilities</b>		<b>746,588,086</b>	<b>651,130,081</b>
<b>Total liabilities</b>		<b>981,578,884</b>	<b>933,904,358</b>
<b>Total equity and liabilities</b>		<b>1,150,789,745</b>	<b>1,172,495,157</b>

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

The condensed consolidated interim financial statements on pages 6 to 20 were approved on August 14, 2025 and signed on behalf of the Group, by:

The review report of the auditor is set out on page 4 to 5.

H.E. Mohammed Bin Hamad Saif Al Sharqi  
Chairman

Board Member



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

**Condensed consolidated interim statement of profit or loss and other comprehensive income for the six months period ended June 30, 2025 (Unaudited)**  
**In Arab Emirates Dirham**

		Six months period ended June 30,		Three months period ended June 30,	
	Notes	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
<b>Continuing operations</b>					
Revenue	18	1,436,933	782,780	825,709	504,186
Cost of sales		(1,433,330)	(920,304)	(834,018)	(546,860)
Gross profit / (loss)		3,603	(137,524)	(8,309)	(42,674)
Other income		513,299	1,302,357	236,842	1,059,075
Selling and distribution expenses		(312,173)	(764,009)	(161,500)	(186,910)
General and administrative expenses		(3,512,930)	(6,241,056)	(1,543,361)	(4,086,365)
Provision for slow moving inventories		-	(10,021,568)	-	(10,021,568)
Production idle cost		(42,020,192)	(48,540,318)	(20,509,124)	(24,465,203)
Finance costs - bank borrowings		(21,394,553)	(21,354,677)	(10,866,809)	(11,546,819)
Finance costs - lease liabilities		(1,593,950)	(1,740,085)	(767,237)	(842,077)
<b>Loss for the period from continuing operations</b>		<b>(68,316,896)</b>	<b>(87,496,880)</b>	<b>(33,619,498)</b>	<b>(50,132,541)</b>
<b>Discontinued operations</b>					
<b>(Loss) / profit for the period from discontinued operations</b>	19	<b>(1,063,042)</b>	<b>(1,125,987)</b>	<b>71,118</b>	<b>(148,474)</b>
<b>Net loss for the period</b>		<b>(69,379,938)</b>	<b>(88,622,867)</b>	<b>(33,548,380)</b>	<b>(50,281,015)</b>
Other comprehensive loss		-	-	-	-
<b>Total comprehensive loss for the period</b>		<b>(69,379,938)</b>	<b>(88,622,867)</b>	<b>(33,548,380)</b>	<b>(50,281,015)</b>
<b>Total comprehensive loss for the period attributable to:</b>					
Owners of the Group		(69,379,938)	(88,622,867)	(33,548,380)	(50,281,015)
<b>Total comprehensive loss for the period</b>		<b>(69,379,938)</b>	<b>(88,622,867)</b>	<b>(33,548,380)</b>	<b>(50,281,015)</b>
<b>Basic and diluted loss per share from continuing operations</b>	20	<b>(0.192)</b>	<b>(0.246)</b>	<b>(0.094)</b>	<b>(0.141)</b>
<b>Basic and diluted loss per share from discontinued operations</b>	20	<b>(0.003)</b>	<b>(0.003)</b>	<b>0.000</b>	<b>(0.000)</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 to 5.

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

Condensed consolidated interim statement of changes in equity for the six months period ended June 30, 2025 (Unaudited)  
In Arab Emirates Dirham

	Share capital	Statutory reserve	Revaluation reserve	Accumulated losses	Attributable to owners of the Group	Total equity
Balance as at December 31, 2023 (Audited)	355,865,320	161,750,412	34,747,500	(130,520,723)	421,842,509	421,842,509
(Loss) for the period from continuing operations	-	-	-	(87,496,880)	(87,496,880)	(87,496,880)
(Loss) for the period from discontinued operations	-	-	-	(1,125,987)	(1,125,987)	(1,125,987)
Balance as at June 30, 2024 (Unaudited)	<u>355,865,320</u>	<u>161,750,412</u>	<u>34,747,500</u>	<u>(219,143,590)</u>	<u>333,219,642</u>	<u>333,219,642</u>
Balance as at December 31, 2024 (Audited)	355,865,320	-	34,747,500	(152,022,021)	238,590,799	238,590,799
(Loss) for the period from continuing operations	-	-	-	(68,316,896)	(68,316,896)	(68,316,896)
(Loss) for the period from discontinued operations	-	-	-	(1,063,042)	(1,063,042)	(1,063,042)
<b>Balance as at June 30, 2025 (Unaudited)</b>	<u><b>355,865,320</b></u>	<u><b>-</b></u>	<u><b>34,747,500</b></u>	<u><b>(221,401,959)</b></u>	<u><b>169,210,861</b></u>	<u><b>169,210,861</b></u>

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 to 5.

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

**Condensed consolidated interim statement of cash flows for the six months period ended June 30, 2025**  
**(Unaudited)**

**In Arab Emirates Dirham**

	<b>Six months period ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Cash flows from operating activities</b>		
Loss for the period from continuing operations	<b>(68,316,896)</b>	(87,496,880)
Loss for the period from discontinued operations	<b>(1,063,042)</b>	(1,125,987)
<i>Adjustments for:</i>		
Loss on sale of property, plant and equipment from discontinued operations	<b>617,641</b>	1,133,129
Impairment on property, plant and equipment from discontinued operations	<b>510,917</b>	-
Loss on termination of lease liability	-	4,253
Depreciation on property, plant and equipment	<b>26,133,319</b>	26,888,928
Depreciation on right-of-use assets	<b>4,744,518</b>	4,790,695
Allowance for expected credit losses	<b>211,055</b>	-
Provision for slow moving inventories	-	10,021,568
Finance costs - bank borrowings	<b>21,394,553</b>	21,364,136
Finance costs - lease liabilities	<b>1,593,950</b>	1,815,980
Provision for employees' end of service benefits	<b>196,753</b>	549,994
	<b>(13,977,232)</b>	(22,054,184)
<i>(Increase) / decrease in current assets</i>		
Inventories	<b>(15,078,003)</b>	(1,748,223)
Trade receivables	<b>3,316,175</b>	30,917,434
Advances, deposits and other receivables	<b>(1,418,235)</b>	(1,335,131)
<i>Increase / (decrease) in current liabilities</i>		
Trade and other payables	<b>21,975,592</b>	1,077,625
<b>Cash generated from operations</b>	<b>(5,181,703)</b>	6,857,521
Employees' end-of-services benefits paid	<b>(123,007)</b>	(5,103,508)
<b>Net cash (used in) / generated from operating activities</b>	<b>(5,304,710)</b>	1,754,013
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	<b>(350,000)</b>	(9,857)
Proceeds from disposal of property, plant and equipment from discontinued operations	<b>2,126,000</b>	-
Proceeds from disposal of property, plant and equipment	<b>182,479</b>	3,969,575
<b>Net cash generated from investing activities</b>	<b>1,958,479</b>	3,959,718
<b>Cash flows from financing activities</b>		
Proceeds from term loans	-	20,623
Repayment of term loans	-	(156,467)
Proceeds from bank borrowings	<b>293,287</b>	1,497,279
Finance cost paid on bank borrowings	<b>(482,417)</b>	(2,463,358)
Repayment of lease liabilities	-	(763,536)
<b>Net cash used in financing activities</b>	<b>(189,130)</b>	(1,865,459)
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(3,535,361)</b>	3,848,272
Cash and cash equivalents, beginning of the period	<b>792,807</b>	7,041,775
Cash and cash equivalents, beginning of the period from discontinued operations	<b>4,184,848</b>	(921,118)
<b>Cash and cash equivalents, end of the period</b>	<b>1,442,294</b>	9,968,929
Cash and cash equivalents included in discontinued operations	<b>(1,587)</b>	-
<b>Cash and cash equivalents for continuing operations</b>	<b>1,440,707</b>	9,968,929
<b>Cash and cash equivalents</b>		
Cash in hand	<b>235,969</b>	194,384
Cash at banks	<b>1,204,738</b>	9,774,545
	<b>1,440,707</b>	9,968,929

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 to 5.

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

**Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025**  
**(Unaudited)**

**1 Legal status and business activities**

- 1.1** Fujairah Cement Industries PJSC (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 February 13, 1980. 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** These condensed consolidated interim financial statements incorporate the operating results of the industrial license no. 80001.
- 1.5** These condensed consolidated interim financial statements of the Parent Entity as at and for the period ended June 30, 2025 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	
				June 2025	December 2024
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 six months period ended June 30, 2025, despite the fact that the Group has incurred a loss of AED 69,379,938, accumulated losses of AED 221,401,959 and the current liabilities exceeded the current assets by AED 625,615,231.

Additionally, the Board of Directors, at the meeting held on January 09, 2024, had resolved to terminate the operations of the subsidiary with effect from February 01, 2025. The results for the period and balances as of June 30, 2025 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. Further, the Board of Directors, in their meeting held on June 17, 2025, announced that the Parent Entity had resumed production activities on June 14, 2025, and commenced cement dispatches on June 23, 2025. 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**

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, 2024 which are the latest audited consolidated financial statements available.

### **3 Material accounting policy information (continued)**

#### **3.1 Basis of preparation (continued)**

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, 2024.

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, 2024.

The condensed result for the six months period ended June 30, 2025 is not necessarily indicative of the result that may be expected for the financial year ending December 31, 2025.

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, 2024.

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, 2024. 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, 2024, 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.

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.

**3 Material accounting policy information (continued)**

**3.1 Basis of preparation (continued)**

**Corporate Tax (continued)**

As per the Group's assessment, there is no current tax and deferred tax impact on account of the CT Law in the condensed interim financial statements for the period ended 30 June 2025. 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.

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

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
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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, 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 year	-	-	-	4,680	-	12,713	-	-	-	17,393
Disposals during the year	-	-	(15,910,749)	-	(210,500)	-	-	-	-	(16,121,249)
Transfers related to discontinued operations	-	-	(4,430,595)	(18,026)	(11,905,130)	(129,108)	-	(1,075,382)	(12,189,888)	(29,748,128)
As at December 31, 2024 (Audited)	34,997,500	30,712,750	2,020,363,173	4,423,432	24,314,267	13,515,914	31,949,125	129,286,686	1,096,899	2,290,659,747
Transfers from discontinued operations	-	-	-	-	350,000	-	-	-	-	350,000
Disposal during the period	-	-	-	-	(365,426)	-	-	-	-	(365,426)
<b>As at June 30, 2025 (Unaudited)</b>	<b>34,997,500</b>	<b>30,712,750</b>	<b>2,020,363,173</b>	<b>4,423,432</b>	<b>24,298,841</b>	<b>13,515,914</b>	<b>31,949,125</b>	<b>129,286,686</b>	<b>1,096,899</b>	<b>2,290,644,321</b>
<b>Accumulated depreciation</b>										
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
Disposal during the year	-	-	(10,808,045)	-	(210,500)	-	-	-	-	(11,018,545)
Depreciation expense	-	746,323	46,581,642	215,924	577,086	89,101	926,081	4,113,691	-	53,249,848
Transfers related to discontinued operations	-	-	(1,841,811)	(18,026)	(5,989,689)	(129,106)	-	(776,164)	(9,230,880)	(17,985,676)
As at December 31, 2024 (Audited)	-	16,458,156	1,166,688,181	4,349,371	24,118,936	13,364,531	28,603,445	51,918,938	-	1,305,501,558
Charge for the period	-	373,162	23,148,874	48,702	7,280	36,854	463,041	2,055,406	-	26,133,319
Disposals during the period	-	-	-	-	(82,947)	-	-	-	-	(82,947)
<b>As at June 30, 2025 (Unaudited)</b>	<b>-</b>	<b>16,831,318</b>	<b>1,189,837,055</b>	<b>4,398,073</b>	<b>24,043,269</b>	<b>13,401,385</b>	<b>29,066,486</b>	<b>53,974,344</b>	<b>-</b>	<b>1,331,551,930</b>
<b>Carrying value as at June 30, 2025 (Unaudited)</b>	<b>34,997,500</b>	<b>13,881,432</b>	<b>830,526,118</b>	<b>25,359</b>	<b>255,572</b>	<b>114,529</b>	<b>2,882,639</b>	<b>75,312,342</b>	<b>1,096,899</b>	<b>959,092,391</b>
Carrying value as at December 31, 2024 (Audited)	34,997,500	14,254,594	853,674,992	74,061	195,331	151,383	3,345,680	77,367,748	1,096,899	985,158,189

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
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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 34,747,500 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 15).
- d) Insurance policy covering movable assets is assigned in favor of a bank against bank borrowings (Note 15).
- 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 15).
- f) There is a registered mortgage and assignment of insurance policy over specific machinery upgraded (Note 15) included in plant and machinery mentioned above.
- g) Depreciation is fully charged to cost of sales.
- h) Cost of fully depreciated property, plant and equipment that was still in use, at the end of the reporting period amounted to AED 374,335,299 (2024 : AED 374,335,299).
- i) Leasehold rights (between the Group & Dibba Municipality) over the land on which the thermal power plant is located are assigned against bank borrowings (Note 15).

**5 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.

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>a) Due to related parties</b>		
Balances due to related parties (included in trade and other payables)	-	14,568
	-	14,568

**b) Transactions with related parties**

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

	Six months period ended June 30,		Three months period ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Sales	-	109,785	-	-

**c) Key management personnel compensations**

The compensation of key management personnel is as follows:

Salaries and other benefits of key management staff	1,117,090	1,008,125	594,634	507,174
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Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
In Arab Emirates Dirham

**6 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, 2023 (Audited)	139,281,274
Transfer of assets related to discontinued operations	(6,878,051)
As at December 31, 2024 (Audited)	132,403,223
<b>As at June 30, 2025 (Unaudited)</b>	<b>132,403,223</b>
<b>Accumulated depreciation</b>	
As at December 31, 2023 (Audited)	49,685,779
Charge for the year	9,489,034
Transfer of assets related to discontinued operations	(2,240,607)
As at December 31, 2024 (Audited)	56,934,206
Charge for the period	4,744,518
<b>As at June 30, 2025 (Unaudited)</b>	<b>61,678,724</b>
<b>Carrying value as at June 30, 2025 (Unaudited)</b>	<b>70,724,499</b>
Carrying value as at December 31, 2024 (Audited)	75,469,017

**b) Lease liabilities**

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
Balance at the beginning of the period / year	<b>136,817,327</b>	139,203,612
Add: Interest charge during the period / year	<b>1,593,950</b>	3,400,118
Less: Payments during the period / year	-	(379,204)
Less: Transfers related to discontinued operations	-	(5,407,199)
Balance at the end of the period / year	<b>138,411,277</b>	136,817,327
<b>Comprising:</b>		
Current portion	<b>53,152,620</b>	51,558,670
Non-current portion	<b>85,258,657</b>	85,258,657
	<b>138,411,277</b>	136,817,327

**7 Inventories**

Spare parts	<b>129,548,633</b>	130,400,046
Burning media	<b>59,077,331</b>	60,904,562
Semi-finished products	<b>43,147,293</b>	31,333,113
Raw materials	<b>8,635,611</b>	10,129,392
Finished products	<b>2,400,677</b>	803,127
Bags and packing materials	<b>327,298</b>	397,626
	<b>243,136,843</b>	233,967,866
Less: Allowance for slow moving inventories	<b>(140,581,233)</b>	(140,581,233)
	<b>102,555,610</b>	93,386,633
Inventories in transit	<b>8,652,231</b>	2,602,918
	<b>111,207,841</b>	95,989,551

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

Balance at the beginning of the period / year	<b>140,581,233</b>	110,516,529
Charge during the period / year	-	30,064,704
Balance at the end of the period / year	<b>140,581,233</b>	140,581,233

Insurance policy against the inventories is assigned against bank borrowings. (Note 15).

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
In Arab Emirates Dirham

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
<b>8 Trade receivables</b>		
Trade receivables	57,409,200	60,824,536
Less: Allowance for expected credit losses	(56,211,524)	(56,211,524)
	<u>1,197,676</u>	<u>4,613,012</u>

Trade receivables are assigned against bank borrowings (Note 15).

**9 Advances, deposits and other receivables**

Advances to suppliers	1,194,795	1,155,777
VAT receivable-net	2,944,741	2,562,316
Prepayments	1,188,770	316,101
Deposits	337,575	337,575
Staff loans and advances	61,398	23,069
Other receivables	1,399,352	1,221,821
	<u>7,126,631</u>	<u>5,616,659</u>

**10 Cash and bank balances**

Cash at banks	1,204,738	489,642
Cash in hand	235,969	303,165
	<u>1,440,707</u>	<u>792,807</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.

**11 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.

**12 Statutory reserve**

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

According to the Articles of Association of the Parent Entity and U.A.E. 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. This reserve is not available for distribution.

**13 Revaluation reserve**

Balance at the beginning of the period / year	34,747,500	34,747,500
Balance at the end of the period / year	<u>34,747,500</u>	<u>34,747,500</u>

The Land mentioned in Note 4 of AED 34,997,500 is stated at valuation by Land and Property Management - Dibba Municipality - Government of Fujairah and the difference amounting to AED 34,747,500 was credited to the revaluation reserve.

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
In Arab Emirates Dirham

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
<b>14 Accumulated losses</b>		
Balance at the beginning of the period / year	(152,022,021)	(130,520,723)
Net (loss) for the period / year	(69,379,938)	(183,251,710)
Offsetting of loss for the period / year against voluntary reserve	-	161,750,412
Balance at the end of the period / year	(221,401,959)	(152,022,021)
<b>15 Bank borrowings</b>		
<b>a) Long - term borrowings:</b>		
Balance at the beginning of the period / year	376,803,260	376,948,178
Transfer from short term borrowings / received during the period / year	-	59,383
Repaid during the period / year	-	(204,301)
<b>Total</b>	<b>376,803,260</b>	<b>376,803,260</b>
Current portion of long - term borrowings	229,969,451	183,908,734
Non-current portion of long - term borrowings	146,833,809	192,894,526
<b>b) Other bank borrowings:</b>		
Trust receipts	82,357,603	82,357,603
Short term loans	40,000,000	40,000,000
Bank overdrafts	34,217,348	33,924,061
	<b>156,574,951</b>	<b>156,281,664</b>
<b>c) Details of bank borrowings are as follows :</b>		
<b>i) Non-current portion</b>		
In the second year	58,939,680	85,150,337
In the third to fifth year	87,894,129	106,483,699
After five years	-	1,260,490
<b>Total</b>	<b>146,833,809</b>	<b>192,894,526</b>
<b>ii) Current portion</b>		
Bank borrowings	229,969,451	183,908,734
Other bank borrowings	156,574,951	156,281,664
	<b>386,544,402</b>	<b>340,190,398</b>
<i>Bank borrowings are presented in condensed consolidated interim statement of financial position as:</i>		
Current portion	386,544,402	340,190,398
Non-current portion	146,833,809	192,894,526
	<b>533,378,211</b>	<b>533,084,924</b>

Securities:

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

As at June 30, 2025, the Group failed to meet the below financial covenants as per bank facility letters.

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
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**15 Bank borrowings (continued)**

Securities:

*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.

*National 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.

**16 Employees' end of service benefits**

	June 30, 2025	December 31, 2024
	(Unaudited)	(Audited)
Balance at the beginning of the period / year	129,830	10,073,845
Add: Charge for the period / year	196,753	822,480
Less: Paid during the period / year	(123,007)	(10,766,495)
Balance at the end of the period / year	<u>203,576</u>	<u>129,830</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.

**17 Trade and other payables**

Trade payables	213,572,591	206,591,419
Interest payable	66,328,790	45,416,655
Accrued expenses	20,800,068	7,541,838
Dividends payable	3,158,634	3,158,634
Advances from customers	3,109,294	1,116,270
Other payables	38,336	47,461
	<u>307,007,713</u>	<u>263,872,277</u>

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

Current portion	304,312,957	259,381,013
Non-current portion	2,694,756	4,491,264
	<u>307,007,713</u>	<u>263,872,277</u>

**18 Revenue**

	Six months period ended June 30,		Three months period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Revenue recognized at a point in time</b>				
<b>Sales:</b>				
Within U.A.E.	1,368,013	568,150	756,789	486,886
Other GCC countries	68,920	214,630	68,920	17,300
	<u>1,436,933</u>	<u>782,780</u>	<u>825,709</u>	<u>504,186</u>

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
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**19 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.

	Six months period ended June 30,		Three months period ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
Revenue	-	519,047	-	-
Cost of sales	-	(878,428)	-	-
Gross (loss)	-	(359,381)	-	-
Other income	73,260	68,308	-	63,112
General and administrative expenses	(836,440)	(447,136)	(551)	(159,645)
Provision for impairment of trade receivables	211,055	-	71,669	-
Provision for impairment of property, plant and equipment	(510,917)	-	-	-
Production idle cost during stoppage	-	(302,424)	-	(3,583)
Finance costs - bank borrowings	-	(9,459)	-	(4,125)
Finance costs - lease liabilities	-	(75,895)	-	(44,233)
Net loss for the period from discontinued operations	(1,063,042)	(1,125,987)	71,118	(148,474)
<b>Cash flows from discontinued operations</b>				
Net cash inflows from operating activities	162,784	37,106	57,494	213,228
Net cash inflows from investing activities	2,026,000	-	-	-
Net cash (outflows) / inflows from financing activities	(6,372,045)	293,393	(67,702)	(87,777)
<b>Net cash (outflows) / inflows</b>	<b>(4,183,261)</b>	<b>330,499</b>	<b>(10,208)</b>	<b>125,451</b>

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

	June 30, 2025 (Unaudited)	December 31, 2024 (Audited)
<b>Assets</b>		
Property, plant and equipment	-	3,154,558
Right-of-use assets	4,406,064	4,406,064
Inventories	-	140,287
Trade and other receivables	-	1,272,054
Other receivables	1,068,425	-
Cash and bank balances	1,587	4,184,848
<b>Liabilities</b>		
Lease liabilities	(4,652,893)	(4,652,893)
Trade and other payables	(3,401,290)	(3,648,996)
<b>Net (liabilities) / assets relating to discontinued operations</b>	<b>(2,578,107)</b>	<b>4,855,922</b>

**20 Basic and diluted loss per share**

	Six months period ended June 30,		Three months period ended June 30,	
	2025 (Unaudited)	2024 (Unaudited)	2025 (Unaudited)	2024 (Unaudited)
<b>Continuing operations</b>				
Loss for the period (AED)	(68,316,896)	(87,496,880)	(33,619,498)	(50,132,541)
Weighted average number of shares	355,865,320	355,865,320	355,865,320	355,865,320
Basic and diluted loss per share (AED)	(0.192)	(0.246)	(0.094)	(0.141)

Notes to the condensed consolidated interim financial statements for the six months period ended June 30, 2025 (Unaudited)  
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**20 Basic and diluted loss per share (continued)**

	Six months period ended June 30,		Three months period ended June 30,	
	2025	2024	2025	2024
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Discontinued operations</b>				
(Loss) / profit for the period (AED)	<b>(1,063,042)</b>	(1,125,987)	<b>71,118</b>	(148,474)
Weighted average number of shares	<b>355,865,320</b>	355,865,320	<b>355,865,320</b>	355,865,320
Basic and diluted loss per share (AED)	<b>(0.003)</b>	(0.003)	<b>0.000</b>	(0.000)

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.

**21 Contingent liabilities and capital commitments**

	June 30, 2025	December 31, 2024
	(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 capital commitments on the Group's condensed consolidated interim financial statements as of reporting date.

**22 Tax**

As per the Group's assessment, there is no current tax and deferred tax impact on account of the CT Law in the condensed consolidated interim financial statements for the period ended 30 June 2025. Amounts accrued for tax expense in an interim period may have to be adjusted in subsequent interim period if the estimate of the annual income tax rate changes. Based on the assessment, the Group has noted no deferred tax impact for the quarter ended June 30, 2025. Further, the Group had not recognized deferred tax asset on carryforward losses due to absence of virtual certainty of future taxable income.