



### Detailed analysis of accumulated losses

<b>Date</b>	14/05/2026
<b>Name of the Listed Company</b>	Fujairah Cement Industries PJSC.
<b>Define the period of the financial statements</b>	Q1-2026
<b>Value of the Accumulated losses</b>	AED 242,898,267
<b>Accumulated losses to capital ratio</b>	68.25%
<b>The main reasons leading to these accumulated losses and their history</b>	<p>The accumulated losses primarily stem from the suspension of operations beginning 01.01.2024. Production was halted to undertake major refurbishment activities, and the shutdown extended further due to liquidity constraints, which delayed the restart of operations. During this prolonged idle period, the factory continued to incur fixed overheads, significantly contributing to the build-up of accumulated losses.</p> <p>Operations successfully resumed in June 2025, and since then the company has demonstrated a consistent improvement in operational and financial performance. With production stabilizing, better cost discipline, and improved plant efficiency, the losses narrowed substantially through the second half of 2025.</p> <p>This positive trajectory has now translated into a clear turnaround, with the company achieving a net profit of approximately AED 5.67 million in Q1-2026. This marks a strong recovery from the earlier loss-making period and reflects the benefits of resumed operations, enhanced cost control, and improved market conditions.</p>
<b>Measures to be taken to address accumulated losses:</b>	<p>We successfully regained market share during the last quarter, and we are currently targeting an expansion to 50% market share. In parallel, 75% of our clinker production is already contracted for export, ensuring predictable and stable revenue inflows for the coming periods.</p> <p>These improvements have materially strengthened our financial position. With the plant now operating at higher and more stable capacity levels, fixed costs are being absorbed more efficiently, and export revenues are contributing to stronger margins. As a result, the company has achieved a net profit of approximately AED 5.67 million in Q1-2026, marking a decisive shift from loss mitigation to sustained profitability.</p>

**Chairman**  
Mohamed Bin Hamad Bin Saif Alsharqi

