

**Sharjah Cement and Industrial  
Development Co. (PJSC) and its  
subsidiary**

**INTERIM CONDENSED CONSOLIDATED  
FINANCIAL STATEMENTS (UNAUDITED)**

**31 MARCH 2025**

## **REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS TO THE SHAREHOLDERS OF SHARJAH CEMENT AND INDUSTRIAL DEVELOPMENT CO. (PJSC)**

### ***Introduction***

We have reviewed the accompanying interim condensed consolidated financial statements of Sharjah Cement and Industrial Development Co. (PJSC) (the “Company”) and its subsidiary (the “Group”), which comprise the interim consolidated statement of financial position as at 31 March 2025 and the related interim consolidated statements of profit or loss, comprehensive income, cash flows and changes in equity for the three-month period then ended and explanatory notes. Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with International Financial Reporting Standard IAS 34 Interim Financial Reporting (“IAS 34”). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

### ***Scope of Review***

We conducted our review in accordance with International Standard 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 on 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.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Ernst & Young Middle East (Dubai Branch)



Wardah Ebrahim  
Registration No.: 1258

8 May 2025

Sharjah, United Arab Emirates

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the three-month period ended 31 March 2025 (unaudited)

		<i>Three-month period ended 31 March (unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Revenue from contracts with customers	4	177,995	167,616
Cost of sales		(157,126)	(154,419)
<b>GROSS PROFIT</b>		<b>20,869</b>	13,197
Administrative and general expenses		(6,472)	(5,175)
Selling and distribution expenses		(1,560)	(1,668)
Investment income	5	8,750	9,865
Finance expenses		(6,524)	(8,117)
Other income		1,041	551
<b>PROFIT BEFORE TAX</b>		<b>16,104</b>	8,653
Income tax expense	18	(601)	(205)
<b>PROFIT FOR THE PERIOD</b>		<b>15,503</b>	8,448
<b>Profit attributable to:</b>			
Equity holders of the parent		15,503	8,448
<b>Earnings per share</b>			
Basic and diluted earnings per share	15	0.025	0.014

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

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**INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the three-month period ended 31 March 2025 (unaudited)

		<i>Three-month period ended 31 March (unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
<b>Profit for the period</b>		<b>15,503</b>	8,448
<b>Other comprehensive income for the period</b>			
<i>Items that will not be reclassified to profit or loss:</i>			
Investments carried at FVTOCI - net change in fair value	7.1	(2,893)	(8,461)
Deferred tax on fair value change	7.1	85	761
<b>Other comprehensive loss for the period</b>		<b>(2,808)</b>	(7,700)
<b>Total comprehensive income for the period</b>		<b>12,695</b>	748
<b>Total comprehensive income attributable to:</b>			
Equity holders of the parent		<b>12,695</b>	748

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The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

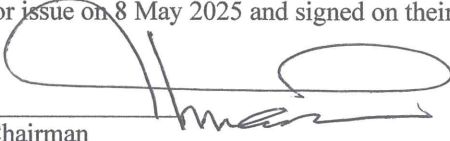
Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025 (unaudited)

	Notes	31 March 2025 AED'000 (unaudited)	31 December 2024 AED'000 (audited)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		880,572	882,891
Investment properties	8	240,006	241,982
Investments carried at FVTOCI	7	164,492	167,253
Deferred tax asset		559	325
		<u>1,285,629</u>	<u>1,292,451</u>
<b>Current assets</b>			
Inventories	9	259,727	287,439
Trade and other receivables		303,145	265,217
Investments carried at FVTPL	7	44,089	38,310
Bank balances and cash	10	44,785	42,967
Asset held for sale	6	28,291	47,293
		<u>680,037</u>	<u>681,226</u>
<b>TOTAL ASSETS</b>		<u><u>1,965,666</u></u>	<u><u>1,973,677</u></u>
<b>EQUITY AND LIABILITIES</b>			
Share capital	12	608,254	608,254
Statutory reserve	13	334,091	334,091
General reserve	14	226,373	226,373
Fair value reserve	7	43,706	46,514
Proposed dividend	20	30,413	30,413
Retained earnings		114,478	98,975
		<u>1,357,315</u>	<u>1,344,620</u>
<b>Non-current liabilities</b>			
Long term borrowings	11	103,631	94,389
Provision for staff terminal benefits		33,628	33,379
Deferred tax liability	18	62	148
		<u>137,321</u>	<u>127,916</u>
<b>Current liabilities</b>			
Trade and other payables		149,097	220,435
Short term borrowings	11	321,933	280,706
		<u>471,030</u>	<u>501,141</u>
<b>Total liabilities</b>		<u>608,351</u>	<u>629,057</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>1,965,666</u></u>	<u><u>1,973,677</u></u>

These interim condensed consolidated financial statements were approved by the Board of Directors, and authorised for issue on 8 May 2025 and signed on their behalf by:

  
Chairman

  
Chief Executive Officer

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

For the three-month period ended 31 March 2025 (unaudited)

		<i>Three-month period ended 31 March (unaudited)</i>	
	<i>Notes</i>	<i>2025 AED'000</i>	<i>2024 AED'000</i>
<b>OPERATING ACTIVITIES:</b>			
Profit before tax		<b>16,104</b>	8,653
<i>Adjustments for:</i>			
Depreciation on property, plant and equipment		<b>19,043</b>	17,515
Depreciation on investment properties		<b>1,976</b>	1,963
Provision for staff terminal benefits		<b>656</b>	593
Provision/(reversal) for inventory	9	<b>100</b>	(281)
Allowance for expected credit loss		<b>200</b>	-
Gain on disposal of property, plant and equipment		<b>(10)</b>	(101)
Gain on change in fair value of investments carried at FVTPL	5	<b>(26)</b>	(2,277)
Dividend income	5	<b>(6,693)</b>	(5,870)
Finance expense		<b>6,524</b>	8,252
		<b>37,874</b>	28,447
<i>Working capital adjustments:</i>			
Inventories	9	<b>27,612</b>	14,890
Trade and other receivables		<b>(38,128)</b>	(32,734)
Trade and other payables		<b>(52,314)</b>	6,434
		<b>(24,956)</b>	17,037
Staff terminal benefits paid		<b>(407)</b>	(1,253)
Net cash (used in)/from operating activities		<b>(25,363)</b>	15,784
<b>INVESTING ACTIVITIES</b>			
Acquisition of property, plant and equipment		<b>(16,724)</b>	(4,986)
Proceeds from disposal of property, plant and equipment		<b>155</b>	192
Purchase of investments carried at FVTOCI	7.1	<b>(881)</b>	-
Proceeds from disposal of investments carried at FVTOCI	7.1	<b>749</b>	171
Dividend income received	5	<b>6,693</b>	5,870
Purchase of investment carried at FVTPL	7.2	<b>(5,753)</b>	-
Net cash (used in)/from investing activities		<b>(15,761)</b>	1,247
<b>FINANCING ACTIVITIES</b>			
Proceeds from long term and short term bank loans		<b>162,219</b>	164,299
Repayment of long term and short term bank loans		<b>(111,750)</b>	(170,196)
Interest paid		<b>(7,527)</b>	(9,295)
Net cash from/(used in) financing activities		<b>42,942</b>	(15,192)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>			
		<b>1,818</b>	1,839
Cash and cash equivalents at the beginning of the period		<b>42,967</b>	19,546
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	10	<b>44,785</b>	21,385
<i>Represented by:</i>			
Cash in hand and at bank		<b>44,785</b>	21,385

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three-month period ended 31 March 2025 (unaudited)

	<i>Share capital AED' 000</i>	<i>Statutory reserve AED'000</i>	<i>General reserve AED'000</i>	<i>Fair value reserve AED'000</i>	<i>Retained earnings AED'000</i>	<i>Proposed dividend AED'000</i>	<i>Total AED'000</i>
Balance at 1 January 2025 (audited)	608,254	334,091	226,373	46,514	98,975	30,413	1,344,620
Profit for the period	-	-	-	-	15,503	-	15,503
Other comprehensive loss for the period	-	-	-	(2,808)	-	-	(2,808)
Total comprehensive income for the period	-	-	-	(2,808)	15,503	-	12,695
<b>Balance at 31 March 2025 (unaudited)</b>	<b>608,254</b>	<b>334,091</b>	<b>226,373</b>	<b>43,706</b>	<b>114,478</b>	<b>30,413</b>	<b>1,357,315</b>
Balance at 1 January 2024 (audited)	608,254	334,091	226,373	26,040	104,026	-	1,298,784
Profit for the period	-	-	-	-	8,448	-	8,448
Other comprehensive loss for the period	-	-	-	(7,700)	-	-	(7,700)
Total comprehensive income for the period	-	-	-	(7,700)	8,448	-	748
Balance at 31 March 2024 (unaudited)	608,254	334,091	226,373	18,340	112,474	-	1,299,532

The attached notes 1 to 21 form part of these interim condensed consolidated financial statements.

# Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

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## NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (unaudited)

### 1 CORPORATE INFORMATION

Sharjah Cement and Industrial Development Co. (PJSC) (the “Company”) was incorporated in Sharjah, United Arab Emirates in 1977 under an Emiri Decree issued by H.H The Ruler of Sharjah and has since been registered as a public joint stock company. The registered office of the Company is P.O. Box 2083 Sharjah, United Arab Emirates. The shares of the Company are listed on Abu Dhabi Securities Market.

The interim condensed consolidated financial statements (‘interim financial statements’) as at and for the three-month period ended 31 March 2025 comprise the Company and its subsidiary (collectively referred to as the “Group”).

The Group is engaged in the manufacture and supply of cement, clinker, paper sacks and plastic ropes. The Group invests its surplus funds in investment securities, private equities and properties. The Group operates from Sharjah, United Arab Emirates and sells its products in the UAE and certain other countries in the Middle East, Africa and Asia.

### 2 BASIS OF PREPARATION

#### *Statement of compliance*

These interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended 31 December 2024 (‘last annual financial statements’). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

In addition, results for the three month ended 31 March 2025 are not necessarily indicative of the results that may be expected for the financial year ending 31 December 2024.

#### *Basis of measurement*

These interim financial statements have been presented on the historical cost basis except for investments carried at fair value through other comprehensive income (“FVTOCI”), investments carried at fair value through profit or loss (“FVTPL”) and derivative financial instruments which are measured at fair value.

#### *Functional and presentation currency*

These interim financial statements are presented in United Arab Emirates Dirham (“AED”), rounded to nearest thousand except when otherwise indicated, which is the Company’s functional currency.

#### *Accounting estimates and judgments*

In preparing these interim financial statements, management has made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those described in the last annual financial statements.

#### *Measurement of fair values*

A number of the Group’s accounting policies and disclosures require the determination of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a management team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values. The management team regularly reviews significant unobservable inputs and valuation adjustments.

If third party information is used to measure fair values, then the management team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified.



## 2 BASIS OF PREPARATION (continued)

### *Measurement of fair values (continued)*

When measuring the fair value of an asset or liability, the Group uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the significant assumptions made in measuring fair values are explained in Group's consolidated financial statements as at and for the year ended 31 December 2024.

### 2.1 BASIS OF CONSOLIDATION

The Group comprises of the Company and the under-mentioned subsidiary company.

<i>Subsidiary</i>	<i>Principal activity</i>	<i>Country of incorporation</i>	<i>Ownership</i>	
			2025	2024
Gulf Rope & Plastic Products Co. LLC	Rope and plastic products	United Arab Emirates	100%	100%

### *Basis of consolidation*

The interim condensed consolidated financial statements comprise the financial statements of the Group and its subsidiary as at 31 March 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if, and only if, the Group has:

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

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity while any resultant gain or loss is recognised in profit or loss. Any investment retained is recognised at fair value.

### 3 GROUP'S ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed financial statements are consistent with those followed in the preparation of the Groups annual consolidated financial statements for the year ended 31 December 2024, except for the adoption of new standards effective as of 1 January 2025. The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

#### *New standards, interpretations and amendments*

The following new and revised IFRS Accounting Standards, which became effective for annual periods beginning on or after 1 January 2025, have been adopted in these interim condensed consolidated financial statements. The application of these revised IFRS, did not have any material impact on the amounts reported for the current and prior periods.

#### New and revised IFRSs

Lack of exchangeability - Amendments to IAS 21

Effective for annual periods beginning on or after

1 January 2025

#### *New and revised IFRS in issue but not yet effective and not early adopted*

#### New and revised IFRS

IFRS 9 and IFRS 7— Amendment regarding the classification and measurement of financial instrument

Effective for annual periods beginning on or after

1 January 2026, earlier application is permitted

IFRS 18 — Presentation and Disclosure in Financial Statements

1 January 2027, earlier application is permitted

IFRS 19 — Subsidiaries without Public Accountability

1 January 2027, earlier application is permitted

Management anticipates that these new standards, interpretations and amendments will be adopted in the Group's financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements of the Group in the period of initial application.

### 4 REVENUE FROM CONTRACT WITH CUSTOMERS

Revenue from contract with customers consists of the following:

	<i>Three-month period ended 31 March (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>
<b>Type of revenue</b>		
Sale of goods	<b>177,995</b>	167,615
<b>Geographical markets</b>		
Within UAE	<b>159,444</b>	144,566
Outside UAE	<b>18,551</b>	23,049
Total revenue from contracts with customers	<b>177,995</b>	167,615
<b>Timing of revenue recognition</b>		
Good transferred at point in time	<b>177,995</b>	167,615

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (unaudited)

**4 REVENUE FROM CONTRACT WITH CUSTOMERS (continued)**

**Contract balances**

A contract asset is Group's right to consideration in exchange for goods that has been transferred to the customers. The Group has trade receivable of AED 287,670 thousand (31 December 2024: AED 259,292 thousand) and short term advances received from customers to supply the goods are AED 9,086 thousand (31 December 2024: AED 6,591 thousand) as at March 2025.

**Performance obligations**

The performance obligation on sales of goods is satisfied upon delivery and payment is generally due within 150 to 210 days from delivery (2024: 150 to 210 days).

**5 INVESTMENT INCOME**

	<i>Three-month period ended 31 March (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Gain on change of fair value of investments carried at FVTPL (refer note 7.2)	26	2,277
Operating income from investment properties	1,596	1,246
Dividend income	6,693	5,870
Others	435	472
	<b>8,750</b>	<b>9,865</b>

**6 ASSET HELD FOR SALE**

	<i>31 March 2025 AED'000 (unaudited)</i>	<i>31 December 2024 AED'000 (audited)</i>
Opening balance	47,293	47,293
Less: disposal of shares to the buyer	(19,002)	-
Closing balance	<b>28,291</b>	<b>47,293</b>

- (i) This represents 35.5% shareholding of Autoline Industrial Park Limited ("AIPL") in India which holds industrial plots of land in Maharashtra, India.
- (ii) The Board of Directors of AIPL has approved the sale of AIPL and has signed a Memorandum of Understanding with a buyer. The Board of Directors of the Group also approved the sale of Group's shareholding in AIPL.
- (iii) The Group has signed a memorandum of understanding to sell its shareholding in AIPL to a buyer and has agreed on a payment plan. As of March 31, 2025, the Group has received total amount of INR 675 million, equivalent to AED 27.5 million. According to the original MOU, the share transfer would begin once the Group had received 49% of the payment and this condition was later revised to 30%.
- (iv) As of March 31, 2025, against the consideration received the Group has transferred 11.3 million shares to the buyer, which represents about 40% of its shareholding in the investee company. The Group expects to receive the full sale consideration within the next three months.
- (v) Management is of the view that the fair value less cost to sell is expected to be higher than the carrying value.

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (unaudited)

**7 INVESTMENTS**

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
<i>Investments carried at FVTOCI</i>		
Investment in quoted equity securities	<b>132,279</b>	135,172
Investment in unquoted securities	<b>32,213</b>	32,081
(i) - refer note 7.1	<b>164,492</b>	167,253
<i>Investments carried at FVTPL</i>		
Investment in quoted equity securities	<b>44,089</b>	38,310
(ii) - refer note 7.2	<b>44,089</b>	38,310
(i) + (ii)	<b>208,581</b>	205,563
	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
<i>Quoted:</i>		
Inside UAE	<b>148,966</b>	141,946
Outside UAE	<b>27,402</b>	31,536
	<b>176,368</b>	173,482
<i>Unquoted:</i>		
Inside UAE	<b>325</b>	325
Outside UAE	<b>31,888</b>	31,756
	<b>32,213</b>	32,081
	<b>208,581</b>	205,563

**7.1 Investments carried at FVTOCI**

This include investments in equity shares of listed companies. Fair values of these equity shares are determined by reference to published price quotations in an active market. The Group holds non-controlling interests in these companies. FVTOCI also includes the investments in funds which are unquoted. These investments were irrevocably designated at fair value through OCI as the Group considers these investments to be strategic in nature.

Movement during the period / year is as below:

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
As at 1 January	<b>167,253</b>	157,169
Purchases made during the period/year	<b>881</b>	1,764
Net change in fair value	<b>(2,893)</b>	15,772
Disposals/repayment during the period/year	<b>(749)</b>	(7,452)
Balance at end of the period/year	<b>164,492</b>	167,253

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary  
NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
As at 31 March 2025 (unaudited)

**7 INVESTMENTS (continued)**

**7.1 Investments carried at FVTOCI (continued)**

**Cumulative changes in fair value of investments carried at FVTOCI**

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
As at 1 January	<b>46,514</b>	26,040
Net change in fair value during the period/year	<b>(2,893)</b>	15,772
Deferred tax on unrealized fair value change (note 18)	<b>85</b>	(148)
Transfer to retained earnings upon disposal	<b>-</b>	4,850
Balance at end of the period/year	<b>43,706</b>	46,514

**7.2 Investments carried at FVTPL**

This include investments in equity shares of listed companies. Fair values of these equity shares are determined by reference to published price quotations in an active market. Movement during the year as follows:

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
As at 1 January	<b>38,310</b>	31,762
Purchases made during the period/year	<b>5,753</b>	-
Fair value gain (note 5)	<b>26</b>	6,548
Balance at the end of period/year	<b>44,089</b>	38,310

The table below analyses financial instruments, measured at fair value at the end of the reporting period, by the level in the fair value hierarchy into which the fair value measurement is categorized:

	<b>Level 1 AED'000</b>	<b>Level 2 AED'000</b>	<b>Level 3 AED'000</b>	<b>Total AED'000</b>
<b>At 31 March 2025 (unaudited)</b>				
Investments carried at FVTOCI	<b>132,279</b>	-	<b>32,213</b>	<b>164,492</b>
Investments carried at FVTPL	<b>44,089</b>	-	-	<b>44,089</b>
	<b>176,368</b>	-	<b>32,213</b>	<b>208,581</b>
<b>At 31 December 2024 (audited)</b>				
Investments carried at FVTOCI	135,172	-	32,081	167,253
Investments carried at FVTPL	38,310	-	-	38,310
	173,482	-	32,081	205,563

There were no transfers between the levels during the period.

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (unaudited)

**8 INVESTMENT PROPERTIES**

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
<b>Cost:</b>		
Lands	<b>96,767</b>	96,767
Buildings	<b>226,731</b>	226,731
	<b>323,498</b>	323,498
<b>Depreciation and impairment:</b>		
Accumulated depreciation	<b>(80,013)</b>	(78,037)
Impairment	<b>(3,479)</b>	(3,479)
Net book value	<b>240,006</b>	241,982

Investment properties are accounted for using the cost model. The fair valuation of the investment properties is performed on a periodic basis, at least annually. Recent valuation was performed as at 31 December 2024 and has been arrived on the basis of a valuation report issued by an independent valuer. The valuer is registered in the United Arab Emirates. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. Fair value of the Group's investment properties are based on unobservable inputs (i.e. Level 3). The fair value of the entire portfolio of investment properties as at 31 December 2024 was AED 457,180 thousand.

**9 INVENTORIES**

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
Raw materials	<b>101,788</b>	135,502
Work in progress and semi-finished goods	<b>44,625</b>	43,291
Finished goods	<b>17,039</b>	15,169
Stores and spares	<b>117,015</b>	117,307
	<b>280,467</b>	311,269
Less: provision for slow moving inventories	<b>(25,712)</b>	(25,612)
	<b>254,755</b>	285,657
Goods-in-transit	<b>4,972</b>	1,782
	<b>259,727</b>	287,439

Movement in the provision for slow moving inventories is as follows:

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
At 1 January	<b>25,612</b>	22,343
Add: provided during the period/year	<b>100</b>	4,300
Less: written back during the period/year	<b>-</b>	(1,031)
	<b>25,712</b>	25,612

Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary

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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

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**10 BANK BALANCES AND CASH**

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
Cash in hand	<b>488</b>	490
Bank balances	<b>44,297</b>	42,477
	<b>44,785</b>	42,967

Bank balances includes AED 0.32 million (31 December 2024: AED 1.6 million) held outside UAE.

**11 BANK BORROWINGS**

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
<i>Long term borrowings:</i>		
Term loans	<b>151,402</b>	142,160
Less: current portion of term loans	<b>(47,771)</b>	(47,771)
Non-current portion of term loans	<b>103,631</b>	94,389
<i>Short term borrowings:</i>		
Short term loans	<b>274,162</b>	232,935
Current portion of term loans	<b>47,771</b>	47,771
	<b>321,933</b>	280,706

- (i) All facilities bear interest rates at prevailing market rates.
- (ii) Bank borrowings are secured by:
- Demand promissory note for AED 256 million in favor of the bank as a security against the bank facilities.
  - Registered mortgage & assignment of insurance policy over an investment property for an amount of AED 92 million.
  - Assignment of insurance policy in favour of one of the banks in UAE for an amount of AED 130 million in respect of plant and machinery on Paari Passu basis.
  - Registered pledge and assignment of insurance policy over captive power plant for an amount of AED 100 million in favor of one of the banks in UAE.
  - Registered pledge and assignment of insurance policy over waste heat recovery plant for an amount of AED 30 million in favour of one of the banks in UAE.
- (iii) Bank borrowing agreements contain various restrictive covenants and require the Group to maintain certain minimum amounts of working capital, equity and financial ratios. Testing for compliance with the financial covenants is done annually on 31 December. These covenants were met by the Group as at 31 March 2025.
- (iv) The Group has unused credit facilities of AED 152 million as at 31 March 2025 (31 December 2024: AED 194 million).
- (v) Interest rate on these borrowings varies from 6.25% to 7.25% (2024: 6.25% to 7.25%).

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## 12 SHARE CAPITAL

	<b>31 March 2025 AED'000 (unaudited)</b>	<b>31 December 2024 AED'000 (audited)</b>
Authorised, issued and paid up 608,253,747 shares of AED 1 each	<b>608,254</b>	608,254

## 13 STATUTORY RESERVE

In accordance with the UAE Federal Law No. (32) of 2021 and the Company's Articles of Association, 10% of the profit of the Company is allocated every year to a non-distributable statutory reserve. Such allocation may be ceased when the statutory reserve equals half of the paid up share capital of the Company. This reserve is not available for distribution except in circumstances stipulated by the law. The Board of Directors have not proposed any further transfer to the statutory reserve as the reserve is in excess of 50% of the paid up share capital.

## 14 GENERAL RESERVE

As per Company's Articles of Association, 10% of the profit for the year has to be transferred to general reserve until the reserve reaches 25% of the paid up share capital. This reserve is available for distribution at the recommendation of the directors and approval of shareholders in an ordinary general meeting. The Board of Directors have not proposed any further transfer to the general reserve as the reserve is in excess of 25% of the paid up share capital.

## 15 EARNINGS PER SHARE

The calculation of basic earnings per share is based on the profit attributable to owners of the Group and the weighted average number of ordinary shares outstanding as at 31 March 2025, calculated as follows:

	<b>Three-month period ended 31 March (unaudited)</b>	
	<b>2025 AED'000</b>	<b>2024 AED'000</b>
Profit for the period (AED'000)	<b>15,503</b>	8,448
Weighted average number of shares ('000)	<b>608,254</b>	608,254
Basic and diluted earnings per share (AED)	<b>0.025</b>	0.014

## 16 CONTINGENT LIABILITIES AND COMMITMENTS

As at 31 March 2025, the Group has issued guarantees relating to performance bonds amounting to AED 1,585 thousand (31 December 2024: AED 1,606 thousand), from which it is anticipated that no material liabilities will arise.

The group has commitments towards letter of credit at the reporting date amounted to AED 5,678 thousand (31 December 2024: AED 1,478 thousand).

Estimated capital expenditure commitment at the reporting date amounted to AED 31,737 thousand (31 December 2024: AED 12,269 thousand). The Group also has commitments of AED 1,618 thousand (31 December 2024: AED 2,500 thousand) on account of investments made in securities and funds. The Group has to pay as and when calls are made by the fund managers/investee companies.



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NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

As at 31 March 2025 (unaudited)

## 17 SEGMENT REPORTING

The Group has broadly two major reportable segments as described below, which are the Group's strategic business units. The strategic business units operate in different sectors and are managed separately because they require different strategies. The following summary describes the operation in each of the Group's reportable segments:

*Manufacturing segment* includes cement, paper sacks and ropes products.  
*Investment segment* includes investment and cash management for the Company's own account.

Investment segment is organised into two business units as follows:

- Investment and letting out properties in UAE.
- Investment in public and private equities and funds, mainly in GCC and Asia.

The above segments are the basis on which the management monitors the operating results of these segments for the purpose of making decisions about resource allocation and performance assessment. Transactions between segments are eliminated on consolidation.

	<i>Three-month period ended 31 March (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>
<b><i>Manufacturing</i></b>		
Revenue from	177,995	167,616
Cost of sales	(157,126)	(154,419)
<b>Gross profit</b>	<b>20,869</b>	13,197
Miscellaneous income	1,041	521
Expenses	(4,430)	(4,335)
Net segment results	<b>17,480</b>	9,383
<b><i>Investment</i></b>		
Income from investment in private and public equities and funds	7,154	8,619
	<b>7,154</b>	8,619
Income from investment properties	3,573	3,209
Depreciation	(1,976)	(1,963)
	<b>1,597</b>	1,246
Net segment results	<b>8,751</b>	9,865
Finance costs	(6,524)	(8,252)
Unallocated income and expenses-Head office	(3,603)	(2,343)
Income tax expense	(601)	(205)
<b>Income for the period</b>	<b>15,503</b>	8,448

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As at 31 March 2025 (unaudited)

**17 SEGMENT REPORTING (continued)**

*Other information*

	<i>31 March 2025 (unaudited)</i>			<i>31 December 2024 (audited)</i>		
	<i>Manufacturing AED'000</i>	<i>Investment AED'000</i>	<i>Total AED'000</i>	<i>Manufacturing AED'000</i>	<i>Investment AED'000</i>	<i>Total AED'000</i>
Segment assets	<b>1,488,764</b>	<b>476,902</b>	<b>1,965,666</b>	1,478,814	494,863	1,973,677
Segment liabilities	<b>599,849</b>	<b>8,502</b>	<b>608,351</b>	613,304	15,753	629,057
Depreciation	<b>19,043</b>	<b>1,976</b>	<b>21,019</b>	71,534	7,874	79,408
Capital expenditure	<b>16,724</b>	<b>881</b>	<b>17,605</b>	78,604	3,746	82,350

*Geographical information*

The following table presents revenue, asset and liability information regarding geographic segments for the periods ended 31 March 2025 and 31 March 2024.

	<i>31 March 2025 (unaudited)</i>			<i>31 March 2024 (unaudited)</i>		
	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>
Revenue	<b>159,444</b>	<b>18,551</b>	<b>177,995</b>	144,567	23,049	167,616
Investment income	<b>7,228</b>	<b>1,522</b>	<b>8,750</b>	7,982	1,883	9,865

	<i>31 March (unaudited)</i>			<i>31 December 2024 (audited)</i>		
	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>	<i>Domestic AED'000</i>	<i>International AED'000</i>	<i>Total AED'000</i>
Assets	<b>1,864,968</b>	<b>100,698</b>	<b>1,965,666</b>	1,851,425	122,252	1,973,677
Liabilities	<b>501,729</b>	<b>106,622</b>	<b>608,351</b>	552,523	76,534	629,057
Capital expenditure	<b>16,724</b>	<b>881</b>	<b>17,605</b>	80,586	1,764	82,350

**Sharjah Cement and Industrial Development Co. (PJSC) and its subsidiary**  
**NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
As at 31 March 2025 (unaudited)

**18 INCOME TAX**

On 9 December 2022, the UAE Ministry of Finance released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses (Corporate Tax Law or the Law) to enact a Federal corporate tax (CT) regime in the UAE. The CT regime has become effective for accounting periods beginning on or after 1 June 2023. The Cabinet of Ministers Decision No. 116 of 2022 (widely accepted to be effective from 16 January 2023) specified the threshold of taxable income to which the 0% UAE CT rate would apply, and above which the 9% UAE CT rate would apply. It is widely considered that this would constitute 'substantive enactment' of the UAE CT Law for the purposes of IAS 12, the objective of which is to prescribe the basis for accounting for Income Taxes.

Current taxes should be measured at the amount expected to be paid to or recovered from the tax authorities by reference to tax rates and laws that have been enacted or substantively enacted, by the end of the any reporting period. Since no taxes were expected to be paid to or recovered from the tax authorities for the periods ended prior to 31 December 2023, no current tax was accounted for in the financial periods ended before 31 December 2023. Since the Group is expected to pay tax in accordance with the provision of the UAE CT Law on its operational results with effect from 1 January 2024, current taxes have been accounted for in the financial statements for the period beginning from 1 January 2024.

Deferred taxes should be measured by reference to the tax rates and laws, as enacted, or substantively enacted, by the end of the reporting period, that are expected to apply in the periods in which the assets and liabilities to which the deferred tax relates are realized or settled. As the UAE CT Law was 'substantively enacted' as at 31 December 2023 for the purposes of IAS 12, the Group considered the application of IAS 12 and any requirements for the measurement and recognition of deferred taxes (if any) for the financial periods ended post 1 June 2023. Tax charge for the period ended 31 March 2025 is AED 601 thousand representing effective tax rate of 3.73%.

	<b>Three-month period ended 31 March</b>	
	<b>2025 (unaudited) AED'000</b>	<b>2024 (unaudited) AED'000</b>
<b><i>Interim Consolidated Statement of Profit or loss</i></b>		
Current income tax charge	<b>834</b>	-
Deferred tax related to gain on investments designated at fair value through P&L	<b>(206)</b>	205
Deferred tax related to the provision for inventory and expected credit losses	<b>(27)</b>	-
	<b>601</b>	205
<b><i>Interim Consolidated Other Comprehensive income</i></b>		
Deferred tax related to net loss on investments designated at fair value through OCI (note 7)	<b>85</b>	761
	<b>31 March 2025 (unaudited) AED'000</b>	<b>31 December 2024 (audited) AED'000</b>
<b><i>Deferred Tax reflected in the statement of financial position as follows;</i></b>		
Deferred Tax Asset	<b>559</b>	325
Deferred Tax Liabilities	<b>(62)</b>	(148)
<b>Deferred tax asset – net</b>	<b>497</b>	177
Movement in Current tax payable is as below;		
As of 1 January	<b>2,376</b>	-
Charge for the period / year	<b>834</b>	2,376
<b>Current tax payable</b>	<b>3,210</b>	2,376

## 19 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties represent major shareholders, directors and key management personnel of the Group, and entities controlled, jointly controlled or significant influenced by such parties. Pricing policies and terms of these transactions are approved by the Group's management and mutually agreed with the related parties.

Compensation of key management personnel is as follows:

	<i>Three-month period ended 31 March (unaudited)</i>	
	<i>2025 AED'000</i>	<i>2024 AED'000</i>
Short term employee benefits and end of service benefits	<b>1,941</b>	1,841
Number of key management personnel	<b>14</b>	14

## 20 DIVIDENDS

At the Board of Directors Meeting held on 5 March 2025, the Directors have proposed AED 30,413 thousand cash dividend at AED 0.05 per share in respect of the year ended 31 December 2024 (31 December 2023: Nil) which has been subsequently approved by the Shareholders in General Assembly meeting held on 10 April 2025.

## 21 APPROVAL OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The interim condensed financial statements were approved by the Board of Directors and authorised for issue on 8 May 2025.